
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all your shares in **Lenovo Group Limited**, you should at once hand this circular and the accompanying proxy form to the purchaser or to the bank, licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

***lenovo* 联想**

Lenovo Group Limited 联想集团有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 0992)

**GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting to be held at Salon 6, 3/F., JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, August 29, 2006 at 9:30 a.m. is set out on pages 13 to 16 of this circular. Whether or not you are able to attend the Annual General Meeting, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the share registrar of the Company, Abacus Share Registrars Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event no less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof and, in such event, the relevant form of proxy shall be deemed to be revoked.

Hong Kong, July 11, 2006



Lenovo Group Limited 聯想集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 0992)

Executive Directors:

Mr. Yang Yuanqing
Mr. William J. Amelio
Ms. Ma Xuezheng

Registered Office:

23rd Floor
Lincoln House
Taikoo Place
979 King's Road
Quarry Bay
Hong Kong

Non-executive Directors:

Mr. Liu Chuanzhi
Mr. Zhu Linan
Mr. James G. Coulter
Mr. William O. Grabe
Mr. Shan Weijian
Mr. Justin T. Chang (*Alternate director to Mr. James G. Coulter*)
Mr. Vince Feng (*Alternate director to Mr. William O. Grabe*)
Mr. Daniel A. Carroll (*Alternate director to Mr. Shan Weijian*)

Independent Non-executive Directors:

Mr. Wong Wai Ming
Professor Woo Chia-Wei
Mr. Ting Lee Sen
Mr. John W. Barter III

July 11, 2006

*To the Shareholders and, for information only,
the holders of Non-voting Shares*

Dear Sir or Madam,

**GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

Pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”) and the Companies Ordinance, Chapter 32 of the Laws of Hong Kong (the “**Companies Ordinance**”), listed companies incorporated in Hong Kong may in certain circumstances, if authorized by their Articles of Association, purchase their own shares.

LETTER FROM THE BOARD

At the annual general meeting of the Company held on August 9, 2005 general mandates were given to the directors of the Company (the “**Directors**”) to exercise the powers of the Company to repurchase shares and to issue shares. Under the Companies Ordinance and the Listing Rules, these general mandates will lapse at the conclusion of the forthcoming annual general meeting of the Company. Ordinary resolutions will therefore be proposed at the annual general meeting of the Company to be held on August 29, 2006 (the “**AGM**”) to approve fresh general mandates to repurchase shares and to issue shares.

The purpose of this circular is to provide you with information regarding, *inter alia*, the proposed general mandates to repurchase shares and to issue shares and the re-election of the retiring Directors.

GENERAL MANDATE TO REPURCHASE SHARES

An ordinary resolution will be proposed at the AGM to give a general and unconditional mandate to the Directors to exercise the powers of the Company to repurchase issued voting ordinary shares of nominal value HK\$0.025 each of the Company up to a maximum of 10 per cent of the issued voting ordinary share capital of the Company at the date of passing of the ordinary resolution (the “**Repurchase Mandate**”). Such authority may only continue in force during the period from the passing of the resolution until the conclusion of the first annual general meeting of the Company following the passing of the ordinary resolution, or revoked or varied by ordinary resolution of the shareholders in general meeting, whichever occurs first.

An explanatory statement as required under the Listing Rules to provide the requisite information is set out in Appendix I to this circular.

GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed to give the Directors a general and unconditional mandate to issue voting ordinary shares representing up to 20 per cent of the issued voting ordinary share capital of the Company at the date of passing of the resolution (the “**Issue Mandate**”). As at July 3, 2006, being the latest practicable date prior to printing of this circular for ascertaining certain information contained in this circular (the “**Latest Practicable Date**”), the issued voting ordinary share capital of the Company comprised 8,505,210,623 voting ordinary shares of nominal value HK\$0.025 each (“**Shares**”). If the ordinary resolution granting the Issue Mandate to the Directors is passed at the AGM, and assuming that no further voting ordinary shares are issued or repurchased prior to the AGM, up to 1,701,042,124 Shares, representing 20 per cent of aggregate nominal amount of the entire issued voting ordinary share capital of the Company as at the date of passing the ordinary resolution at the AGM, may be issued by the Company. The Issue Mandate may only continue in force until the conclusion of the first annual general meeting of the Company following the passing of the ordinary resolution, or revoked or varied by ordinary resolution of the shareholders in general meeting, whichever occurs first. In addition, an ordinary resolution will be proposed to authorize extension of the Issue Mandate which would increase the limit of the Issue Mandate by adding to it the number of Shares repurchased under the Repurchase Mandate.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

Details of the Directors who are proposed to be re-elected at the AGM are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

Set out on pages 13 to 16 is a notice convening the AGM for the purposes of considering and, if thought fit, approving, *inter alia*, the Repurchase Mandate and the Issue Mandate. A form of proxy for use by holders of issued voting ordinary shares or a proxy form for use by holders of preferred shares at the AGM is enclosed, as appropriate. Whether or not you intend to be present at the AGM, you are requested to complete the relevant proxy form and deposit it at the Company's share registrar, Abacus Share Registrars Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the AGM. Completion and deposit of the relevant proxy form will not preclude you from attending and voting at the AGM if you so wish.

PROCEDURES FOR DEMANDING A POLL

Pursuant to the Articles of Association of the Company, a poll may be demanded in the following manner:

- (a) by the Chairman; or
- (b) by at least three shareholders present in person or by proxy for the time being entitled to vote at the meeting; or
- (c) by any shareholder or shareholders present in person or by proxy and representing not less than one-tenth of the total voting rights of all the shareholders having the right to vote at the meeting; or
- (d) by any shareholder or shareholders present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; or
- (e) as required by the applicable Listing Rules.

The Chairman intends to demand poll voting at the AGM for all the resolutions set out in the notice of AGM.

LETTER FROM THE BOARD

RECOMMENDATION

The Board of Directors (the “**Board**”) consider that the re-election of the retiring Directors, the Repurchase Mandate and the Issue Mandate are in the best interests of the Company and its shareholders and recommend that you should vote in favour of all the resolutions to be proposed at the AGM.

Yours faithfully,
By order of the Board
Yang Yuanqing
Chairman

This appendix serves as an explanatory statement to the shareholders as required under the Listing Rules in connection with the proposed Repurchase Mandate and also constitutes the memorandum required under section 49BA of the Companies Ordinance.

1. SHAREHOLDERS' APPROVAL

The Listing Rules provide that all proposed share repurchases on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of shareholders, either by way of general mandate or by specific approval in relation to specific transactions. The Shares proposed to be purchased by the Company must be fully paid up.

2. NUMBER OF SHARES SUBJECT TO THE REPURCHASE MANDATE

As at the Latest Practicable Date, the issued share capital of the Company comprised as follows:

- (a) 8,505,210,623 Shares, representing the issued voting ordinary share capital of the Company;
- (b) 375,282,756 non-voting ordinary shares of nominal value HK\$0.025 each (the “**Non-voting Shares**”); and
- (c) 2,730,000 Series A Cumulative Convertible Preferred Shares of nominal value HK\$9.175 each.

If the ordinary resolution authorizing the Directors to repurchase its own Shares is passed at the AGM, and assuming that no further Shares are issued or repurchased prior to the AGM, up to 850,521,062 Shares, representing 10 per cent of the entire issued voting ordinary share capital of the Company as at the date of passing the resolution at the AGM, may be repurchased by the Company.

3. SOURCE OF FUNDS

Repurchases must be funded out of funds legally available for the purpose in accordance with the Articles of Association of the Company and the laws of Hong Kong. The Companies Ordinance provides that the repurchases may be made either out of distributable profits or the proceeds of a new issue of shares made for such purpose.

4. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and its shareholders for the Directors to have a general authority from the shareholders to enable the Company to repurchase Shares in the market at any appropriate time. Such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value of the Company and/or its earnings per share and will only be made when the Directors believe that such repurchases will benefit the Company and its shareholders.

5. FINANCIAL EFFECT OF REPURCHASES

The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing position which in the opinion of the Directors are from time to time appropriate for the Company. However, on the basis of the most recent published consolidated financial position of the Company as at March 31, 2006, there may be a material adverse impact on the working capital or gearing position of the Company if the Repurchase Mandate is exercised in full.

6. GENERAL

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, their associates, have any present intention to sell any of the Shares to the Company or its subsidiaries if the Repurchase Mandate is approved by the shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong.

No connected person (as defined in the Listing Rules) has notified the Company that it has a present intention to sell any of the Shares to the Company, or has undertaken not to do so, if the Company is authorized to make purchases of Shares.

If, as the result of a repurchase of the Shares, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Code on Takeovers and Mergers (the "**Takeovers Code**"). As a result, a shareholder, or a group of shareholders acting in concert, could, depending on the level of increase of shareholding interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, according to the register maintained under section 336 of the Securities and Futures Ordinance, Legend Holdings Limited (the "**Controlling Shareholder**") and its wholly-owned subsidiary, Right Lane Limited, were collectively interested in 4,148,547,971 Shares, representing approximately 43.64 per cent of the voting rights of the Company (including all voting ordinary shares and preferred shares). Based on such shareholding and in the event that the Directors exercised in full the power to repurchase Shares pursuant to the Repurchase Mandate, their collective shareholding would be increased to approximately 47.92 per cent of the voting rights of the Company (including all voting ordinary shares and preferred shares). Such increase would give rise to an obligation to make a mandatory offer in accordance with rules 26 and 32 of the Takeovers Code.

In the event of an exercise of the Repurchase Mandate, public shareholding in the Company may be reduced to below 25 per cent which will be in breach of the Listing Rules. In accordance with the aforesaid undertaking and unless otherwise approved by the Stock Exchange, the Directors will refrain from exercising the power conferred by the Repurchase Mandate if it will result in a breach of the Listing Rules.

The Company has repurchased a total of 15,390,000 Shares of the Company on the Stock Exchange during the six months preceding the Latest Practicable Date, details of which are as follows:

| Date of Repurchase (<i>dd/mm/yy</i>) | Number of Shares repurchased | Price for the Repurchased Shares | |
|--|---|---|----------------------------------|
| | | Highest (<i>HK\$</i>) | Lowest (<i>HK\$</i>) |
| 06/06/2006 | 1,000,000 | 2.300 | – |
| 07/06/2006 | 1,500,000 | 2.300 | – |
| 08/06/2006 | 2,000,000 | 2.325 | 2.300 |
| 09/06/2006 | 1,500,000 | 2.400 | 2.375 |
| 12/06/2006 | 2,000,000 | 2.375 | 2.325 |
| 13/06/2006 | 2,000,000 | 2.250 | 2.200 |
| 14/06/2006 | 1,754,000 | 2.275 | 2.225 |
| 15/06/2006 | 1,286,000 | 2.350 | 2.275 |
| 16/06/2006 | 402,000 | 2.425 | – |
| 19/06/2006 | 500,000 | 2.400 | – |
| 20/06/2006 | 500,000 | 2.450 | – |
| 21/06/2006 | 948,000 | 2.425 | – |
| | 15,390,000 | | |
| Total: | | | |

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the 12 months prior to the Latest Practicable Date were as follows:

| | Highest <i>HK\$</i> | Lowest <i>HK\$</i> |
|-------------|-------------------------------|------------------------------|
| 2005 | | |
| July | 2.675 | 2.275 |
| August | 3.225 | 2.625 |
| September | 3.775 | 3.150 |
| October | 3.825 | 3.325 |
| November | 3.875 | 3.300 |
| December | 3.900 | 3.500 |
| 2006 | | |
| January | 3.750 | 3.000 |
| February | 3.400 | 3.025 |
| March | 3.300 | 2.950 |
| April | 3.100 | 2.700 |
| May | 2.925 | 2.250 |
| June | 2.650 | 2.175 |

In accordance with Article 92 of the Articles of Association of the Company, the following Directors (being Directors appointed by the Board since the last annual general meeting of the Company) will hold office until the 2006 AGM of the Company and, being eligible, will offer themselves for re-election.

Mr. William J. Amelio, 48, has been an executive director, the President and Chief Executive Officer of the Company since December 20, 2005. Prior to joining the Company, Mr. Amelio was the Senior Vice President for the Asia-Pacific and Japan regions of Dell Inc. Prior to joining Dell in March 2001, Mr. Amelio was Executive Vice President and Chief Operating Officer of the retail and financial group of NCR Corporation from July 2000 to March 2001. From 1997 until 2000, Mr. Amelio was President of AlliedSignal Inc.'s turbo charging systems business and President and Chief Executive Officer of Honeywell International Inc.'s transportation and power-systems divisions after the merger of AlliedSignal and Honeywell. Mr. Amelio also spent 18 years from 1979 to 1997 with IBM and held a variety of senior-management positions, including as General Manager of Worldwide Operations for IBM's personal computing business. He holds a bachelor's degree in Chemical Engineering from Lehigh University and a master's degree in Management from Stanford University.

Mr. Amelio has not previously held any positions with the Company or any of its subsidiaries. Mr. Amelio has not held any directorship in any listed public company in the last three years and has no relationship with any other Directors, senior management, substantial shareholder or controlling shareholder of the Company.

The Company entered into a service contract with Mr. Amelio on December 20, 2005 for an initial term of three years and will automatically continue for successive one-year periods. Pursuant to the service contract, Mr. Amelio is entitled to a base salary of US\$750,000 per annum and a target annual bonus of up to US\$2,000,000 depending performance of that year. Besides, Mr. Amelio will be granted an initial equity award with the value of US\$4,000,000 and the long-term equity awards with a value of US\$3,000,000 under the service contract.

According to the register maintained by the Company pursuant to section 352 of the SFO as at the Latest Practicable Date, Mr. Amelio was interested in 7,200,000 ordinary voting shares of the Company.

Mr. Amelio has not been involved in any of the matters which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company.

Mr. John W. Barter III, 59, has been an independent non-executive director of the Company since August 10, 2005. Mr. Barter holds a bachelor of science degree in Physics from Spring Hill College (1968) and an MBA in Finance from Tulane University (1973). He has acquired extensive knowledge and experience in finance and accounting from senior management positions held in both the industrial and technology sectors. Between 1977 and

1997 he held a number of senior management positions with AlliedSignal, Inc., a US company engaged in the development, and manufacturing of aerospace, automotive and advanced materials products. Between 1998 and 2001 he was a director and from 2000 to 2001, the chief financial officer of Kestrel Solutions, Inc., a US company engaged in the development of communications equipment.

Mr. Barter is currently also a non-executive director of each of BMC Software, Inc., (NYSE listed); Bottomline Technologies, Inc., (NASDAQ listed); SRA International, Inc., (NYSE listed) and SSA Global Technologies, Inc. (NASDAQ listed). Save as disclosed herein, Mr. Barter has not held any directorship with any listed company in the last three years. He has no relationship with any Director, senior management or substantial or controlling shareholder of the Company.

Mr. Barter does not hold any positions with the Company or any member of the Company's group of companies other than that of Independent Non-executive Director of the Company.

The Company has not entered into a service contract with Mr. Barter. His length of service will be subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. Mr. Barter will receive such director's fee and other remuneration as the Board may determine from time to time pursuant to the power given to it under the Articles of Association or otherwise granted to the Board by the Shareholders. In determining the amount of the director's fees and remuneration to be paid to Mr. Barter, the Board has taken into account the level of remuneration paid to independent non-executive Directors of comparable companies, the amount of time that Mr. Barter will be required to commit in fulfilling his duties as an independent non-executive director, the amount paid to existing independent non-executive directors of the Company, and the recommendation given by professional consultant.

According to the register maintained by the Company pursuant to section 352 of the SFO as at the Latest Practicable Date, Mr. Barter was interested in 564,000 underlying shares granted under the share appreciation rights plan of the Company.

Mr. Barter has not been involved in any of the matters which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company.

In accordance with Article 101 of the Articles of Association of the Company, the following Directors will retire by rotation from office at the AGM and, being eligible, will offer themselves for re-election.

Mr. Liu Chuanzhi, 62, has been re-designated as a non-executive director of the Company on April 30, 2005 when he ceased to be the Chairman of the Board. Mr. Liu is the leading founder of Lenovo Group. He had been the Chairman of the Board and an executive director of the Company since February 8, 1994 and November 8, 1993 respectively. He has more than 35 years of experience in the computer industry. He graduated from the Department of Radar Communications at Xian Military Communications Engineering College of China in 1966. Mr. Liu is also a director of Legend Holdings Limited, the controlling shareholder of the Company and certain of its associates (as defined in the Listing Rules). Mr. Liu did not hold any other directorship with any listed companies in the last three years. He has no family relationship with any other Directors and senior management of the Company.

There is no service contract between Mr. Liu and the Company. Mr. Liu was not appointed for a specific term, but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. Mr. Liu will receive such director's fee and other remuneration as the Board may determine from time to time pursuant to the power given to it under the Articles of Association or otherwise granted to the Board by the Shareholders. In determining the director's remuneration for Mr. Liu, the Board will take into account the level of fee and remuneration paid to a non-executive Director of comparable companies, time and responsibilities committed and assumed by Mr. Liu in attending to the affairs of the Company and the recommendations given by professional consultant.

According to the register maintained by the Company pursuant to section 352 of the SFO as at the Latest Practicable Date, Mr. Liu was interested in 16,986,000 ordinary voting shares, 5,250,000 underlying shares in respect of share options granted under the share option scheme of the Company and 564,000 underlying shares granted under the share appreciation rights plan of the Company.

Mr. Liu has not been involved in any of the matters which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company.

Mr. Zhu Linan, 43, has been a non-executive Director since April 30, 2005. He has more than 18 years of management experience. He graduated with a master's degree in Electronic Engineering from Shanghai Jiao Tong University in 1987. Mr. Zhu is also a director of Legend Holdings Limited, the Controlling Shareholder of the Company and certain of its associates (as defined in the Listing Rules). Save as disclosed above, Mr. Zhu has not held any other directorships in listed companies in the last three years and he does not have any family relationships with any other Directors and senior management of the Company. Mr. Zhu was a Senior Vice President of the Company and did not hold any directorship in other listed public companies.

There is no service contract between Mr. Zhu and the Company. Mr. Zhu was not appointed for a specific term, but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. Mr. Zhu will receive such director's fee and other remuneration as the Board may determine from time to time pursuant to the power given to it under the Articles of Association or otherwise granted to the Board by the Shareholders. In determining the director's fee and remuneration for Mr. Zhu, the Board will take into account the level of remuneration paid to a non-executive Director of comparable companies, time and responsibilities committed and assumed by Mr. Zhu in attending to the affairs of the Company and the recommendations given by professional consultant.

According to the register maintained by the Company pursuant to section 352 of the SFO as at the Latest Practicable Date, Mr. Zhu was interested in 3,720,000 ordinary voting shares of the Company and 564,000 underlying shares granted under the share appreciation rights plan of the Company.

Mr. Zhu has not been involved in any of the matters which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company.

Mr. Wong Wai Ming, 48, has been an independent non-executive director of the Company since March 30, 1999. Mr. Wong is an executive director and a chief executive officer of Roly International Holdings Limited, a company listed on the Singapore Stock Exchange and an executive director of Linmark Group Limited, a company listed on the Hong Kong Stock Exchange. The principal business of Roly Group is the provision of supply chain management services and distribution of consumer products in the PRC. Mr. Wong is also an independent non-executive director of I.T. Limited and China Unicom Limited, both of which are listed on the Hong Kong Stock Exchange. Mr. Wong was the chief executive officer and executive director of Sing Tao News Corporation Limited and the independent non-executive director of China Glass Holdings Limited, both companies are listed on the Hong Kong Stock Exchange. Mr. Wong is a chartered accountant and holds a bachelor of science degree (with Honours) in Management Sciences from the Victoria University of Manchester, the UK.

Save as disclosed above, Mr. Wong has not held any directorship with any listed company in the last three years. He has no relationship with any Director, senior management or substantial or controlling shareholder of the Company.

Mr. Wong does not hold any positions with the Company or any member of the Company's group of companies other than that of Independent Non-executive Director of the Company.

The Company has not entered into a service contract with Mr. Wong. His length of service will be subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. Mr. Wong will receive such director's fee and other remuneration as the Board may determine from time to time pursuant to the power given to it under the Articles of Association or otherwise granted to the Board by the Shareholders. In determining the amount of the director's fees and remuneration to be paid to Mr. Wong, the Board has taken into account the level of remuneration paid to independent non-executive Directors of comparable companies, the amount of time that Mr. Wong will be

required to commit in fulfilling his duties as an independent non-executive director, the amount paid to existing independent non-executive directors of the Company, and the recommendation given by professional consultant.

According to the register maintained by the Company pursuant to section 352 of the SFO as at the Latest Practicable Date, Mr. Wong was interested in 564,000 underlying shares granted under the share appreciation rights plan of the Company.

Mr. Wong has not been involved in any of the matters which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company.

Mr. Ting Lee Sen, 63, has been an independent non-executive director of the Company since February 27, 2003. He has extensive knowledge and experience in IT industry and is the Managing Director of W.R. Hambrecht + Co. and Board Director of Microelectronics Technology Inc. (listed on the Taiwan Stock Exchange). He is also a former corporate vice president of Hewlett-Packard Company, where he worked for more than 30 years. Mr. Ting obtained a bachelor of Science degree in Electrical Engineering from the Oregon State University in 1965. He attended graduate studies in the same field at Stanford University and is a graduate of the Stanford Executive Program.

Save as disclosed above, Mr. Ting has not held any directorship with any listed company in the last three years. He has no relationship with any Director, senior management or substantial or controlling shareholder of the Company.

Mr. Ting does not hold any positions with the Company or any member of the Company's group of companies other than that of Independent Non-executive Director of the Company.

The Company has not entered into a service contract with Mr. Ting. His length of service will be subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. Mr. Ting will receive such director's fee and other remuneration as the Board may determine from time to time pursuant to the power given to it under the Articles of Association or otherwise granted to the Board by the Shareholders. In determining the amount of the director's fees and remuneration to be paid to Mr. Ting, the Board has taken into account the level of remuneration paid to independent non-executive Directors of comparable companies, the amount of time that Mr. Ting will be required to commit in fulfilling his duties as an independent non-executive director, the amount paid to existing independent non-executive directors of the Company, and the recommendation given by professional consultant.

According to the register maintained by the Company pursuant to section 352 of the SFO as at the Latest Practicable Date, Mr. Ting was interested in 564,000 underlying shares granted under the share appreciation rights plan of the Company.

Mr. Ting has not been involved in any of the matters which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company.



Lenovo Group Limited 聯想集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 0992)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of Lenovo Group Limited (the “**Company**”) will be held at Salon 6, 3/F., JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, August 29, 2006 at 9:30 a.m. for the following purposes:

- (1) To receive and consider the audited accounts for the year ended March 31, 2006 together with the reports of the directors and auditors thereon.
- (2) To declare a final dividend for the issued ordinary shares for the year ended March 31, 2006.
- (3) To re-elect the retiring directors and authorize the board of directors of the Company to fix directors’ fees.
- (4) To re-appoint PricewaterhouseCoopers as auditors and authorize the board of directors of the Company to fix auditors’ remuneration.

And as special business, to consider and, if thought fit, to pass with or without modification the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

- (5) “**THAT:**
 - (a) subject to paragraph (c) of this Resolution and pursuant to section 57B of the Companies Ordinance, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional voting ordinary shares in the share capital of the Company and to make or grant offers, agreements and options (including warrants, bonds, notes, debentures and other securities which carry rights to subscribe for or are convertible into voting ordinary shares) which might require the exercise of such power be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) of this Resolution shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option, warrants or otherwise) by the directors of the Company pursuant to the authority in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), or (ii) an issue of shares upon the exercise of options granted under any share option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares in the Company, or (iii) an issue of shares as scrip dividends pursuant to the Articles of Association of the Company from time to time, or (iv) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing warrants of the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed 20 per cent of the aggregate nominal amount of the issued voting ordinary share capital of the Company at the date of passing this Resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Ordinance or the Articles of Association of the Company to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company; and

“**Rights Issue**” means an offer of shares in the share capital of the Company open for a period fixed by the directors of the Company to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

(6) **“THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the amount of shares of the Company which the Company is authorized to repurchase pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10 per cent of the aggregate nominal amount of the issued voting ordinary share capital of the Company at the date of passing this Resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Ordinance or the Articles of Association of the Company to be held; and
 - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.”
- (7) **“THAT** conditional upon the passing of Resolutions (5) and (6) as set out in the notice convening this meeting, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with shares in the Company pursuant to Resolution (5) set out in the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal value of the share capital which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal value of the issued voting ordinary share capital of the Company repurchased by the Company pursuant to the mandate to repurchase shares of the Company as referred

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to in Resolution (6) set out in the notice convening this meeting, provided that such extended amount shall not exceed 10 per cent of the aggregate nominal amount of the issued voting ordinary share capital of the Company at the date of passing this Resolution.”

By order of the Board
Yang Yuanqing
Chairman

Hong Kong, July 11, 2006

Notes:

1. Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a proxy form, together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof must be completed and lodged with the Company's share registrar, Abacus Share Registrars Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting.
3. The register of members of ordinary shares of the Company will be closed from Wednesday, August 23, 2006 to Tuesday, August 29, 2006, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed dividend, all transfers, accompanied by the relevant share certificates, must be lodged for registration with the Company's share registrar, Abacus Share Registrars Limited at the above address not later than 4:00 p.m. on Tuesday, August 22, 2006.
4. Where there are joint holders of any shares carrying voting rights, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders are present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. The Chairman intends to demand poll voting for all the resolutions set out in the notice of the annual general meeting.