

# SMIC Q1 2026

# Financial Presentation

May 2026

# Forward-Looking Statements

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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 cyclicity 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.

# 1Q26 Financial Highlights (unaudited)

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- **Revenue was \$2,505 million**

  - Up 0.7% QoQ from \$2,489 million in 4Q25

  - Up 11.5% YoY from \$2,247 million in 1Q25

- **Gross margin was 20.1%**

  - Compared to 19.2% in 4Q25

  - Compared to 22.5% in 1Q25

- **Profit from operations was \$248 million**

  - Compared to \$299 million in 4Q25

  - Compared to \$310 million in 1Q25

- **Profit attributable to SMIC was \$197 million**

  - Compared to \$173 million in 4Q25

  - Compared to \$188 million in 1Q25

- **EBITDA was \$1,435 million**

  - Compared to \$1,405 million in 4Q25

  - Compared to \$1,292 million in 1Q25

# Income Statement

(US\$ thousands)	1Q26	4Q25	QoQ	1Q25	YoY
<b>Revenue</b>	<b>2,505,487</b>	<b>2,488,710</b>	<b>0.7%</b>	<b>2,247,201</b>	<b>11.5%</b>
Gross profit	503,603	478,121	5.3%	505,868	-0.4%
<b>Gross margin</b>	<b>20.1%</b>	<b>19.2%</b>		<b>22.5%</b>	
<b>Operating income(expenses)</b>	<b>(255,811)</b>	<b>(179,501)</b>	<b>42.5%</b>	<b>(196,297)</b>	<b>30.3%</b>
<i>Research &amp; Development</i>	<i>(187,097)</i>	<i>(239,676)</i>	<i>-21.9%</i>	<i>(148,899)</i>	<i>25.7%</i>
<i>General &amp; Administrative</i>	<i>(118,218)</i>	<i>(145,680)</i>	<i>-18.9%</i>	<i>(149,318)</i>	<i>-20.8%</i>
<i>Selling &amp; Marketing</i>	<i>(9,667)</i>	<i>(8,109)</i>	<i>19.2%</i>	<i>(11,362)</i>	<i>-14.9%</i>
<i>Other operating income</i>	<i>58,800</i>	<i>213,768</i>	<i>-72.5%</i>	<i>113,527</i>	<i>-48.2%</i>
<b>Profit from operations</b>	<b>247,792</b>	<b>298,620</b>	<b>-17.0%</b>	<b>309,571</b>	<b>-20.0%</b>
Other income, net	7,539	(72,117)	N/A	39,705	-81.0%
Income tax expense	(24,419)	(23,128)	5.6%	(25,854)	-5.6%
<b>Profit attributable to SMIC</b>	<b>197,448</b>	<b>172,851</b>	<b>14.2%</b>	<b>188,035</b>	<b>5.0%</b>
Profit attributable to non-controlling interests	33,464	30,524	9.6%	135,387	-75.3%

- **Research and development expenses** decreased to \$187.1 million in 1Q26 from \$239.7 million in 4Q25. The change was mainly due to the lower level of R&D activities in 1Q26.
- **General and administrative expenses** decreased to \$118.2 million in 1Q26 from \$145.7 million in 4Q25. The change was mainly due to the decrease in start-up costs in 1Q26.
- The change in **other operating income** was primarily due to the change in the recognized income of government funding during this quarter.

# Capital Structure

(US\$ thousands)	As of	
	Mar 31, 2026	Dec 31, 2025
Cash and cash equivalents	7,279,039	5,872,500
Restricted cash	-	-
Financial assets at fair value through profit or loss - current <sup>(1)</sup>	365,619	380,857
Financial assets at amortised cost <sup>(2)</sup>	6,209,125	5,682,865
<b>Total cash on hand</b>	<b>13,853,783</b>	<b>11,936,222</b>
Borrowings - current	4,306,045	2,593,077
Borrowings - non-current	10,201,489	9,994,773
Lease liabilities	4,728	8,331
<b>Total debt</b>	<b>14,512,262</b>	<b>12,596,181</b>
Net debt <sup>(3)</sup>	658,479	659,959
Equity	35,791,097	35,020,523
Debt to equity ratio <sup>(4)</sup>	40.5%	36.0%
Net debt to equity ratio <sup>(5)</sup>	1.8%	1.9%

(1) Mainly contain structural deposits and monetary funds.

(2) Mainly contain bank deposits over 3 months.

(3) Total debt minus total cash on hand.

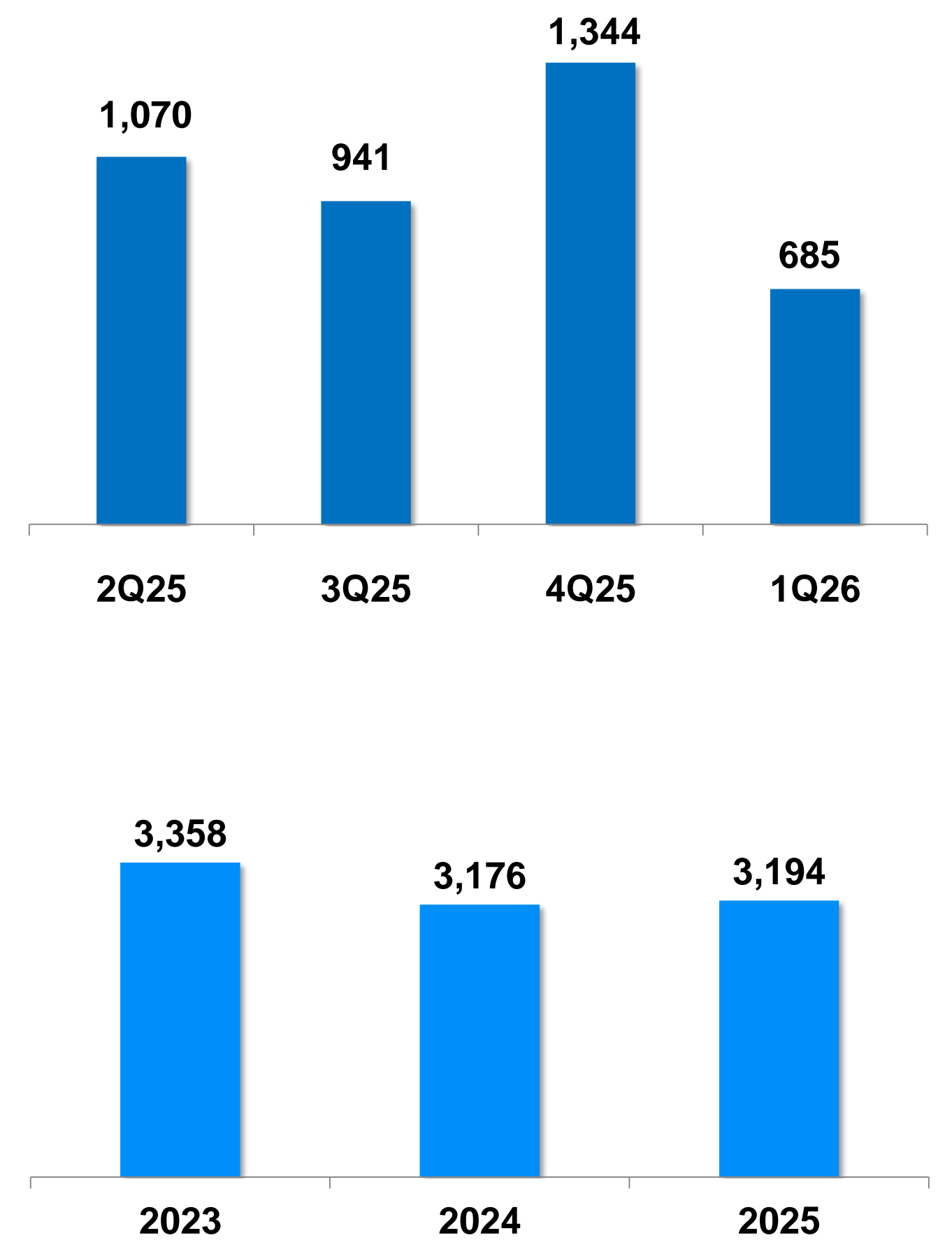
(4) Total debt divided by equity.

(5) Net debt divided by equity.

# Cash Flow

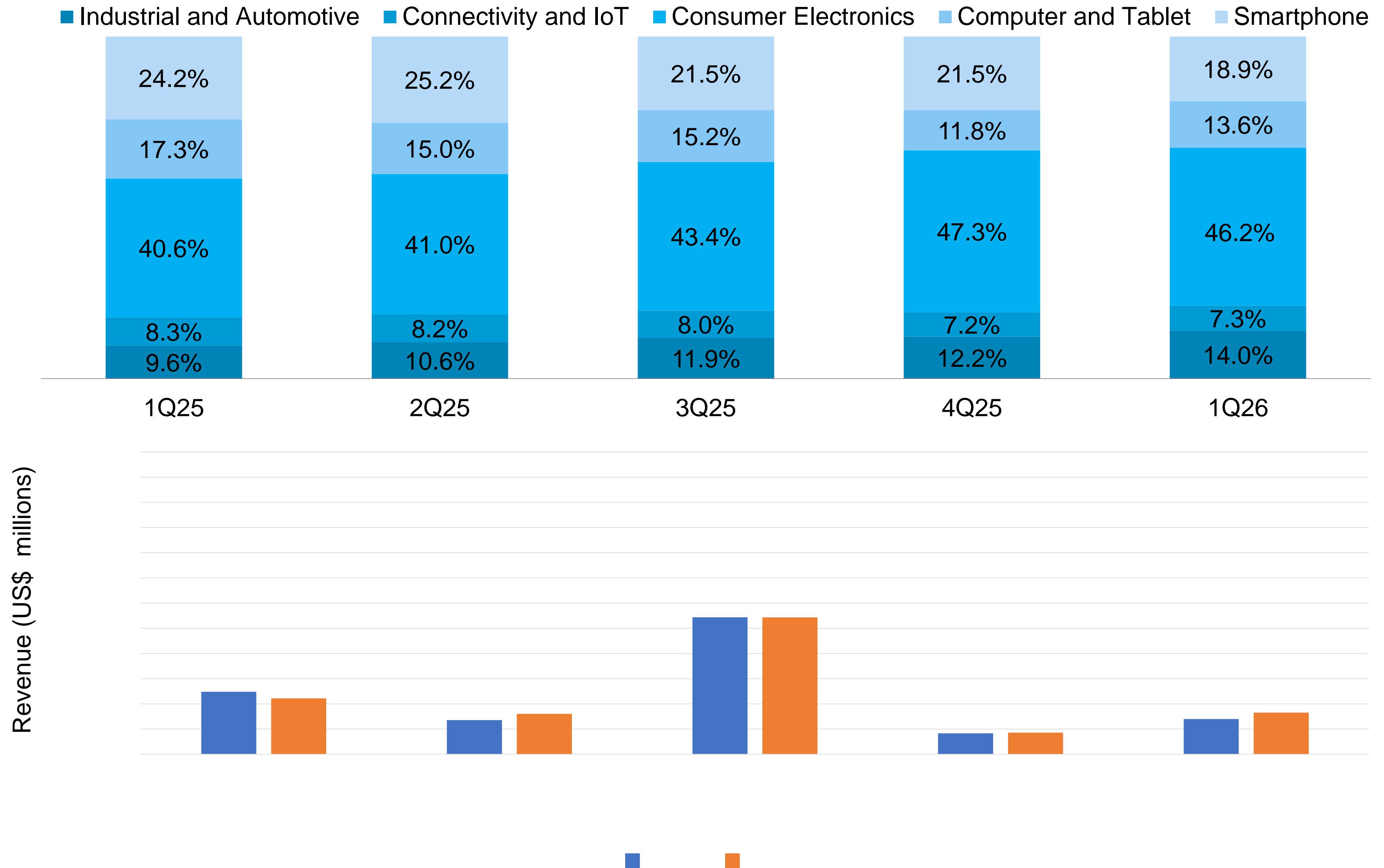
(US\$ thousands)	For the three months ended	
	Mar 31, 2026	Dec 31, 2025
Cash and cash equivalents at the beginning of the period	5,872,500	3,481,713
Net cash generated from operating activities	684,985	1,343,934
Net cash used in investing activities	(1,696,597)	(1,546,087)
Net cash generated from financing activities	2,365,336	2,561,778
Net increase in cash and cash equivalents	1,406,539	2,390,787
Cash and cash equivalents at the end of the period	7,279,039	5,872,500

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

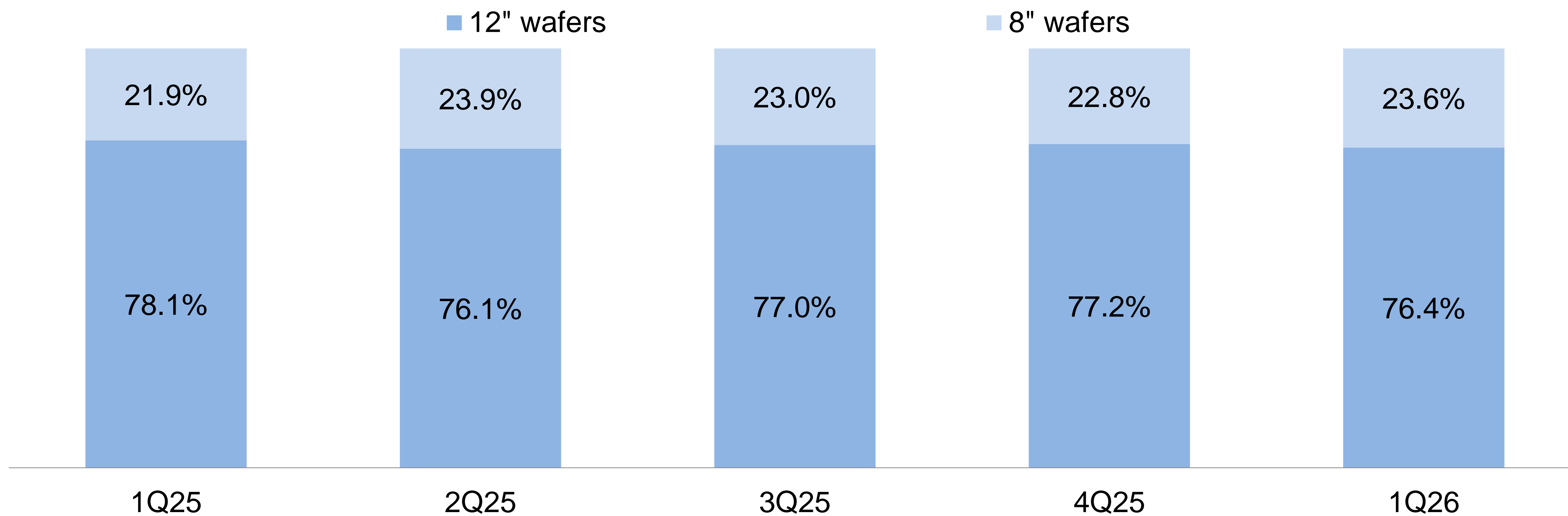




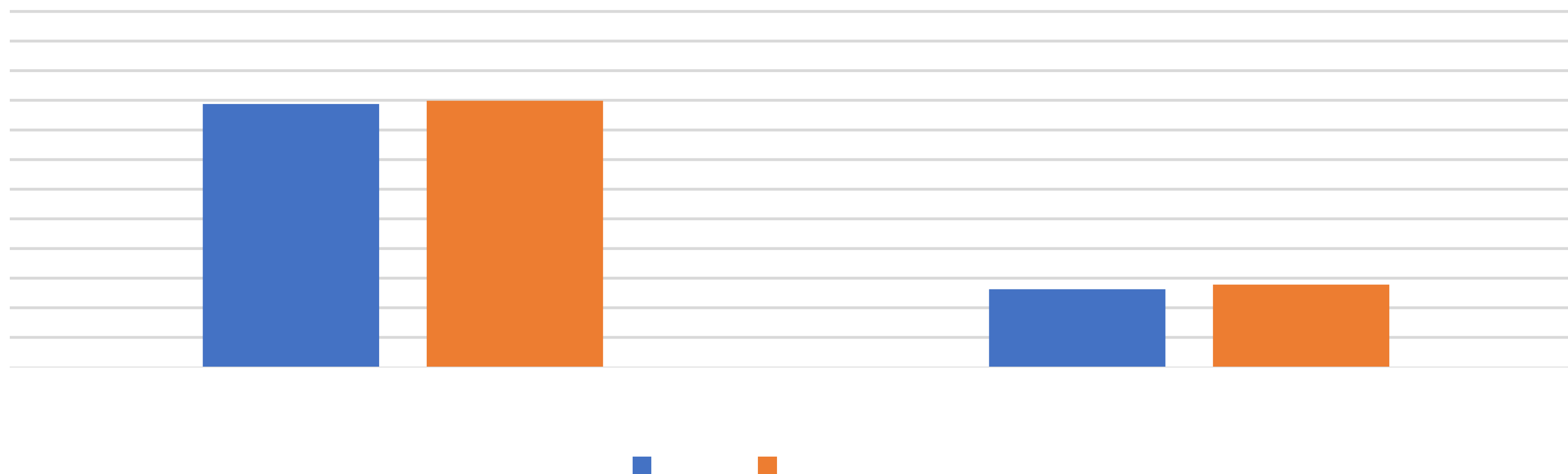
# Wafer Revenue By Application



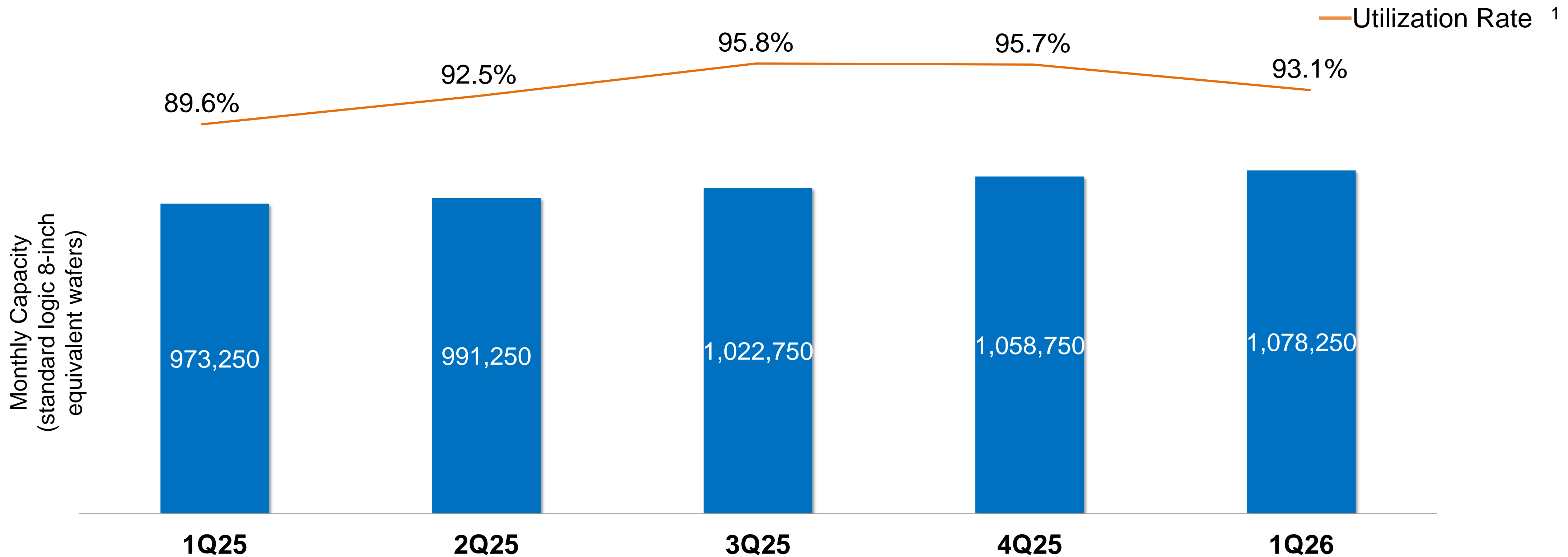
# Wafer Revenue By Size



Revenue (US\$ millions)



# Capacity, Utilization and Shipment



	1Q25	2Q25	3Q25	4Q25	1Q26
Wafer Shipments (standard logic 8-inch equivalent wafers)	2,292,153	2,390,236	2,499,465	2,514,970	2,509,137

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

## 2Q 2026 Guidance

	2Q 2026 Guidance
Revenue	+14% to +16% QoQ
Gross Margin	20% to 22%

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# Appendix

# 1Q 2026 Results and Guidance

	1Q 2026 Guidance	1Q 2026 Results
<b>Revenue</b>	To be flat	0.7% QoQ
<b>Gross Margin</b>	18% to 20%	20.1%

# Capital Expenditure and Depreciation

(US\$ millions)	1Q25	2Q25	3Q25	4Q25	1Q26
<b>Capital Expenditure</b>	1,416	1,885	2,394	2,408	1,563
<b>Depreciation and amortisation</b>	866	879	996	1,070	1,088

# Thank You!

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