



GlobalFoundries™

First Quarter 2023 Financial Results (unaudited)

May 9, 2023

Disclaimer

This presentation and the accompanying oral presentation include “forward-looking statements,” that reflect our current expectations and views of future events. These forward-looking statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995 and include but are not limited to, statements regarding our financial outlook, future guidance, product development, business strategy and plans, and market trends, opportunities and positioning. These statements are based on current expectations, assumptions, estimates, forecasts, projections and limited information available at the time they are made. Words such as “expect,” “anticipate,” “should,” “believe,” “hope,” “target,” “project,” “goals,” “estimate,” “potential,” “predict,” “may,” “will,” “might,” “could,” “intend,” “shall,” “outlook,” “on track,” and variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements, although not all forward-looking statements contain these identifying words. Forward-looking statements are subject to a broad variety of risks and uncertainties, both known and unknown. Any inaccuracy in our assumptions and estimates could affect the realization of the expectations or forecasts in these forward-looking statements. For example, our business could be impacted by geopolitical conditions such as the ongoing political and trade tensions with China and the Russia/Ukraine conflict; the market for our products may develop or recover more slowly than expected or than it has in the past; our operating results may fluctuate more than expected; there may be significant fluctuations in our results of operations and cash flows related to our revenue recognition or otherwise; a network or data security incident that allows unauthorized access to our network or data or our customers’ data could damage our reputation; we could experience interruptions or performance problems associated with our technology, including a service outage; and global economic conditions could deteriorate, including due to increasing interest rates, rising inflation, and any potential recession. It is not possible for us to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results or outcomes to differ materially from those contained in any forward-looking statements we may make. Moreover, we operate in a competitive and rapidly changing market, and new risks may emerge from time to time. You should not rely upon forward-looking statements as predictions of future events. These statements are based on our historical performance and on our current plans, estimates and projections in light of information currently available to us, and therefore you should not place undue reliance on them.

Although we believe that the expectations reflected in our statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances described in the forward-looking statements will be achieved or occur. Moreover, neither we, nor any other person, assumes responsibility for the accuracy and completeness of these statements. Recipients are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date such statements are made and should not be construed as statements of fact. Except to the extent required by federal securities laws, we undertake no obligation to update any information or any forward-looking statements as a result of new information, subsequent events, or any other circumstances after the date hereof, or to reflect the occurrence of unanticipated events. For a discussion of potential risks and uncertainties, please refer to the risk factors and cautionary statements in our 2022 Annual Report on Form 20-F, current reports on Form 6-K and other reports filed with the Securities and Exchange Commission. Copies of our SEC filings are available on our Investor Relations website, investors.gf.com, or from the SEC website, www.sec.gov.

This presentation and the accompanying oral presentation also contain estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry and business. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. We have not independently verified the industry data generated by independent parties and contained in this presentation and, accordingly, we cannot guarantee their accuracy or completeness. In addition, projections, assumptions, and estimates of our future performance and the future performance of the markets in which we compete are necessarily subject to a high degree of uncertainty and risk.

In addition to the financial information presented in accordance with IFRS, this presentation and the accompanying oral presentation include the following adjusted non-IFRS metrics: adjusted gross profit, adjusted operating profit, (loss) adjusted net income (loss), adjusted diluted earnings (loss) per share (“EPS”), adjusted EBITDA, adjusted operating margin and adjusted EBITDA margin. We define adjusted gross profit as gross profit adjusted for share-based compensation expense. We define adjusted operating profit (loss) as profit (loss) from operations adjusted for share-based compensation expense. We define adjusted net income (loss) as net income (loss) adjusted for share-based compensation expense, restructuring charges, and the associated tax impact. We define adjusted diluted earnings (loss) per share as adjusted net income (loss) divided by the dilutive shares. We define adjusted EBITDA as net income (loss), adjusted for the impact of finance expense, finance income, income tax expense, depreciation, amortization, share-based compensation expense, divestiture gains and associated expenses, restructuring charges, labor optimization initiatives, and litigation settlements. We define adjusted gross margin as adjusted gross profit divided by revenue. We define adjusted operating margin as adjusted operating profit divided by net revenue. We define adjusted EBITDA margin as adjusted EBITDA divided by net revenue.

We believe that in addition to our results determined in accordance with IFRS, these adjusted non-IFRS measures provide useful information to both management and investors in measuring our financial performance and condition and highlight trends in our business that may not otherwise be apparent when relying solely on IFRS measures. These adjusted non-IFRS financial measures provide supplemental information regarding our operating performance that excludes certain gains, losses and non-cash charges that occur relatively infrequently and/or that we consider to be unrelated to our core operations. For further information regarding these non-IFRS measures, please refer to the Appendix.

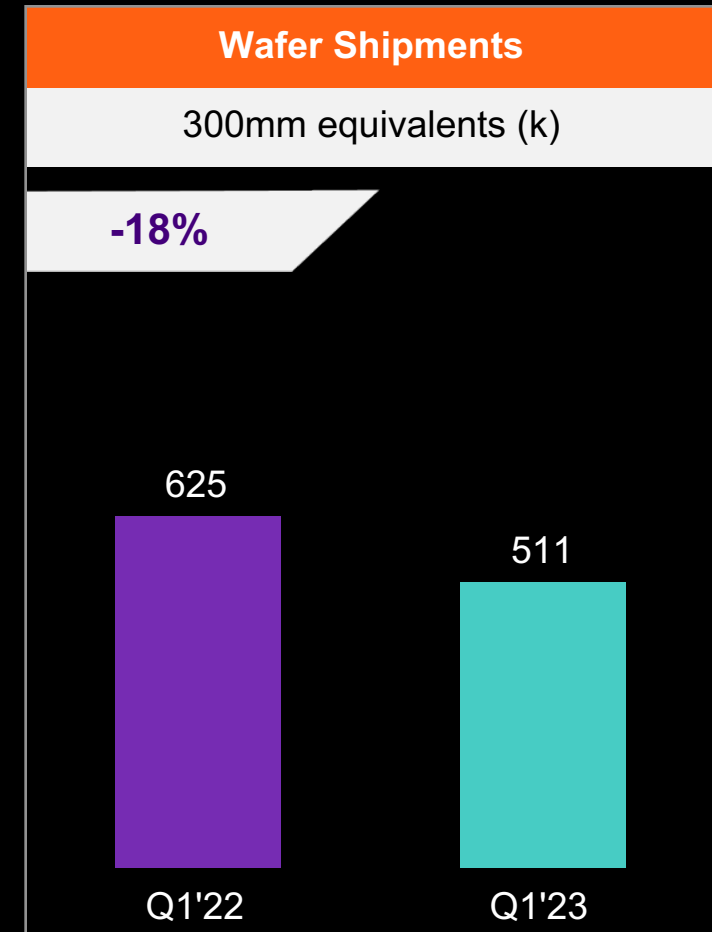
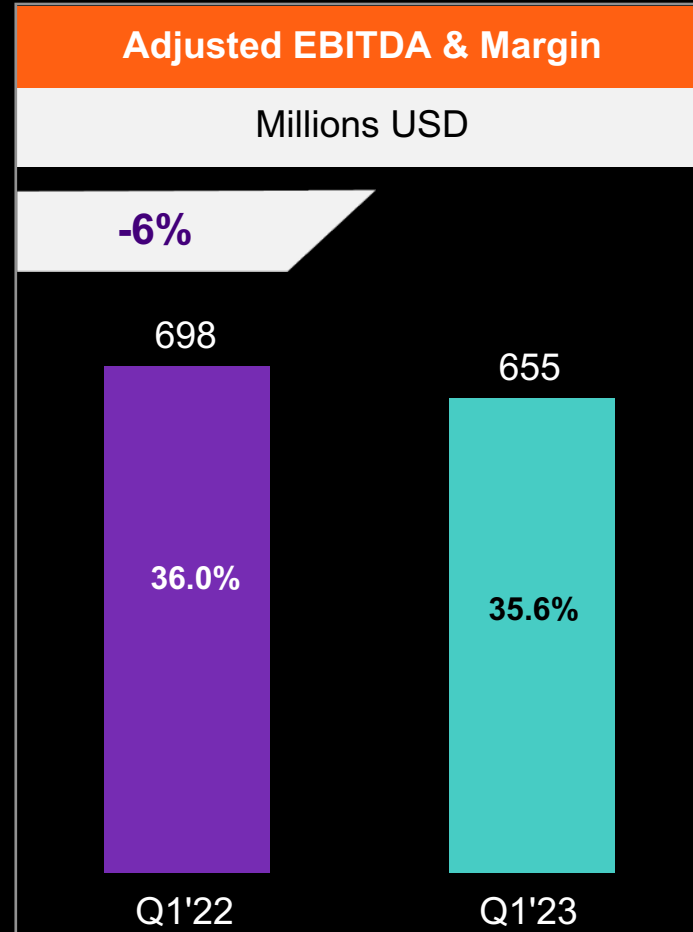
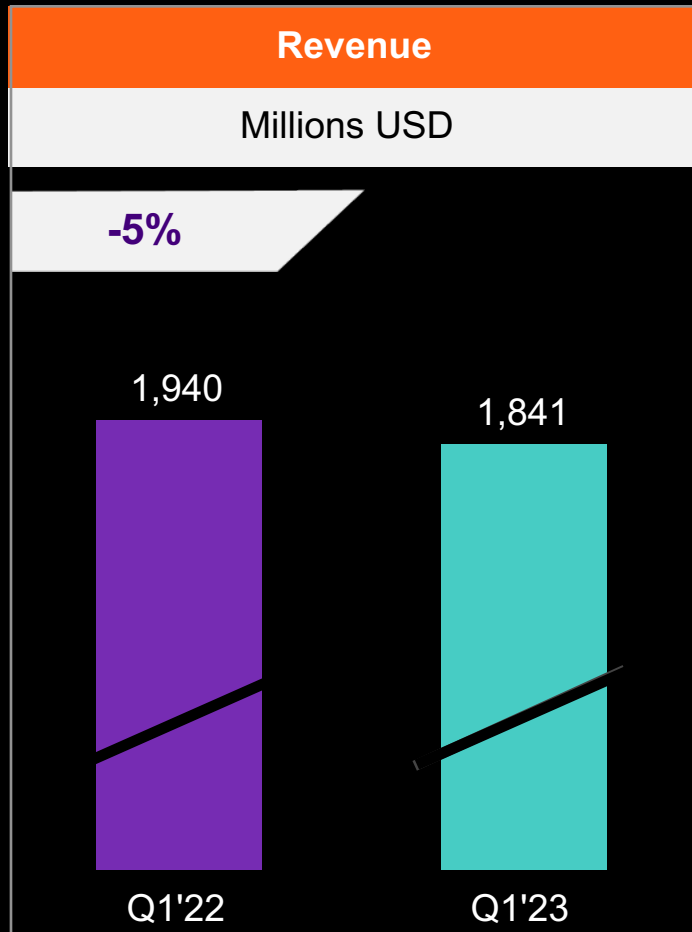
Adjusted non-IFRS financial information is presented for supplemental informational purposes only and should not be considered in isolation or as a substitute for financial information presented in accordance with IFRS. Our presentation of adjusted non-IFRS measures should not be construed as an inference that our future results will be unaffected by unusual or nonrecurring items. Other companies in our industry may calculate these measures differently, which may limit their usefulness as a comparative measure.



Q1'23 Results

Key Q1'23 Results

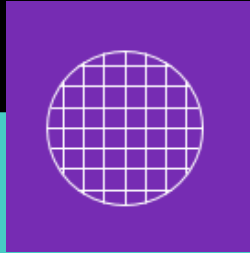
(Unaudited)



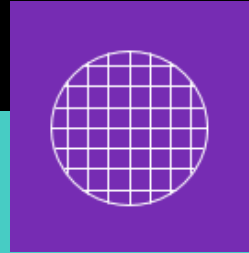
Note:

We define adjusted EBITDA as net income, excluding the impact of finance income, finance expense, income tax expense, depreciation, amortization, share-based compensation expense, divestiture gains and associated expenses, restructuring charges, labor optimization initiatives, and litigation settlements; a reconciliation of adjusted non-IFRS to IFRS metrics can be found in the Appendix. Effective Q3'22, the Company has revised its definition of Adjusted EBITDA to include an adjustment for finance income.

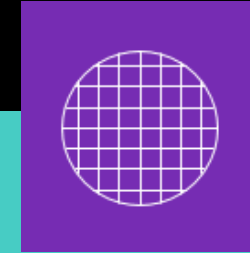
Key Recent Announcements



GF announced a Strategic University Partnership agreement with Georgia Tech. This agreement spans a broad range of research activities, including leadership capabilities in advanced packaging, silicon photonics, and workforce development initiatives.



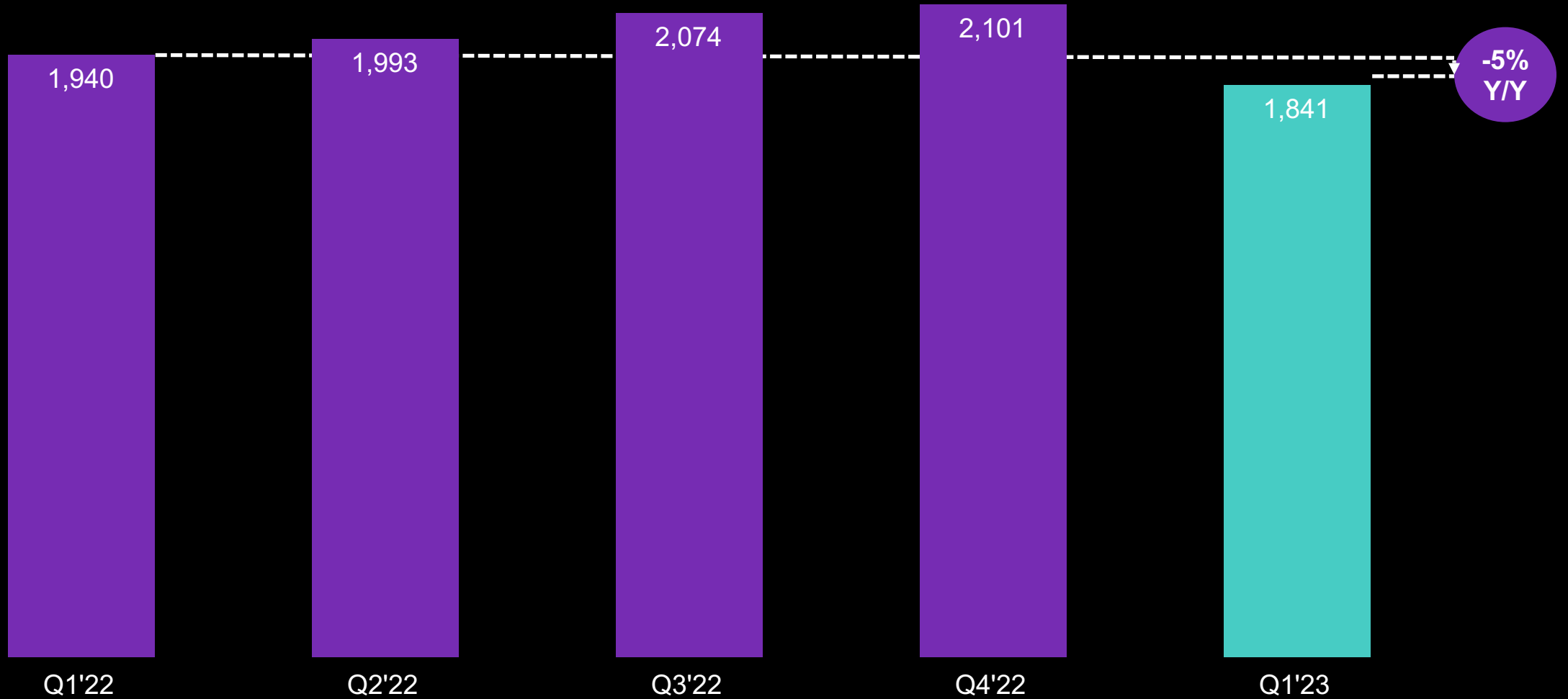
GF and Amkor Technology, Inc. formed a strategic partnership to establish the first at-scale back-end facility in Europe. GF transferred its 300mm Bump and Sort lines from its Dresden site in Germany, to Amkor's operations in Porto, Portugal.



The European Commission approved the award of direct grant funding to GF and STMicroelectronics to support the construction and operation of a new 300mm manufacturing facility in Crolles, France. The funds are being made available under the European Chips Act.

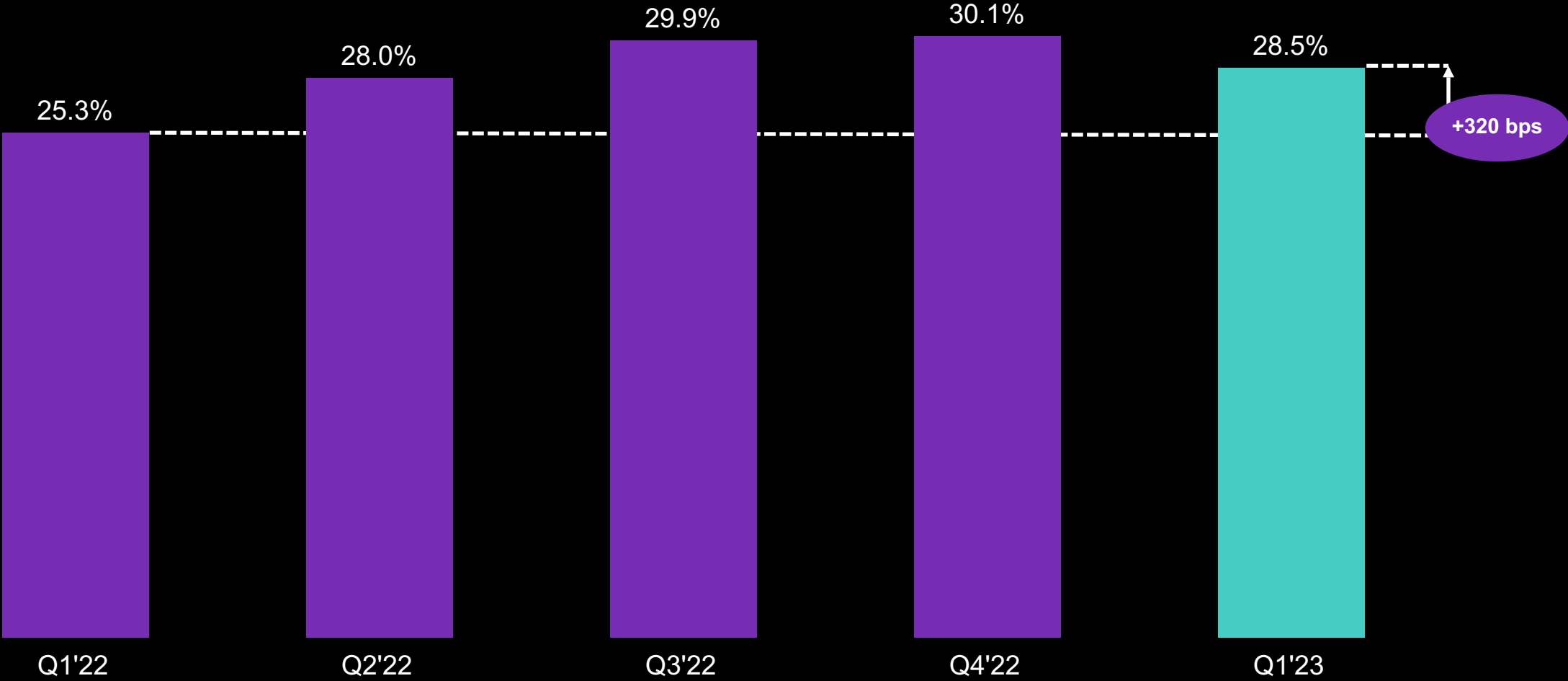
Quarterly Revenue Trend

(Unaudited, Millions USD)



Adjusted Gross Margin Trend

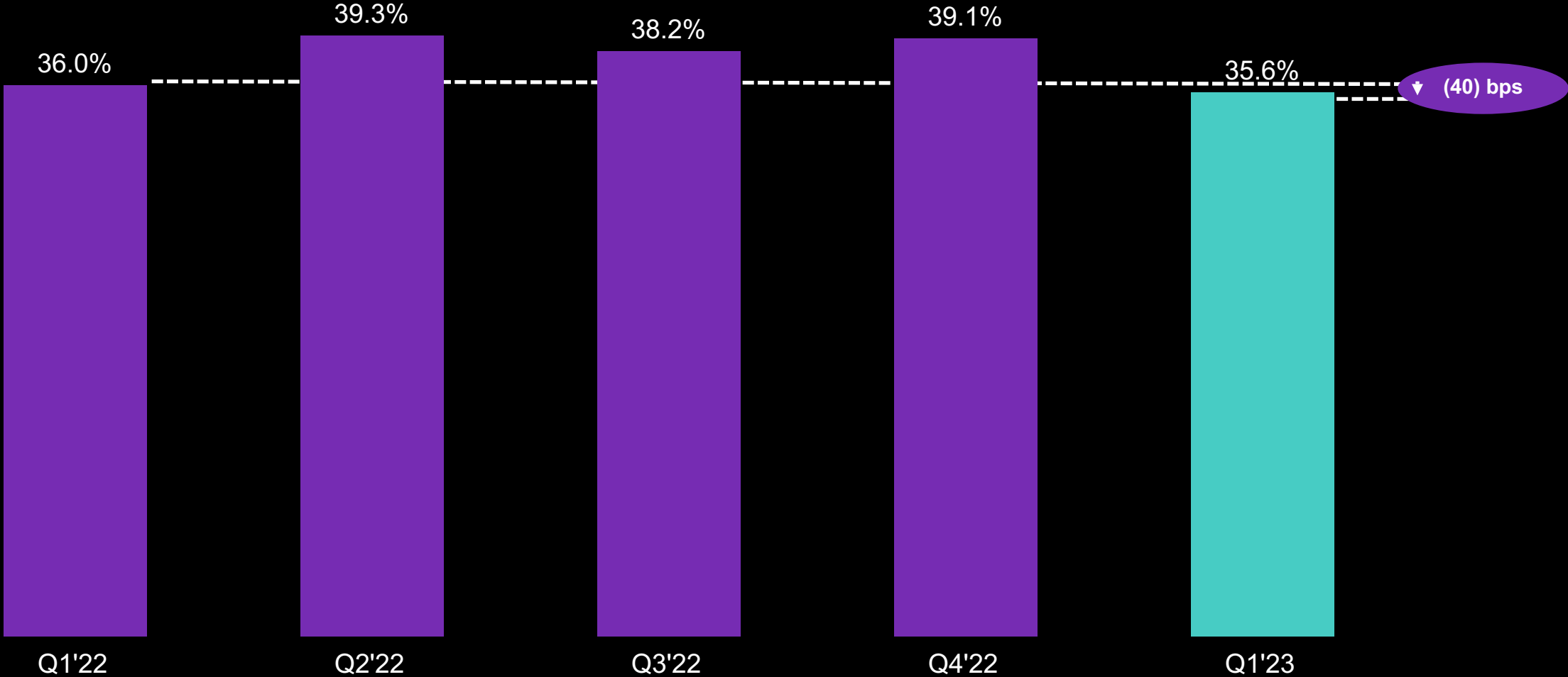
(Unaudited)



Note: Adjusted gross profit a Non-IFRS measure which we define as gross profit for a particular period, adjusted for share-based compensation expense; adjusted gross margin is adjusted gross profit divided by revenue. See Appendix for a reconciliation of adjusted Non-IFRS to IFRS metrics.

Adjusted EBITDA Margins Trend

(Unaudited)



Note: Adjusted EBITDA is a Non-IFRS measure which we define as net income, excluding the impact of finance income, finance expense, income tax expense, depreciation, amortization, share-based compensation expense, divestiture gains and associated expenses, restructuring charges, labor optimization initiatives, and litigation settlements. Adjusted EBITDA margin is adjusted EBITDA divided by revenue. See Appendix for a reconciliation of adjusted Non-IFRS metrics to IFRS metrics. Beginning in Q3 2022, the Company has revised its definition of Adjusted EBITDA to include an adjustment for finance income.

Q1'23 Financial Summary

(Unaudited, in millions USD, except per share data and wafer shipments)

	Q1'23	Q4'22	Q1'22	Year-over-year Q1'23 vs Q1'22		Sequential Q1'23 vs Q4'22	
Net revenue	\$ 1,841	\$ 2,101	\$ 1,940	\$ (99)	(5)%	\$ (260)	(12)%
Gross profit	515	622	469	\$ 46	10 %	\$ (107)	(17)%
<i>Gross margin</i>	28.0 %	29.6 %	24.2 %		+380bps		(160)bps
Adjusted gross profit⁽¹⁾	\$ 525	\$ 633	\$ 490	\$ 35	7 %	\$ (108)	(17)%
<i>Adjusted gross margin⁽¹⁾</i>	28.5 %	30.1 %	25.3 %		+320bps		(160)bps
Operating profit	\$ 290	\$ 288	\$ 225	\$ 65	29 %	\$ 2	1 %
<i>Operating margin</i>	15.8 %	13.7 %	11.6 %		+420bps		+210bps
Adjusted operating profit⁽¹⁾	\$ 326	\$ 425	\$ 279	\$ 47	17 %	\$ (99)	(23)%
<i>Adjusted operating margin⁽¹⁾</i>	17.7 %	20.2 %	14.4 %		+330bps		(250)bps
Net income⁽²⁾	\$ 254	\$ 668	\$ 178	\$ 76	43 %	\$ (414)	(62)%
<i>Net income margin</i>	13.8 %	31.8 %	9.2 %		+460bps		(1,800)bps
Adjusted net income⁽¹⁾⁽²⁾⁽³⁾	\$ 290	\$ 800	\$ 232	\$ 58	25 %	\$ (510)	(64)%
<i>Adjusted net income margin⁽¹⁾</i>	15.8 %	38.1 %	12.0 %		+380bps		(2,230)bps
Diluted earnings per share	\$ 0.46	\$ 1.21	\$ 0.33	\$ 0.13	39 %	\$ (0.75)	(62)%
Adjusted diluted earnings per share⁽¹⁾	\$ 0.52	\$ 1.44	\$ 0.42	\$ 0.10	24 %	\$ (0.92)	(64)%
Adjusted EBITDA⁽¹⁾⁽⁴⁾	\$ 655	\$ 821	\$ 698	\$ (43)	(6)%	\$ (166)	(20)%
<i>Adjusted EBITDA margin⁽¹⁾</i>	35.6 %	39.1 %	36.0 %		(40)bps		(350)bps
Cash from operations	\$ 479	\$ 491	\$ 845	\$ (366)	(43)%	\$ (12)	(2)%
Wafer shipments (300MM Equivalent) (in thousands)	511	580	625	(114)	(18)%	(69)	(12)%

Note:

⁽¹⁾ Adjusted gross profit, adjusted operating profit, adjusted net income, adjusted diluted EPS, and adjusted EBITDA and related margins are adjusted non-IFRS metrics; please see the reconciliation of IFRS to adjusted non-IFRS metrics in the Appendix.

⁽²⁾ Includes the gain on sale of our East Fishkill business in December 2022.

⁽³⁾ Beginning in Q4 2022, the Company has revised its definition of adjusted net income to include an adjustment for restructuring charges and the associated tax impact. The change was made due to a restructuring undertaken in Q4 2022. The Company believes the revised definition provides management and investors with more useful information to evaluate the operations of our business. Adjusted net income is now defined as net income adjusted for share-based compensation expense, restructuring charges and the associated tax impact.

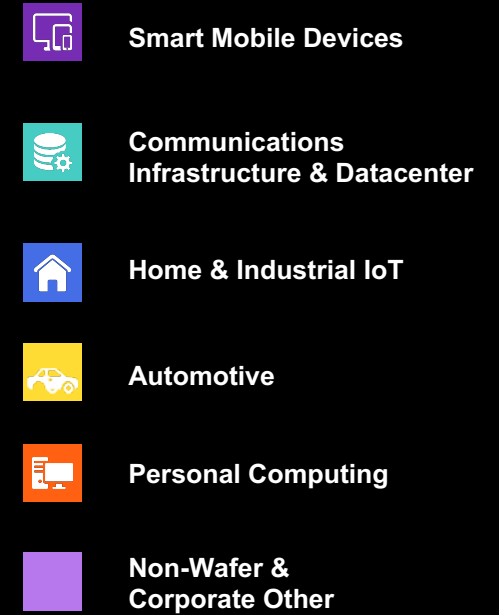
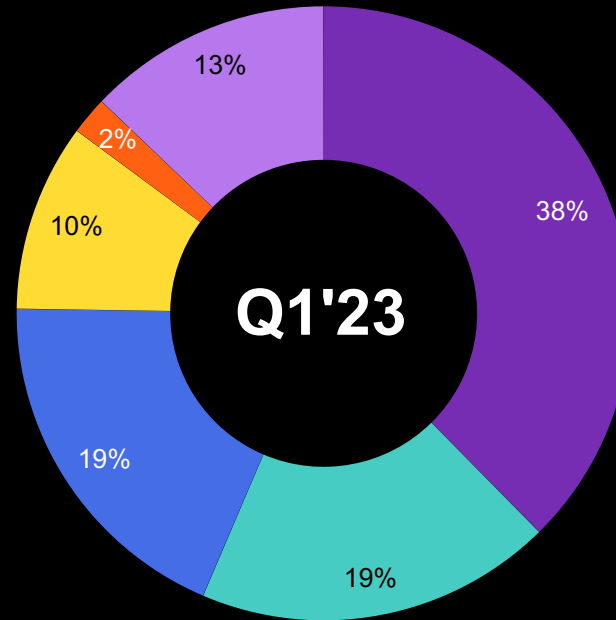
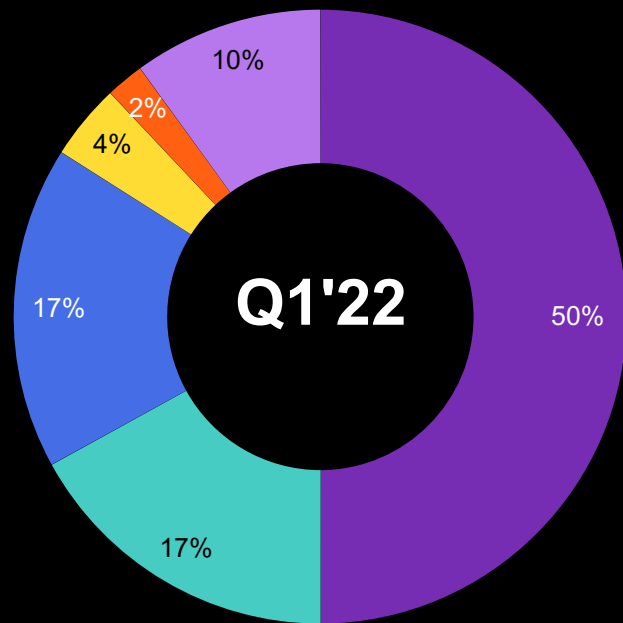
⁽⁴⁾ Beginning in Q3 2022, the Company has revised its definition of adjusted EBITDA to include an adjustment for finance income. The change was made due to the Company making an investment during Q2 2022 of approximately \$1.0 billion in marketable securities. The Company believes the revised definition provides management and investors more useful information to evaluate the operations of our business. Adjusted EBITDA is now defined as net income adjusted for the impact of finance expense, finance income, income tax expense, depreciation, amortization, share-based compensation expense, divestiture gains and associated expenses, restructuring charges, labor optimization initiatives and litigation settlement.

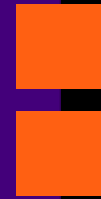
Q1'23 Revenue by End Market

	Q1'23	Q4'22	Q1'22	Year-over-year Q1'23 vs Q1'22		Sequential Q1'23 vs Q4'22	
 Smart Mobile Devices	\$696	\$823	\$977	\$(281)	(29)%	\$(127)	(15)%
 Communications Infrastructure & Datacenter	\$352	\$386	\$327	\$25	8%	\$(34)	(9)%
 Home and Industrial IoT	\$344	\$416	\$323	\$21	7%	\$(72)	(17)%
 Automotive	\$180	\$115	\$81	\$99	122%	\$65	57%
 Personal Computing	\$36	\$115	\$41	\$(5)	(12)%	\$(79)	(69)%
Non-Wafer and Corporate Other Revenue	\$233	\$246	\$191	\$42	22%	\$(13)	(5)%
Revenue	\$1,841	\$2,101	\$1,940	\$(99)	(5)%	\$(260)	(12)%

Revenue Mix by End Market

(Unaudited)





Q2'23 Guidance

Q2'23 Guidance

(Unaudited, in millions USD except per share amounts)

	IFRS	Share-Based Compensation	Non-IFRS Adjusted
Net revenue	\$1,810 - \$1,850	—	—
Gross Profit	\$481 - \$512	\$15- \$17	\$498 - \$527
<i>Gross Margin (mid-point)</i>	<i>27.1%</i>		<i>28.0%</i>
Operating Profit	\$238 - \$287	\$40 - \$50	\$288 - \$327
<i>Operating Margin (mid-point)</i>	<i>14.3%</i>		<i>16.8%</i>
Net Income	\$206 - \$259	\$40 - \$50	\$256 - \$299
<i>Net Income Margin (mid-point)</i>	<i>12.7%</i>		<i>15.2%</i>
Diluted EPS	\$0.37 - \$0.46		\$0.46 - \$0.54

Notes:

The guidance provided above contains forward-looking statements as defined in the U.S. Private Securities Litigation Act of 1995, and is subject to the safe harbors created therein. The guidance includes management's beliefs and assumptions and is based on information currently available. GF has not provided a reconciliation of its Second Fiscal Quarter outlook for adjusted Non-IFRS EBITDA and related Margin because estimates of all of the reconciling items cannot be provided without unreasonable efforts. Certain factors that are materially significant to GF's ability to estimate these items are out of its control and/or cannot be reasonably predicted.

Adjusted gross profit, adjusted operating profit, adjusted net income, and adjusted diluted EPS for a particular period are non-IFRS metrics and are defined as gross profit, operating profit, net income, and EPS before share-based compensation expense, respectively.

Adjusted margins are non-IFRS metrics and are defined as adjusted profit divided by revenue for a particular period (using definitions of adjusted gross profit, adjusted operating profit, and adjusted net income, as appropriate).



Appendix: Summary Financials and Reconciliations

Statement of Operations

(Unaudited, in millions USD except per share amounts)

	2021				2022				2023
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Net revenue	\$ 1,418	\$ 1,620	\$ 1,700	\$ 1,847	\$ 1,940	\$ 1,993	\$ 2,074	\$ 2,101	\$ 1,841
Cost of sales	1,319	1,389	1,400	1,463	1,471	1,455	1,464	1,479	1,326
Gross profit (loss)	\$ 99	\$ 231	\$ 300	\$ 384	\$ 469	\$ 538	\$ 610	\$ 622	\$ 515
Operating expenses:									
Research and development	103	132	114	130	128	120	124	110	109
Sales, marketing, general and administrative	91	202	134	167	116	121	129	130	111
Restructuring charges	—	—	—	—	—	—	—	94	5
Total operating expenses	\$ 194	\$ 334	\$ 248	\$ 297	\$ 244	\$ 241	\$ 253	\$ 334	\$ 225
Impairment charge	—	—	—	—	—	—	—	—	—
Total non-operating expenses	—	—	—	—	—	—	—	—	—
Operating profit (loss)	\$ (95)	\$ (103)	\$ 52	\$ 87	\$ 225	\$ 297	\$ 357	\$ 288	\$ 290
Finance income (expense), net	(28)	(28)	(27)	(26)	(28)	(19)	(11)	(2)	1
Gain on sale fabrication facility	—	—	—	—	—	—	—	403	—
Other income (expense)	7	(23)	2	8	10	16	9	(13)	(14)
Income tax benefit (expense)	(11)	(20)	(22)	(26)	(29)	(30)	(19)	(8)	(23)
Net income (loss)	\$ (127)	\$ (174)	\$ 5	\$ 43	\$ 178	\$ 264	\$ 336	\$ 668	\$ 254
Attributable to:									
Shareholders of GlobalFoundries	(126)	(173)	6	44	179	264	337	668	254
Non-controlling interest	(1)	(1)	(1)	(1)	(1)	—	(1)	—	—
Earnings (loss) per share ("EPS"):									
Basic	\$ (0.25)	\$ (0.35)	\$ 0.01	\$ 0.08	\$ 0.34	\$ 0.49	\$ 0.62	\$ 1.22	\$ 0.46
Diluted	\$ (0.25)	\$ (0.35)	\$ 0.01	\$ 0.08	\$ 0.33	\$ 0.48	\$ 0.61	\$ 1.21	\$ 0.46
Shares used in earnings (loss) per share calculation									
Basic	500	500	500	522	532	535	543	546	550
Diluted	500	500	512	540	549	550	553	554	555

Balance Sheet

(Unaudited, in millions USD)

	As of	
	March 31, 2023	December 31, 2022
Assets:		
Cash and cash equivalents	\$ 2,256	\$ 2,352
Receivables, prepayments and other	1,296	1,487
Marketable securities	653	622
Inventories	1,423	1,339
Current assets	5,628	5,800
Deferred tax assets	271	292
Property, plant, and equipment, net	10,829	10,596
Marketable securities	323	372
Other assets	764	781
Noncurrent assets	12,187	12,041
Total assets	\$ 17,815	\$ 17,841
Liabilities and equity:		
Current portion of long-term debt	205	223
Other current liabilities	2,690	3,136
Current liabilities	2,895	3,359
Noncurrent portion of long-term debt	2,310	2,288
Other liabilities	2,303	2,234
Noncurrent liabilities	4,613	4,522
Stockholders' equity:		
Common stock/additional paid-in capital	\$ 23,927	\$ 23,842
Accumulated deficit	(13,767)	(14,021)
Accumulated other comprehensive income (loss)	100	92
Non-controlling interest	47	47
Total liabilities and equity	\$ 17,815	\$ 17,841

Statement of Cash Flows

(Unaudited, in millions USD)

(in millions USD)	Three Months Ended	
	March 31, 2023	March 31, 2022
Cash flows from operating activities:		
Net income	\$ 254	\$ 178
Depreciation and amortization	343	408
Finance expense, net and other(1)	7	9
Deferred income taxes	22	19
Other non-cash operating activities	27	42
Net change in working capital	(174)	189
Net cash provided by operating activities	\$ 479	\$ 845
Cash flows from investing activities:		
Purchases of property, plant, equipment, and intangible assets	\$ (853)	\$ (643)
Other investing activities	267	4
Net cash used in investing activities	\$ (586)	\$ (639)
Cash flows from financing activities:		
Proceeds from issuance of equity instruments and other	\$ 37	\$ —
Proceeds (repayment) of debt, net	(30)	107
Other financing activities	3	11
Net cash provided by financing activities	\$ 10	\$ 118
Effect of exchange rate changes	1	1
Net change in cash and cash equivalents	(96)	325
Cash and cash equivalents at the beginning of the period	\$ 2,352	\$ 2,939
Cash and cash equivalents at the end of the period	\$ 2,256	\$ 3,264

⁽¹⁾Finance expense, net and other has been adjusted to include interest and taxes paid that were previously included in "Other non-cash operating activities." Prior period amounts have been adjusted accordingly.

IFRS to Non-IFRS Reconciliations

(Unaudited, in millions USD except per share amounts)

	2021				2022				2023
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Gross profit for the period	\$99	\$231	\$300	\$384	\$469	\$538	\$610	\$622	\$515
<i>Gross profit margin</i>	7.0%	14.3%	17.6%	20.8%	24.2%	27.0%	29.4%	29.6%	28.0%
Share based compensation	—	36	6	13	21	21	11	\$11	10
Adjusted gross profit⁽¹⁾	\$99	\$267	\$306	\$397	\$490	\$559	\$621	\$633	\$525
<i>Adjusted gross profit margin⁽¹⁾</i>	7.0%	16.5%	18.0%	21.5%	25.3%	28.0%	29.9%	30.1%	28.5%
Net revenue	\$1,418	\$1,620	\$1,700	\$1,847	\$1,940	\$1,993	\$2,074	\$2,101	\$1,841
	2021				2022				2023
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Operating profit (loss) for the period	\$(95)	\$(103)	\$52	\$87	\$225	\$297	\$357	\$288	\$290
<i>Operating profit (loss) margin</i>	(6.7)%	(6.4)%	3.1%	4.7%	11.6%	14.9%	17.2%	13.7%	15.8%
Share based compensation	—	\$144	\$29	\$55	\$54	\$53	\$32	\$43	\$31
Restructuring charges ⁽²⁾	—	—	—	—	—	—	—	94	5
Adjusted operating profit (loss)⁽¹⁾	\$(95)	\$41	\$81	\$142	\$279	\$350	\$389	\$425	\$326
<i>Adjusted operating profit (loss) margin⁽¹⁾</i>	(6.7)%	2.5%	4.8%	7.7%	14.4%	17.6%	18.8%	20.2%	17.7%
Net revenue	\$1,418	\$1,620	\$1,700	\$1,847	\$1,940	\$1,993	\$2,074	\$2,101	\$1,841
	2021				2022				2023
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Net income (loss) for the period⁽³⁾	\$(127)	\$(174)	\$5	\$43	\$178	\$264	\$336	\$668	\$254
<i>Net income (loss) margin</i>	(9.0)%	(10.7)%	0.3%	2.3%	9.2%	13.2%	16.2%	31.8%	13.8%
Share based compensation	—	\$144	\$29	\$55	\$54	\$53	\$32	\$43	\$31
Restructuring ⁽²⁾	—	—	—	—	—	—	—	94	5
Income tax effect ⁽⁴⁾	—	—	—	—	—	—	—	\$(5)	\$—
Adjusted net income (loss)⁽¹⁾⁽⁵⁾	\$(127)	\$(30)	\$34	\$98	\$232	\$317	\$368	\$800	\$290
<i>Adjusted net income (loss) margin⁽¹⁾</i>	(9.0)%	(1.9)%	2.0%	5.3%	12.0%	15.9%	17.7%	38.1%	15.8%
Diluted earnings (loss) per share	\$(0.25)	\$(0.35)	\$0.01	\$0.08	\$0.33	\$0.48	\$0.61	\$1.21	\$0.46
Shares outstanding	500	500	512	540	549	550	553	554	555
Adjusted diluted earnings (loss) per share⁽¹⁾	\$(0.25)	\$(0.06)	\$0.07	\$0.18	\$0.42	\$0.58	\$0.67	\$1.44	\$0.52

⁽¹⁾ Adjusted gross profit, adjusted operating profit (loss), adjusted net income (loss) and related margins are Non-IFRS measures.

See "Adjusted Financial Measures (Non-IFRS)" for a detailed reconciliation of Non-IFRS measures to the most directly comparable IFRS measure and "Non-IFRS Financial Measures" for a discussion of why we believe these Non-IFRS measures are useful.

⁽²⁾ Includes \$3.1 million of share based compensation in Q4 2022.

⁽³⁾ Includes the gain on sale of our EFK business in December 2022.

⁽⁴⁾ Relates to restructuring charges since Q4 2022.

⁽⁵⁾ Reflects change to adjusted net income definition discussed in more detail elsewhere in this investor deck.

IFRS to Non-IFRS Reconciliations

(Unaudited, in millions USD)

	2021				2022				2023
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Net Income (Loss) for the period	\$(127)	\$(174)	\$5	\$43	\$178	\$264	\$336	\$668	\$254
Depreciation and amortization	377	408	415	419	408	411	395	409	343
Finance expense	29	29	28	28	29	26	28	28	31
Finance Income	NA	NA	NA	NA	NA	NA	(17)	(26)	(32)
Income tax expense	10	20	22	26	29	30	19	8	23
Share based compensation	—	144	29	55	54	53	32	43	31
Restructuring charges ⁽¹⁾	—	—	—	—	—	—	—	94	5
Labor optimization program	5	5	2	5	—	—	—	—	—
Gain on transactions, legal settlements and transaction expenses ⁽²⁾	—	34	4	8	—	—	—	(403)	—
Adjusted EBITDA⁽¹⁾⁽³⁾⁽⁴⁾⁽⁵⁾	\$294	\$466	\$505	\$584	\$698	\$784	\$793	\$821	\$655
Adjusted EBITDA ⁽¹⁾⁽⁴⁾⁽⁵⁾ margin	20.7%	28.8%	29.7%	31.6%	36.0%	39.3%	38.2%	39.1%	35.6%

Note:

⁽¹⁾ Includes \$3.1 million of share-based compensation in Q4 2022.

⁽²⁾ Activity for the year ended December 31, 2022, relates to the gain on the sale of our East Fishkill business.

⁽³⁾ Reflects changes to adjusted EBITDA definition discussed in more detailed elsewhere in this Investor Deck.

⁽⁴⁾ Includes interest income of \$1.0 million in Q1 2022 and \$7.0 million in Q2 2022. Had these numbers been included, our adjusted EBITDA and adjusted EBITDA margin would have been respectively, \$697 million and 35.9% for Q1 2022, and \$777 million and 39.0% for Q2 2022.

⁽⁵⁾ Adjusted EBITDA is a Non-IFRS measure. See "Adjusted Financial Measures (Non-IFRS)" for a detailed reconciliation of Non-IFRS measures to the most directly comparable IFRS measure and "Non-IFRS Financial Measures" for a discussion of why we believe these Non-IFRS measures are useful.

Adjusted Financial Measures (Non-IFRS)

In addition to the financial information presented in accordance with IFRS, this earnings presentation includes the following adjusted non-IFRS metrics: adjusted gross profit, adjusted operating profit, adjusted net income (loss), adjusted diluted earnings (loss) per share and adjusted EBITDA. We define adjusted gross profit as gross profit adjusted for share-based compensation expense. We define adjusted operating profit as profit from operations adjusted for share-based compensation expense and restructuring charges. We define adjusted net income (loss) as net income (loss) adjusted for share-based compensation expense, restructuring charges and the associated tax impact. We define adjusted diluted EPS as adjusted net income (loss) divided by the dilutive shares. We define adjusted EBITDA as net income (loss), adjusted for the impact of finance expense, finance income, income tax expense, depreciation, amortization, share-based compensation expense, divestiture gains and associated expenses, restructuring charges, labor optimization initiatives and litigation settlements.

We believe that in addition to our results determined in accordance with IFRS, these adjusted non-IFRS measures provide useful information to both management and investors in measuring our financial performance and highlight trends in our business that may not otherwise be apparent when relying solely on IFRS measures. These adjusted non-IFRS financial measures provide supplemental information regarding our operating performance that excludes certain gains, losses and non-cash charges that occur relatively infrequently and/or that we consider to be unrelated to our core operations. For further information regarding these non-IFRS measures, please refer to "Unaudited Reconciliation of IFRS to Adjusted Non-IFRS" table above.

Adjusted non-IFRS financial information is presented for supplemental informational purposes only and should not be considered in isolation or as a substitute for financial information presented in accordance with IFRS. Our presentation of adjusted non-IFRS measures should not be construed as an inference that our future results will be unaffected by unusual or nonrecurring items. Other companies in our industry may calculate these measures differently, which may limit their usefulness as a comparative measure.



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Thank you

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