

SMIC Q1 2022

Financial Presentation

EH : 00981

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SMIC Investor Relations
May 2022

Forward-Looking Statements

This presentation contains, in addition to historical information, forward-looking statements. These forward-looking statements are based on SMIC's current assumptions, expectations, beliefs, plans, objectives, and projections about future

1Q22 Financial Highlights

Revenue was \$7,842 million

- 1.1%
- 1.1%

Gross margin was 40.7%

- 0.1%
- 0.1%

Profit from operations was \$536 million

- \$0
- \$1

Profit attributable to SMIC was \$447 million

- \$1
- \$1

EBITDA was \$1,136 million

- \$1,1
- \$1

Income Statement

(\$)	1

- **Revenue** was \$1,841.9 million in 1Q22, an increase of 16.6% QoQ from \$1,580.1 million in 4Q21. The growth was primarily attributable to product-mix change, price adjustment and shipment increase in 1Q22.
- **Gross margin** was 40.7% in 1Q22, compared to 35.0% in 4Q21. The fluctuation was mainly due to product-mix change, price adjustment and shipment increase in 1Q22.
- The change in **Other operating income** was mainly due to the income recognized in relation to government funding of \$45.0 million in 1Q22, compared to \$126.1 million in 4Q21.

Capital Structure

(US\$ thousands)	As of	
	Mar 31, 2022	Dec 31, 2021
Cash and cash equivalent	6,099,908	8,581,746
Restricted cash - Current	266,045	214,191
Financial assets at fair value through profit or loss - Current ⁽¹⁾	322,975	78,184
Financial assets at amortized cost ⁽²⁾	10,586,163	7,564,091
Total cash on hand	17,275,091	16,438,212
Borrowings - Current	798,489	789,316
Borrowings - Non-current	5,109,660	4,937,671
Lease liabilities	183,110	210,224
Medium-term notes	-	235,515
Convertible bonds	1,989	1,978
Bonds payable	597,839	597,663
Total debt	6,691,087	6,772,367
Net debt ⁽³⁾	(10,584,004)	(9,665,845)
Equity	26,317,641	25,438,143
Total debt to equity ratio ⁽⁴⁾	25.4%	26.6%
Net debt to equity ratio ⁽⁵⁾	-40.2%	-38.0%

(1) Mainly contain structural deposits and monetary funds.

(2) Mainly contain bank deposits over 3 months.

(3) Total debt minus total cash on hand.

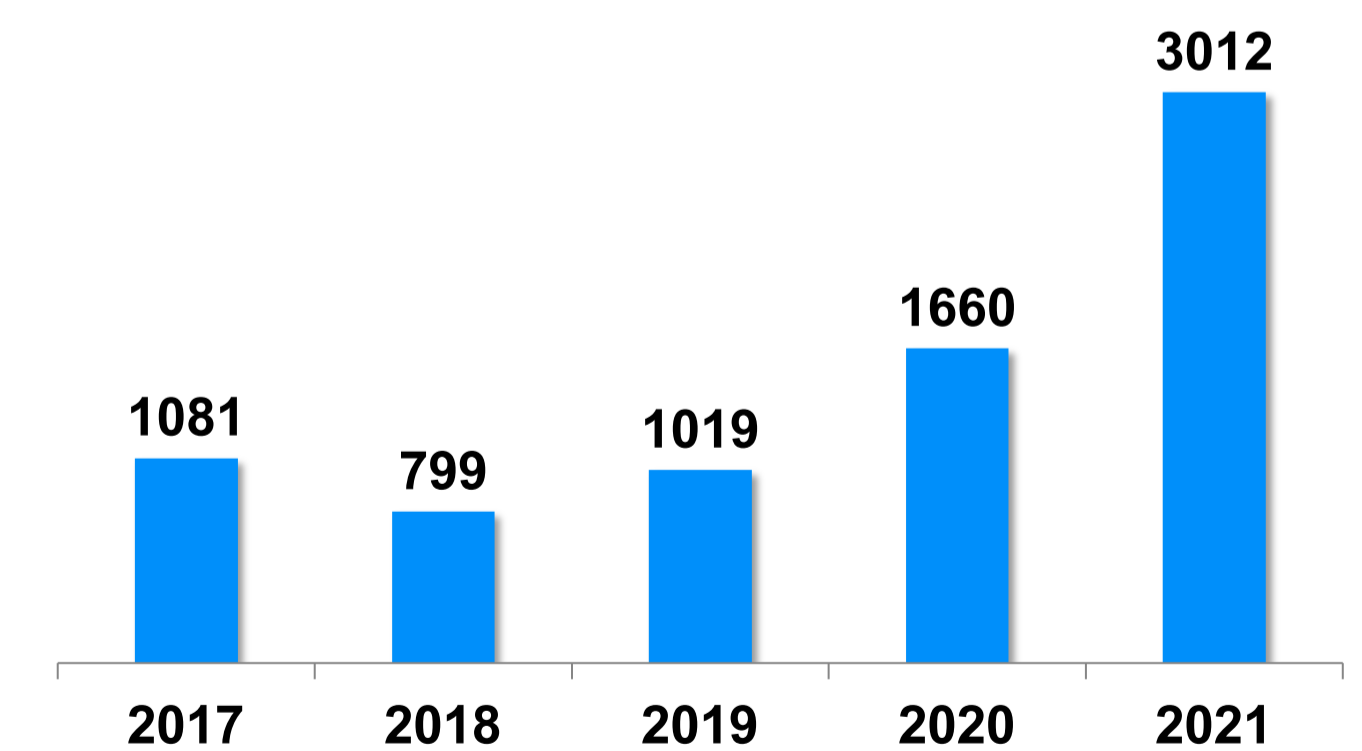
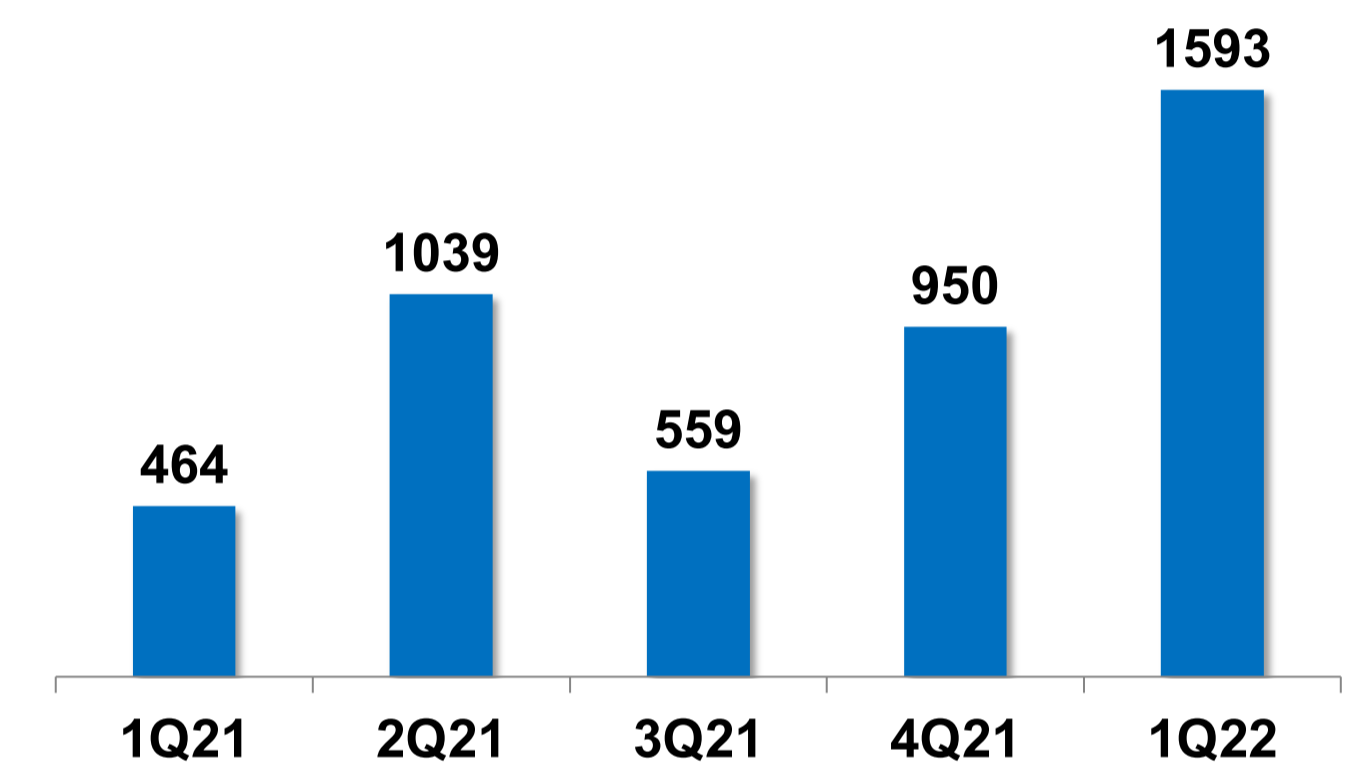
(4) Total debt divided by equity.

(5) Net debt divided by equity.

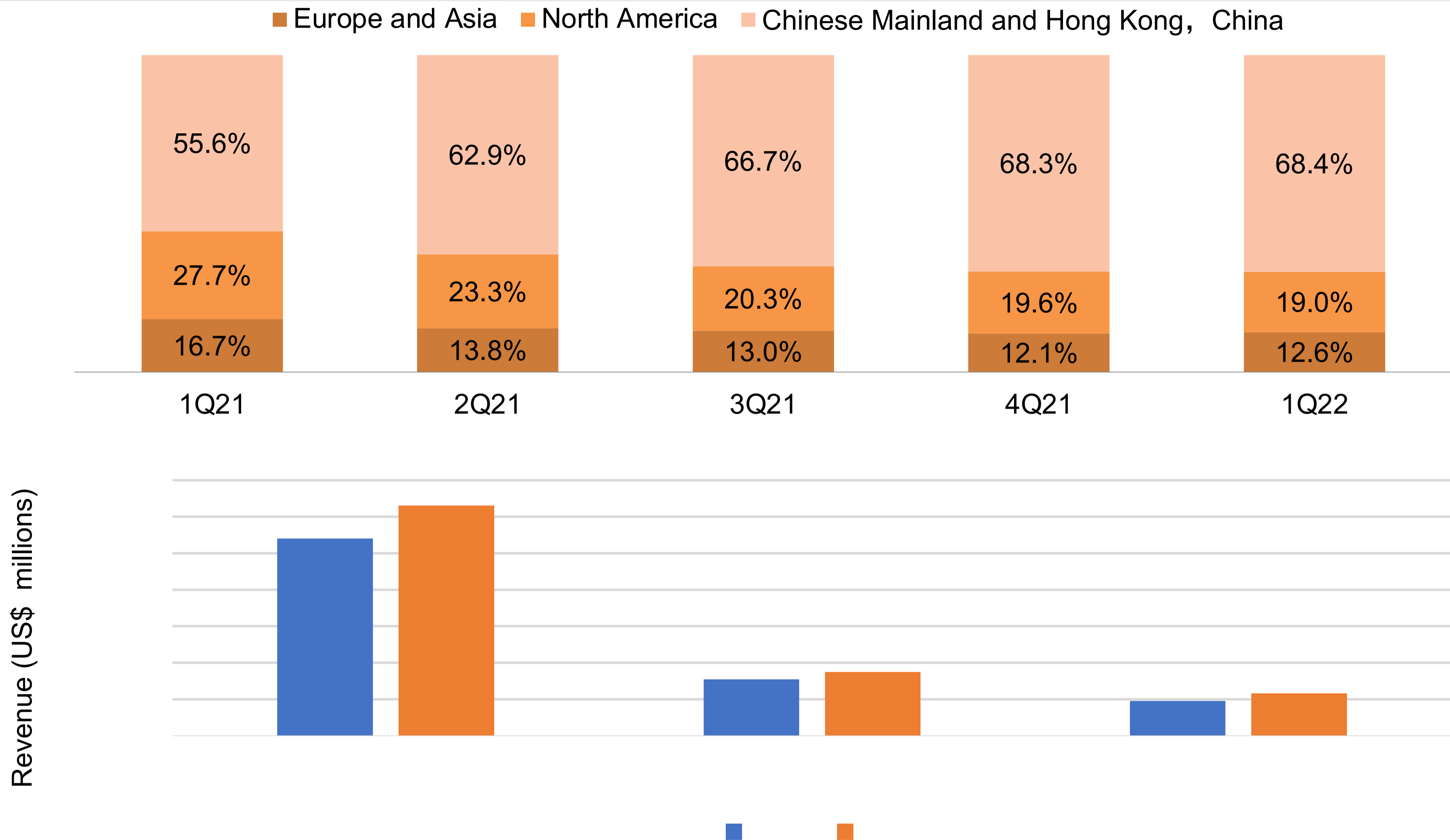
Cash Flow

<i>(US\$ thousands)</i>	For the three months ended	
	Mar 31, 2022	Dec 31, 2021
Cash and cash equivalent, beginning of period	8,581,746	7,503,520
Net cash from operating activities	1,592,970	949,558
Net cash used in investing activities	(4,266,260)	(1,735,336)
Net cash from financing activities	188,415	1,847,304
Net change in cash and cash equivalent	(2,481,838)	1,078,226
Cash and cash equivalent, end of period	6,099,908	8,581,746

Net cash from operating activities (US\$ millions)



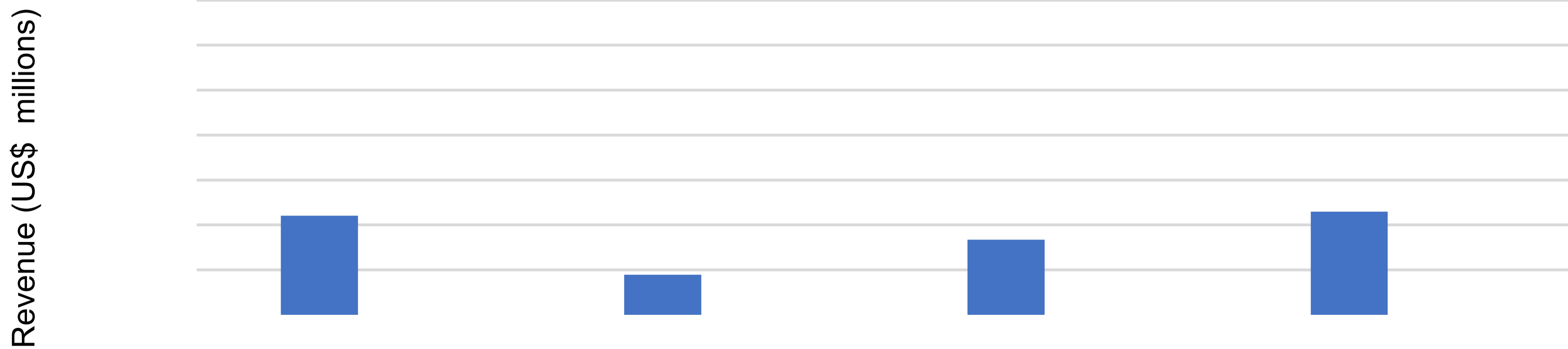
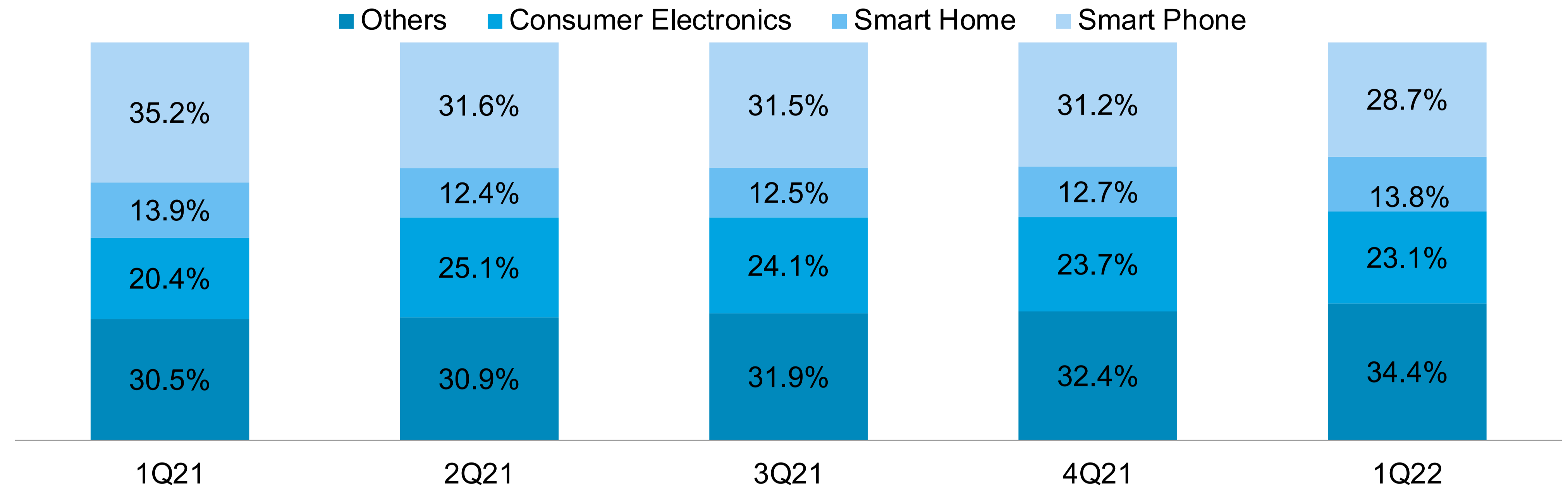
Total Revenue Breakdown by Geography⁽¹⁾



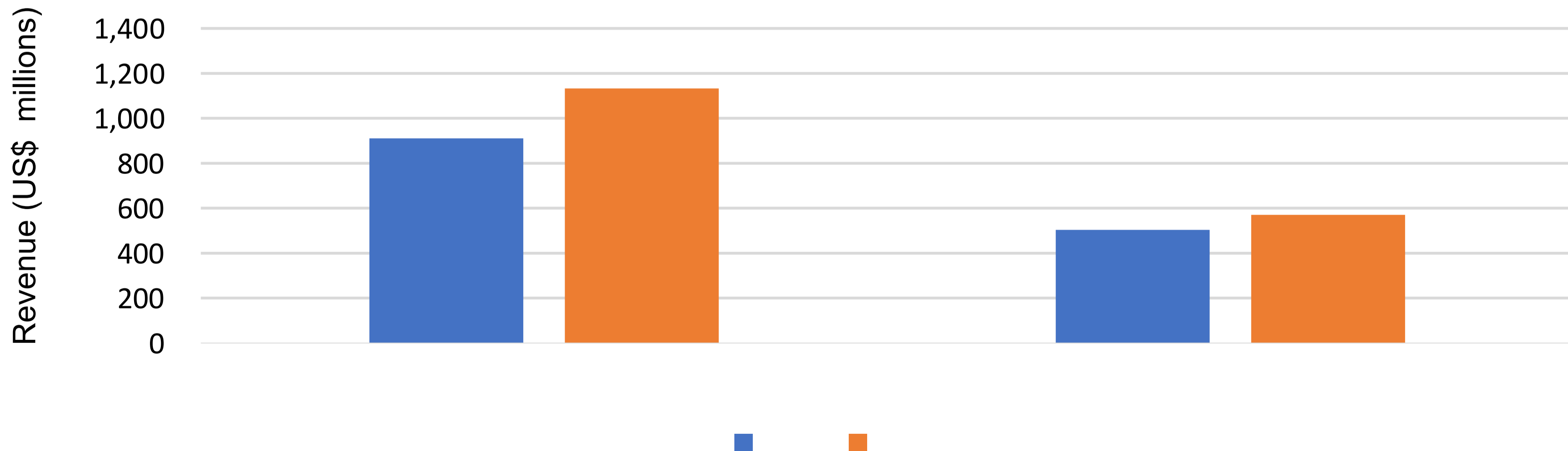
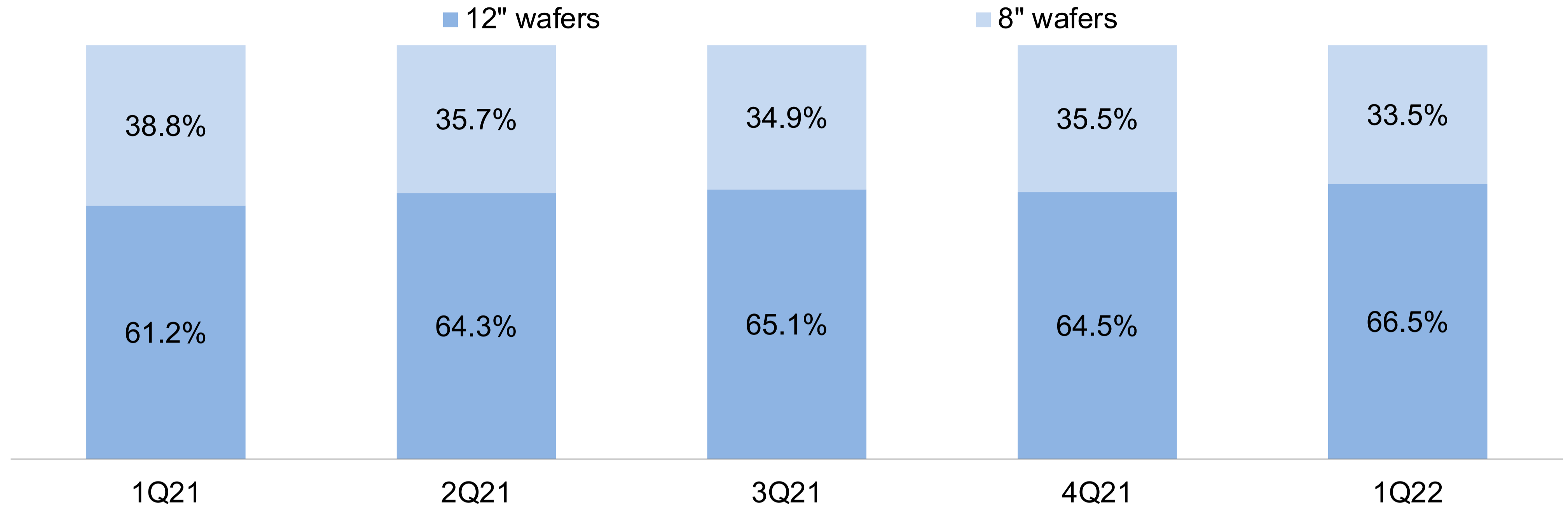
(1) Presenting the revenue to those companies whose headquarters are in this area, but ultimately selling and shipping the products to their global customers.

(2) Excluding Chinese Mainland and Hong Kong, China.

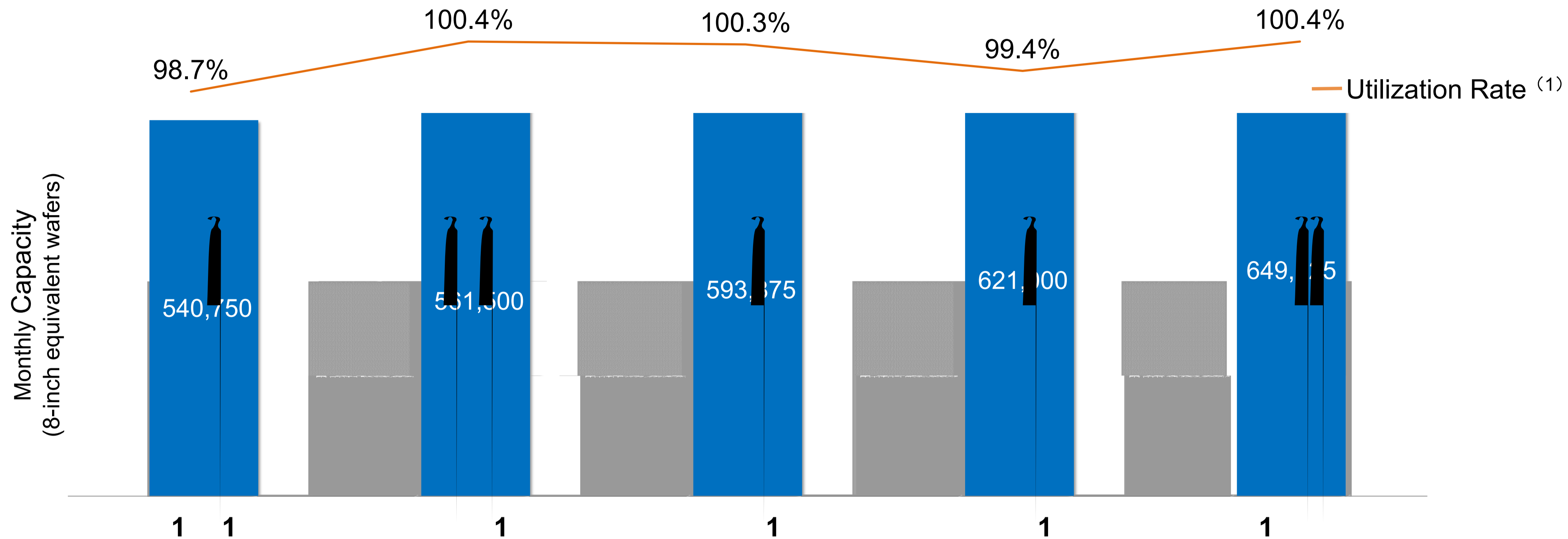
Wafer Revenue Breakdown by Application



Wafer Revenue By Size



Capacity, Utilization and Shipment



	1Q21	2Q21	3Q21	4Q21	1Q22
Wafer Shipments	1,558,893	1,745,194	1,719,743	1,723,360	1,840,189

(1) Capacity utilization rate is reported based on total 8" equivalent wafers out divided by estimated total quarterly capacity.

2Q 2022 Guidance and 2022 Capex Guidance

	2 2022 G		3 2022 C
	+1%	+3%	
G	37%	39 %	\$5.0B

Appendix

Capital Expenditures & Depreciation

<i>(US\$ millions)</i>	1 21	2 21	3 21	4 21	1 22
C	534	771	1,081	2,130	869
D & A	420	462	480	508	534

Thank You!

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