



SMIC Q1 2023

Financial Presentation

SEHK: 00981

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SMIC Investor Relations
May 2023

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

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.

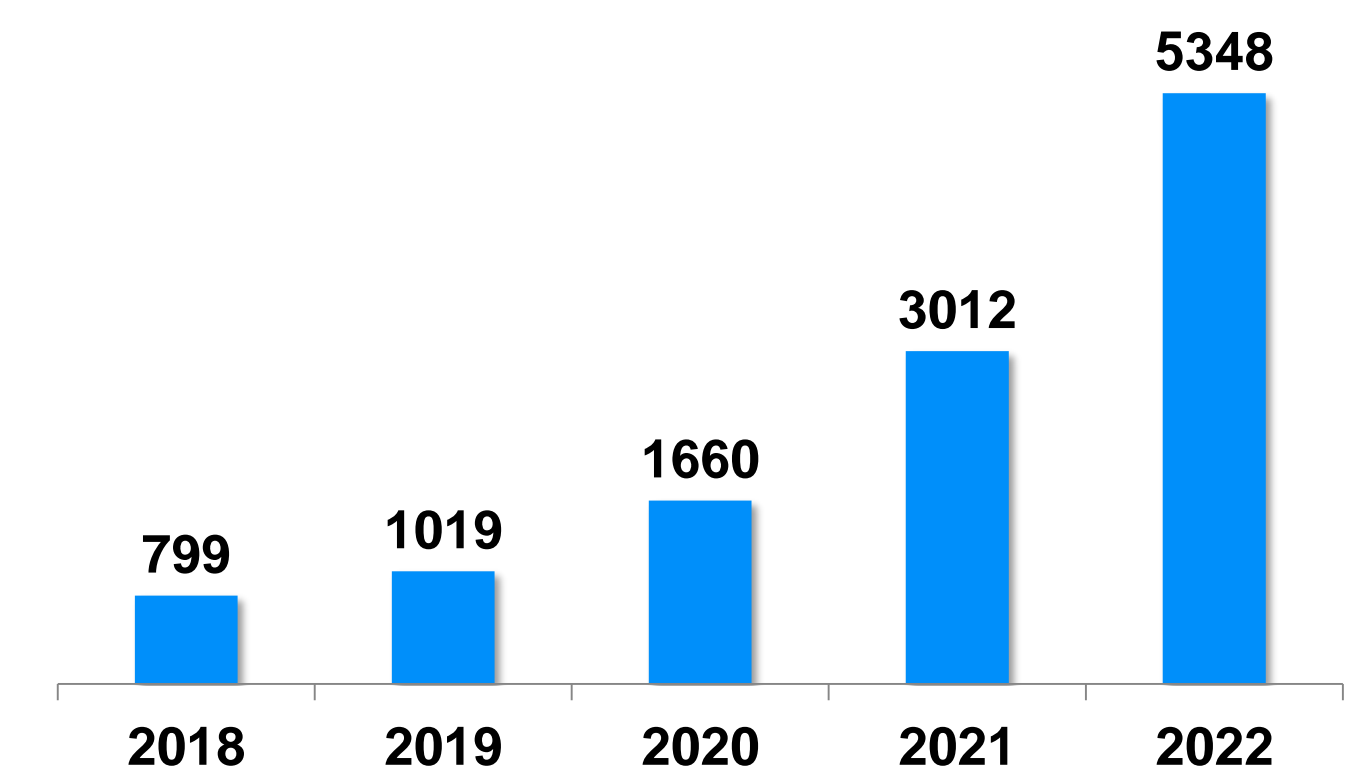
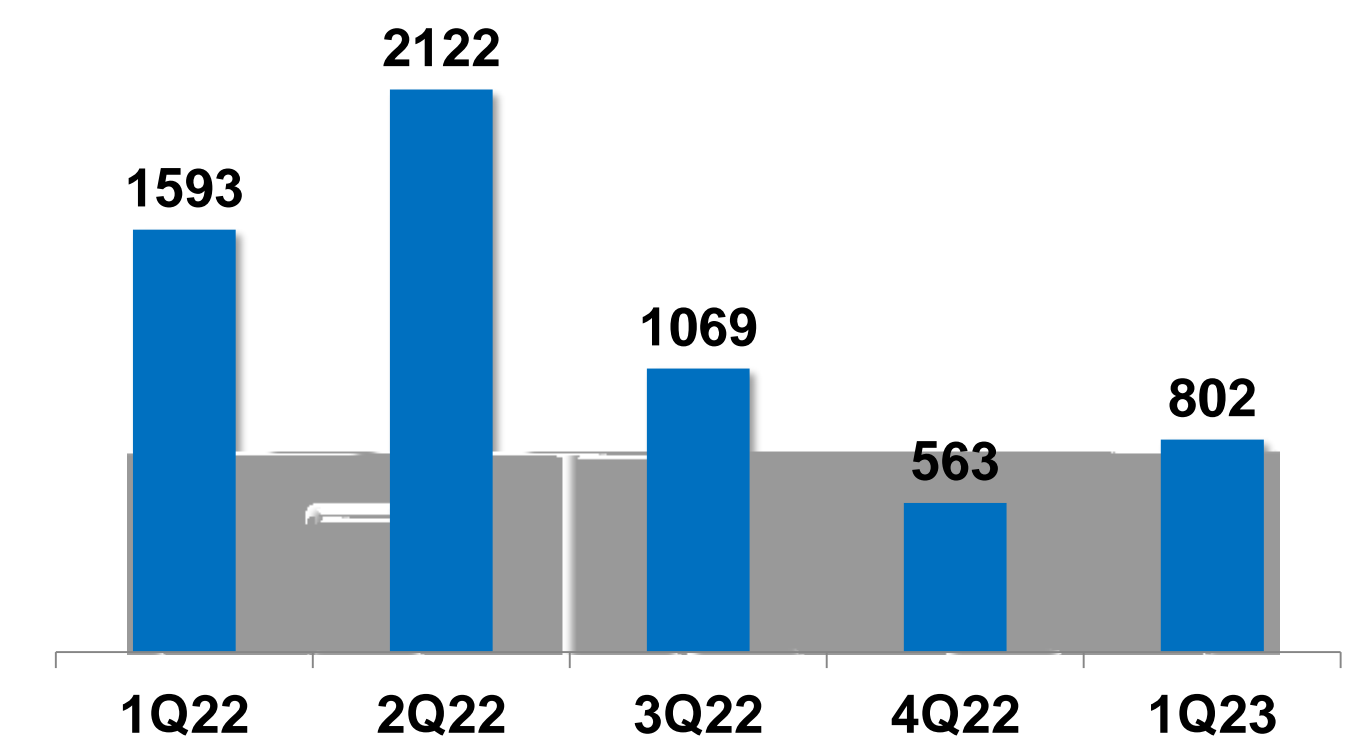
(4) Total debt divided by equity.

(5) Net debt divided by equity.

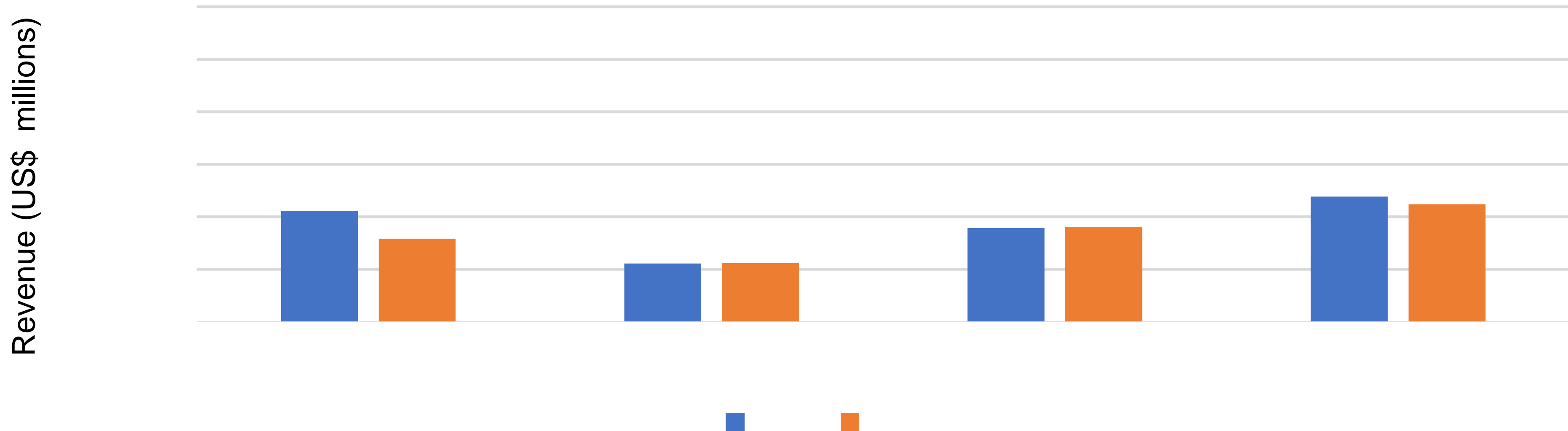
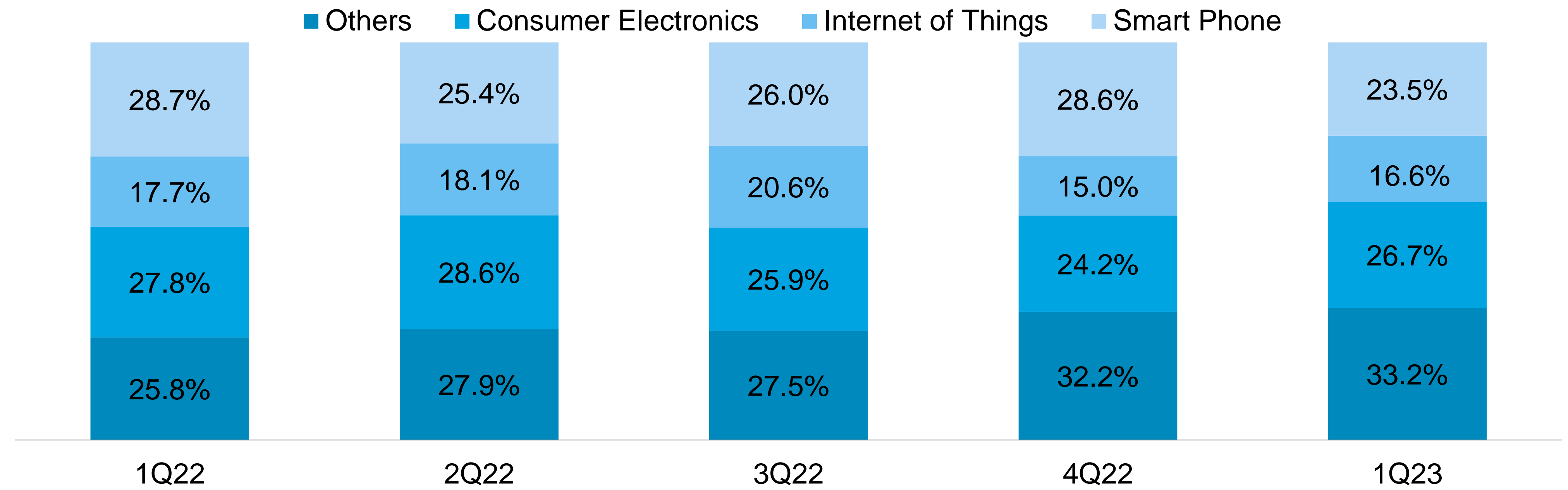
Cash Flow

(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

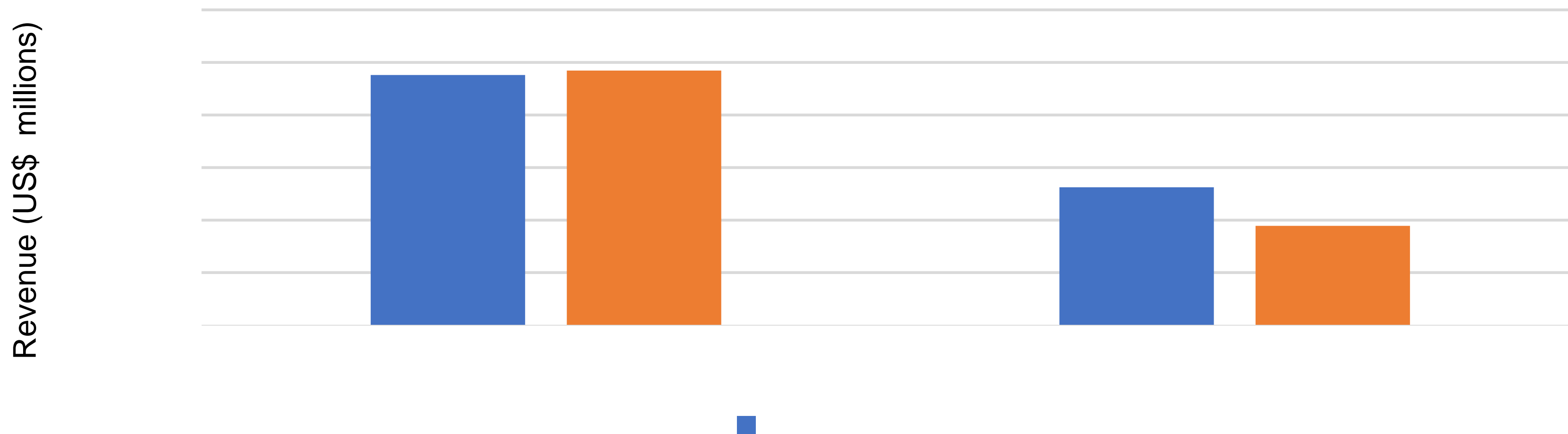
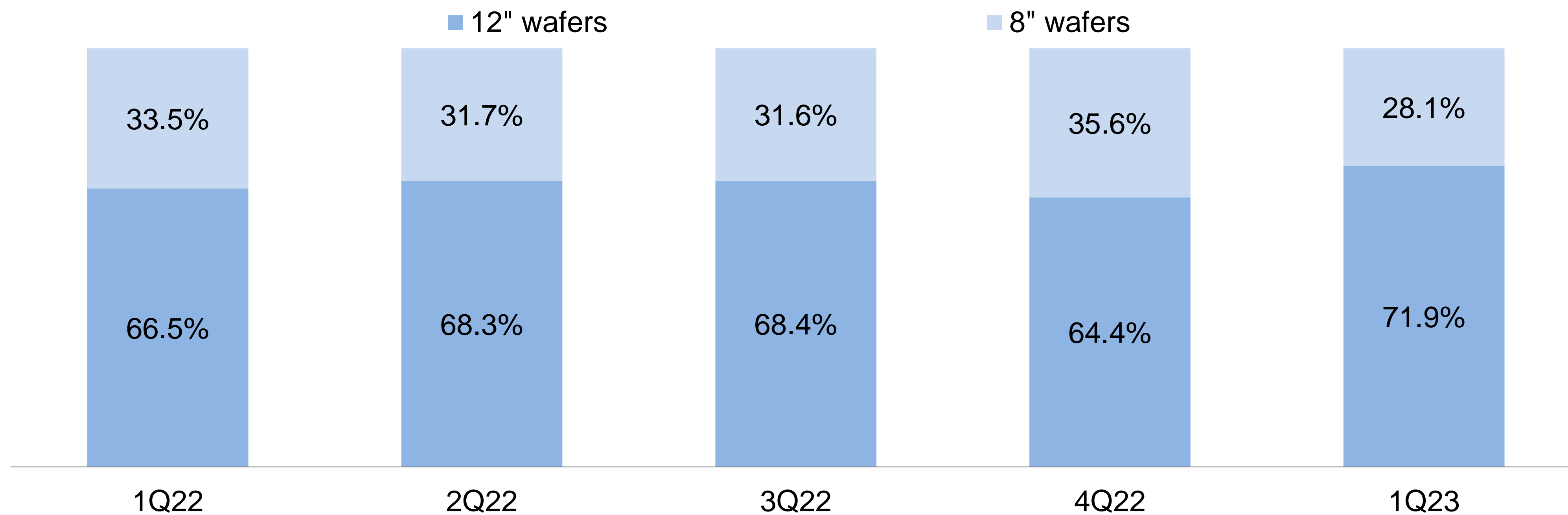
Net cash generated from operating activities (US\$ millions)



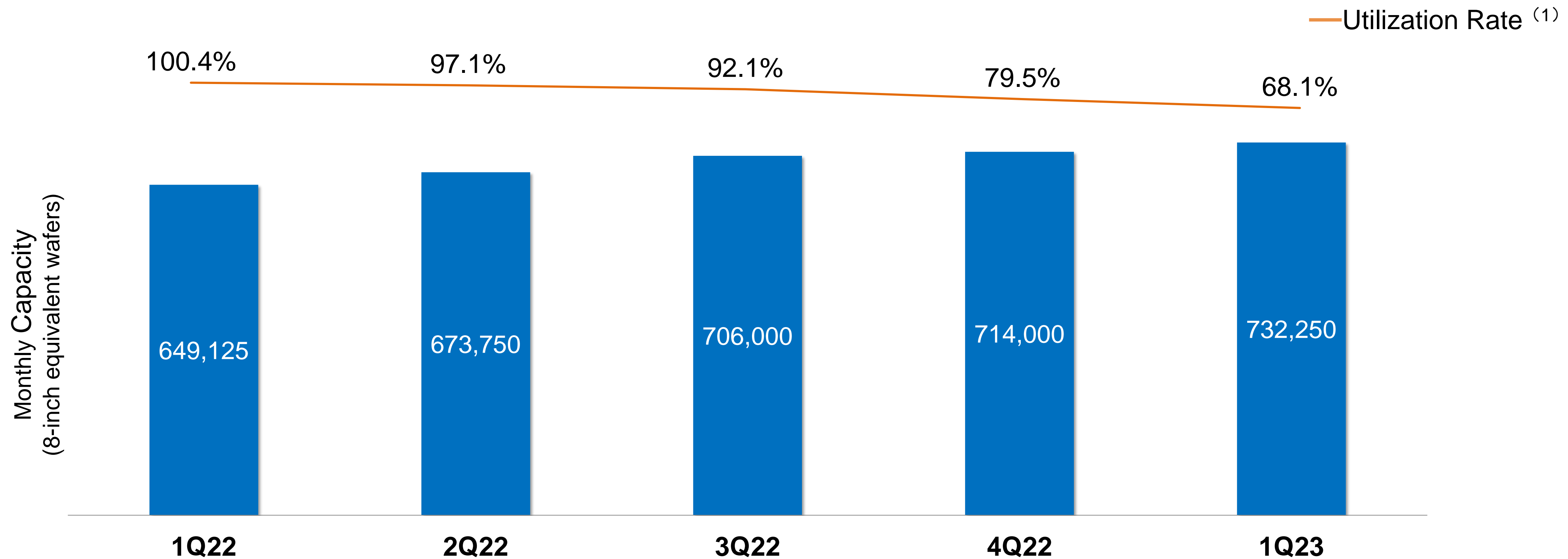
Wafer Revenue Analysis By Application



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!

Contact us: ir@smics.com