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SEMICONDUCTOR MANUFACTURING INTERNATIONAL CORPORATION

中芯國際集成電路製造有限公司*

(Incorporated in the Cayman Islands with limited liability)

(STOCK CODE: 00981)

SMIC REPORTS UNAUDITED RESULTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2023

The consolidated financial information is prepared and presented in accordance with International Financial Reporting Standards (“IFRSs”), unless otherwise stated below.

- Revenue was \$1,620.6 million in 3Q23, compared to \$1,560.4 million in 2Q23, and \$1,907.0 million in 3Q22.
- Gross profit was \$321.6 million in 3Q23, compared to \$316.5 million in 2Q23, and \$742.2 million in 3Q22.
- Gross margin was 19.8% in 3Q23, compared to 20.3% in 2Q23 and 38.9% in 3Q22.

Set out below is a copy of the full text of the release by the Company and its subsidiaries (the “Group”) on November 9, 2023, in relation to its unaudited results for the three months ended September 30, 2023.

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

Shanghai, China – November 9, 2023 – Semiconductor Manufacturing International Corporation (SEHK: 00981; SSE STAR MARKET: 688981) (“SMIC”, the “Company” or “we”), one of the leading semiconductor foundries in the world, today announced its consolidated results of operations for the three months ended September 30, 2023.

* For identification purposes only

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

Fourth Quarter 2023 Guidance

The Company expects (in accordance with IFRSs):

- Revenue to increase by 1% to 3% QoQ.
- Gross margin to range from 16% to 18%.

The Management Comments

In the third quarter of this year, Company's revenue was \$1.62 billion, up 3.9% sequentially, which was at the midpoint of the guidance; gross margin was 19.8%, down 0.5 percentage points comparing to the previous quarter. The Company's overall shipments continued to increase, up 9.5% sequentially. Since the total capacity as the denominator increased to 796 thousand wafers, the utilization rate decreased by 1.2 percentage points to 77.1%.

The Company expects the fourth quarter's revenue to grow by 1% to 3% sequentially; the gross margin will be dragged by the continuous depreciation pressure of the new capacity, which is expected to be in the range of 16~18%.

The full-year capital expenditures are expected to be raised to around \$7.5 billion.

Conference Call / Webcast Announcement

Date: Friday, November 10, 2023

Time: 8:30 A.M. - 9:30 A.M.

WEBCAST

The call will be webcast live at:

<https://edge.media-server.com/mmc/p/9g26eefw>

CONFERENCE CALL

Please register in advance for the conference call at:

<https://register.vevent.com/register/Blfc921179b2f84f7694f75e97f3951c10>

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 0.35 micron to FinFET process node technologies. Headquartered in Shanghai, China, SMIC Group has an international manufacturing and service base, with three 8-inch wafer fabrication facilities (“fabs”) and four 12-inch fabs in Shanghai, Beijing, Tianjin and Shenzhen, and three 12-inch fabs under construction in Shanghai, Beijing and Tianjin. SMIC Group also has marketing and customer service offices in the U.S., Europe, Japan, and Taiwan, China, and a representative office in Hong Kong, China.

For more information, please visit www.smics.com.

Forward-Looking Statements

This release 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 events or performance. SMIC uses words including but not limited to “believe”, “anticipate”, “intend”, “estimate”, “expect”, “project”, “target”, “going forward”, “continue”, “ought to”, “may”, “seek”, “should”, “plan”, “could”, “vision”, “goal”, “aim”, “aspire”, “objective”, “schedule”, “outlook” 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 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 their service supports, orders or judgments from pending litigation, intellectual property litigation in the semiconductor industry, general economic conditions, fluctuations in currency exchange rates and the risk of geopolitics.

Summary of Third Quarter 2023 Operating Results

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

| | 3Q23 | 2Q23 | QoQ | 3Q22 | YoY |
|------------------------------------------|----------------|----------------|---------------|----------------|---------------|
| Revenue | 1,620,577 | 1,560,396 | 3.9% | 1,906,956 | -15.0% |
| Cost of sales | (1,298,957) | (1,243,896) | 4.4% | (1,164,740) | 11.5% |
| Gross profit | 321,620 | 316,500 | 1.6% | 742,216 | -56.7% |
| Operating expenses | (234,232) | (236,702) | -1.0% | (264,297) | -11.4% |
| Profit from operations | 87,388 | 79,798 | 9.5% | 477,919 | -81.7% |
| Other income, net | 80,426 | 415,946 | -80.7% | 106,666 | -24.6% |
| Profit before tax | 167,814 | 495,744 | -66.1% | 584,585 | -71.3% |
| Income tax expense | (11,438) | (31,573) | -63.8% | (10,211) | 12.0% |
| Profit for the period | 156,376 | 464,171 | -66.3% | 574,374 | -72.8% |
| Profit for the period attributable to: | | | | | |
| Owners of the Company | 93,984 | 402,762 | -76.7% | 470,849 | -80.0% |
| Non-controlling interests | 62,392 | 61,409 | 1.6% | 103,525 | -39.7% |
| Profit for the period | 156,376 | 464,171 | -66.3% | 574,374 | -72.8% |
| Gross margin | 19.8% | 20.3% | | 38.9% | |
| Earnings per share ⁽¹⁾ | | | | | |
| Basic | \$0.01 | \$0.05 | | \$0.06 | |
| Diluted | \$0.01 | \$0.05 | | \$0.06 | |
| Wafers shipped (in 8" equivalent wafers) | 1,536,845 | 1,403,121 | 9.5% | 1,797,671 | -14.5% |
| Capacity utilization ⁽²⁾ | 77.1% | 78.3% | | 92.1% | |

Notes:

(1) Based on weighted average ordinary shares of 7,932 million (basic) and 7,959 million (diluted) in 3Q23, 7,924 million (basic) and 7,957 million (diluted) in 2Q23, and 7,907 million (basic) and 7,923 million (diluted) in 3Q22.

(2) Based on total 8" equivalent wafers out divided by estimated total quarterly capacity.

- Revenue was \$1,620.6 million in 3Q23, an increase of 3.9% QoQ from \$1,560.4 million in 2Q23. The rise was mainly due to the increase in wafer shipment in 3Q23.
- Cost of sales was \$1,299.0 million in 3Q23, compared to \$1,243.9 million in 2Q23.
- Gross profit was \$321.6 million in 3Q23, compared to \$316.5 million in 2Q23.
- Gross margin was 19.8% in 3Q23, compared to 20.3% in 2Q23.
- Operating expenses were \$234.2 million in 3Q23, compared to \$236.7 million in 2Q23. The change was mainly due to the reasons stated in Operating Expenses/(Income) below.
- Other income, net was \$80.4 million gain in 3Q23, compared to \$415.9 million gain in 2Q23. The change was mainly due to the reasons stated in Other Income, Net below.

Analysis of Revenue

| Revenue Analysis | | | |
|-----------------------------------|-------------|-------------|-------------|
| By Geography⁽¹⁾ | 3Q23 | 2Q23 | 3Q22 |
| China | 84.0% | 79.6% | 75.1% |
| America | 12.9% | 17.6% | 20.5% |
| Eurasia | 3.1% | 2.8% | 4.4% |
| By Service Type | 3Q23 | 2Q23 | 3Q22 |
| Wafers | 91.1% | 90.5% | 92.5% |
| Others | 8.9% | 9.5% | 7.5% |
| Wafer Revenue Analysis | | | |
| By Application | 3Q23 | 2Q23 | 3Q22 |
| Smart Phone | 25.9% | 26.8% | 26.0% |
| Internet of Things | 11.5% | 11.9% | 20.6% |
| Consumer Electronics | 24.1% | 26.5% | 25.9% |
| Others | 38.5% | 34.8% | 27.5% |
| By Size | 3Q23 | 2Q23 | 3Q22 |
| 8" wafers | 26.0% | 25.3% | 31.6% |
| 12" wafers | 74.0% | 74.7% | 68.4% |

Note:

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

Capacity

- Monthly capacity increased to 795,750 8" equivalent wafers in 3Q23 from 754,250 8" equivalent wafers in 2Q23.

Shipment and Utilization

| 8" equivalent wafers | 3Q23 | 2Q23 | QoQ | 3Q22 | YoY |
|---------------------------------|-------------|-------------|------------|-------------|------------|
| Wafer shipments | 1,536,845 | 1,403,121 | 9.5% | 1,797,671 | -14.5% |
| Utilization rate ⁽¹⁾ | 77.1% | 78.3% | | 92.1% | |

Note:

(1) Based on total 8" equivalent wafers out divided by estimated total quarterly capacity.

Capex Summary

- Capital expenditure was \$ 2,134.7 million in 3Q23, compared to \$1,731.5 million in 2Q23.

Detailed Financial Analysis

Gross Profit

| <i>Amounts in US\$ thousands</i> | 3Q23 | 2Q23 | QoQ | 3Q22 | YoY |
|----------------------------------|-------------|-------------|------------|-------------|------------|
| Cost of sales | 1,298,957 | 1,243,896 | 4.4% | 1,164,740 | 11.5% |
| Depreciation and amortisation | 518,092 | 526,817 | -1.7% | 413,448 | 25.3% |
| Other manufacturing costs | 780,865 | 717,079 | 8.9% | 751,292 | 3.9% |
| Gross profit | 321,620 | 316,500 | 1.6% | 742,216 | -56.7% |
| Gross margin | 19.8% | 20.3% | | 38.9% | |

Depreciation and Amortisation

| <i>Amounts in US\$ thousands</i> | 3Q23 | 2Q23 | QoQ | 3Q22 | YoY |
|----------------------------------|-------------|-------------|------------|-------------|------------|
| Depreciation and amortisation | 679,308 | 656,452 | 3.5% | 575,870 | 18.0% |

Operating Expenses/(Income)

| <i>Amounts in US\$ thousands</i> | 3Q23 | 2Q23 | QoQ | 3Q22 | YoY |
|--------------------------------------------|-------------|-------------|------------|-------------|------------|
| Operating expenses | 234,232 | 236,702 | -1.0% | 264,297 | -11.4% |
| Research and development expenses | 172,836 | 177,633 | -2.7% | 182,888 | -5.5% |
| General and administrative expenses | 128,128 | 106,436 | 20.4% | 152,671 | -16.1% |
| Selling and marketing expenses | 9,454 | 9,307 | 1.6% | 7,357 | 28.5% |
| Impairment losses on financial assets, net | (495) | (414) | N/A | 87 | N/A |
| Other operating income | (75,691) | (56,260) | 34.5% | (78,706) | -3.8% |

- General and administrative expenses increased to \$128.1 million in 3Q23 from \$106.4 million in 2Q23. The change was mainly due to the increase in new fab start-up costs in 3Q23.

Other Income, Net

| <i>Amounts in US\$ thousands</i> | 3Q23 | 2Q23 | QoQ | 3Q22 | YoY |
|--------------------------------------------------------|-------------|-------------|------------|-------------|------------|
| Other income, net | 80,426 | 415,946 | -80.7% | 106,666 | -24.6% |
| Interest income | 187,713 | 192,612 | -2.5% | 101,899 | 84.2% |
| Finance costs | (54,132) | (48,384) | 11.9% | (31,394) | 72.4% |
| Foreign exchange gain/(loss) | 6,540 | (4,744) | N/A | 4,110 | 59.1% |
| Other (losses)/gains, net | (11,821) | 242,597 | N/A | (4,224) | 179.9% |
| Share of (loss)/profit of associates and joint venture | (47,874) | 33,865 | N/A | 36,275 | N/A |

- The change in other (losses)/gains, net in 3Q23 was primarily caused by the change in the fair value of the investments in securities recognised as financial assets at fair value through profit or loss. Other (losses)/gains, net in 2Q23 included the passive dilution gain caused by the change in equity in an associate, which did not occur in 3Q23.

EBITDA

| <i>Amounts in US\$ thousands</i> | 3Q23 | 2Q23 | 3Q22 |
|----------------------------------|----------------|------------------|------------------|
| Profit for the period | 156,376 | 464,171 | 574,374 |
| Finance costs | 54,132 | 48,384 | 31,394 |
| Depreciation and amortisation | 679,308 | 656,452 | 575,870 |
| Income tax expense | 11,438 | 31,573 | 10,211 |
| EBITDA | 901,254 | 1,200,580 | 1,191,849 |
| Profit margin | 9.6% | 29.7% | 30.1% |
| EBITDA margin | 55.6% | 76.9% | 62.5% |

Liquidity

| <i>Amounts in US\$ thousands</i> | 3Q23 | 2Q23 |
|-------------------------------------------------------|-------------------|-------------------|
| Inventories | 2,576,901 | 2,345,303 |
| Prepayment and prepaid operating expenses | 96,123 | 106,718 |
| Trade and other receivables | 1,218,790 | 1,044,726 |
| Financial assets at fair value through profit or loss | 145,378 | 102,571 |
| Financial assets at amortised cost | 3,427,947 | 4,491,898 |
| Derivative financial instruments | 117,698 | 124,097 |
| Restricted cash | 153,208 | 388,837 |
| Cash and cash equivalents | 6,953,613 | 7,559,268 |
| Assets classified as held-for-sale | 22,030 | 22,030 |
| Total current assets | 14,711,688 | 16,185,448 |
| Trade and other payables | 3,434,281 | 3,176,360 |
| Contract liabilities | 2,093,666 | 2,007,618 |
| Borrowings | 2,254,605 | 2,327,861 |
| Lease liabilities | 32,264 | 38,920 |
| Deferred government funding | 149,092 | 190,075 |
| Accrued liabilities | 286,643 | 281,755 |
| Derivative financial instruments | 120,220 | 105,501 |
| Current tax liabilities | 19,979 | 19,676 |
| Total current liabilities | 8,390,750 | 8,147,766 |
| Cash ratio ⁽¹⁾ | 0.8 | 0.9 |
| Quick ratio ⁽²⁾ | 1.4 | 1.7 |
| Current ratio ⁽³⁾ | 1.8 | 2.0 |

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

| Amounts in US\$ thousands | 3Q23 | 2Q23 |
|--------------------------------------------------------------------------------|-------------------|-------------------|
| Cash and cash equivalents | 6,953,613 | 7,559,268 |
| Restricted cash | 403,692 | 388,837 |
| Financial assets at fair value through profit or loss - current ⁽¹⁾ | 145,378 | 102,571 |
| Financial assets at amortised cost ⁽²⁾ | 9,854,698 | 10,287,903 |
| Total cash on hand | 17,357,381 | 18,338,579 |
| Borrowings - current | 2,254,605 | 2,327,861 |
| Borrowings - non-current | 6,715,297 | 6,653,113 |
| Lease liabilities | 66,652 | 81,601 |
| Bonds payable | 598,929 | 598,744 |
| Total debt | 9,635,483 | 9,661,319 |
| Net debt ⁽³⁾ | (7,721,898) | (8,677,260) |
| Equity | 30,583,968 | 29,985,619 |
| Debt to equity ratio ⁽⁴⁾ | 31.5% | 32.2% |
| Net debt to equity ratio ⁽⁵⁾ | -25.2% | -28.9% |

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

| Amounts in US\$ thousands | 3Q23 | 2Q23 |
|----------------------------------------------|-------------|-------------|
| Net cash generated from operating activities | 800,701 | 796,185 |
| Net cash used in investing activities | (1,710,713) | (2,348,079) |
| Net cash generated from financing activities | 358,107 | 703,926 |
| Effect of exchange rate changes | (53,750) | (296,229) |
| Net decrease in cash and cash equivalents | (605,655) | (1,144,197) |

Recent Highlights and Announcements

- Advance Announcement on Performance Meeting in 3rd Quarter of 2023 (2023-10-11)
- Notification of Board Meeting (2023-10-10)
- 2023 Interim Report (2023-9-5)
- Announcement on the Vesting Results in 2nd Vesting Period of Initially Granted Part and 1st Vesting Period of Reserved Granted Part under 2021 STAR Market Restricted Share Incentive Scheme and the Listing of Shares (2023-9-2)
- Indicative Announcement on Change of Domestic Stocks of SMIC Held by Huaxia SSE STAR Market 50 Component Trading Open-End Index Securities Investment Fund (2023-8-31)
- 2023 Interim Results Announcement (2023-8-25)
- Notification of Board Meeting (2023-8-10)
- SMIC Reports Unaudited Results for the Three Months Ended June 30, 2023 (2023-8-10)
- Announcement on Meeting Vesting Conditions in 2nd Vesting Period of Initially Granted Part and 1st Vesting Period of Reserved Granted Part under 2021 STAR Market Restricted Share Incentive Scheme, Announcement on Canceling Some Restricted Share under 2021 STAR Market Restricted Share Incentive Scheme (2023-7-21)
- List of Directors and their Roles and Functions (2023-7-17)
- Resignation of Chairman of the Board and Executive Director, Appointment of Chairman of the Board and Change of Authorised Representative (2023-7-17)
- Advance Announcement on Performance Meeting in 2nd Quarter of 2023 (2023-7-11)
- Notification of Board Meeting (2023-7-11)

*Please visit SMIC's website at
<https://www.smics.com/en/site/news> and
https://www.smics.com/en/site/company_statutoryDocuments
for further details regarding the recent announcements.*

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

| | For the three months ended | |
|-------------------------------------------------------------------------------|-----------------------------------|------------------------------|
| | September 30, 2023 (Unaudited) | June 30, 2023 (Unaudited) |
| Revenue | 1,620,577 | 1,560,396 |
| Cost of sales | (1,298,957) | (1,243,896) |
| Gross profit | 321,620 | 316,500 |
| Research and development expenses | (172,836) | (177,633) |
| Selling and marketing expenses | (9,454) | (9,307) |
| General and administration expenses | (128,128) | (106,436) |
| Impairment losses on financial assets, net | 495 | 414 |
| Other operating income | 75,691 | 56,260 |
| Operating expenses | (234,232) | (236,702) |
| Profit from operations | 87,388 | 79,798 |
| Other income, net | 80,426 | 415,946 |
| Profit before tax | 167,814 | 495,744 |
| Income tax expense | (11,438) | (31,573) |
| Profit for the period | 156,376 | 464,171 |
| Other comprehensive income: | | |
| <i>Items that may be reclassified to profit or loss in subsequent periods</i> | | |
| Exchange differences on translating foreign operations | 11,710 | (90,148) |
| Cash flow hedges | (32,730) | (12,037) |
| Total comprehensive income for the period | 135,356 | 361,986 |
| Profit for the period attributable to: | | |
| Owners of the Company | 93,984 | 402,762 |
| Non-controlling interests | 62,392 | 61,409 |
| | 156,376 | 464,171 |
| Total comprehensive income for the period attributable to: | | |
| Owners of the Company | 72,964 | 300,577 |
| Non-controlling interests | 62,392 | 61,409 |
| | 135,356 | 361,986 |

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

| | As of | |
|-------------------------------------------------------|---------------------------|----------------------|
| | September 30, 2023 | June 30, 2023 |
| | (Unaudited) | (Unaudited) |
| ASSETS | | |
| <i>Non-current assets</i> | | |
| Property, plant and equipment | 22,293,909 | 20,593,730 |
| Right-of-use assets | 484,084 | 498,075 |
| Intangible assets | 35,246 | 38,803 |
| Investments in associates | 2,023,917 | 2,144,734 |
| Investment in joint venture | 3,294 | 3,272 |
| Deferred tax assets | 13,944 | 13,930 |
| Financial assets at fair value through profit or loss | 483,417 | 523,568 |
| Financial assets at amortised cost | 6,426,751 | 5,796,005 |
| Derivative financial instruments | 14,211 | 20,142 |
| Restricted cash | 250,484 | - |
| Other assets | 13,517 | 26,671 |
| Total non-current assets | 32,042,774 | 29,658,930 |
| <i>Current assets</i> | | |
| Inventories | 2,576,901 | 2,345,303 |
| Prepayment and prepaid operating expenses | 96,123 | 106,718 |
| Trade and other receivables | 1,218,790 | 1,044,726 |
| Financial assets at fair value through profit or loss | 145,378 | 102,571 |
| Financial assets at amortised cost | 3,427,947 | 4,491,898 |
| Derivative financial instruments | 117,698 | 124,097 |
| Restricted cash | 153,208 | 388,837 |
| Cash and cash equivalents | 6,953,613 | 7,559,268 |
| | 14,689,658 | 16,163,418 |
| Assets classified as held-for-sale | 22,030 | 22,030 |
| Total current assets | 14,711,688 | 16,185,448 |
| TOTAL ASSETS | 46,754,462 | 45,844,378 |

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

| | As of | |
|----------------------------------------------|-----------------------------------|------------------------------|
| | September 30, 2023 (Unaudited) | June 30, 2023 (Unaudited) |
| EQUITY AND LIABILITIES | | |
| <i>Capital and reserves</i> | | |
| Ordinary shares | 31,782 | 31,704 |
| Share premium | 14,114,601 | 13,989,821 |
| Other reserves | 266,536 | 307,265 |
| Retained earnings | 5,505,649 | 5,411,665 |
| Equity attributable to owners of the Company | 19,918,568 | 19,740,455 |
| Non-controlling interests | 10,665,400 | 10,245,164 |
| Total equity | 30,583,968 | 29,985,619 |
| <i>Non-current liabilities</i> | | |
| Borrowings | 6,715,297 | 6,653,113 |
| Lease liabilities | 34,388 | 42,681 |
| Bonds payable | 598,929 | 598,744 |
| Deferred tax liabilities | 39,896 | 48,300 |
| Deferred government funding | 342,055 | 327,698 |
| Derivative financial instruments | 49,179 | 40,457 |
| Total non-current liabilities | 7,779,744 | 7,710,993 |
| <i>Current liabilities</i> | | |
| Trade and other payables | 3,434,281 | 3,176,360 |
| Contract liabilities | 2,093,666 | 2,007,618 |
| Borrowings | 2,254,605 | 2,327,861 |
| Lease liabilities | 32,264 | 38,920 |
| Deferred government funding | 149,092 | 190,075 |
| Accrued liabilities | 286,643 | 281,755 |
| Derivative financial instruments | 120,220 | 105,501 |
| Current tax liabilities | 19,979 | 19,676 |
| Total current liabilities | 8,390,750 | 8,147,766 |
| Total liabilities | 16,170,494 | 15,858,759 |
| TOTAL EQUITY AND LIABILITIES | 46,754,462 | 45,844,378 |

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

| | For the three months ended | |
|-----------------------------------------------------------------------------|-----------------------------------|----------------------|
| | September 30, 2023 | June 30, 2023 |
| | (Unaudited) | (Unaudited) |
| Operating activities: | | |
| Profit for the period | 156,376 | 464,171 |
| Depreciation and amortisation | 679,308 | 656,452 |
| Share of loss/(profit) of associates and joint venture | 47,874 | (33,865) |
| Other losses/(gains), net | 11,821 | (242,597) |
| Changes in working capital and others | (94,678) | (47,976) |
| Net cash generated from operating activities | 800,701 | 796,185 |
| Investing activities: | | |
| Acquisition of financial assets at fair value through profit or loss | (60,140) | (368,751) |
| Proceeds from sale of financial assets at fair value through profit or loss | 51,268 | 385,684 |
| Acquisition of financial assets at amortised cost | (1,376,092) | (3,126,449) |
| Proceeds from maturity of financial assets at amortised cost | 1,782,008 | 2,440,088 |
| Acquisition of property, plant and equipment | (2,253,086) | (1,732,373) |
| Proceeds from disposal of property, plant and equipment | 3,480 | 5 |
| Acquisition of intangible assets | - | (60) |
| Acquisition of land-use right | (543) | - |
| Capital injection in associates | - | (60,681) |
| Proceeds from sale of equity interests in associates and joint venture | 71,472 | 78,378 |
| Dividends received from associates | 6,382 | 177 |
| Proceeds from settlement of derivative financial instruments | 64,538 | 35,903 |
| Net cash used in investing activities | (1,710,713) | (2,348,079) |
| Financing activities: | | |
| Proceeds from borrowings | 333,150 | 922,219 |
| Repayment of borrowings | (390,083) | (212,788) |
| Repayment of the principal portion of the lease liabilities | (14,752) | (14,685) |
| Proceeds from issue of shares under share incentive plans | 46,299 | 6,323 |
| Capital injection from non-controlling interests | 393,675 | - |
| (Payments for)/proceeds from settlement of derivative financial instruments | (31,214) | 2,857 |
| Guarantee deposits refunded | 21,032 | - |
| Net cash generated from financing activities | 358,107 | 703,926 |
| Effects of exchange rate changes on cash and cash equivalents | (53,750) | (296,229) |
| Net decrease in cash and cash equivalents | (605,655) | (1,144,197) |
| Cash and cash equivalents, beginning of the period | 7,559,268 | 8,703,465 |
| Cash and cash equivalents, end of the period | 6,953,613 | 7,559,268 |

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

Shanghai, November 9, 2023

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

Independent Non-executive Directors

LAU Lawrence Juen-Yee

FAN Ren Da Anthony

LIU Ming

WU Hanming