

SMIC Q2 2025

Financial Presentation

August 2025

Forward-Looking Statements

This presentation may contain, 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 events or performance. SMIC uses words including but not limited to

and other similar expressions to identify forward looking statements. These forward-looking statements are estimates made by SMIC's senior management based on their best judgment and involve significant risks, both known and unknown, uncertainties and other factors that may cause SMIC's actual performance, financial condition or results of operations to be materially different from those suggested by the forward-looking statements including, among others, risks associated with cyclicalities and market conditions in the semiconductor industry, intense competition in the semiconductor industry, timely wafer acceptance by SMIC's customers, timely introduction of new technologies, SMIC's ability to ramp new products into volume, supply and demand for semiconductor foundry services, shortages in equipment, parts, raw materials, software and service supports, orders or judgments from pending litigation, common intellectual property litigation in the semiconductor industry, macro-economic conditions, fluctuations in currency exchange rates and the risk of geopolitics.

2Q25 Financial Highlights (unaudited)

- **Revenue was \$2,209 million**

 - Down 1.7% QoQ from \$2,247 million in 1Q25

 - Up 16.2% YoY from \$1,901 million in 2Q24

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1H25 Financial Highlights (unaudited)

- **Revenue was \$4,456 million**
Compared to \$3,651 million in 1H24
- **Gross margin was 21.4%**
Compared to 13.8% in 1H24
- **Profit from operations was \$460 million**
Compared to \$90 million in 1H24
- **Profit attributable to SMIC was \$321 million**
Compared to \$236 million in 1H24
- **EBITDA was \$2,421 million**
Compared to \$1,943 million in 1H24

Income Statement



- **Research and development expenses** increased to \$181.9 million in 2Q25 from \$148.9 million in 1Q25. The change was mainly due to the higher level of R&D activities in 2Q25.
- **General and administrative expenses** increased to \$188.9 million in 2Q25 from \$149.3 million in 1Q25. The change was mainly due to the increase in new fab start-up costs in 2Q25.

Capital Structure

(US\$ thousands)	As of	
	Jun 30, 2025	Mar 31, 2025
Cash and cash equivalents	5,082,675	4,587,349
Restricted cash	379,078	375,807
Financial assets at fair value through profit or loss - current ⁽¹⁾	106,115	113,928
Financial assets at amortised cost ⁽²⁾	7,486,436	7,625,386
Total cash on hand	13,054,304	12,702,470
Borrowings - current	3,100,702	3,270,702
Borrowings - non-current	8,828,546	7,966,390
Lease liabilities	14,689	18,154
Bonds payable	-	-
Total debt	11,943,937	11,255,246
Net debt ⁽³⁾	(1,110,367)	(1,447,224)
Equity	32,741,774	32,226,482
Debt to equity ratio ⁽⁴⁾	36.5%	34.9%
Net debt to equity ratio ⁽⁵⁾	-3.4%	-4.5%

(1) Mainly contain structural deposits and monetary funds.

(2) Mainly contain bank deposits over 3 months.

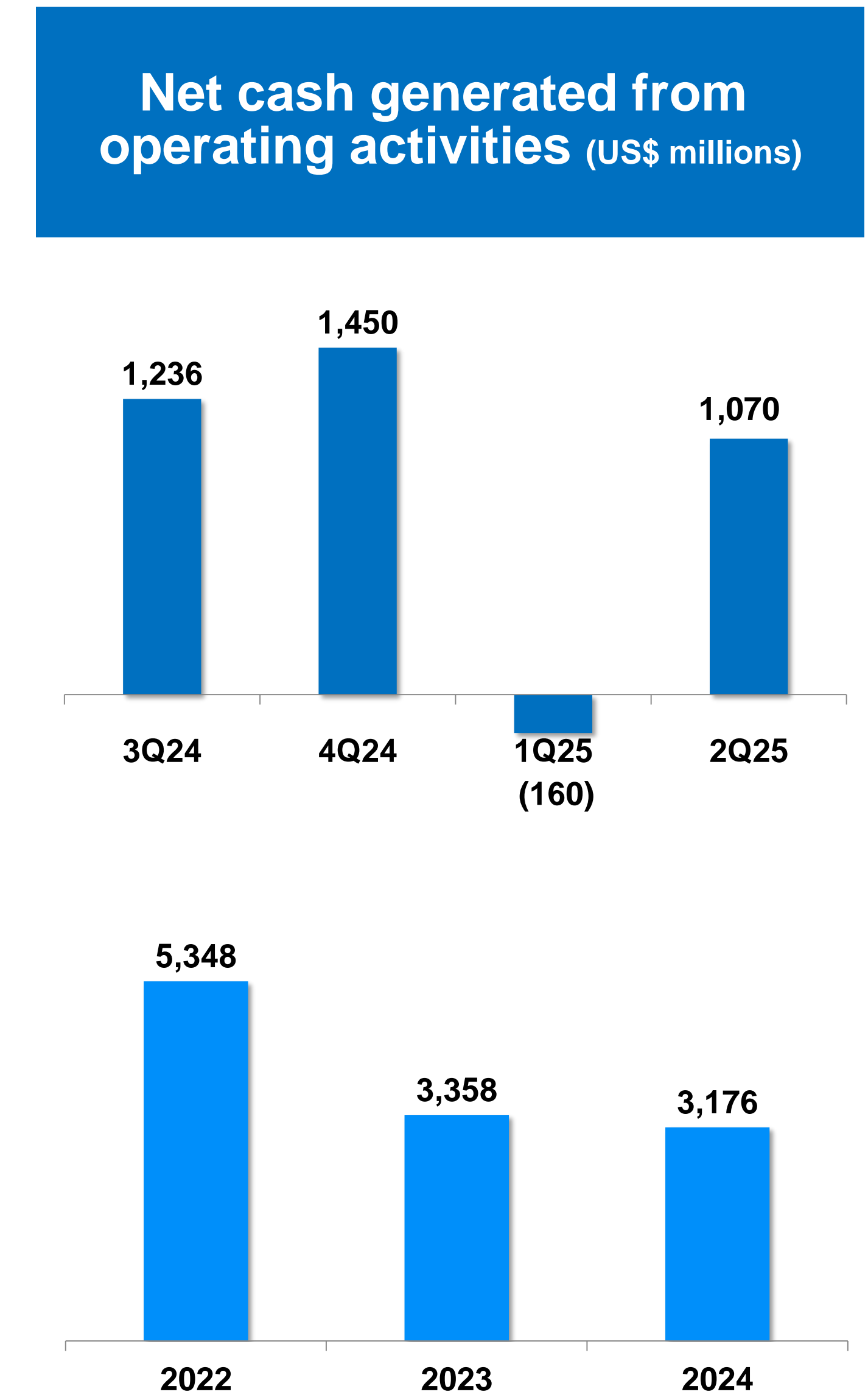
(3) Total debt minus total cash on hand.

(4) Total debt divided by equity.

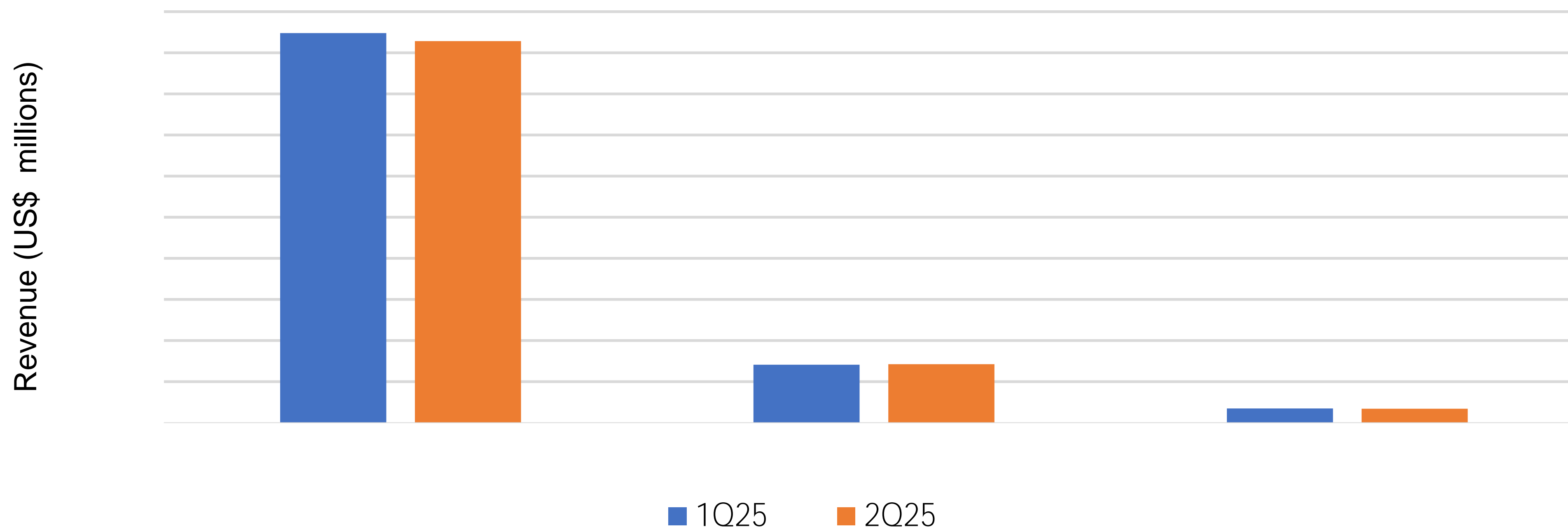
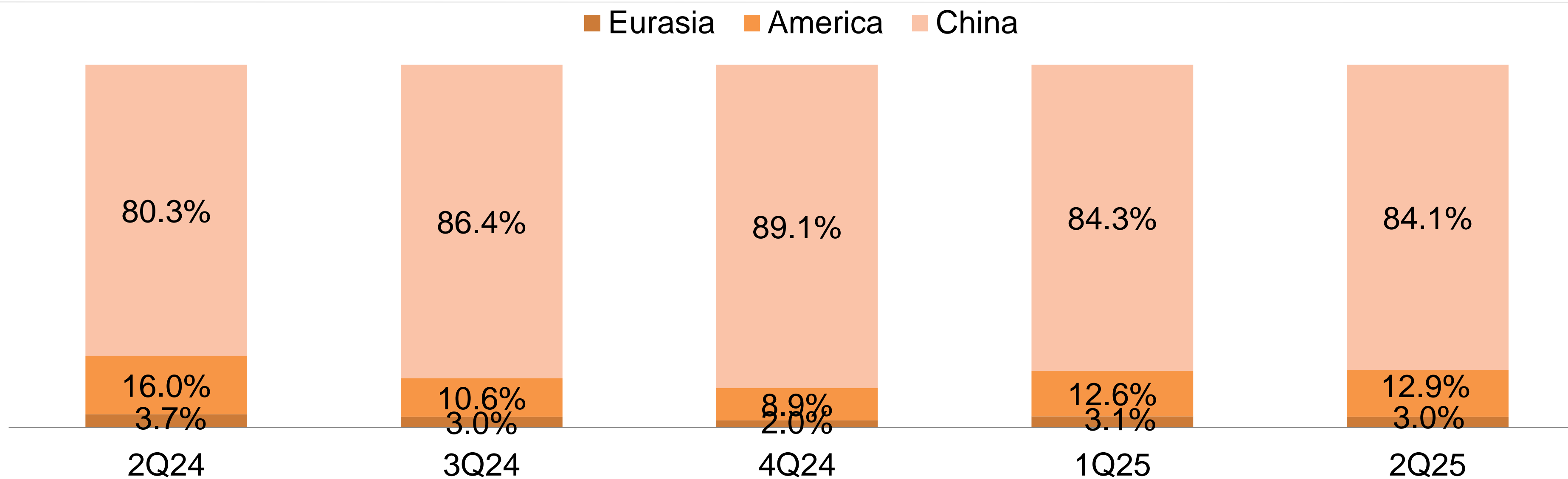
(5) Net debt divided by equity.

Cash Flow

(US\$ thousands)	For the three months ended	
	Jun 30, 2025	Mar 31, 2025
Cash and cash equivalents, beginning of the period	4,587,349	6,364,189
Net cash generated from/(used in) operating activities	1,069,672	(160,415)
Net cash used in investing activities	(1,559,603)	(1,327,526)
Net cash generated from/(used in) financing activities	958,185	(353,914)
Net increase/(decrease) in cash and cash equivalents	495,326	(1,776,840)
Cash and cash equivalents, end of the period	5,082,675	4,587,349



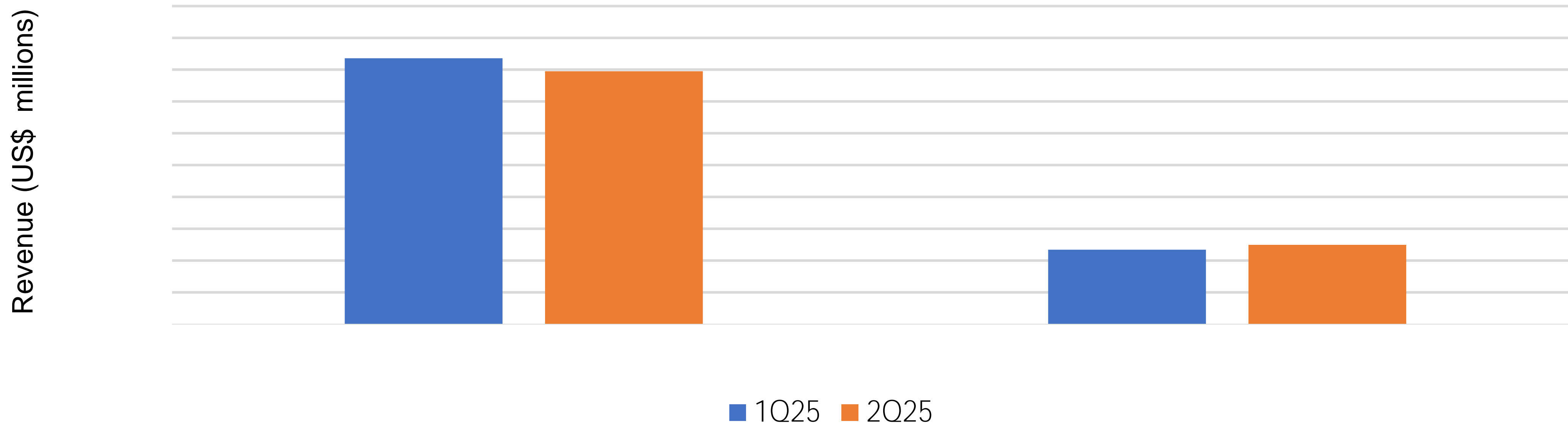
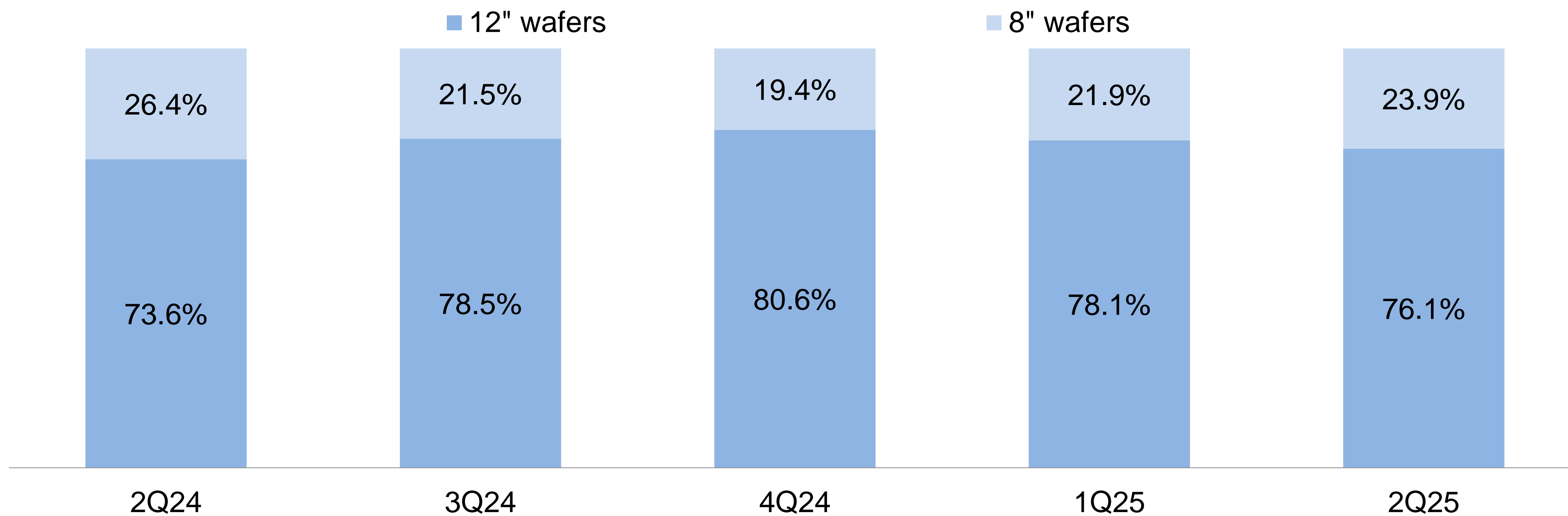
Total Revenue By Geography



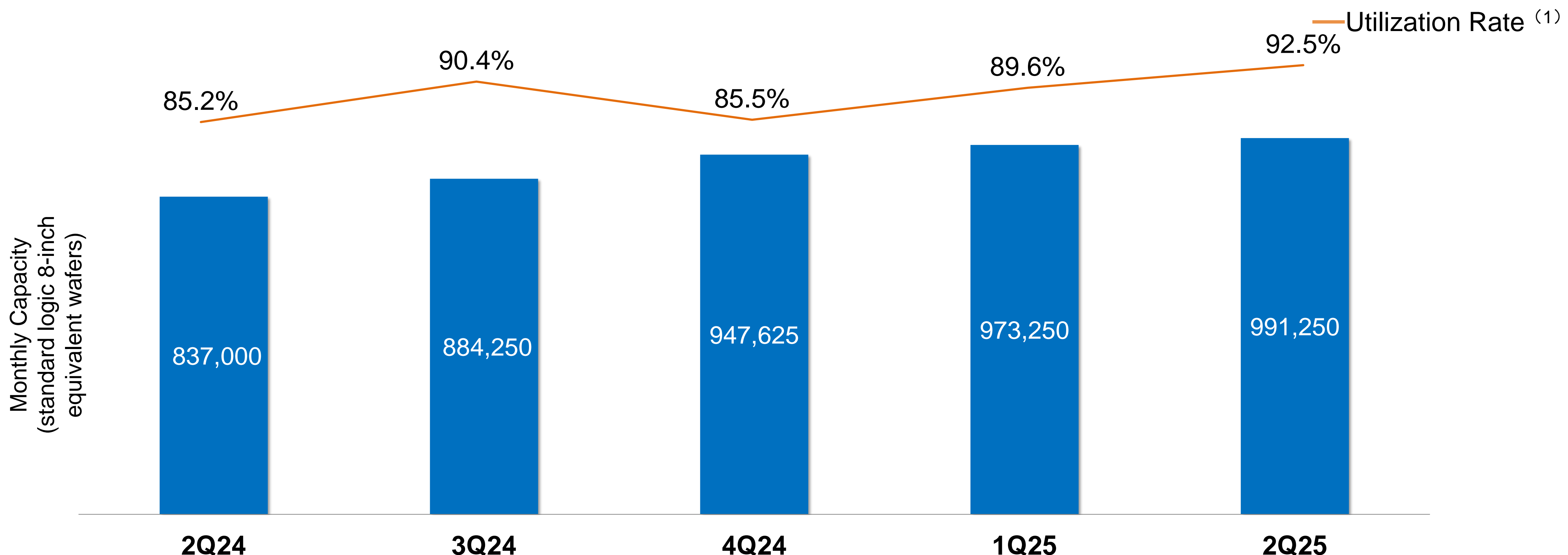
Wafer Revenue By Application



Wafer Revenue By Size



Capacity, Utilization and Shipment



	2Q24	3Q24	4Q24	1Q25	2Q25
Wafer Shipments (standard logic 8-inch equivalent wafers)	2,111,880	2,122,266	1,991,761	2,292,153	2,390,236

(1) Utilization rate is reported based on total wafers out divided by estimated total quarterly capacity.

3Q 2025 Guidance

	3Q 2025 Guidance
Revenue	+5% to +7% QoQ
Gross Margin	18% to 20%

Appendix

2Q 2025 Results and Guidance

	2Q 2025 Guidance	2Q 2025 Results
Revenue	-4% to -6% QoQ	-1.7% QoQ
Gross Margin	18% to 20%	20.4%

Capital Expenditure & Depreciation and amortisation

(US\$ millions)	2Q24	3Q24	4Q24	1Q25	2Q25
Capital Expenditure	2,252	1,179	1,660	1,416	1,885
Depreciation and amortisation	797	831	849	866	879

Thank You!

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