



SMIC Q1 2023

Financial Presentation

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SMIC Investor Relations
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Forward-Looking Statements

This presentation contains, in addition to historical information, forward-looking statements. These forward-

1Q23 Financial Highlights (unaudited)

- **Revenue was \$1,462.3 million**

 - Down 9.8% QoQ from \$1,621.3 million in 4Q22

 - Down 20.6% YoY from \$1,841.9 million in 1Q22

- **Gross margin was 20.8%**

 - Compared to 32.0% in 4Q22

 - Compared to 40.7% in 1Q22

- **Profit from operations was \$83 million**

 - Compared to \$282 million in 4Q22

 - Compared to

Income Statement

- **Revenue** was \$1,462.3 million in 1Q23, a decrease of 9.8% QoQ from \$1,621.3 million in 4Q22. The decline was mainly due to the decrease in wafer shipment in 1Q23.

Capital Structure

| (US\$ thousands) | As of | |
|--|-------------------|-------------------|
| | Mar 31, 2023 | Dec 31, 2022 |
| Cash and cash equivalents | 8,703,465 | 6,932,587 |
| Restricted cash - current | 512,687 | 676,937 |
| Financial assets at fair value through profit or loss - current ⁽¹⁾ | 405,426 | 375,776 |
| Financial assets at amortised cost ⁽²⁾ | 9,632,629 | 10,676,151 |
| Total cash on hand | 19,254,207 | 18,661,451 |
| Borrowings - current | 1,787,053 | 1,268,218 |
| Borrowings - non-current | 6,872,271 | 6,718,304 |
| Lease liabilities | 94,924 | 109,531 |
| Bonds payable | 598,561 | 598,379 |
| Total debt | 9,352,809 | 8,694,432 |
| Net debt ⁽³⁾ | (9,901,398) | (9,967,019) |
| Equity | 29,584,682 | 28,961,421 |
| Debt to equity ratio ⁽⁴⁾ | 31.6% | 30.0% |
| Net debt to equity ratio ⁽⁵⁾ | -33.5% | -34.4% |

(1) Mainly contain structural deposits and monetary funds.

(2) Mainly contain bank deposits over 3 months.

(3) Total debt minus total cash on hand.

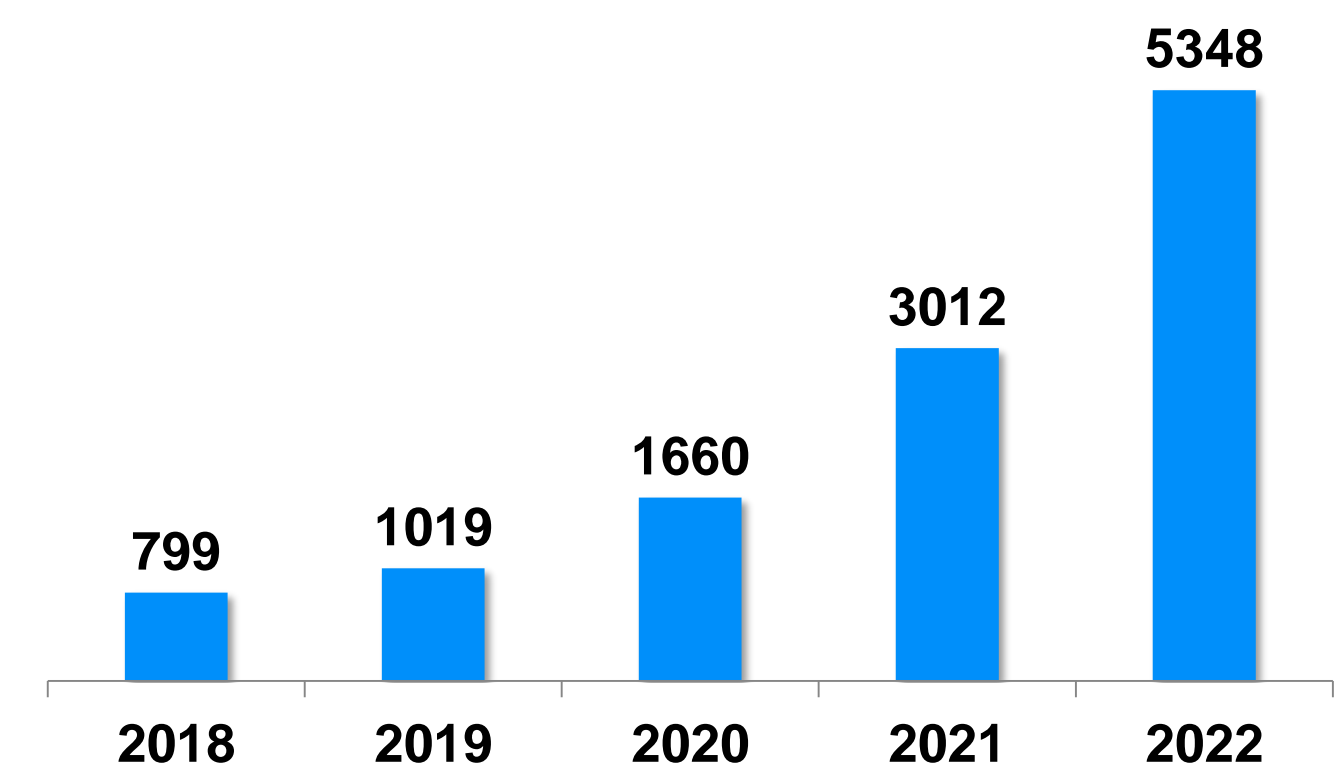
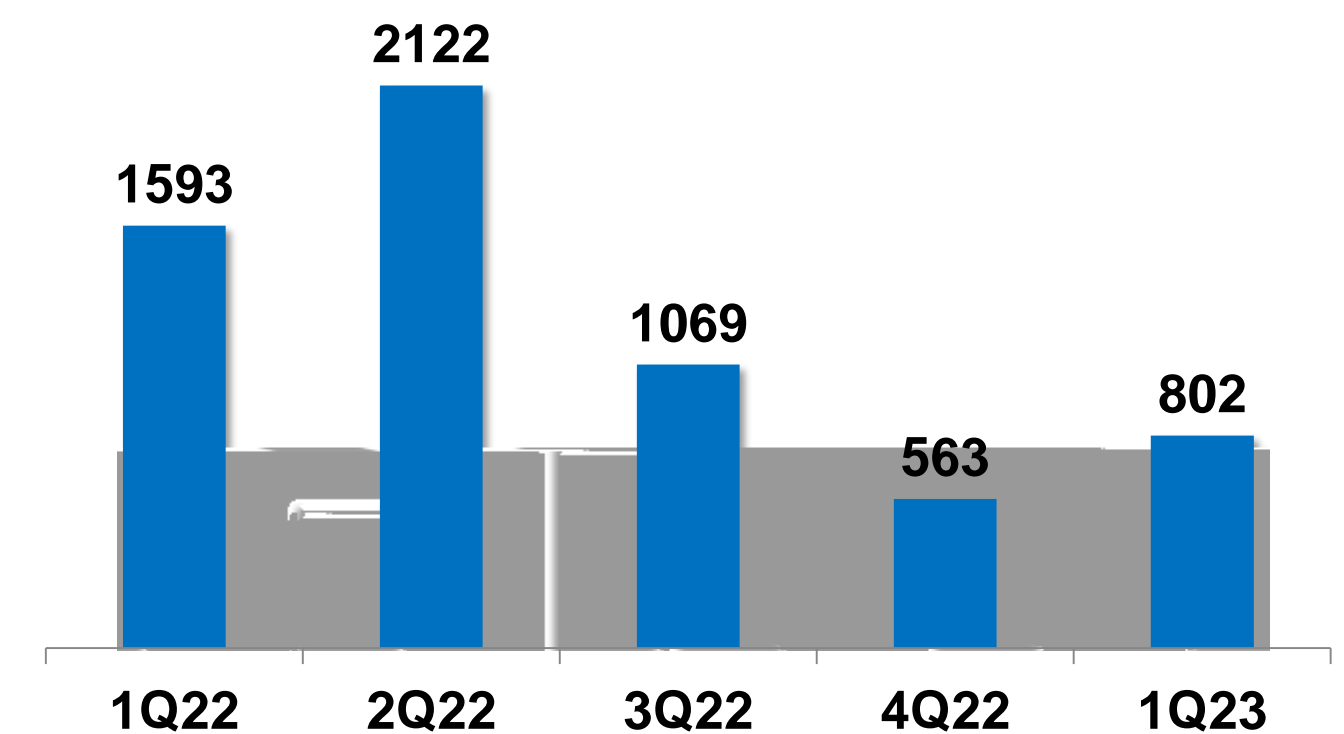
(4) Total debt divided by equity.

(5) Net debt divided by equity.

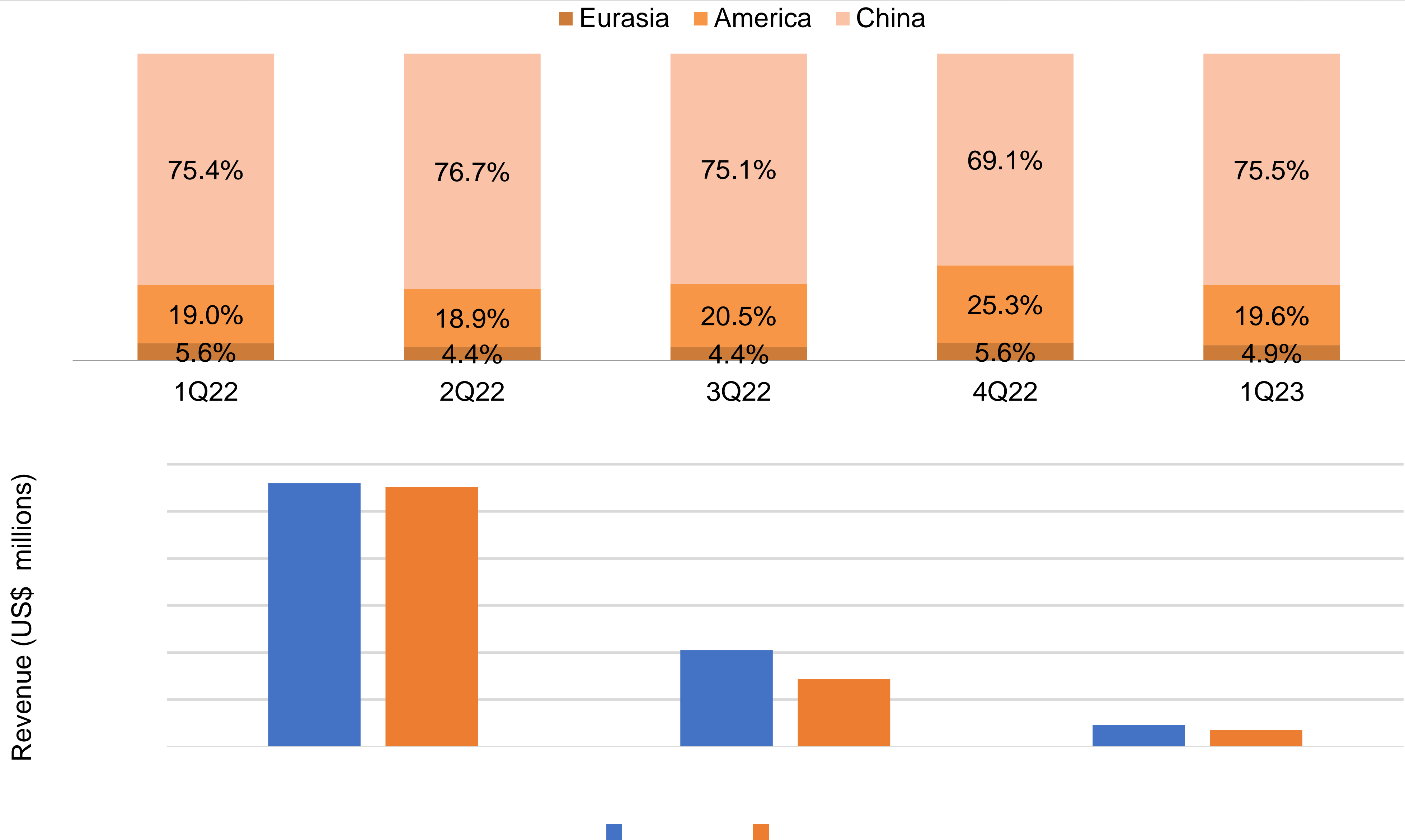
Cash Flow

| (US\$ thousands) | For the three months ended | |
|--|----------------------------|--------------|
| | Mar 31, 2023 | Dec 31, 2022 |
| Cash and cash equivalents, beginning of the period | 6,932,587 | 7,544,774 |
| Net cash generated from operating activities | 801,520 | 563,308 |
| Net cash generated (used) in investing activities | 22,611 | (2,419,975) |
| Net cash generated from financing activities | 920,864 | 1,135,197 |
| Net change in cash and cash equivalents | 1,770,878 | (612,187) |
| Cash and cash equivalents, end of the period | 8,703,465 | 6,932,587 |

Net cash generated from operating activities (US\$ millions)

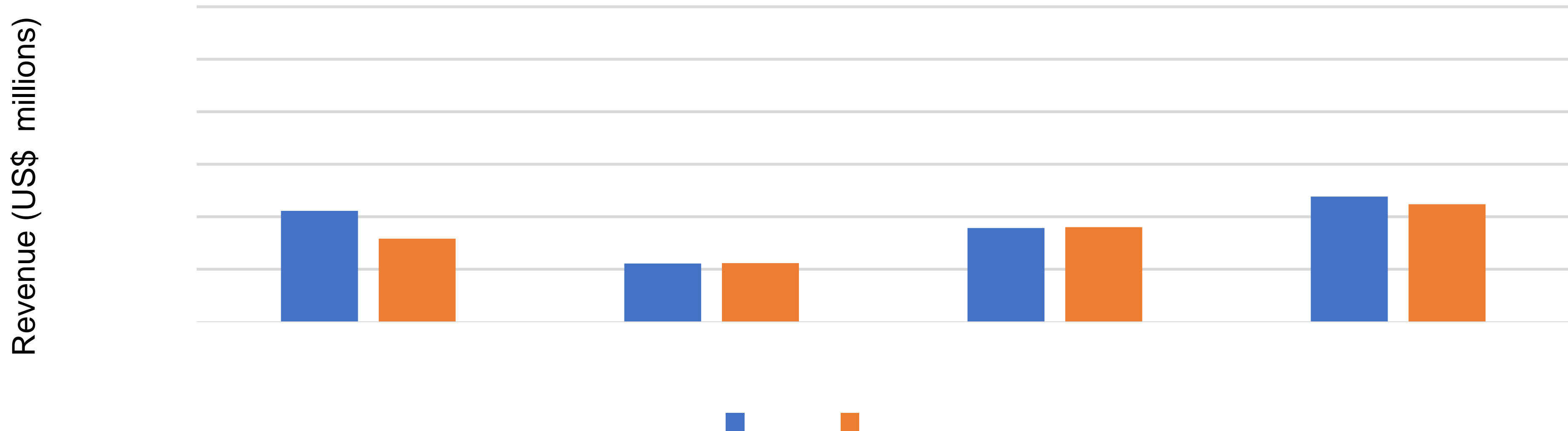
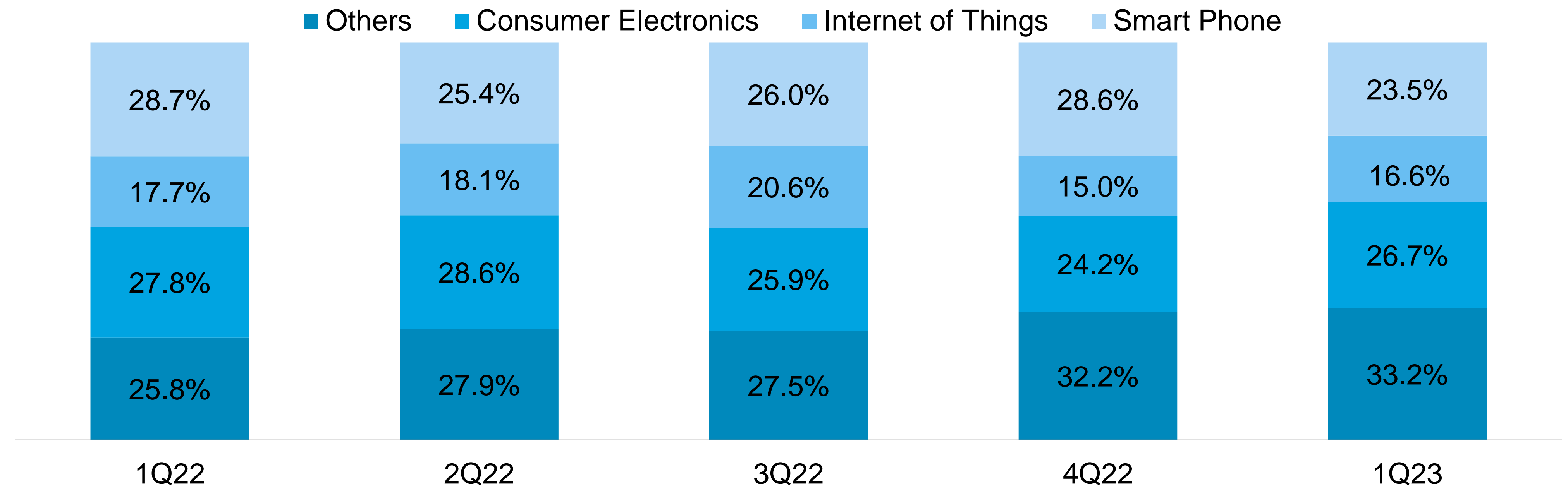


Total Revenue Analysis By Geography⁽¹⁾

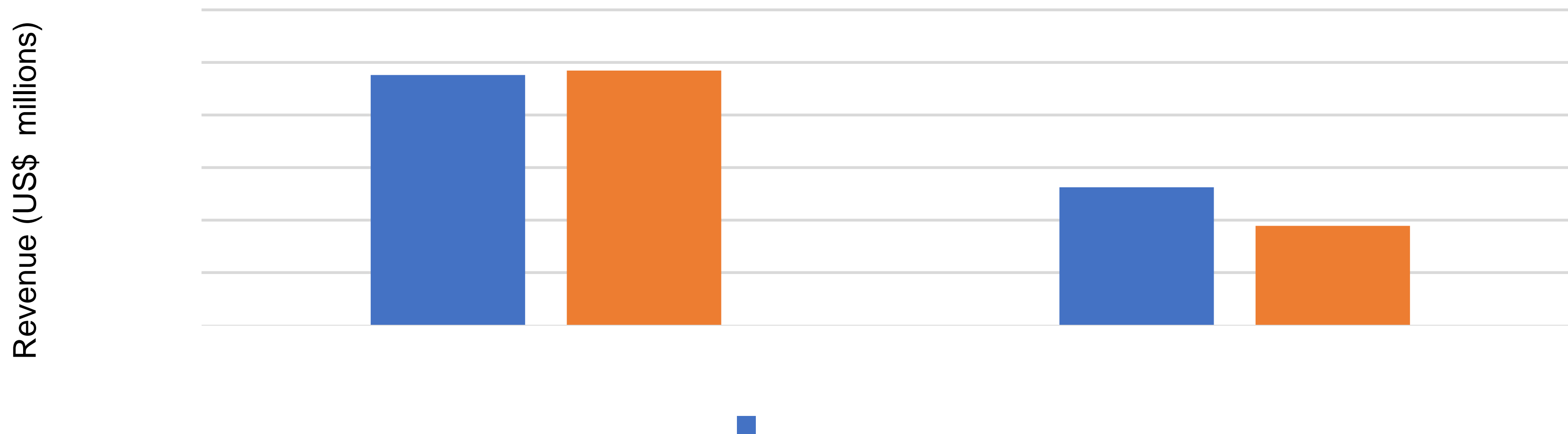
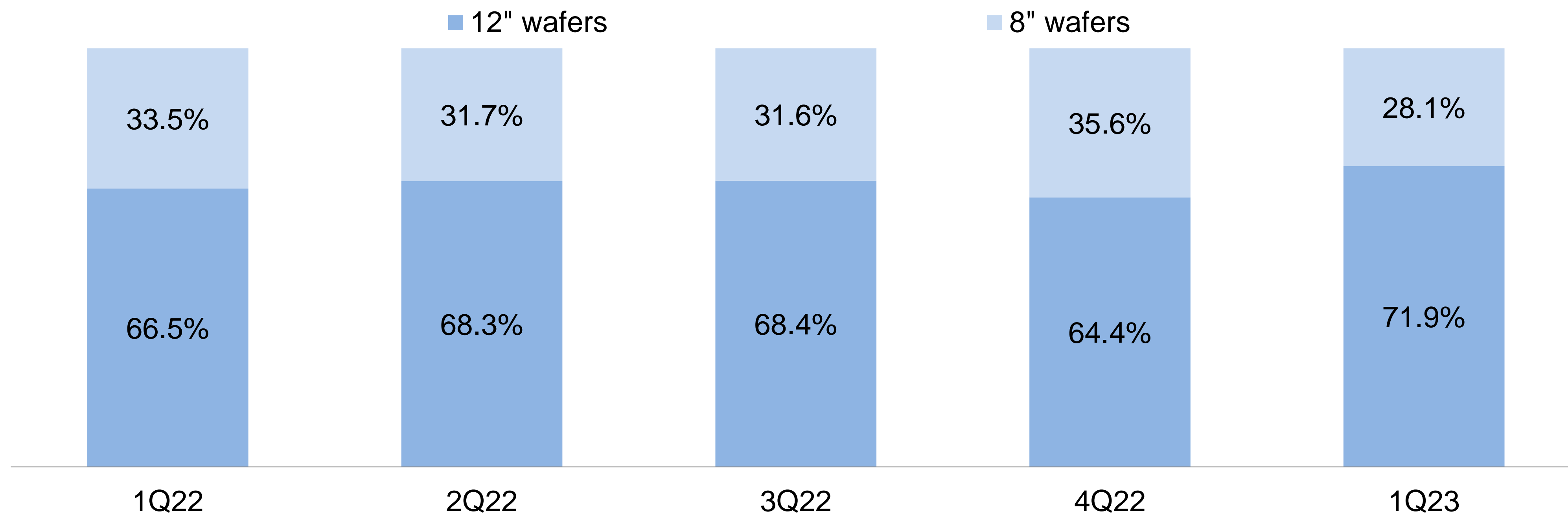


(1) Presenting the revenue to those companies whose headquarters are in this area, but ultimately selling and shipping the products to their global customers.

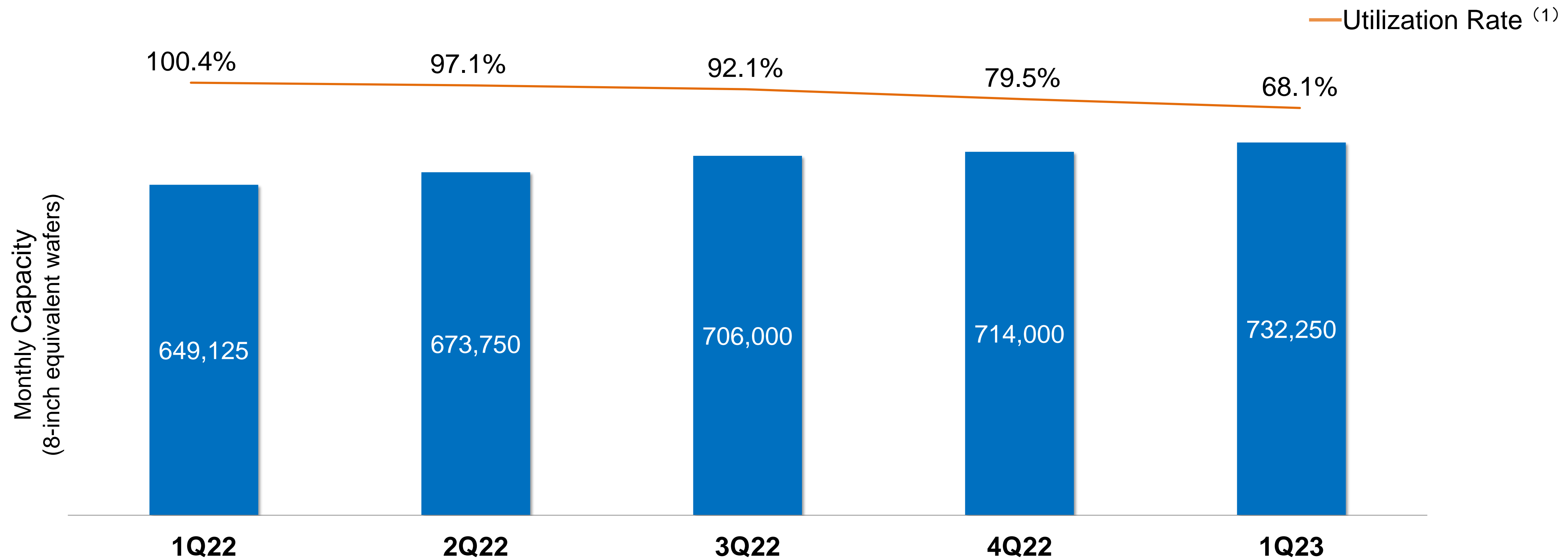
Wafer Revenue Analysis By Application



Wafer Revenue Analysis By Size



Capacity, Utilization and Shipment



| | 1Q22 | 2Q22 | 3Q22 | 4Q22 | 1Q23 |
|-----------------|-----------|-----------|-----------|-----------|-----------|
| Wafer Shipments | 1,840,189 | 1,886,530 | 1,797,671 | 1,574,068 | 1,251,715 |

(1) Capacity utilization rate is reported based on

2Q 2023 Guidance and 2023 Capex Guidance

| | 2Q 2023 Guidance | 2023 Capex |
|--------------|------------------|-------------------------------|
| Revenue | +5% to +7% QoQ | Roughly flat compared to 2022 |
| Gross Margin | 19% to 21% | |

Appendix

1Q Results vs Guidance

| | 1Q 2023 Guidance | 1Q 2023 Results |
|---------------------|------------------|-----------------|
| Revenue | -10% to -12% QoQ | -9.8% QoQ |
| Gross Margin | 19% to 21% | 20.8% |

Capital Expenditures & Depreciation

| (US\$ millions) | 1Q22 | 2Q22 | 3Q22 | 4Q22 | 1Q23 |
|--|------|-------|------|------|------|
| Capex | 869 | 1,672 | 1822 | 1987 | 1259 |
| Depreciation & Amortization | 534 | 557 | 576 | 604 | 631 |



Thank You!

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