

SEMICONDUCTOR MANUFACTURING INTERNATIONAL CORP
Form SC 13D/A
May 29, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934
(Amendment No. 12)*

SEMICONDUCTOR MANUFACTURING INTERNATIONAL CORPORATION

(Name of Issuer)

Common Shares, par value US\$0.0004 Per Share

(Title of Class of Securities)

81663 N206

(CUSIP Number)

Zheng Jinliang
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With a copy to:

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Central, Hong Kong
(852) 2978-8000

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

May 29, 2015

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

SCHEDULE 13D/A

CUSIP No. 81663 N206

NAMES OF REPORTING PERSONS

1

Datang Telecom Technology & Industry Holdings Co., Ltd.

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

2

- (a)
- (b)

SEC USE ONLY

3

SOURCE OF FUNDS (See Instructions)

4

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6

People's Republic of China

SOLE VOTING POWER

7

None

SHARED VOTING POWER

8

6,811,233,7411

SOLE DISPOSITIVE POWER

9

None

SHARED DISPOSITIVE POWER

10

6,811,233,741

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

6,811,233,741

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions)

12

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

18.9%²

TYPE OF REPORTING PERSON (See Instructions)

14

CO

1 Consists of: (i) 6,808,088,422 shares of common stock, par value US\$0.0004 each (the "Common Stock"), of Semiconductor Manufacturing International Corporation (the "Issuer"); (ii) 3,145,319 shares of Common Stock issuable upon the exercise of options held by Mr. Chen Shanzhi within 60 days from the date hereof.

2 This calculation is rounded to the nearest tenth and is based on 36,016,358,794 shares of Common Stock of the Issuer outstanding as of May 19, 2015.

SCHEDULE 13D/A

CUSIP No. 81663 N206

NAMES OF REPORTING PERSONS

1 Datang Holdings (Hongkong) Investment Company Limited

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

2 (a) x
(b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS (See Instructions)

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED o
PURSUANT TO ITEMS 2(d) or 2(e)

CITIZENSHIP OR PLACE OF ORGANIZATION

6 Hong Kong

SOLE VOTING POWER

7 None

SHARED VOTING POWER

8 6,811,233,7413

SOLE DISPOSITIVE POWER

9 None

SHARED DISPOSITIVE POWER

10 6,811,233,741

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11 6,811,233,741

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES o
CERTAIN SHARES (See Instructions)

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

18.9%⁴

TYPE OF REPORTING PERSON (See Instructions)

14

CO

3 Consists of: (i) 6,808,088,422 shares of Common Stock of the Issuer; and (ii) 3,145,319 shares of Common Stock issuable upon the exercise of options held by Mr. Chen Shanzhi within 60 days from the date hereof.

4 This calculation is rounded to the nearest tenth and is based on 36,016,358,794 shares of Common Stock of the Issuer outstanding as of May 19, 2015.

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Schedule 13D/A

Item 1. Security and Issuer

This Amendment No. 12 (this “Amendment”) amends the Schedule 13D jointly filed with the Securities and Exchange Commission (the “SEC”) on November 17, 2008, as previously amended by Amendment No. 1 filed on January 5, 2009, Amendment No. 2 filed on January 20, 2012, Amendment No. 3 filed on September 19, 2012, Amendment No. 4 filed on December 20, 2013, Amendment No. 5 filed on May 30, 2014, Amendment No. 6 filed on June 6, 2014, Amendment No. 7 filed on June 13, 2014, Amendment No. 8 filed on August 27, 2014, Amendment No. 9 filed on November 24, 2014, Amendment No. 10 filed on November 26, 2014 and Amendment No. 11 filed on February 5, 2015, respectively (the “Original Schedule 13D”), with respect to the common stock, par value US\$0.0004 per share (the “Common Stock”), of Semiconductor Manufacturing International Corporation (“SMIC” or the “Issuer”), a company incorporated in the Cayman Islands, having its principal executive offices at 18 Zhangjiang Road, Pudong New Area, Shanghai 201203, People’s Republic of China. Unless otherwise stated herein, the Original Schedule 13D remains in full force and effect. Terms used therein and not defined herein have the meanings ascribed thereto in the Original Schedule 13D.

Item 2. Identity and Background

The Item 2 is hereby amended in its entirety as follows:

(a) — (c); (f) This Amendment is being filed by (i) Datang Telecom Technology & Industry Holdings Co., Ltd., a corporation organized under the laws of the People’s Republic of China (“Datang”), and (ii) Datang Holdings (Hongkong) Investment Company Limited, a corporation organized under the laws of Hong Kong (the “HKCo”). Datang and HKCo are hereinafter referred to, collectively the “Reporting Persons” and each a “Reporting Person”. Each of the Reporting Persons is party to that certain Joint Filing Agreement, as further described in Item 6. Accordingly, the Reporting Persons are hereby filing a joint amendment to Schedule 13D. Datang’s principal office address is No. 40 Xueyuan Road, 100191, Beijing, People’s Republic of China. The principal business of Datang is technology development and innovation in mobile telecommunication and chip design. HKCo’s principal office address is 18th Floor, Edinburgh Tower, the Landmark, 15 Queen’s Road, Central, Hong Kong. The principal business of HKCo is investment holdings.

Schedule A below lists the executive officers and directors of Datang and contains the information concerning each person including: (i) name; (ii) business address; (iii) present principal occupation or employment and the name, principal business and address of any corporation or other organization in which such employment is conducted; and (iv) citizenship:

Schedule A

Name	Citizenship	Present Principal Occupation or Employment	Business Address
Zhen Caiji	Chinese	Executive Director & President	No. 40 Xueyuan Road, 100191, Beijing, China
Yang Yigang	Chinese	Senior Vice President	No. 40 Xueyuan Road, 100191, Beijing, China
Huang Zhiqin	Chinese	Senior Vice President	No. 40 Xueyuan Road, 100191, Beijing, China
Chen Shanzhi	Chinese	Senior Vice President	No. 40 Xueyuan Road, 100191, Beijing, China
Zhou Desheng	Chinese	Vice President	No. 40 Xueyuan Road,

Li Yonghua	Chinese	Vice President	100191, Beijing, China No. 40 Xueyuan Road, 100191, Beijing, China
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Schedule 13D/A

(d) — (e) During the past five years, neither Datang nor, to the best of its knowledge, any person named in Schedule A above, has been (i) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Schedule B below lists the executive officers and directors of HKCo and contains the information concerning each person including: (i) name; (ii) business address; (iii) present principal occupation or employment and the name, principal business and address of any corporation or other organization in which such employment is conducted; and (iv) citizenship:

Schedule B

Name	Citizenship	Present Principal Occupation or Employment	Business Address
Zhen Caiji	Chinese	Director—HKCo	No. 40 Xueyuan Road, 100191, Beijing, China

(d) — (e) During the past five years, neither HKCo nor, to the best of its knowledge, any person named in Schedule B above, has been (i) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3. Source and Amount of Funds or Other Consideration

The Item 3 is hereby amended in its entirety as follows:

On November 6, 2008, the Issuer and Datang entered into a share purchase agreement (the “2008 SPA”), pursuant to which Datang purchased on December 24, 2008 an aggregate of 3,699,094,300 shares of Common Stock (the “2008 Subscription”). The 2008 SPA provides that in the event that the Issuer proposes to issue any new shares of Common Stock, any shares convertible into or exchangeable into Common Stock or any warrants or other rights to subscribe for Common Stock of the Issuer following the 2008 Subscription, Datang shall have the pre-emptive right to purchase equity securities of the Issuer to enable Datang to hold after such issuance a pro rata portion of the Common Stock equal to the percentage of the issued share capital of the Issuer then beneficially owned by Datang prior to such issuance. On August 22, 2014, the Issuer, Datang and HKCo entered into a supplemental agreement (the “2014 Supplemental Agreement”) to amend the pre-emptive rights provisions in the 2008 SPA. Pursuant to the 2014 Supplemental Agreement, the pro rata portion of relevant securities that Datang or HKCo is entitled to subscribe will be determined in accordance with the percentage of the issued share capital of the Issuer then beneficially owned by Datang (together with the HKCo) immediately prior to the Issuer’s entry into the agreement or agreements for the transaction involving the issuance of such relevant securities, provided that Datang and HKCo maintain an ownership interest equal to at least 1,849,547,150 shares of Common Stock (as appropriately adjusted for stock splits, stock consolidation, stock dividends, recapitalizations and the like) of the total nominal share capital of the Issuer.

On July 8, 2010, J.P. Morgan Securities (Asia Pacific) Limited and the Royal Bank of Scotland N.V., Hong Kong Branch entered into a placing agreement with the Issuer to place 1.5 billion new shares of Common Stock of the Issuer to certain independent third parties. Subsequent to the Issuer’s placement of 1.5 billion new shares of Common Stock

in July 2010, on August 16, 2010 Datang entered into a subscription agreement (the “2010 SPA”) with the Issuer pursuant to which Datang purchased through HKCo on November 16, 2010 a total of 1,528,038,461 shares of Common Stock, including 269,730,844 shares pursuant to its pre-emptive right under the 2008 SPA and 1,258,307,617 new shares in addition to such shares.

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On April 18, 2011, the Issuer entered into a subscription agreement with Country Hill Limited (“CIC”), a wholly-owned subsidiary of China Investment Corporation, pursuant to which the Issuer issued to CIC on June 3, 2011 (i) 360,589,053 convertible preferred shares, par value US\$0.0004 each, (the “Convertible Preferred Shares”) at a price of HK\$5.39 per Convertible Preferred Share, and (ii) a warrant to purchase up to 72,117,810 Convertible Preferred Shares at an exercise price of HK\$5.39 per Convertible Preferred Share, as disclosed in the Schedule 13D filed by CIC on June 13, 2011. Pursuant to a further subscription agreement dated May 5, 2011 (the “2011 SPA”) and a warrant agreement dated September 16, 2011 (the “2011 Warrant Agreement”) entered into by Datang with the Issuer, Datang purchased through HKCo on September 16, 2011 (i) 84,956,858 Convertible Preferred Shares at a price of HK\$5.39 per Convertible Preferred Share; and (ii) a warrant to purchase 16,991,371 Convertible Preferred Shares at an exercise price of HK\$5.39 per Convertible Preferred Share (the “Warrant”) pursuant to its pre-emptive right under the 2008 SPA. Pursuant to the 2011 SPA, Datang’s Convertible Preferred Shares were mandatorily converted into Common Stock at the then applicable conversion rate on June 4, 2012. Pursuant to the 2011 Warrant Agreement, the Warrants terminated and became void as of 11:59 p.m., Hong Kong time, June 4, 2012.

On November 7, 2013, the Issuer issued US\$200,000,000 zero coupon convertible bonds due 2018 (the “Convertible Bonds”) which were offered and sold to six or more independent placees and have been listed on the Singapore Exchange Securities Trading Limited on November 8, 2013. The conversion price will initially be HK\$0.7965 per share of Common Stock with a fixed exchange rate of HK\$7.7532 = US\$1.00. The conversion price will be subject to adjustment for consolidation, subdivision or reclassification of shares of Common Stock, capitalisation of profits or reserves, distribution, rights issue of shares of Common Stock or options over shares of Common Stock, rights issues or other securities (other than shares or options), issue of securities at below the current market price, modification of rights of conversion and other offers to shareholders, subject to the terms and conditions of the Convertible Bonds.

On December 18, 2013, pursuant to its pre-emptive right under the 2008 SPA, Datang and the Issuer entered into a subscription agreement (the “2013 SA”), pursuant to which Datang agrees to subscribe US\$ 54,600,000 principal amount of Convertible Bonds at a price equivalent to the issue price of the placed Convertible Bonds and on the same terms as the terms and conditions of the placed Convertible Bonds (the “2013 CB Subscription”). The 2013 CB Subscription was completed on May 29, 2014. On November 24, 2014 and November 25, 2014, Datang disposed of US\$ 54,600,000 principal amount of Convertible Bonds in the open market.

On June 4, 2014, the Issuer, HKCo, Deutsche Bank AG, Hong Kong Branch and J.P. Morgan Securities (Asia Pacific) Limited entered into a placing and subscription agreement (the “2014 Placing and Subscription Agreement”). Pursuant to the 2014 Placing and Subscription Agreement, HKCo agreed to appoint Deutsche Bank AG, Hong Kong Branch and J.P. Morgan Securities (Asia Pacific) Limited as placing agents, and such placing agents agreed to use their best efforts to place 2,590,000,000 shares of Common Stock held by HKCo during the placing period which commenced upon the execution of the 2014 Placing and Subscription Agreement and terminated at 7:30 p.m. (Hong Kong time) on June 5, 2014, at the placing price of HK\$0.60 per share of Common Stock. This transaction was completed on June 9, 2014.

In addition, pursuant to the 2014 Placing and Subscription Agreement, HKCo agreed to subscribe for, and the Issuer agreed to allot and issue to HKCo, 2,590,000,000 shares of Common Stock at the subscription price of HK\$0.60 per share of Common Stock (the “2014 Subscription”). At the completion of the 2014 Subscription, HKCo shall pay the Issuer the aggregate of the HK\$0.60 multiplied by 2,590,000,000 less the commissions relating to the placing described above paid to the placing agents by HKCo as set out in the 2014 Placing and Subscription Agreement and the costs and expenses properly incurred by HKCo in relation to the placing described above and/or the 2014 Subscription. The purpose of the transactions contemplated by the 2014 Placing and Subscription Agreement was to

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assist the Issuer raising funds. The 2014 Subscription was completed on June 12, 2014.

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On August 22, 2014, the Issuer and HKCo entered into a subscription agreement (the “2014 SPA”), pursuant to which, on and subject to the terms thereof, the Issuer conditionally agreed to issue, and HKCo conditionally agreed to subscribe for, 669,468,952 shares of Common Stock at the subscription price of HK\$0.60 per share of Common Stock pursuant to its pre-emptive right under the 2008 SPA and the 2014 Supplemental Agreement. The subscription by HKCo of such shares was completed on November 21, 2014.

On June 24, 2014, the Issuer issued US\$95,000,000 principal amount of Convertible Bonds which were offered and sold to J.P. Morgan Securities plc and Deutsche Bank AG, Hong Kong Branch and have been listed on the Singapore Exchange Securities Trading Limited. On August 22, 2014, the Issuer and HKCo entered into a subscription agreement (the “2014 CBPA”), pursuant to which, on and subject to the terms thereof, the Issuer conditionally agreed to issue, and HKCo conditionally agreed to subscribe for, Convertible Bonds in an aggregate principal amount of US\$22,200,000 for a total cash consideration of US\$22,533,000 pursuant to its pre-emptive right under the 2008 SPA and the 2014 Supplemental Agreement, based on terms and conditions that are substantially the same as the Convertible Bonds issued in June 2014. The conversion price will initially be HK\$0.7965 per share of Common Stock, but will be subject to adjustment, with a fixed exchange rate of HK\$7.7532 = US\$1.00. The subscription by HKCo of such Convertible Bonds was completed on December 4, 2014. On May 19, 2015, HKCo sold such US\$22,200,000 Convertible Bonds for US\$25,641,000 through open market.

From May 21, 2015 through May 27, 2015, HKCo sold an aggregate of 179,000,000 shares of Common Stock at a total consideration of HK\$155,546,400 through open market.

The description of the 2008 SPA, 2010 SPA, 2011 SPA, 2011 Warrant Agreement, 2013 SA, 2014 Placing and Subscription Agreement, 2014 SPA, 2014 CBPA and 2014 Supplemental Agreement is a summary and is qualified in its entirety by the terms of such agreements, copies of which are incorporated by reference as described in Exhibits A, B, C, D, F, G, H, I and J respectively, to this Amendment, and each of which is incorporated by reference into this Item 3.

Item 4. Purpose of Transaction

Item 4 is hereby amended in its entirety as follows:

The information set forth in Item 3 of this Amendment is hereby incorporated by reference in its entirety into this Item 4.

The Reporting Persons may further purchase, hold, vote, trade, dispose or otherwise deal in the Common Stock at times, and in such manner, as they deem advisable, subject to applicable law, to benefit from changes in market prices of such Common Stock, changes in the Issuer’s operations, business strategy or prospects, or from sale or merger of the Issuer. To evaluate such alternatives, the Reporting Persons will routinely monitor the Issuer’s operations, prospects, business development, management, competitive and strategic matters, capital structure, and prevailing market conditions, as well as other investment considerations. Consistent with its investment research methods and evaluation criteria, the Reporting Persons may discuss such matters with management or directors of the Issuer, other shareholders, industry analysts, existing or potential strategic partners or competitors, investment and financing professionals, sources of credit and other investors. Such factors and discussions may materially affect, and result in, subject to the limitations set forth in applicable law, the Reporting Persons’ modifying their ownership of the Common Stock, exchanging information with the Issuer pursuant to appropriate confidentiality or similar agreements, proposing changes in the Issuer’s operations, governance or capitalization, or pursuing one or more of the other actions described

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in subsections (a) through (j) of Item 4 of Schedule 13D instructions.

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In addition to the transactions indicated in Item 3 above, subject to applicable law, the Reporting Persons reserve the right to formulate other plans and/or other proposals, and take such actions with respect to their investment in the Issuer, including any other or all of the actions set forth in paragraphs (a) through (j) of Item 4 of Schedule 13D instructions, or acquire additional Common Stock or dispose of all the Common Stock beneficially owned by them, in the public market or privately negotiated transactions. The Reporting Persons may at any time reconsider and change their plans or proposals relating to the foregoing.

Item 5. Interest in Securities of the Issuer

Item 5 is hereby amended in its entirety as follows:

(a) — (b) As of the date of this Amendment, Datang may be deemed to have (i) beneficial ownership and (ii) shared power with HKCo to vote or direct to vote, and shared power with HKCo to dispose or direct disposition of, 6,811,233,741 shares of Common Stock, representing 18.9% of the outstanding Common Stock on an as-converted basis. Datang may be deemed to be the beneficial owner of the shares of Common Stock of the Issuer because HKCo, the record owner of the Common Stock, is Datang's wholly-owned subsidiary.

As of the date of this Amendment, HKCo may be deemed to have (i) beneficial ownership and (ii) shared power with Datang to vote or direct to vote, and shared power with Datang to dispose or direct disposition of, 6,811,233,741 shares of Common Stock, representing 18.9% of the outstanding Common Stock on an as-converted basis. HKCo may be deemed to be the beneficial owner of the shares of Common Stock of the Issuer because HKCo is the record owner of the Common Stock.

Chen Shanzhi, as a director of the Issuer, owns stock options granted to him under the Issuer's stock option plan adopted on March 18, 2004, to acquire 3,145,319 shares of Common Stock of the Issuer. All compensation received by Mr. Chen resulting from his service on the board of directors of the Issuer is to be submitted to Datang. As a result, Datang may be deemed to beneficially own the 3,145,319 shares of Common Stock that are currently exercisable or exercisable within 60 days of the date hereof upon the exercise of stock options issued to Mr. Chen.

(c) Other than the transactions as described in Item 3 above, none of the Reporting Persons nor, to their best knowledge, any of the persons set forth on Schedule A and Schedule B above, has effected any transaction in Common Stock during the past sixty (60) days.

(d) Not applicable.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities

Item 6 is hereby amended in its entirety as follows:

The information disclosed in Items 3 through 5 above is incorporated herein by reference.