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SEMICONDUCTOR MANUFACTURING INTERNATIONAL CORPORATION

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**(Incorporated in the Cayman Islands with limited liability)
(STOCK CODE: 00981)**

SMIC REPORTS UNAUDITED RESULTS FOR THE THREE MONTHS ENDED MARCH 31, 2025

The consolidated financial information is prepared and presented in accordance with International Financial Reporting Standards unless otherwise stated below.

Revenue was \$2,247.2 million in 1Q25, compared to \$2,207.3 million in 4Q24, and \$1,750.2 million in 1Q24.

Gross profit was \$505.9 million in 1Q25, compared to \$499.0 million in 4Q24, and \$239.7 million in 1Q24.

Gross margin was 22.5% in 1Q25, compared to 22.6% in 4Q24 and 13.7% in 1Q24.

Set out below is a copy of the full text of the release by the Company on May 8, 2025, in relation to its unaudited results for the three months ended March 31, 2025.

All currency figures stated in this report are in US Dollars unless stated otherwise.

Shanghai, China May 8, 2025 Semiconductor Manufacturing International Corporation (SEHK: 00981; SSE STAR MARKET: 688981), one of the leading semiconductor foundries in the world, today announced its consolidated results of operations for the three months ended March 31, 2025.

* For identification purposes only

The following statements are forward looking statements based on current expectations and involved risks and uncertainties.

Second Quarter 2025 Guidance

The Company expects (in

Conference Call / Webcast Announcement

Date: Friday, May 9, 2025
Time: 8:30 A.M. - 9:30 A.M.

WEBCAST

The call will be webcast live at:
<https://edge.media-server.com/mmc/p/ioxg9zpu>

CONFERENCE CALL

Please register in advance for the conference call at:
<https://register-conf.media-server.com/register/BI4d339156234d4a0ea40805fba229385e>

REPLAY

Recording will be available 1 hour after the event and it will be archived for 12 months.
https://www.smics.com/en/site/company_financialSummary

About SMIC

Semiconductor Manufacturing International Corporation (SEHK: 00981; SSE STAR MARKET: 688981) is one of the leading foundries in the world and is the front runner in manufacturing capability, manufacturing scale, and comprehensive service in the Chinese Mainland. SMIC Group provides semiconductor foundry and technology services to global customers on 8-inch and 12-inch wafers. Headquartered in Shanghai, China, SMIC Group has an international manufacturing and service base, with 8-inch and 12-inch wafer fabrication facilities in Shanghai, Beijing, Tianjin and Shenzhen. SMIC Group also has marketing and customer service offices in the U.S., Europe, Japan, and Taiwan, China.

For more information, please visit <https://www.smics.com>.

Forward-Looking Statements

This release 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

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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 cyclical 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.

Summary of First Quarter 2025 Operating Results

Amounts in US\$ thousands, except for earnings per share

| | 1Q25 | 4Q24 | QoQ | 1Q24 | YoY |
|------------------------------|----------------|----------------|--------|---------------|-----------|
| Revenue | 2,247,201 | 2,207,281 | 1.8% | 1,750,176 | 28.4% |
| Cost of sales | (1,741,333) | (1,708,270) | 1.9% | (1,510,472) | 15.3% |
| Gross profit | 505,868 | 499,011 | 1.4% | 239,704 | 111.0% |
| Operating expenses | (196,297) | (284,544) | -31.0% | (237,298) | -17.3% |
| Profit from operations | 309,571 | 214,467 | 44.3% | 2,406 | 12,766.6% |
| Other income, net | 39,705 | 140,791 | -71.8% | 72,007 | -44.9% |
| Profit before tax | 349,276 | 355,258 | -1.7% | 74,413 | 369.4% |
| Income tax expense | (25,854) | (84,312) | -69.3% | (10,898) | 137.2% |
| Profit for the period | 323,422 | 270,946 | 19.4% | 63,515 | 409.2% |

Profit for the period.48 726390.7 583.87 /F1

Analysis of Revenue

| Revenue Analysis | | | |
|---------------------------|-------|-------|-------|
| By Geography | 1Q25 | 4Q24 | 1Q24 |
| China | 84.3% | 89.1% | 81.6% |
| America | 12.6% | 8.9% | 14.9% |
| Eurasia | 3.1% | 2.0% | 3.5% |
| By Service Type | 1Q25 | 4Q24 | 1Q24 |
| Wafers | 95.2% | 92.5% | 93.0% |
| Others | 4.8% | 7.5% | 7.0% |
| Wafer Revenue Analysis | | | |
| By Application | 1Q25 | 4Q24 | 1Q24 |
| Smartphone | 24.2% | 24.2% | 31.2% |
| Computer and Tablet | 17.3% | 19.1% | 17.5% |
| Consumer Electronics | 40.6% | 40.2% | 30.9% |
| Connectivity and IoT | 8.3% | 8.3% | 13.2% |
| Industrial and Automotive | 9.6% | 8.2% | 7.2% |
| By Size | 1Q25 | 4Q24 | 1Q24 |
| | 21.9% | 19.4% | 24.4% |
| | 78.1% | 80.6% | 75.6% |

Capacity

Monthly capacity increased to 973,250 standard logic 8-inch equivalent wafers in 1Q25 from 947,625 standard logic 8-inch equivalent wafers in 4Q24.

Shipment and Utilization

| | 1Q25 | 4Q24 | QoQ | 1Q24 | YoY |
|---------------------------------|-----------|-----------|-------|-----------|-------|
| Wafer shipments ⁽¹⁾ | 2,292,153 | 1,991,761 | 15.1% | 1,794,891 | 27.7% |
| Utilization rate ⁽²⁾ | 89.6% | 85.5% | | 80.8% | |

Notes:

(1) Based on standard logic 8-inch equivalent wafers.

(2) Based on total wafers out divided by estimated total quarterly capacity.

Capex Summary

Capital expenditure was \$1,415.5 million in 1Q25, compared to \$1,660.1 million in 4Q24.

Detailed Financial Analysis

Gross Profit

| <i>Amounts in US\$ thousands</i> | 1Q25 | 4Q24 | QoQ | 1Q24 | YoY |
|----------------------------------|-------------|-------------|------------|-------------|------------|
| Cost of sales | 1,741,333 | 1,708,270 | 1.9% | 1,510,472 | 15.3% |
| Depreciation and amortisation | 799,491 | 788,055 | 1.5% | 630,824 | 26.7% |
| Other manufacturing costs | 941,842 | 920,215 | 2.4% | 879,648 | 7.1% |
| Gross profit | 505,868 | 499,011 | 1.4% | 239,704 | 111.0% |
| Gross margin | 22.5% | 22.6% | | 13.7% | |

Depreciation and Amortisation

| <i>Amounts in US\$ thousands</i> | 1Q25 | 4Q24 | QoQ | 1Q24 | YoY |
|----------------------------------|-------------|-------------|------------|-------------|------------|
| Depreciation and amortisation | 865,564 | 849,263 | 1.9% | 745,537 | 16.1% |

Operating Expenses

| <i>Amounts in US\$ thousands</i> | 1Q25 | 4Q24 | QoQ | 1Q24 | YoY |
|--|-------------|-------------|------------|-------------|------------|
| Operating expenses | 196,297 | 284,544 | -31.0% | 237,298 | -17.3% |
| Research and development expenses | 148,899 | 217,035 | -31.4% | 188,110 | -20.8% |
| General and administrative expenses | 149,318 | 166,851 | -10.5% | 116,378 | 28.3% |
| Selling and marketing expenses | 11,362 | 11,466 | -0.9% | 9,043 | 25.6% |
| Impairment losses on financial assets, net | 245 | (502) | N/A | 1,014 | -75.8% |
| Other operating income | (113,527) | (110,306) | 2.9% | (77,247) | 47.0% |

Research and development expenses decreased to \$148.9 million in 1Q25 from \$217.0 million in 4Q24. The change was mainly due to the lower level of R&D activities in 1Q25.

General and administrative expenses decreased to \$149.3 million in 1Q25 from \$166.9 million in 4Q24. The change was mainly due to the increase in accrued employee bonus and the tax on the disposal of an associate in 4Q24, which did not occur in 1Q25.

EBITDA

| <i>Amounts in US\$ thousands</i> | 1Q25 | 4Q24 | 1Q24 |
|----------------------------------|------------------|------------------|----------------|
| Profit for the period | 323,422 | 270,946 | 63,515 |
| Finance costs | 76,989 | 75,342 | 66,725 |
| Depreciation and amortisation | 865,564 | 849,263 | 745,537 |
| Income tax expense | 25,854 | 84,312 | 10,898 |
| EBITDA | 1,291,829 | 1,279,863 | 886,675 |
| Profit margin | 14.4% | 12.3% | 3.6% |
| EBITDA margin | 57.5% | 58.0% | 50.7% |

Liquidity

| <i>Amounts in US\$ thousands</i> | 1Q25 | 4Q24 |
|---|-------------------|-------------------|
| Inventories | 3,047,932 | 2,958,350 |
| Prepayment and prepaid operating expenses | 67,713 | 56,394 |
| Trade and other receivables | 1,147,403 | 840,153 |
| Financial assets at fair value through profit or loss | 113,928 | 272,257 |
| Financial assets at amortised cost | 3,835,539 | 4,206,926 |
| Derivative financial instruments | 19,890 | 66,054 |
| Cash and cash equivalents | 4,587,349 | 6,364,189 |
| Assets classified as held-for-sale | 7,536 | 19,392 |
| Total current assets | 12,827,290 | 14,783,715 |
| Trade and other payables | 2,636,009 | 3,280,365 |
| Contract liabilities | 711,317 | 1,185,932 |
| Borrowings | 3,270,702 | 2,926,311 |
| Lease liabilities | 13,875 | 18,529 |
| Bonds payable | - | 605,258 |
| Deferred government funding | 181,083 | 198,645 |
| Accrued liabilities | 346,026 | 361,954 |
| Derivative financial instruments | 106,302 | 97,865 |
| Current tax liabilities | 77,819 | 84,828 |
| Total current liabilities | 7,343,133 | 8,759,687 |
| Cash ratio ⁽¹⁾ | 0.6 | 0.7 |
| Quick ratio ⁽²⁾ | 1.3 | 1.3 |
| Current ratio ⁽³⁾ | 1.7 | 1.7 |

Notes:

(1) *Cash and cash equivalents divided by total current liabilities.*

(2) *Current assets excluding inventories divided by total current liabilities.*

(3) *Total current assets divided by total current liabilities.*

Capital Structure

| <i>Amounts in US\$ thousands</i> | 1Q25 | 4Q24 |
|--|-------------------|-------------------|
| Cash and cash equivalents | 4,587,349 | 6,364,189 |
| Restricted cash | 375,807 | 372,514 |
| Financial assets at fair value through profit or loss - current ⁽¹⁾ | 113,928 | 272,257 |
| Financial assets at amortised cost ⁽²⁾ | 7,625,386 | 7,954,060 |
| Total cash on hand | 12,702,470 | 14,963,020 |
| Borrowings - current | 3,270,702 | 2,926,311 |
| Borrowings - non-current | 7,966,390 | 8,038,148 |
| Lease liabilities | 18,154 | 26,280 |
| Bonds payable | - | 605,258 |
| Total debt | 11,255,246 | 11,595,997 |
| Net debt ⁽³⁾ | (1,447,224) | (3,367,023) |
| Equity | 32,226,482 | 31,869,658 |
| Debt to equity ratio ⁽⁴⁾ | 34.9% | 36.4% |
| Net debt to equity ratio ⁽⁵⁾ | -4.5% | -10.6% |

Notes:

(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>Amounts in US\$ thousands</i> | 1Q25 | 4Q24 |
|--|-------------|-------------|
| Net cash (used in)/generated from operating activities | (160,415) | 1,449,842 |
| Net cash used in investing activities | (1,327,526) | (207,300) |
| Net cash (used in)/generated from financing activities | (353,914) | 1,614,792 |
| Effect of exchange rate changes | 65,015 | (144,530) |
| Net (decrease)/increase in cash and cash equivalents | (1,776,840) | 2,712,804 |

Semiconductor Manufacturing International Corporation
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(In US\$ thousands)

| | For the three months ended | |
|--|-------------------------------|----------------------------------|
| | March 31, 2025 (Unaudited) | December 31, 2024 (Unaudited) |
| Revenue | 2,247,201 | 2,207,281 |
| Cost of sales | (1,741,333) | (1,708,270) |
| Gross profit | 505,868 | 499,011 |
| Research and development expenses | (148,899) | (217,035) |
| Selling and marketing expenses | (11,362) | (11,466) |
| General and administration expenses | (149,318) | (166,851) |
| Impairment losses on financial assets, net | (245) | 502 |
| Other operating income | 113,527 | 110,306 |
| Operating expenses | (196,297) | (284,544) |
| Profit from operations | 309,571 | 214,467 |
| Other income, net | 39,705 | 140,791 |
| Profit before tax | 349,276 | 355,258 |
| Income tax expense | (25,854) | (84,312) |
| Profit for the period | 323,422 | 270,946 |

Other comprehensive income:

Items that may be reclassified to profit or loss in

Semiconductor Manufacturing International Corporation
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(In US\$ thousands)

| | As of | |
|---|-------------------|-------------------|
| | March 31, 2025 | December 31, 2024 |
| | (Unaudited) | (Audited) |
| ASSETS | | |
| <i>Non-current assets</i> | | |
| Property, plant and equipment | 28,800,022 | 28,092,037 |
| Right-of-use assets | 421,853 | 432,148 |
| Intangible assets | 21,870 | 24,268 |
| Investments in associates | 1,281,807 | 1,252,507 |
| Investment in a joint venture | 90 | 13 |
| Deferred tax assets | 29,088 | 29,212 |
| Financial assets at fair value through profit or loss | 417,474 | 427,373 |
| Financial assets at amortised cost | 3,789,847 | 3,747,134 |
| Restricted cash | 375,807 | 372,514 |
| Other assets | 243 | 327 |
| Total non-current assets | 35,138,101 | 34,377,533 |
| <i>Current assets</i> | | |
| Inventories | 3,047,932 | 2,958,350 |
| Prepayment and prepaid operating expenses | 67,713 | 56,394 |
| Trade and other receivables | 1,147,403 | 840,153 |
| Financial assets at fair value through profit or loss | 113,928 | 272,257 |
| Financial assets at amortised cost | 3,835,539 | 4,206,926 |
| Derivative financial instruments | 19,890 | 66,054 |
| Cash and cash equivalents | 4,587,349 | 6,364,189 |
| | 12,819,754 | 14,764,323 |
| Assets classified as held-for-sale | 7,536 | 19,392 |
| Total current assets | 12,827,290 | 14,783,715 |
| TOTAL ASSETS | 47,965,391 | 49,161,248 |

Semiconductor Manufacturing International Corporation
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(In US\$ thousands)

| | As of | |
|--|-------------------------------|--------------------------------|
| | March 31, 2025 (Unaudited) | December 31, 2024 (Audited) |
| EQUITY AND LIABILITIES | | |
| <i>Capital and reserves</i> | | |
| Ordinary shares | 31,927 | 31,905 |
| Share premium | 14,284,798 | 14,266,359 |
| Other reserves | 158,941 | 142,470 |
| Retained earnings | 6,361,110 | 6,173,075 |
| Equity attributable to owners of the Company | 20,836,776 | 20,613,809 |
| Non-controlling interests | 11,389,706 | 11,255,849 |
| Total equity | 32,226,482 | 31,869,658 |
| <i>Non-current liabilities</i> | | |
| Borrowings | 7,966,390 | 8,038,148 |
| Lease liabilities | 4,279 | 7,751 |
| Deferred tax liabilities | 70,294 | 73,627 |
| Deferred income | 354,813 | 374,801 |
| Derivative financial instruments | - | 37,576 |
| Total non-current liabilities | 8,395,776 | 8,531,903 |
| <i>Current liabilities</i> | | |
| Trade and other payables | 2,636,009 | 3,280,365 |
| Contract liabilities | 711,317 | 1,185,932 |
| Borrowings | 3,270,702 | 2,926,311 |
| Lease liabilities | 13,875 | 18,529 |
| Bonds payable | - | 605,258 |
| Deferred income | 181,083 | 198,645 |
| Accrued liabilities | 346,026 | 361,954 |
| Derivative financial instruments | 106,302 | 97,865 |
| Current tax liabilities | 77,819 | 84,828 |
| Total current liabilities | 7,343,133 | 8,759,687 |
| Total liabilities | 15,738,909 | 17,291,590 |
| TOTAL EQUITY AND LIABILITIES | 47,965,391 | 49,161,248 |

Semiconductor Manufacturing International Corporation
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(In US\$ thousands)

| | For the three months ended | |
|--|-------------------------------|----------------------------------|
| | March 31, 2025 (Unaudited) | December 31, 2024 (Unaudited) |
| Operating activities: | | |
| Profit for the period | 323,422 | 270,946 |
| Depreciation and amortisation | 865,564 | 849,263 |
| Share of profit of associates and a joint venture | 9,755 | (6,705) |
| Other losses/(gains), net | 821 | (97,363) |
| Changes in working capital and others | (1,359,977) | 433,701 |
| Net cash (used in)/generated from operating activities | (160,415) | 1,449,842 |
| Investing activities: | | |
| Acquisition of financial assets at fair value through profit or loss | (179,699) | (220,744) |
| Proceeds from sale of financial assets at fair value through profit or loss | 351,668 | 212,525 |
| Acquisition of financial assets at amortised cost | (111,290) | (41,731) |
| Proceeds from maturity of financial assets at amortised cost | 488,377 | 421,541 |
| Acquisition of property, plant and equipment | (1,831,368) | (1,516,058) |
| Proceeds from disposal of property, plant and equipment and assets classified as held-for-sale | 8,250 | 15,953 |
| Acquisition of intangible assets | - | (1,048) |
| Acquisition of land-use right | - | (84) |
| Capital injection in associates | (47,659) | - |
| (Payments for)/Proceeds from sale of equity interests in associates | (10,235) | 920,588 |
| Dividends received from associates | 1,794 | - |
| Proceeds from settlement of derivative financial instruments | 2,636 | 1,758 |
| Net cash used in investing activities | (1,327,526) | (207,300) |
| Financing activities: | | |
| Proceeds from borrowings | 461,495 | 1,658,024 |
| Repayment of borrowings | (209,760) | (224,108) |
| Repayment of the principal portion of the lease liabilities | (6,837) | (8,108) |
| Repayment of bonds | (600,000) | - |
| Proceeds from issue of shares under share incentive plans | 9,798 | 9,879 |
| Capital injection from non-controlling interests | - | 281,865 |
| Payments for non-controlling interest | (2,314) | (6,950) |
| Payments for settlement of derivative financial instruments | (6,296) | (95,810) |
| Net cash (used in)/generated from financing activities | (353,914) | 1,614,792 |

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By order of the Board
Semiconductor Manufacturing International Corporation
Company Secretary / Board Secretary
Guo Guangli

Shanghai, May 8, 2025

As at the date of this announcement, the directors of the Company are:

Executive Director

LIU Xunfeng

Non-executive Directors

LU Guoqing

CHEN Shanzhi

YANG Lumin

HUANG Dengshan

Independent Non-executive Directors

FAN Ren Da Anthony

LIU Ming

WU Hanming

CHEN Xinyuan