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SEMICONDUCTOR MANUFACTURING INTERNATIONAL CORPORATION

中芯國際集成電路製造有限公司*
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 981)

GRANT OF RESTRICTED SHARE UNITS

The Board announces that on 1 April 2024, the Company granted 8,737,798 RSUs to 437 grantees under the 2024 Equity Incentive Plan. Each RSU granted to the grantees represents the right to receive a Hong Kong Share on its vesting date.

Details of the grant of the RSUs are as follows:

Date of grant: 1 April 2024

Number of grantees: 437 grantees in total

Number of RSUs granted: (1) 875,886 RSUs to grantees who are Directors and co-chief executive officers. Details are as follows:

Name of the grantee	Position	Number of RSUs granted (Hong Kong Shares)
Dr. LIU Xunfeng	Chairman and executive Director	246,936
Professor LAU Lawrence Juen-Yee	Independent non-executive Director	45,492
Dr. FAN Ren Da Anthony	Independent non-executive Director	45,492
Academician LIU Ming	Independent non-executive Director	83,908
Dr. ZHAO Haijun	Co-chief executive officer	227,029
Dr. LIANG Mong Song	Co-chief executive officer	227,029

(2) 7,861,912 RSUs to 431 grantees, including senior managers (excluding any Directors and chief executives of the Company) and employees of the Group

Consideration for the grant: HK\$0.031 per RSU

Purchase price: Nil

Closing price of the Hong Kong Shares immediately preceding the date of grant: HK\$15.16 per Hong Kong Share

Vesting period of the RSUs: **(1) Grantees who are Directors**

The vesting period for the grant of the RSUs to four Directors is as follows:

- (i) **Dr. LIU Xunfeng:** 123,468 RSUs immediately vested on the date of grant; 74,081 RSUs will vest on 1 April 2025; and 49,387 RSUs will vest on 1 April 2026;
- (ii) **Professor LAU Lawrence Juen-Yee:** 45,492 RSUs will vest on 28 June 2024;
- (iii) **Dr. FAN Ren Da Anthony:** 45,492 RSUs will vest on 28 June 2024; and
- (iv) **Academician LIU Ming:** 83,908 RSUs will vest on 1 January 2025.

The vesting period for the grant of part of the RSUs to the Chairman, Dr. LIU Xunfeng, is shorter than 12 months because this grant forms part of his remuneration package for the year 2023 and the grant is subject to the fulfillment of the relevant performance targets for the year 2023 and such conditions had been fulfilled as at the date of this announcement. Such arrangement has been approved by the Compensation Committee. The Compensation Committee believed that such arrangement aligns with the purpose and terms of the 2024 Equity Incentive Plan as it retains and motivates the relevant grantees for his contribution to the growth and profits of the Company.

The vesting period for the grant of all of the RSUs to the three independent non-executive Directors is shorter than 12 months because this grant forms part of their remuneration package and has been approved by the Compensation Committee, therefore their date of grant would have been earlier if not for certain administrative requirements. The Compensation Committee believed that such arrangement aligns with the purpose and terms of the 2024 Equity Incentive Plan as it retains and motivates the relevant grantees for their contributions to the growth and profits of the Company.

(2) Grantees who are co-chief executive officers

The vesting period for the grant of the RSUs to two co-chief executive officers is as follows:

- (i) 227,030 RSUs immediately vested on the date

- of grant;
- (ii) 136,218 RSUs will vest on 1 April 2025; and
- (iii) 90,810 RSUs will vest on 1 April 2026.

The vesting period for the grant of part of the RSUs granted to the two co-chief executive officers is shorter than 12 months because this grant forms part of their remuneration package for the year 2023 and the grant is subject to the fulfillment of the relevant performance targets for the year 2023 and such conditions had been fulfilled as at the date of this announcement. Such arrangement has been approved by the Compensation Committee. The Compensation Committee believed that such arrangement aligns with the purpose and terms of the 2024 Equity Incentive Plan as it retains and motivates the relevant grantees for their contributions to the growth and profits of the Company.

(3) Other grantees

The vesting period for the grant of the RSUs to the other 431 grantees is as follows:

- (i) 3,931,050 RSUs immediately vested on the date of grant;
- (ii) 2,358,618 RSUs will vest on 1 April 2025; and
- (iii) 1,572,244 RSUs will vest on 1 April 2026.

The vesting period for the grant of part of the RSUs to 431 grantees is shorter than 12 months because this grant forms part of their remuneration package for the year 2023 and the grant is subject to the fulfillment of the relevant performance targets for the year 2023 and such conditions had been fulfilled as at the date of this announcement. Such arrangement has been approved by the Compensation Committee. The Compensation Committee believed that such arrangement aligns with the purpose and terms of the 2024 Equity Incentive Plan as it retains and motivates the relevant grantees (including senior managers and other employees of the Group) for their contributions to the growth and profits of the Company.

Performance targets:

The granting of the RSUs granted shall be conditional upon the achievement of certain targets based on both Company and individual performance indicators, including but not limited to revenue, profit, project completion status and other relevant indicators. Each target can be presented on an absolute and/or relative basis.

Clawback mechanism:

Any unvested RSUs will automatically lapse under below circumstances, including but not limited to:

- (i) the relevant grantee's employment or service with the Group terminates for any reason, save as the

- retirement, death and disability and other special circumstances;
- (ii) the portion of the awards subject to vesting which had not been vested due to the failure to achieve certain vesting condition; or
 - (iii) the portion of the awards subject to vesting which had not been vested due to violation of the internal code of the Group and had been subject to internal disciplinary action.

The RSUs granted will entitle the grantees to subscribe for up to a total of 8,737,798 new Hong Kong Shares which represent approximately 0.11% of the issued shares of the Company as at the date of this announcement.

The grant of the RSUs to the Directors and chief executives of the Company was approved by the independent non-executive Directors in accordance with Rule 17.04(1) of Hong Kong Listing Rules, with each of them abstaining from voting on the resolutions relating to their respective grant.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, none of the grantees is (i) a participant with options and awards granted and to be granted exceeding the 1% individual limit under Rule 17.03D of the Hong Kong Listing Rules, or (ii) a related entity participant or service provider with options and awards granted and to be granted in any 12-month period exceeding 0.1% of the Shares in issue.

ISSUE OF NEW SHARES UNDER THE GRANT OF THE RSU

The RSUs granted will be issued under the specific mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 28 June 2023 for the issue of the Hong Kong Shares under the 2024 Equity Incentive Plan. The Listing Committee of the Hong Kong Stock Exchange has previously granted its approval for the listing of, and permission to deal in, Hong Kong Shares to be issued under the 2024 Equity Incentive Plan, subject to the fulfilment of all other conditions of the 2024 Equity Incentive Plan.

REASONS FOR AND BENEFITS OF THE GRANT OF THE RSU

The grant of the RSUs is part of the Company's remuneration system, the purpose of which is to closely align the interests and benefits of and risk sharing among the Shareholders, the Company and the employees in order to recognize contributions rendered by the Directors and the employees of the Group; and provide sufficient incentives to attract and motivate the grantees to remain with the Company, to strive for the future development of the Group and to enhance Shareholders' value through further aligning the interests of the grantees with the Company.

Furthermore, there will not be substantial cash outflow by the Company under the grant of the RSUs. In this regard, the Directors (including the independent non-executive Directors) consider that the terms of the grant of the RSUs are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

NUMBER OF HONG KONG SHARES AVAILABLE FOR FUTURE GRANT

The total number of such new Hong Kong Shares which may be issued under the 2024 Equity Incentive Plan and other share schemes will not exceed 596,812,206. The number of Hong Kong Shares available for future grant after this grant of the RSUs will be 588,074,408.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“2014 Equity Incentive Plan”	the 2024 equity incentive plan adopted by the Company pursuant to a resolution passed by the Shareholders at the annual general meeting of the Company held on 28 June 2023 and effective from 10 November 2023 upon its registration with the PRC State Administration of Foreign Exchange
“Board”	the board of Directors
“Chairman”	chairman of the Board
“Company”	Semiconductor Manufacturing International Corporation (中芯國際集成電路製造有限公司*), a limited liability company incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Hong Kong Stock Exchange and the Shanghai Stock Exchange Science and Technology Innovation Board
“Compensation Committee”	the compensation committee of the Board
“Director(s)”	the director(s) of the Company
“Group”	The Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Hong Kong Shares”	the existing common Shares which are listed on the Hong Kong Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“RSU(s)”	the restricted share unit(s) granted under the 2024 Equity Incentive Plan
“Shareholder(s)”	holder(s) of the Shares
“Share(s)”	share(s) of all classes in the capital of the Company and warrants and other securities which carry a right to subscribe for or purchase shares of the Company

By order of the Board
Semiconductor Manufacturing International Corporation
Company Secretary / Board Secretary
Guo Guangli

Shanghai, PRC
1 April 2024

As at the date of this announcement, the Directors of the Company are:

Executive Director

LIU Xunfeng

Non-executive Directors

LU Guoqing

CHEN Shanzhi

YANG Lumin

Independent Non-executive Directors

LAU Lawrence Juen-Yee

FAN Ren Da Anthony

LIU Ming

WU Hanming

* *For identification purposes only*