Smarter technology for all

The Lenovo Story

Lenovo

Vision and Trends

Our Vision: Smarter Technology for All

Lenovo's vision is to bring smarter technology to every person and every business

A Changing World

Data proliferation, seamless connection, and collaboration are driving the shift from *Devices to Spaces* and *Computer to Computing*

Lenovo's Transformation

Digitalization is accelerating in all industries; Lenovo is accelerating its intelligent and service-led transformation

Contents
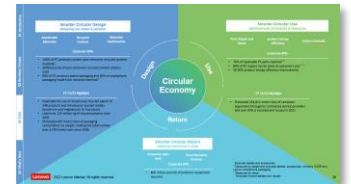
Stepping through our historic journey, we arrive at our recent success.

Over time we have expanded and reinvented ourselves to become a global brand with a diversified business portfolio. Our new growth drivers are now showing strong momentum for the future.

Business Groups

We have future-proofed our business model for upcoming trends in the industry with a service-led transformation. Riding on the success in our own Digital Transformation, we have developed three business groups:

01 **Solutions & Services Group**

02 **Infrastructure Solutions Group**

03 **Intelligent Devices Group**

We strive to fulfill customer's IT needs in every stages of their lifecycle.

Sustainability

We have also embraced sustainability as part of our larger strategic efforts, focusing on initiatives that will build a brighter future for our people and clients.

We are committed to a vision of net-zero by 2050.

Our Awards for Global Recognition

01
Introduction

Over the last four decades Lenovo has maintained a consistent track record of accelerating transformation & growth

1984-1993

Founded in China with just 11 engineers.

1994-2003

Captured the **top-1** position in China's PC market

2004-2013

Acquired IBM PC, started globalization, and became **top-1** global PC company

2014-Today

Acquired IBM System X server and the Motorola smartphone business, transformed to a new business model.

- Service-led strategy to fuel the next generation of smart solutions; global PC market share expanded to 23%*.
- Global x86 server market share reached 6% and became the no.3 smartphone maker in America*. FY21/22 net profit grew over 2 times from 1st year after System X and Motorola smartphone acquisitions.
- Solutions and Services Group delivered FY21/22 operating margin more than 5 times higher than corporate average.
- TruScale launched**
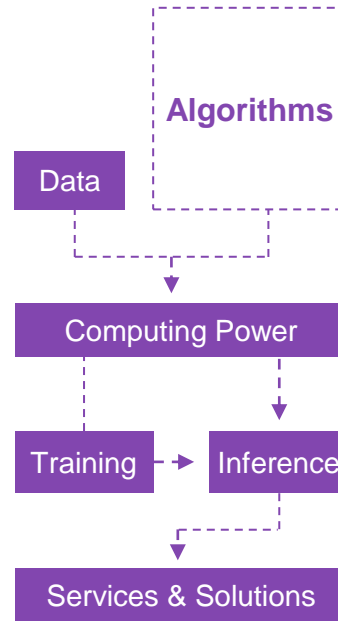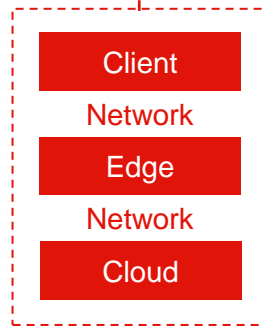
Future

Service-led Transformation in acceleration

* According to IDC.
** TruScale: Lenovo's as-a-Service brand for all as-a-service solutions including Infrastructure-, Internet of Things- (IOT), Device- and Software-as-a-service.

Multi-year investment enables multiple pockets of strength…

Consumption upgrade

Infrastructure upgrade

Application upgrade

Smart devices

Info systems

IoT devices

Internet

Data

Computing power

Client

Network

Edge

Network

Cloud

Algorithms

Data

Computing Power

Training → Inference

Services & Solutions
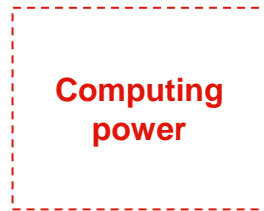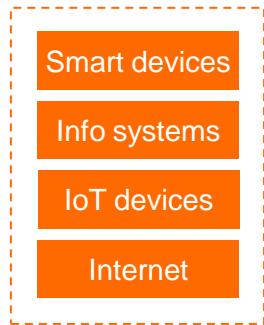
… beyond just hardware to services & solutions

Maximize the value of One Lenovo

Operational Excellence & Hybrid Manufacturing

Technology Investments

Intelligent transformation & 3S strategy

IDG
Intelligent Devices Group

ISG
Infrastructure Solutions Group

SSG
Solutions & Services Group

SMART IOT

SMART INFRASTRUCTURE

SMART VERTICALS & SERVICES

Our global business has diversified its efforts to maximize regional success

✓ **One Lenovo creates cross-selling synergies from IDG, ISG and SSG**

✓ **One-stop offering**

✓ **A truly global business, owing a leading global supply chain****

✓ **New IT portfolio: clients, edge, cloud, network, intelligence and services**

✓ **Leverage of the global footprint to provide comprehensive Solutions & Services offerings**

North America
US$15.9bn · 22%*

PC	#3
PC & Tablet	#4
X86 Server***	#4
Smartphone	#3

China
US$18.4bn · 26%*

PC	#1
PC & Tablet	#1
X86 Server***	#3

EMEA
US$18.3bn · 26%*

PC	#2
PC & Tablet	#1
X86 Server***	#3

Asia Pacific
US$11.7bn · 16%*

PC	#1
PC & Tablet	#1
X86 Server***	#3

South America
US$7.3bn · 10%*

PC	#1
PC & Tablet	#1
X86 Server***	#3
Smartphone	#2

- *Market share data are based on IDC report for March 2022*
- * Based on FY21/22 financial results *(revenue, revenue contribution)*
- ** Gartner Global Supply Chain Top 25
- *** Server ranking include brand venders.

FY 2021/22 key achievements & milestones

Revenue in USD:

$71.6B

Earnings per share:

17.45 US Cents Per Share

Net Income in USD:

$2B

" With the accelerated global digital and intelligent transformation, Lenovo delivered a record year of profit and revenue," said Yuanqing Yang, Lenovo Chairman and CEO. "Our new growth engines – SSG, ISG and Mobile – are showing strong momentum. We will capture this window of opportunity, double our R&D investment, drive service-led transformation, realize our ESG goals, and stay flexible and resilient to bring the entire company to new heights.
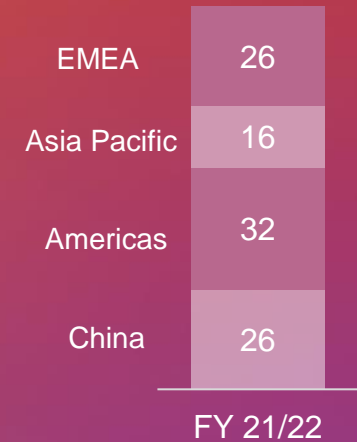
Yuanqing Yang
Lenovo Chairman and CEO

Revenue (US$B)

+18%

71.7

60.7

FY 20/21   FY 21/22

Net Income (US$B)

+72%

2.0

1.2

FY 20/21   FY 21/22

Revenue Contribution by Geographic (%)

EMEA — 26
Asia Pacific — 16
Americas — 32
China — 26

FY 21/22

22%
SSG operating margin

ISG achieved
full year profitability[1] amid double-digit revenue growth

$1B
IDG profitability improvement YTY

R&D investment
up 43% YTY to historic US$2B

30%
SSG revenue growth YTY

$7.1B
record ISG revenue

39%
smartphone revenue growth YTY

Vision to achieve **Net-Zero by 2050**

[1] Since the first-year post acquisition of x86 business

02
Business Groups

2.1 SSG

Solutions and Services Group

Empowering organizations to unleash the full power of technology

Partnering with CIOs to deliver desired outcomes

Outcome-based approach, proven in the real world

Anticipating change and simplifying solutions at every stage of development

End-to-end solutions, delivered as-a-service, with open collaboration

Supporting companies to innovate, sustainably and inclusively

Sustainable foresight to quickly respond to customer needs

Digital transformation shifts

Four big trends are converging and driving digital transformation in the enterprise

Flexible Work

Hybrid Cloud

ESG*

Increasing IT Complexity

Employees demand flexibility

IT shifts from centralized to distributed model for greater flexibility to scale

Sustainability has become an IT imperative

Digital transformation touches all industries and every part of the organization

* **E**nvironmental, **S**ocial, and **G**overnance

Solutions & services architecture

Lenovo

Solutions

End-to-end technology solutions

Business Solutions

The human-centered solutions that address business processes and drive business outcomes

Industry Solutions

Vertical solutions that help address industry-specific needs and advance intelligent transformation

Technology Solutions

Complete technology solutions cover the full portfolio across Client, Edge, Network, Cloud and Intelligence

Services

Full IT services

Consulting

Partnership and guidance from customer's vision into value

Deployment

Simplified processes from deployment to removal

Managed

Proactive monitoring, management, and resolution

Support

Rapid issue resolution to help where our customers need it

Security

Protect customer ecosystem from threats and vulnerabilities

Sustainability

Align customer's vision and outcomes with ESG goals

Lenovo TruScale

→ Everything as-a-Service

Industry's broadest portfolio to unleash the power of the simplicity and scalability of a flexible, pay-as-you-go model

Device as-a-Service

Industry's broadest portfolio of end-to-end computing devices, from smartphones to workstations and accessories coupled with software and services
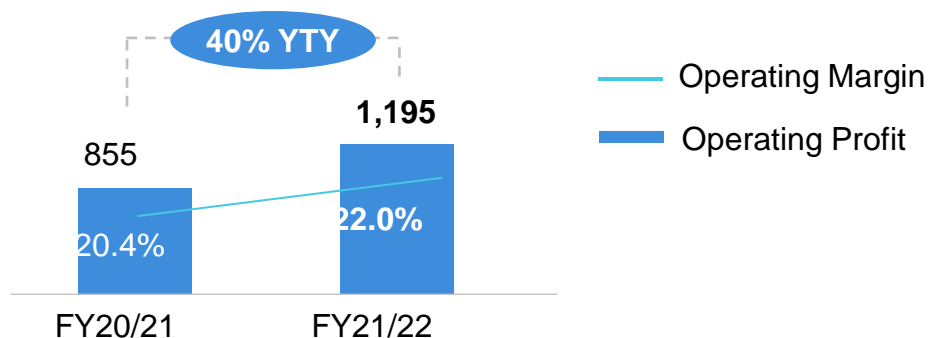
Infrastructure as-a-Service

Powering infrastructure solutions that deliver hybrid cloud and agile IT
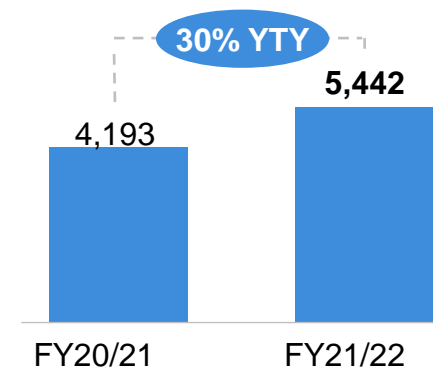
Software as-a-Service

Implementing with our hardware implementation, consulting and combined services - one stop shop for everything

SSG financial performance

SSG Operating Profit ($M) & Margin (%)

40% YTY

855

1,195

20.4%

22.0%

— Operating Margin

■ Operating Profit

FY20/21   FY21/22

SSG Revenue ($M)

30% YTY

4,193

5,442

FY20/21   FY21/22

Three Services Segments

Support Services

- "Around-the box" services
- Grow on solid installed base, penetration increase and fast-growing value-added services

Managed Services

- Capture capex-to-opex demand transition via expanded "as-a-Service" offerings
- Build implementation and managed service capabilities to address customer IT issues

Project & Solution Services

- Developing integrated hardware/software/services solutions based on Lenovo IP*
- Focus on Smart City, Smart Retail, Smart Education and Smart Manufacturing with practical, scalable, and economical solutions

* represents Intellectual Property

SSG growth journey

Expand Market Share
Become top 15 IT Services player on the worldwide market within two years, significantly increase Managed and Project & Solution Services mix

20%+ growth and strong profitability

FY 22/23 key focus areas

Differentiation
Enhance Go-To-Market with differentiated portfolio and product positioning while strengthening channel and SI partnerships

Profitability
Invest in **R&D & operation** including IPs and maximizing the synergy across SSG

Topline Growth
Enrich organic and inorganic portfolio with Digital Workplace Solutions, Hybrid Cloud and through M&A

FY 21/22 Milestones
Establish a strong foundation in **offerings, sales** and **delivery**

Embrace the $600B addressable market

Expanding Lenovo's TAM in a $1.2T IT Services TAM Globally

Support Services	Managed Services	Project Services & Vertical Solution
<$100 Bn Opportunity	**$250 Bn Opportunity**	**$250 Bn Opportunity**

✔ Leverage and extend Lenovo's leading device share, strong pen rate upside	✔ Capture the As-a-Service industry trend with end-to-end service delivery capabilities ✔ As-a-Service market segments growing at 20% CAGR	✔ Unleash Lenovo's services-led transformation ✔ Enable Solutions in Retail, Manufacturing, Education, Smart Cities; Workplace, Productivity, and Security

Hardware: 1trn market size

Data Center and Workplace Implementation

Data Center Systems Support

Client Device Support

Commercial Application Managed Services

Custom Legacy Application Managed Services

Managed Services for Cloud and Edge

Managed Workplace Services: End User Compute and Mobile

Hybrid Data Center as-a-Service

Managed Services for Traditional Data Center

Commercial PC as-a-Service

SaaS, PaaS, IaaS attached to as-a-Service

Service Desk Managed Services, Security Outsourcing and Desktop as a Service

Commercial Application Implementation

Custom Application Implementation

Technology Consulting: Infrastructure

Technology Consulting: Applications

Industry-Specific Solution Consulting and Implementation

Industry-Specific Solution Managed Services

Hosted and Private Infrastructure

Digital Business Process Svc

Security and Risk Consulting and Implementation

Tech Strategy & Gov*

* Technology strategy and governance

2.2 ISG

Infrastructure Solutions Group

World data creation
(in zettabytes)

>2X

Year	Value
2020	64
2021	79
2022	97
2023	120
2024	147
2025	181

Fast-growing Market
- This world is increasingly data-driven.
- Data explosion opens opportunities in edge-to-cloud.

Cloud Service Providers (CSP)
- Enhance penetration into worldwide top CSP

Global Enterprise & SMB (ESMB)
- Top brand presence in 180 markets

Full-stack Offerings
- Broaden portfolio including higher-margin products

ODM+ Model
- Global supply chain and operational excellence

Strategic Partnership
- Being open means being a trusted partner and more solutions

Source: Statista

ISG's compelling and unique value proposition

01 Technology

We have gone through a long journey to build full-stack infrastructure of hardware, software & services and now we are a full hybrid infrastructure solutions provider.
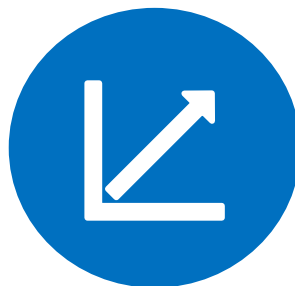
02 Operating efficiency

Delivering on our promise of best-in-class performance, reliability, and cost.

03 Customer reach

We have a customer and partner base that our competition simply can't match.

A balanced and diverse mix of customers

Cloud Service Providers (CSP)

We won another $1B+ global CSP customer **to achieve a more diverse customer mix**

Significant **cost improvements** and **scale benefits**

Winning by ODM+ strategy to verticalize our engineering and supply chain capabilities.
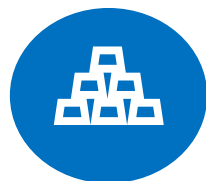
Expanding our CSP offerings into more profitable Storage, AI/Edge, and Services.

Enterprise and Small and Medium Businesses (ESMB)

Portfolio

Maintain a border and cost competitive server & storage portfolio.

Profitability

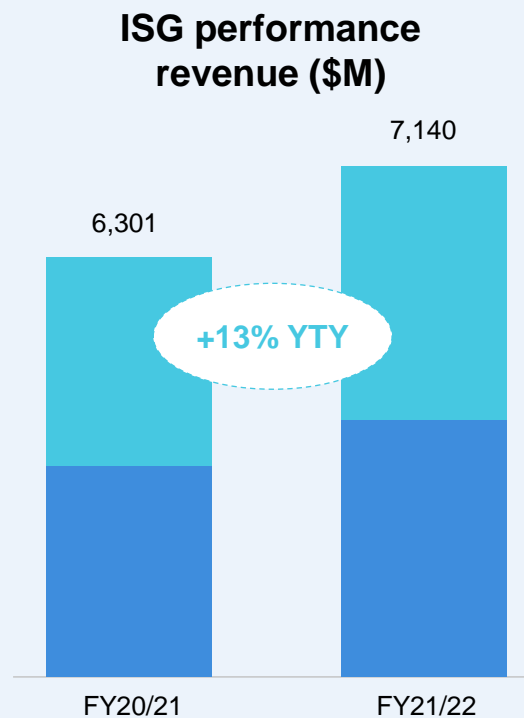Doubling down higher-margin storage, software, SDI and services.

As-a-service

Grow in as-a-service (aaS) as enterprises prefer Opex model over Capex with greater flexibility

Competitive

Ensure we are competitive in premium segments like Edge, HPC, AI, and Telco/5G.

19

ISG financial performance: best year ever

ISG performance revenue ($M)

7,140

6,301

+13% YTY

FY20/21   FY21/22

$7.1B
+13% YTY
Global Revenue Record

7 of 9
Quarters of Global PTM Growth

Turned Profitable
Operating profit turns loss to profitable

All-Time Revenue Records

- CommSP*
- CSP
- HPC/ AI
- Server
- Software
- Storage

- Americas
- Asia Pacific
- China
- EMEA
- Edge
- Services

* **CommSP: Communication Service Providers**

20

Ample room for segment and product growth

Our by-product market share & our Investments in high-margin & high-growth segments

#2 **Storage:** #2 Entry Provider (YTY 42% in CY2021), NetApp partnership

22% **Server:** YTY 22% improvement in CY2021

#1 **HPC:** #1 Top500 Supercomputer Provider with 180 systems running Lenovo

#1 **Security & Reliability:** #1 in x86 Server Downtime

High-growth & high-margin segments

Storage

- Our Storage business is on track to become #1 in global entry-level storage with strong growth momentum
- Our partnership with NetApp has resulted in industry-leading portfolio

Edge, AI, and Supercomputing

- Lenovo spans from computer servers to higher margin Edge, AI, and Supercomputing. We are the No.1 provider in Top 500 Supercomputers.
- In Edge, AI, and Supercomputer, Lenovo will continue our leadership in innovation and deliver complete end-to-end vertical solutions.

Liquid cooling and ESG

- Leading in Energy Efficiency and Sustainable Computing
- Our Neptune Liquid Cooling technology removes up to 90% of the system heat as it is more energy efficient.
- This supports Lenovo's net-zero vision with current power savings of up to 40% compared to conventional approaches.

2.3 IDG

Intelligence Devices Group

Digital transformation and market opportunities

Digital Transformation

- The use of data is core to business success
- Digital transformation has fast-tracked by 5-10 years, but still in the early days
- Total market revenue opportunity is structurally higher than before

Hybrid Evolution + Premium

- The evolution of physical and virtual collaboration across users, spaces and devices will redefine the way people work and engage
- Enterprises expect more premium digital experiences
- PC is the best platform for critical remote collaboration
- Innovative service and solution opportunities are rising to support hybrid working

Metaverse and Tech for Sustainability

- A new era in virtual collaboration will enable secure content consumption and creation, digital commerce, and social interaction
- Lenovo is boosting efforts to increase sustainability in computing. Over 70% of RFPs[1] include ESG requirements. We plan to stay on the cutting edge of environmental sustainability

1/3 of workers don't feel they have the right tools for the job[2]

74% of 18-34 year olds are dissatisfied with their employers' tech[3]

91% of people say technology influences their job choices[4]

1. Request for Proposal (firm intent to buy)
2. Forrester Data Global Business Technographics Telecommunications And Mobility Workforce Survey, 2016
3. Research by Insight
4. Workfront State of Work 2020

Competitive advantages

01 Global leadership

Lenovo maintained #1 PC worldwide position, with a 23%* market share across commercial and consumer segments.

02 Strength in strategic segments

Demand for smart collaboration solutions and Cloud Platform dramatically increased. In Gaming PCs, we have been the #1 player for 15 straight quarters, with a 27%* market share.

03 Operational excellence

Our sector leadership is well supported by our agility, flexibility, and strong execution at a global scale.

04 Innovation

We focus on first-to-market technologies that meet global needs, including the heightened attention from increasing the use of sustainable materials and packaging to deliver premium and responsible experiences. Our new ThinkPad Z series is designed with the environment features including recycled aluminium and recycled vegan leather.
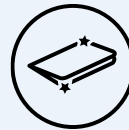
Operational Experience
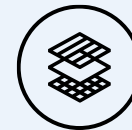
| Speed | Scale | Efficiency |

IDG Building Blocks

| Core PC | Non-PC | Software | Security | Incubation & Emerging |

Outcome Based Solutions

| Workforce Productivity & Collaboration | Infrastructure Flexibility & Agility | Sustainability Improvements | Industry Specific Outcomes |

Market share data are based on IDC report for FY21/22

Robust commercial and premium segments

Lenovo's dominant leadership in critical premium-segments where we are seeing sustainable growth and to focus as a growth engine

Lenovo's IDG revenue and operating profit reached historic highs in FY21/22 – up 18% and 27% year on year, respectively.

#1 player* in both Consumer and Commercial PC segments in FY21/22

Premium segment sales up 28% CAGR and **9.5 ppts ahead of market** in last 4-years

#1 player in Premium PCs over $800

PC ASP & profitability up thanks to investment in premium segments; **PC ASP +10% from FY20/21 to FY21/22**

Gaming
Unyielding play and productivity to gamers of every generation and content creators

Thin & Light
Designed with a newer, easier form factor for consumers to hold on to while its reflective high-gloss sidewalls provides superior user experience.

Total Premium
Rich portfolio to support Hybrid Work; Innovative features including our Glance technology to alert users to any wandering eyes.

Workstation
Full line-up with leading industry solution targeting #1 market share

Android Tablet
Focus on user experience and device connectivity. Strengthened no. 2 position. Target #1 revenue share in next 2-3 years

Premium Yoga
Yoga Go Big global campaign to capture premium market growth

* All market share data based on IDC for FY21/22

We see non-PC providing new growth opportunities

Non-PC
Focus on growing selected areas with substantial opportunities for cross-selling

Smartphone
Transform to becoming a hypergrowth business with healthy operating margin

Accessories
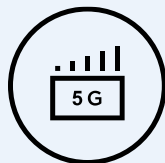The surging demand for accessories, partly facilitated by gaming strength

Scenario-based solutions
Further expansion in Smart Collaboration, Smart Home and Smart Office, continues to provide new growth engines
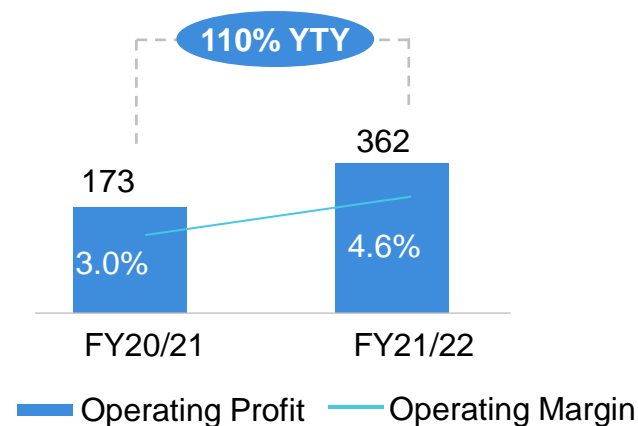
Motorola
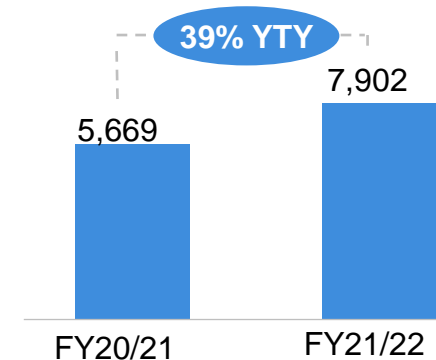In FY21/22, operating income achieved YTY growth of 110%, while revenue growth was 39%
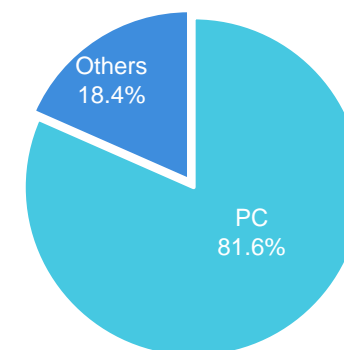
5G
5G sales more than tripled during FY21/22

Smartphone Operating Profit ($M) & Margin (%)

110% YTY

	FY20/21	FY21/22
Operating Profit	173	362
Operating Margin	3.0%	4.6%

■ Operating Profit — Operating Margin

Smartphone Revenue ($M)

39% YTY

FY20/21	FY21/22
5,669	7,902

IDG Revenue Mix (%)

Others 18.4%

PC 81.6%

* Accessories do not include those by Medion and NEC

Sustainable expansion in profitability; investing in innovation

Profitability

We reached new milestone in profitability for the fifth year running. Our operating profit* for IDG rose 25-35% YoY in last three years.

#1 Position

We aim to maintain our #1 position in the global PC market with leading profitability through investing in high value-added segments and best-in-class operational excellence.
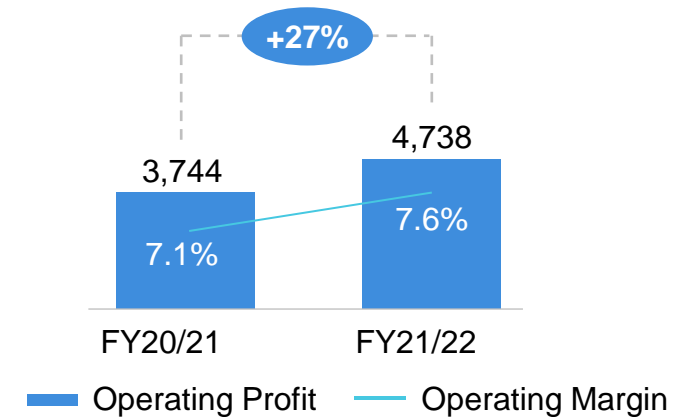
Innovation

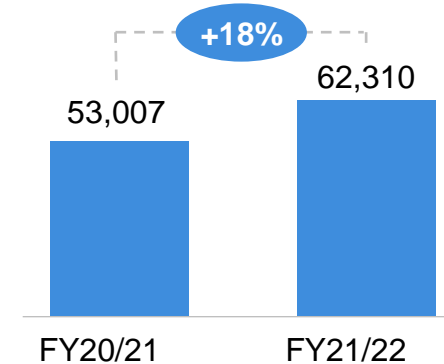Innovation, premium segments and non-PC will help to level up our long-term profitability.

Hypergrowth

Hypergrowth beyond PC will provide additional growth potential. All segments contributed double-digit year-on-year revenue growth.

IDG Operating Profit ($M) & Margin (%)

+27%

3,744   4,738

7.1%   7.6%

FY20/21   FY21/22

— Operating Profit   — Operating Margin

IDG Revenue ($M)

+18%

53,007   62,310

FY20/21   FY21/22

Pretax profit in FY20/21 and before

26

03
ESG

Lenovo

Lenovo's corporate ESG initiatives will ensure a better future for us all

Environment

Climate Change Mitigation

- Renewable energy
- GHG* emissions reductions
- Product energy efficiency

Circular Economy

- Repair, reuse and recycle

Sustainable Materials

- Product and packaging
- Recycled content
- Materials optimization

*Greenhouse gas

Social

Philanthropy

- Individuals impacted
- Employee engagement

Diversity and Inclusion

- Executive representation
- People and products

Governance

Corporate Governance

- Executive Oversight Committee
- Board of Directors updates
- Managing risks

Ethics

- Program enhancements
- Training and leadership

Privacy

- Customer experience
- Product compliance
- Training
- Data security

We are committed to a vision to achieve net-zero by 2050

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Pursuing ambitious targets that align with **limiting global warming increase to 1.5 degree C**

Base year FY 2018/19 **Target year** FY 2029/30

Targets approved by SBTi*

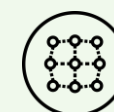Committed to a vision to achieve **net-zero emissions by 2050**

Reduce absolute scope 1+ scope 2 Greenhouse Gas (GHG) emissions by 50%

Reduce scope 3 GHG emissions from use of **sold products** by 25% per comparable product (for notebooks, desktops and servers)
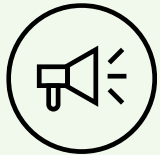
Reduce scope 3 GHG emissions from **purchased goods & services** by 25% per million US$ procurement spend

Reduce scope 3 GHG emissions from **upstream transportation** & distribution by 25% per tonne-km of transported product

We are setting detailed roadmap

After exceeding our original scope 1 and 2 emissions reduction target in 2019, we are progressing towards our FY29/30 emissions reduction targets

Lenovo Emissions Reduction Targets	Road Map	Progress as of FY2021/22 Base Year: FY 2018/19	FY2029/30 Target
Reduce absolute Scope 1 + Scope 2 GHG emissions by 50%	Hierarchal combination of energy efficiency, on-site renewable energy generation, and renewable energy commodities	- 15%	- 50%
Reduce Scope 3 GHG emissions from use of sold products by 25% per comparable product (for notebooks, desktops and servers)	Reduce product emissions through energy efficiency improvements of: • Desktops by 50% • Servers by 50% • Notebooks by 30%	- 2%	- 25%
Reduce Scope 3 GHG emissions from purchased goods and services by 25% per million US$ procurement spend	• Climate change in KPIs & evaluation process • Climate related information collection • Engagement & incentivization of climate change performance	- 7%	- 25%
Reduce Scope 3 GHG emissions from upstream transportation and distribution by 25% per tonne-km of transported product	• Model shift to 'greener' modes of transport • Optimization of transport planning • Increase of vehicle utilization • Improvement of vehicle fuel efficiency	+ 4%[1]	- 25%

[1]The Company is in the process of improving input data for this Scope 3 category. The Status reported here is the best available estimate at the time of publication. In next year's FY2022/23 ESG Report, overall supporting data and target status will reflect any improved input data.

Smarter Circular Design
designing out waste & pollution

Sustainable Materials	Recycled Content	Materials Optimization

Corporate KPIs

- 100% of PC products contain post-consumer recycled content materials*
- 300M pounds of post-consumer recycled content plastics used
- 90% of PC products plastic packaging and 60% of smartphone packaging made from recycled materials**

FY 21/22 Highlights

- Expanded the use of closed-loop recycled plastic to 248 products and introduced recycled metals (aluminum and magnesium) to 4 products
- Used over 123 million kg of recycled plastics since 2005
- Eliminated 497 metric tons of packaging consumption by weight, making the total number over 3,700 metric tons since 2008

Smarter Circular Use
optimized use of products & resources

Parts Repair and Reuse	Product Energy Efficiency	Lenovo TruScale

Corporate KPIs

- 76% of repairable PC parts repaired***
- 84% of PC repairs can be done at customer's site****
- 30-50% product energy efficiency improvement

FY 21/22 Highlights

- Processed 324,811 metric tons of computer equipment through its contracted service providers and over 93% is recycled and reused in 2021

Circular Economy

Design

Use

Return

Smarter Circular Return
capturing resources & value

Consumer Take-Back	Asset Recovery Services

Corporate KPIs

- 800 million pounds of products reused and recycled

* Excludes tablets and accessories
** Measured by weight and excludes tablets, accessories, monitors, RAZR and Lenovo smartphone packaging
*** Measured by value
**** Excludes Android tablets and visuals

Global recognition in our ESG efforts

Recent Recognition

CDP DISCLOSURE INSIGHT ACTION
A LIST 2021
WATER

2021 Water: A
2021 Climate: A-
2021 Supplier Engagement: A

GREEN FREIGHT ASIA

4-Leaf Certification (Australia, 2022)
3-Leaf Certification (China, 2021)
2-Leaf Certification (India, 2021)

HUMAN RIGHTS CAMPAIGN FOUNDATION
BEST PLACES TO WORK
2022 for LGBTQ+ Equality
100% CORPORATE EQUALITY INDEX

Bloomberg Gender-Equality Index 2022

GOLD 2022 ecovadis Sustainability Rating

DEI BEST PLACE TO WORK FOR **DISABILITY INCLUSION** 2021
100% DISABILITY EQUALITY INDEX

Corporate Knights Global 100 List for 2022

2022 Constituent of FTSE4Good Index Series

Hang Seng Corporate Sustainability Index 2022 Rating: AA+

HKICPA* Gold Award in Best Corporate Governance and ESG

BDO ESG Awards: Best in ESG Award

Reporting Frameworks

GRI Empowering Sustainable Decisions

UN GLOBAL COMPACT

Hong Kong Stock Exchange ESG Reporting Guidance

Responsible Business Alliance
Advancing Sustainability Globally

Platinum VAP Audits:
Monterrey, Indaiatuba and Wuhan

*The Hong Kong Institute of Certified Public Accountants

thanks.