

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE
SECURITIES EXCHANGE ACT OF 1934

For the month of August 2025

Commission File Number 001-40974

GLOBALFOUNDRIES Inc.

400 Stonebreak Road Extension
Malta, NY 12020

Indicate by check mark whether the Registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Attached hereto is the following exhibit.

[Exhibit 99.1](#)

[Unaudited Interim Condensed Consolidated Financial Statements as of June 30, 2025 and December 31, 2024 and for the three and six months ended June 30, 2025 and 2024, and Management's Discussion and Analysis of Financial Condition and Results of Operations for the three and six months ended June 30, 2025 and 2024.](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GLOBALFOUNDRIES Inc.

Date: August 5, 2025

By:	/s/ John Hollister
Name:	John Hollister
Title:	Chief Financial Officer

TABLE OF CONTENTS

Part 1 - Unaudited Financial Statements	Page
<u>Interim Condensed Consolidated Statements of Financial Position</u>	<u>2</u>
<u>Interim Condensed Consolidated Statements of Operations</u>	<u>3</u>
<u>Interim Condensed Consolidated Statements of Comprehensive Income (Loss)</u>	<u>4</u>
<u>Interim Condensed Consolidated Statements of Cash Flows</u>	<u>5</u>
<u>Interim Condensed Consolidated Statements of Changes in Equity</u>	<u>6</u>
<u>Notes to Interim Condensed Consolidated Financial Statements</u>	<u>7-17</u>
Part 2	Page
<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>18-24</u>

GLOBALFOUNDRIES Inc.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION As of June 30, 2025 and December 31, 2024 (Unaudited, in millions, except share and per share amounts)

	As of	
	June 30 2025	December 31 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,790	\$ 2,192
Marketable securities	1,305	1,194
Receivables, prepayments and other assets	1,535	1,406
Inventories	1,726	1,624
Total current assets	6,356	6,416
Non-current assets:		
Property, plant and equipment, net	7,505	7,762
Marketable securities	823	839
Goodwill and intangible assets, net	722	660
Right-of-use assets	495	498
Receivables, prepayments and other assets	480	351
Deferred tax assets	270	188
Other non-current financial assets	152	85
Total non-current assets	10,447	10,383
Total assets	\$ 16,803	\$ 16,799
LIABILITIES AND EQUITY		
Current liabilities:		
Trade payables and other current liabilities	\$ 2,186	\$ 2,092
Current portion of deferred income from government grants	80	92
Current portion of lease obligations	77	90
Current portion of long-term debt	60	753
Provisions	11	17
Total current liabilities	2,414	3,044
Non-current liabilities		
Non-current portion of long-term debt	1,115	1,053
Other non-current liabilities	990	1,022
Non-current portion of lease obligations	432	424
Non-current portion of deferred income from government grants	219	235
Provisions	165	197
Total non-current liabilities	2,921	2,931
Total liabilities	\$ 5,335	\$ 5,975
Equity:		
Share capital		
Ordinary shares, \$0.02 par value, 554,971,650 and 552,912,823 shares issued and outstanding as of June 30, 2025 and December 31, 2024, respectively	\$ 11	\$ 11
Additional paid-in capital	24,096	24,014
Accumulated deficit	(12,828)	(13,266)
Accumulated other comprehensive income	136	17
Equity attributable to the shareholders of GLOBALFOUNDRIES Inc.	11,415	10,776
Non-controlling interests	53	48
Total equity	11,468	10,824
Total liabilities and equity	\$ 16,803	\$ 16,799

The accompanying notes are an integral part of these interim condensed consolidated financial statements

GLOBALFOUNDRIES Inc.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS for the Three and Six Months Ended June 30, 2025 and 2024 (Unaudited, in millions, except per share amounts)

	Three Months Ended June 30		Six Months Ended June 30	
	2025	2024	2025	2024
Net revenue	\$ 1,688	\$ 1,632	\$ 3,273	\$ 3,181
Cost of revenue	1,280	1,237	2,510	2,393
Gross profit	408	395	763	788
Research and development expenses	134	121	261	245
Selling, general and administrative expenses and other	78	114	155	236
Restructuring charges	—	5	—	5
Operating expenses	212	240	416	486
Income from operations	196	155	347	302
Finance income (expense) net	17	16	31	26
Other income (expense), net	8	(4)	38	(6)
Income before income taxes	221	167	416	322
Income tax (expense) benefit	7	(12)	23	(33)
Net income	\$ 228	\$ 155	\$ 439	\$ 289
Attributable to:				
Shareholders of GLOBALFOUNDRIES Inc.	228	155	438	288
Non-controlling interests	—	—	1	1
Net income	\$ 228	\$ 155	\$ 439	\$ 289
Net earnings per share attributable to the equity holders of the Company:				
Basic	\$ 0.41	\$ 0.28	\$ 0.79	\$ 0.52
Diluted	\$ 0.41	\$ 0.28	\$ 0.79	\$ 0.52
Weighted average common shares outstanding:				
Basic	555	554	554	554
Diluted	557	557	557	557

The accompanying notes are an integral part of these interim condensed consolidated financial statements

GLOBALFOUNDRIES Inc.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) for the Three and Six Months Ended June 30, 2025 and 2024 (Unaudited, in millions)

	Three Months Ended June 30		Six Months Ended June 30	
	2025	2024	2025	2024
Net income				
Attributable to:				
Shareholders of GLOBALFOUNDRIES Inc.	\$ 228	\$ 155	\$ 438	\$ 288
Non-controlling interests	—	—	1	1
Net income	\$ 228	\$ 155	\$ 439	\$ 289
Other comprehensive income (loss), net of tax:				
Items that may be reclassified subsequently to income:				
Foreign exchange fluctuation reserve	\$ 11	\$ (1)	\$ 16	\$ (4)
Effective portion of changes in the fair value of cash flow hedges	75	2	106	(20)
Fair value gain (loss) on investments measured at fair value through other comprehensive income	—	(1)	1	(4)
Total other comprehensive income (loss)	\$ 86	\$ —	\$ 123	\$ (28)
Attributable to:				
Shareholders of GLOBALFOUNDRIES Inc.	\$ 83	\$ (1)	\$ 119	\$ (27)
Non-controlling interests	3	1	4	(1)
Total other comprehensive income (loss)	\$ 86	\$ —	\$ 123	\$ (28)
Total comprehensive income	\$ 314	\$ 155	\$ 562	\$ 261
Attributable to:				
Shareholders of GLOBALFOUNDRIES Inc.	\$ 311	\$ 154	\$ 557	\$ 261
Non-controlling interests	3	1	5	—
Total comprehensive income	\$ 314	\$ 155	\$ 562	\$ 261

The accompanying notes are an integral part of these interim condensed consolidated financial statements

GLOBALFOUNDRIES Inc.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS for the Six Months Ended June 30, 2025 and 2024 (Unaudited, in millions)

	Six Months Ended June 30	
	2025	2024
OPERATING ACTIVITIES		
Net income	\$ 439	\$ 289
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	687	794
Share-based compensation	94	93
Gain on acquisition of joint venture interest	(31)	—
Finance income	(78)	(100)
Finance expense	47	74
Deferred income taxes, net	(84)	29
Gain on disposal of property, plant and equipment	(71)	(10)
Other operating activities	7	(18)
Change in assets and liabilities, net of acquisitions:		
Receivables, prepayments and other assets	(96)	224
Inventories	(89)	(299)
Trade and other payables	(95)	(190)
Net change in working capital	(280)	(265)
Interest received	66	82
Interest paid	(28)	(61)
Income taxes paid	(6)	(17)
Net cash provided by operating activities	\$ 762	\$ 890
INVESTING ACTIVITIES		
Acquisition of joint venture interest, net of cash acquired	(19)	—
Purchases of property, plant and equipment and intangible assets	(325)	(328)
Purchases of equity securities	(68)	—
Purchases of marketable securities	(785)	(1,047)
Proceeds from sale of marketable securities	75	21
Proceeds from maturities of marketable securities	626	578
Proceeds from the sale of property plant and equipment and other	78	6
Net cash used in investing activities	\$ (418)	\$ (770)
FINANCING ACTIVITIES		
Net proceeds from borrowings	14	—
Repayments of debt and lease obligations	(783)	(144)
Proceeds from issuance of equity instruments	17	23
Purchase of treasury stock	—	(200)
Net cash used in financing activities	\$ (752)	\$ (321)
Effect of exchange rate changes on cash and cash equivalents	6	(2)
Net decrease in cash and cash equivalents	\$ (402)	\$ (203)
Cash and cash equivalents at the beginning of the period	2,192	2,387
Cash and cash equivalents at the end of the period	\$ 1,790	\$ 2,184

The accompanying notes are an integral part of these interim condensed consolidated financial statements

GLOBALFOUNDRIES Inc.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY for the Six Months Ended June 30, 2025 and 2024 (Unaudited, in millions)

Equity attributable to shareholders of GLOBALFOUNDRIES Inc.									
	Ordinary Shares		Additional Paid-In Capital	Accumulated Deficit	Hedging Reserve	Foreign Currency Translation and Investments Reserves	Total	Non- Controlling Interests	Total Equity
	Shares	Amount							
December 31, 2023	554	\$ 11	\$ 24,027	\$ (13,001)	\$ 66	\$ 1	\$ 11,104	\$ 47	\$ 11,151
Proceeds from issuance of equity instruments, net of withholding taxes	2	—	(6)	—	—	—	(6)	—	(6)
Treasury shares	(4)	—	(200)	—	—	—	(200)	—	(200)
Share-based compensation	—	—	93	—	—	—	93	—	93
Net income	—	—	—	288	—	—	288	1	289
Other comprehensive income (loss)	—	—	—	—	(20)	(7)	(27)	(1)	(28)
June 30, 2024	552	\$ 11	\$ 23,914	\$ (12,713)	\$ 46	\$ (6)	\$ 11,252	\$ 47	\$ 11,299
December 31, 2024	553	\$ 11	\$ 24,014	\$ (13,266)	\$ 19	\$ (2)	\$ 10,776	\$ 48	\$ 10,824
Proceeds from issuance of equity instruments, net of withholding taxes	2	—	(12)	—	—	—	(12)	—	(12)
Share-based compensation	—	—	94	—	—	—	94	—	94
Net income	—	—	—	438	—	—	438	1	439
Other comprehensive income	—	—	—	—	106	13	119	4	123
June 30, 2025	555	\$ 11	\$ 24,096	\$ (12,828)	\$ 125	\$ 11	\$ 11,415	\$ 53	\$ 11,468

The accompanying notes are an integral part of these interim condensed consolidated financial statements

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited, in millions, except per share amounts or otherwise stated)

Note 1. Corporate Information

Company Operations

GLOBALFOUNDRIES Inc. ("GlobalFoundries") is an exempted company with limited liability incorporated under the laws of the Cayman Islands. The address of GlobalFoundries' registered office is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104 Cayman Islands.

GlobalFoundries and its subsidiaries (together referred to as the "Company", "GlobalFoundries", "GF", "we", or "us") is one of the world's leading semiconductor foundries and offers a full range of mainstream wafer fabrication services and technologies. The Company manufactures a broad range of semiconductor devices, including microprocessors, mobile application processors, baseband processors, network processors, radio frequency modems, microcontrollers and power management units.

Note 2. Basis of Presentation, Summary of Material Accounting Policies and Critical Judgements, Estimates and Assumptions

Statement of Compliance — The interim condensed consolidated financial statements ("interim financial statements") have been prepared in accordance with International Accounting Standards ("IAS") 34, *Interim Financial Reporting* ("IAS 34"), as issued by the International Accounting Standards Board ("IASB"). Certain information and footnote disclosures normally included in the annual audited consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") Accounting Standards, as issued by the IASB, have been omitted or condensed. These interim financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in GlobalFoundries' Annual Report on Form 20-F for the year ended December 31, 2024. The interim financial statements have been prepared on a basis consistent with the accounting policies disclosed in the December 31, 2024 audited consolidated financial statements.

The interim financial statements are unaudited and reflect adjustments (consisting of normal recurring adjustments) that are, in the opinion of management, necessary to provide a fair statement of results for the interim periods in accordance with IAS 34 as issued by the IASB.

The interim financial statements were authorized by the Audit, Risk and Compliance Committee of GlobalFoundries' Board of Directors on August 03, 2025, to be issued and subsequent events have been evaluated for their potential effect on the interim financial statements through August 05, 2025.

Summary of Material Accounting Policies and Critical Judgments, Estimates and Assumptions — The summary of material accounting policies and critical judgments, estimates and assumptions adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Company's annual audited consolidated financial statements contained in our Annual Report on Form 20-F for the year ended December 31, 2024.

Recent Accounting Pronouncements, Not Adopted:

The Company has not adopted the following new, revised or amended IFRS standards that have been issued by the IASB that are not yet effective:

Classification and Measurement of Financial Instruments (Amendments to IFRS 9, *Financial Instruments* and IFRS 7, *Financial Instruments: Disclosures*) — The amendments clarify the requirements for the timing of recognition and derecognition of certain financial assets and liabilities, add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion and add new disclosures for certain instruments with contractual terms that can change cash flows. The effective date for adoption of these amendments is annual periods beginning on or after January 1, 2026.

Annual Improvements to IFRS Accounting Standards — Volume 11 — These narrow-scope amendments relate to clarifications, simplifications, corrections or changes to improve consistency in the following IFRSs: IFRS 7, *Financial Instruments: Disclosures*, IFRS 9, *Financial Instruments*, IFRS 10, *Consolidated Financial Instruments* and IAS 7, *Statement of Cash Flows*. The effective date for adoption of these amendments is annual periods beginning on or after January 1, 2026.

Contracts Referencing Nature-dependent Electricity — Amendments to IFRS 9 and IFRS 7 — These amendments help entities better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements. The amendments include clarifying the application of the own-use requirements, permitted hedge accounting if these contracts are used as hedging instruments and adding new disclosure requirements to enable investors to understand the effect of these contracts on an entity's financial performance and cash flows. The amendments are effective for annual periods beginning on or after January 1, 2026.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited, in millions, except per share amounts or otherwise stated)

IFRS 18, *Presentation and Disclosure in Financial Statements* ("IFRS 18") — This new standard will replace IAS 1, *Presentation of Financial Statements*. The key concepts in IFRS 18 relate to the structure of the statement of profit or loss, required disclosures in the financial statements for certain management-defined performance measures and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

- IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.
- IFRS 18 also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes to the financial statements.
- In addition, narrow-scope amendments have been made to IAS 7, *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

The effective date for adoption of this standard is annual periods beginning on or after January 1, 2027, and earlier adoption is permitted. Retrospective application is required.

As of the date the accompanying financial statements were authorized for issue, the Company continues to evaluate the impact of the aforementioned standards on its financial position and performance and related applicable periods.

New Legislation — On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was signed into law in the United States. This budget reconciliation bill included significant tax legislation updates which may affect our U.S. corporate tax position in the future. The Company is currently evaluating the impact of the new legislation, including the increase in the advanced manufacturing investment tax credit ("AMITC") from 25% to 35% for qualifying assets placed into service in 2026 but an estimate cannot be made at this time.

Note 3. Net Revenue

The following table presents the Company's revenue disaggregated based on revenue source, timing of revenue recognition and end markets that we serve, for the three and six month periods ended June 30, 2025 and 2024. The Company believes these categories best depict the nature and timing of revenue:

	Three Months Ended June 30		Six Months Ended June 30	
	2025	2024	2025	2024
Type of goods and services:				
Wafer revenue	\$ 1,522	\$ 1,481	\$ 2,919	\$ 2,856
Non wafer revenue	166	151	354	325
Total	\$ 1,688	\$ 1,632	\$ 3,273	\$ 3,181
Timing of revenue recognition:				
Revenue recognized over time	\$ 113	\$ 126	\$ 251	\$ 257
Revenue recognized at a point in time	1,575	1,506	3,022	2,924
Total	\$ 1,688	\$ 1,632	\$ 3,273	\$ 3,181
End Markets:				
Smart Mobile Devices	\$ 683	\$ 762	\$ 1,269	\$ 1,442
Communications Infrastructure & Datacenter	171	154	345	274
Home and Industrial IoT	300	295	628	604
Automotive	368	270	677	536
Non wafer revenue and other	166	151	354	325
Total	\$ 1,688	\$ 1,632	\$ 3,273	\$ 3,181

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited, in millions, except per share amounts or otherwise stated)

Note 4. Income taxes

For tax reporting purposes, the Company consolidates its entities under GLOBALFOUNDRIES Inc., a Cayman Islands entity. As a Cayman Islands entity, the Company's domestic statutory income tax rate is 0.0%. The difference between the Company's domestic statutory income tax rate and its effective income tax rate reflected in income tax benefit or income tax expense is primarily due to the effect of tax rates and permanent differences in other jurisdictions in which the Company operates. Applicable to tax years beginning in 2025, the Company's effective tax rate is impacted by Pillar Two minimum top-up taxes, primarily related to Singapore. The Company is currently evaluating the impacts of OBBBA that was signed into law in the United States and an estimate cannot be made at this time.

The effective tax rate was (3.2)% and 7.2% for the three months ended June 30, 2025 and 2024, respectively, and was (5.5)% and 10.2% for the six months ended June 30, 2025 and 2024, respectively. The decrease in effective tax rate for the three and six month periods was primarily the result of tax benefits related to exchange rate differences on the base of certain non-monetary assets in Germany and tax benefit from recognition of German deferred tax assets net of contingencies, offset by tax expense related primarily to an anticipated qualified domestic top-up tax liability in Singapore.

Note 5. Earnings Per Share

Basic earnings per share ("EPS") is based upon the weighted average number of common shares outstanding during the period. Diluted earnings per share is based upon the weighted average number of common shares outstanding during the period assuming the issuance of common shares for all potentially dilutive common shares outstanding.

The following table sets forth the computation of basic and diluted earnings per share:

	Three Months Ended June 30		Six Months Ended June 30	
	2025	2024	2025	2024
Numerator				
Net income attributable to equity shareholders of the Company	\$ 228	\$ 155	\$ 438	\$ 288
Denominator				
Basic weighted average ordinary shares outstanding	555	554	554	554
Effect of potentially dilutive shares from employee equity plans	2	3	3	3
Diluted weighted average ordinary shares outstanding	557	557	557	557
Total basic and diluted EPS attributable to equity shareholders:				
Basic	\$ 0.41	\$ 0.28	\$ 0.79	\$ 0.52
Diluted	\$ 0.41	\$ 0.28	\$ 0.79	\$ 0.52

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited, in millions, except per share amounts or otherwise stated)

Note 6. Property, Plant and Equipment

	Land and Land Improvements	Building and Leasehold Improvements	Equipment	Computer	Construction in Progress	Total
Cost						
As of December 31, 2024	\$ 91	\$ 7,769	\$ 25,248	\$ 458	\$ 214	\$ 33,780
Additions	1	1	11	—	251	264
Acquisition of joint venture interest	—	5	60	—	3	68
Transfers from construction in progress	—	22	86	3	(111)	—
Disposals	—	(5)	(576)	(2)	—	(583)
Effect of exchange rate changes	1	8	44	—	1	54
As of June 30, 2025	\$ 93	\$ 7,800	\$ 24,873	\$ 459	\$ 358	\$ 33,583
Net book value as of June 30, 2025	\$ 61	\$ 2,647	\$ 4,423	\$ 26	\$ 348	\$ 7,505
Accumulated Depreciation and Impairment						
As of December 31, 2024	\$ 31	\$ 5,038	\$ 20,510	\$ 427	\$ 12	\$ 26,018
Additions	1	115	478	8	—	602
Transfers from construction in progress	—	1	1	—	(2)	—
Disposals	—	(5)	(572)	(2)	—	(579)
Effect of exchange rate changes	—	4	33	—	—	37
As of June 30, 2025	\$ 32	\$ 5,153	\$ 20,450	\$ 433	\$ 10	\$ 26,078

For the three months ended June 30, 2025 and 2024, depreciation expense of property, plant and equipment was \$292 million and \$350 million, respectively. For the six months ended June 30, 2025 and 2024, depreciation expense of property, plant and equipment was \$602 million and \$696 million, respectively.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited, in millions, except per share amounts or otherwise stated)

Note 7. Receivables, Prepayments and Other Assets

	June 30, 2025	December 31, 2024
Current:		
Trade receivables, other than related parties	\$ 874	\$ 906
Other receivables	340	307
Unbilled accounts receivable ⁽¹⁾	71	38
Receivables from government grants	154	133
Other current financial assets and other	96	22
Total	\$ 1,535	\$ 1,406
Non-current:		
Advances to suppliers	\$ 189	\$ 180
Receivables from government grants	170	124
Other	121	47
Total	\$ 480	\$ 351

⁽¹⁾ Unbilled accounts receivable represents amounts recognized on revenue contracts less associated advances and progress billings. These amounts will be billed in accordance with the agreed-upon contractual terms or rendering services.

The following table summarizes the activity in the Company's unbilled accounts receivable for the six months ended June 30, 2025 and for the twelve months ended December 31, 2024, respectively:

	June 30, 2025	December 31, 2024
Balance, beginning of period	\$ 38	\$ 33
Revenue recognized during the period	87	118
Amounts invoiced	(54)	(113)
Balance, end of period	\$ 71	\$ 38

Note 8. Inventories

Inventories consist of the following:

	June 30, 2025	December 31, 2024
Work in progress	\$ 1,061	\$ 1,088
Raw materials and supplies	731	665
Inventory reserves	(66)	(129)
Total	\$ 1,726	\$ 1,624

For the three months ended June 30, 2025 and 2024, the Company recognized \$6 million and \$1 million, respectively, within cost of revenue to write down certain inventories to their estimated net realizable value.

For the six months ended June 30, 2025 and 2024, the Company recognized \$23 million and \$30 million, respectively, within cost of revenue to write down certain inventories to their estimated net realizable value.

Note 9. Leases

The Company has various lease agreements for certain of its offices, facilities and equipment, with a weighted average remaining lease term of 13.9 years and weighted average discount rate of 4.4% as of June 30, 2025. Leases may include one or more options to renew. Renewal terms are not included in the determination of the lease term unless the renewals are deemed to be reasonably certain at the time of lease commencement. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants. All leases were measured under a single criterion with the exception of those with terms not exceeding 12 months and low-value leases.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited, in millions, except per share amounts or otherwise stated)

The following table outlines the carrying amounts of right-of-use assets:

	June 30, 2025	December 31, 2024
Land and improvements	\$ 61	\$ 63
Building and leasehold improvements and other	434	435
Total	\$ 495	\$ 498

The following table summarizes the depreciation of right-of-use assets:

	Three Months Ended June 30		Six Months Ended June 30	
	2025	2024	2025	2024
Land and improvements	\$ 1	\$ 1	\$ 2	\$ 2
Building and leasehold improvements and other	11	19	23	33
Total	\$ 12	\$ 20	\$ 25	\$ 35

For the three months ended June 30, 2025 and 2024, the additions to right-of-use assets were \$9 million and \$0, respectively. For the six months ended June 30, 2025 and 2024, the additions to right-of-use assets were \$22 million and \$211 million, respectively.

For the three months ended June 30, 2025 and 2024, interest expense was \$5 million and \$7 million, respectively. For the six months ended June 30, 2025 and 2024, interest expense was \$11 million and \$15 million, respectively.

For the six months ended June 30, 2025 and 2024, cash outflow for leases was \$56 million and \$24 million, respectively.

Note 10. Trade Payables and Other Liabilities

	June 30, 2025	December 31, 2024
Current:		
Trade payables	\$ 389	\$ 406
Accrued expenses	481	522
Contract liabilities ⁽¹⁾	901	840
Advances and deposits ⁽²⁾	42	66
Payables for property, plant and equipment and intangible assets	250	161
Other ⁽³⁾	123	97
Total	\$ 2,186	\$ 2,092
Non-current:		
Payables for intangible assets	187	193
Contract liabilities ⁽¹⁾	667	744
Other ⁽³⁾	136	85
Total	\$ 990	\$ 1,022

⁽¹⁾ Contract liabilities comprise contractual obligations for payments received in advance of the satisfaction of performance obligations for wafers, as well as NRE services.

⁽²⁾ Advances and deposits include advances from customers of \$22 million (2024: \$36 million) collected for purchase orders.

⁽³⁾ Other includes other financial liabilities, due from related parties, deferred tax liabilities and non-current advances and deposits.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited, in millions, except per share amounts or otherwise stated)

The following table presents the activities in contract liabilities as of June 30, 2025 and December 31, 2024

	June 30, 2025	December 31, 2024
Beginning contract liabilities balance	\$ 1,584	\$ 1,983
Cash receipts in advance of satisfaction of performance obligations	469	381
Released to the consolidated statements of operations	(471)	(749)
Other ⁽¹⁾	(14)	(31)
Ending contract liabilities balance	\$ 1,568	\$ 1,584
Current	\$ 901	\$ 840
Non-current	667	744
Total	\$ 1,568	\$ 1,584

⁽¹⁾ Includes \$14 million and \$18 million primarily due to the unbilled accounts receivable balance applied against the related contract liabilities for a certain customer's non-recurring engineering arrangement as of June 30, 2025 and December 31, 2024, respectively.

Note 11. Long Term Debt

The following table outlines the terms and carrying amounts of the Company's debt:

Description	Currency	Nominal Interest Rate	Interest Payment Terms	Principal Payment Terms	Year of Maturity	June 30 2025	December 31 2024
USD Term Loan A	USD	SOFR + 2.90%	Quarterly	Semi-Annual	2025	—	586
EUR Term Loan A	EUR	EURIBOR + 2.60%	Quarterly	Semi-Annual	2025	—	78
2019 USD Dresden Equipment Financing	USD	SOFR + 2.25%	Semi-Annual	Semi-Annual	2026	36	36
2020 USD Equipment Financing	USD	SOFR + 1.90%	Quarterly	Quarterly	2025	—	34
2019 EUR Dresden Equipment Financing	EUR	EURIBOR + 2.25%	Semi-Annual	Semi-Annual	2026	16	14
Various	EUR, USD	Various			2025-2031	8	5
Current total						\$ 60	\$ 753
2019 USD Dresden Equipment Financing	USD	SOFR + 2.25%	Semi-Annual	Semi-Annual	2026	18	36
2021 SGD EDB Loan	SGD	1.40%	Semi-Annual	Semi-Annual	2041	1,046	974
Various	EUR, USD	Various			2025-2031	51	43
Non-current total						\$ 1,115	\$ 1,053
Total						\$ 1,175	\$ 1,806

On January 2, 2025, the Company prepaid all of its outstanding loans under the Term Loan A. The total amount of the prepayment was \$664 million, comprising all outstanding loans and interest accrued through the date of prepayment. Upon the prepayment, assets pledged as common security under certain of the Company's senior facilities and the revolving credit facility were irrevocably and unconditionally released in accordance with the terms. The revolving credit facility continues to be available to the Company on an unsecured basis following the release of the common security.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited, in millions except for per share amount and otherwise stated)

The following table summarizes unutilized credit facilities available to the Company to maintain liquidity to fund operations:

	June 30, 2025	December 31, 2024
Revolving Credit Facility	\$ 1,011	\$ 1,012
Uncommitted Credit Facilities	105	102
Total	\$ 1,116	\$ 1,114

Note 12. Related Party Disclosures

The total amounts of \$0 and \$9 million due from related parties as of June 30, 2025 and December 31, 2024, respectively, have been included in receivables, prepayments and other assets. The \$5 million and \$20 million due to related parties as of June 30, 2025 and December 31, 2024, respectively, have been included in trade and other payables.

Related party balances disclosed in the interim financial statements relate to MDC General Services Holding Company LLC, Mamoura Holdings (US) LLC, and Silicon Manufacturing Partners Pte Ltd. ("SMP"). As of December 31, 2024, we held a 49% interest in SMP, a joint venture with Avago Technologies International Sales Pte. Limited ("Avago Singapore"), and managed all aspects of its manufacturing operations. In the first quarter of 2025, we acquired the remaining 51% of the shares in the share capital of SMP from Avago Singapore, thereby making SMP a wholly-owned subsidiary of GlobalFoundries. Consequently, SMP no longer qualifies as a related party due to this change in ownership structure.

The following table presents the related party transactions included in the interim condensed consolidated statements of operations:

	Three Months Ended June 30		Six Months Ended June 30	
	2025	2024	2025	2024
Purchases from: *				
SMP	\$ —	\$ 11	\$ —	\$ 25
Other transactions with:				
SMP (reimbursement of expenses and contribution of tools)	\$ —	\$ 26	\$ —	\$ 27
Mamoura Holdings (US) LLC (consulting service fees)	1	4	1	4
MDC General Services Holding Company LLC (recharge of expenses)	\$ 1	\$ —	\$ 1	\$ —
	\$ 2	\$ 30	\$ 2	\$ 31

* Purchases from SMP were primarily comprised of wafers.

Note 13. Commitments and Contingencies

Commitments – The Company enters into several purchase agreements and supplementary agreements with its third-party manufacturers and suppliers for future deliveries of equipment and components. In addition, the Company enters into intellectual property and licensing agreements with third parties. The total future payments under these agreements amounted to \$598 million as of June 30, 2025. Purchase commitments of \$384 million are due within the next 12 months.

Additionally, the Company obtained letters of credit and bank guarantees to guarantee payments for utility suppliers, foreign statutory payroll related charges, and other purposes. The Company has obtained total facilities of \$133 million and \$129 million as of June 30, 2025 and December 31, 2024, respectively.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited, in millions except for per share amount and otherwise stated)

Contingencies – From time to time, the Company is a party to claims that arise in the normal course of business. These claims include allegations of infringement of intellectual property rights of others as well as other claims of liability. In addition, the Company, on a case by case basis, includes intellectual property indemnification provisions in the terms of sale and technology licenses with third parties. The Company is also subject to various taxes in the different jurisdictions in which it operates. These include property, goods and services, and other non-income taxes. The Company accrues costs associated with these matters when they become probable and reasonably estimable. The Company does not believe it is probable that losses associated with these matters beyond those already recognized will be incurred in amounts that would be material to the interim financial statements.

The Company has determined that due to the complexity of calculation of the Advanced Manufacturing Investment Tax Credit ("AMITC") under the Internal Revenue Code Section 48D, and uncertainties regarding compliance with program conditions, it is probable that a portion of AMITC computed and claimed in the United States may be repayable. Management recorded its best estimate of the amount of the AMITC that may be repayable totaling \$36 million as of June 30, 2025. The amount of the reserve may change depending on future assessments by tax authorities.

Note 14. Fair Value Measurements

The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Observable inputs such as quoted prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices in active markets in Level 1, such as quoted prices for similar assets or liabilities in active markets, quoted prices for similar assets or liabilities that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.
- Level 3: Unobservable inputs for which little or no market data exists, therefore requiring management judgment to develop the Company's own models with estimates and assumptions.

Cash Equivalents – Cash equivalents include investments in government obligation-based money market funds, other money market instruments and interest-bearing deposits with initial or remaining terms of three months or less. The fair value of cash equivalents approximates its carrying value due to the short-term nature of these instruments.

Marketable Securities – Marketable securities utilizing Level 1 and Level 2 inputs include U.S. Treasury Securities, U.S. Government Sponsored Enterprises, floating rate securities, money market mutual funds, corporate debt instruments and other Notes, bonds or debt securities issued by non-U.S. sovereign or multilateral entities, as these securities all have quoted prices in active markets.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited, in millions except for per share amount and otherwise stated)

The following table presents the Company's assets and liabilities measured at fair value on a recurring basis:

	Total	Quoted Prices Identical Assets / Liabilities (Level 1)	Significant Other Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2024				
Assets:				
Cash equivalents ⁽¹⁾	\$ 1,174	\$ 1,174	\$ —	\$ —
Investments in equity instruments ⁽²⁾	\$ 25	\$ —	\$ —	\$ 25
Derivatives ⁽³⁾	\$ 68	\$ —	\$ 68	\$ —
Investments in marketable securities ⁽⁴⁾	\$ 2,033	\$ 537	\$ 1,496	\$ —
Liabilities:				
Derivatives ⁽³⁾	\$ 62	\$ —	\$ 62	\$ —
June 30, 2025				
Assets:				
Cash equivalents ⁽¹⁾	\$ 1,343	\$ 1,343	\$ —	\$ —
Investments in equity instruments ⁽²⁾	\$ 100	\$ —	\$ —	\$ 100
Derivatives ⁽³⁾	\$ 248	\$ —	\$ 248	\$ —
Investments in marketable securities ⁽⁴⁾	\$ 2,128	\$ 530	\$ 1,598	\$ —
Liabilities:				
Derivatives ⁽³⁾	\$ 32	\$ —	\$ 32	\$ —

⁽¹⁾ Included in cash and cash equivalents on the Company's interim condensed consolidated statements of financial position.

⁽²⁾ Included in current and non-current receivables, prepayments and other assets on the Company's interim condensed consolidated statements of financial position.

⁽³⁾ Consists of foreign currency forward contracts, interest rate swaps, cross currency swaps and commodity swaps. Included in other current and non-current financial assets and other current and non-current liabilities on the Company's interim condensed consolidated statements of financial position.

⁽⁴⁾ Consists of investments in marketable debt securities such as government, agency, and corporate bonds. Included in current and non-current marketable securities on the Company's interim condensed consolidated statements of financial position.

During the six months ended June 30, 2025, there were no transfers between Level 1, Level 2 or Level 3 fair value measurements. During the six months ended June 30, 2024, marketable securities with carrying amounts of \$646 million, were transferred from Level 1 to Level 2. These transfers occurred as the Company reassessed the market activity of these securities.

Assets Measured and Recorded at Fair Value on a Non-Recurring Basis

Certain assets such as equity method investments, intangible assets and property, plant and equipment, and other non-financial assets, are recorded at fair value only if an impairment or observable price adjustment is recognized in the current period.

Financial Instruments Not Recorded at Fair Value on a Recurring Basis

Financial instruments not recorded at fair value on a recurring basis include non-marketable equity securities measured at cost, and grants receivable, loans receivable, lease obligations and the current and non-current portions of the Company's long-term debt which are measured at amortized cost.

The following shows the carrying amounts and fair values of the Company's financial liabilities at amortized cost ("FLAC") not recorded at fair value on a recurring basis. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited, in millions except for per share amount and otherwise stated)

Financial Liabilities	June 30, 2025		December 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Other long-term debt	1,175	1,135	1,806	1,736

Estimated fair values of long-term debt are based on quoted prices for similar liabilities for which significant inputs are observable and represent a Level 2 valuation. The fair values are estimated based on the type of loan and maturity. The Company estimates the fair value using market interest rates for debts with similar maturities.

Note 15. Share-Based Compensation

We measure and recognize compensation expense related to share-based transactions, including employee, consultant, and non-employee director share option awards, in our consolidated financial statements based on fair value. The fair value of each award is estimated on the date of grant using the Black-Scholes option pricing model for options, and the Monte Carlo simulation model for the performance share units and a share price at the grant date for the restricted share units. The Black-Scholes model and Monte Carlo model both require management to make certain assumptions of future expectations based on historical and current data. The assumptions include the expected term of the awards, expected volatility, dividend yield and risk-free interest rate. The expected term represents the amount of time that awards granted are expected to be outstanding, based on forecasted exercise behavior. The option pricing model requires the input of highly subjective assumptions, including the estimated fair value of the Company's stock, expected term of the awards, expected volatility of the price of the Company's shares, risk free interest rate and the expected dividend yield of ordinary shares. The assumptions used to determine the fair value of the option awards represent management's best estimates. These estimates involve inherent uncertainties and the application of management's judgment. The Company estimates the expected forfeiture for options utilizing historical data, and only recognizes expense when a defined liquidity event (change in control or IPO) is deemed probable on the number of awards that are expected to vest. After applying a forfeiture estimate during each reporting period for when they are probable of vesting, the Company recognizes expense on a graded attribution basis for each tranche of the award over the period from the grant date to the later of the one-year anniversary of estimated time following a liquidity event or the legal vesting dates.

The Company offers an Employee Stock Purchase Plan which provides eligible employees with an opportunity to purchase our ordinary shares through payroll deductions of up to 10% of their eligible compensation. A participant may purchase a maximum of 2,500 ordinary shares during the purchase period. Amounts deducted and accumulated by the participant are used to purchase ordinary shares at the end of each six-month period, with the Company matching 20% of each employee's contributions on an after-tax basis.

Note 16. Equity

On May 22, 2024, the Company announced a share repurchase of 3.9 million ordinary shares from Mubadala Technology Investment Company ("MTIC"), a majority shareholder, at the price of \$50.75 per share, for an aggregate purchase amount of \$200 million. We completed the share repurchase on May 28, 2024.

On May 28, 2024, our Board of Directors resolved to cancel the 3.9 million shares.

Note 17. Subsequent Events

On July 8, 2025, we announced an agreement to acquire MIPS Holding, Inc., a leading supplier of AI and processor IP. This strategic acquisition will expand GF's portfolio of customizable IP offerings, allowing it to further differentiate its process technologies with IP and software capabilities. The transaction is subject to the satisfaction of customary closing conditions, including the receipt of required regulatory approvals and is expected to close in the second half of 2025.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**Forward-looking Statements**

This document includes "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 continuation of conflicts in Ukraine and Israel; ongoing political developments in the United States, and in particular, any political and policy-related changes that may impact our industry and the market generally; the imposition of trade controls, tariffs and counter-tariffs between the United States and its trade partners; the market for our products may develop or recover more slowly than expected or than it has in the past; we may fail to achieve the full benefits of our restructuring plan; 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 result in a system disruption, loss of data or damage our reputation; we could experience interruptions or performance problems associated with our technology, including a service outage; global economic conditions could deteriorate, including due to rising inflation and any potential recession; the expected benefits of our announced partnerships may fail to materialize; and our expected results and planned expansions and operations may not proceed as planned if funding we expect to receive (including the planned awards under the U.S. CHIPS and Science Act and New York State Green CHIPS) is delayed or withheld for any reason. 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 2024 Annual Report on Form 20-F, current reports on Form 6-K and other reports filed with the Securities and Exchange Commission (SEC). Copies of our SEC filings are available on our Investor Relations website, investors.gf.com, or from the SEC website, www.sec.gov.

OPERATING AND FINANCIAL REVIEWS AND PROSPECTS

Overview

GLOBALFOUNDRIES Inc. (“we,” “GF,” or the “Company”) is one of the world’s leading semiconductor foundries. We manufacture complex, essential integrated circuits (“ICs”) that are used in billions of electronic devices across various industries. Our specialized foundry manufacturing processes, extensive library of qualified circuit-building block designs (known as IP titles or IP blocks), and advanced transistor and device technology allow us to serve a wide range of customers, including the global leaders in IC design. We focus on providing optimized solutions for critical applications that drive key secular growth end markets, ensuring function, performance, and power requirements are met. As the only scaled pure-play foundry (defined as a company specializing in producing ICs for other companies with annual foundry revenue exceeding \$3 billion) with a global footprint that is not based in China or Taiwan, we offer our customers the advantage of mitigating geopolitical risk and ensuring greater supply chain certainty and security. Since our founding in 2009, we have invested in over \$23 billion to create a global manufacturing footprint with state-of-the-art facilities across three continents. Our differentiated foundry solutions redefine the industry by offering essential chip solutions that empower our customers to develop innovative products for a wide range of applications in diverse markets and bring their products to market quickly and cost effectively.

We focus on essential devices that include digital, analog, mixed-signal, radio frequency (“RF”), ultra-low power and embedded memory solutions that connect, secure and process data, and efficiently power the digital world around us. To meet the needs of our customers, we devote our research and development (“R&D”) efforts to a diversified range of differentiated technology platforms in these key categories: Complementary Metal-Oxide Semiconductor (“CMOS”) for both Feature-Rich and Ultra-Low Power, RF, Power and Silicon Photonics (“SiPh”). Specifically within these categories, our key technology platforms include RF SOI, FDX™, Fin Field-Effect Transistor (“FinFET”), Bipolar-CMOS-DMOS (“BCD”), BCDLite, Silicon Germanium (“SiGe”) and Gallium Nitride (“GaN”) products.

The principal source of our revenue is wafer fabrication and sales of finished semiconductor wafers, which accounted for approximately 90% and 89% of our net revenue for the three and six months ended June 30, 2025, respectively. The rest of our net revenue was mainly derived from photomask manufacturing, sourcing services and pre-fab manufacturing services.

Starting in 2023, our business has experienced an industry-wide cyclical downturn that led to weaker demand across several of the end markets within which we operate. Exacerbated by geopolitical conflicts and inflation, this prolonged semiconductor downturn impacted our revenue as customers adjusted their inventory levels to match softer end demand.

At the start of 2025, we saw indications of the bottoming of the cycle, including improving customer inventory levels and recovering consumer demand. This was evidenced by year-over-year revenue growth in three out of four of our key end markets during the three and six months ended June 30, 2025. However, increased macroeconomic and policy uncertainty driven by tariff announcements have broadened the range of business outcomes across the semiconductor industry. Geopolitical tensions have emphasized for our customers the importance of supply resilience, flexibility and dependability. As a result, we have started to see increased customer interest in accessing our diversified manufacturing capabilities.

Components of Results of Operations

Net Revenue

We generate the majority of our revenue from volume production and sales of finished semiconductor wafers, which are priced on a per-wafer basis for the applicable design. We also generate revenue from rendering of non-recurring engineering (“NRE”) services, mask production and pre-fabrication services such as bump, test and packaging.

Cost of Revenue

Cost of revenue consists primarily of material expenses, depreciation and amortization, employee-related expenses, restructuring expenses, facility costs and costs of fixed assets, including maintenance and spare parts. Material expenses primarily include the costs of raw wafers, test wafers, photomasks, resists, process gases, process chemicals, other operating supplies and external service costs for wafer manufacturing. Costs related to NRE services are also included within the cost of revenue. As it pertains to inflation and inflationary headwinds we are facing within our business, we have experienced an increase in costs for materials and energy, and we expect these increases to continue to have an adverse impact on our financial results of operations while these economic conditions persist.

Depreciation and amortization charges primarily include the depreciation of clean room production equipment. Commencement of depreciation related to construction in progress and property, plant and equipment involves determining when the assets are available for their intended use. Employee-related expenses primarily include employee wages and salaries, social security contributions and benefit costs for operators, maintenance technicians, process engineers, supply chain, IT production, yield improvement and health and safety roles. Facility costs primarily consist of the costs of electricity, water and other utilities and services.

Operating Expenses

Our operating expenses consist of research and development ("R&D"), selling, general and administrative expenses ("SG&A"), and restructuring charges. Personnel costs are the most significant component of our operating expenses, and consist of salaries, benefits, bonuses, share-based compensation and commissions.

Research and Development

Our R&D efforts are focused on developing highly differentiated process technologies and solutions. Our R&D expenses include personnel costs, material costs, software license and intellectual property expenses, facility costs, supplies, professional and consulting fees, and depreciation on equipment used in R&D activities. Our development roadmap includes new platform investments, platform features and extensions, and investments in emerging technology capabilities and solutions. We expense R&D costs as incurred. We believe that continued investment in our technology portfolio is important for our future growth and acquisition of new customers. We expect our R&D as a percentage of revenue to be relatively stable over time as expenses grow in line with increased revenue.

Selling, General and Administrative

SG&A expenses consist primarily of personnel-related costs, including sales commissions to independent sales representatives and professional fees, including costs of accounting, audit, legal, regulatory and tax compliance. Additionally, costs related to advertising, trade shows, corporate marketing, certain contract cancellation fees, gains and losses on tool sales, withholding taxes and allocated overhead costs are also included in SG&A expenses. We expect our SG&A as a percentage of revenue to be relatively stable over time as expenses grow in line with increased revenue.

Restructuring Charges

Restructuring charges primarily relate to reductions in our global workforce, leased workspace and consultants we engage for strategic support of the restructuring.

Other Operating Charges

Finance Income (Expense), net

Finance income (expense), net consists of interest earned on our cash and cash equivalents and marketable securities, net of any interest expense on borrowings, amortization of debt issuance costs under our term loans, revolving credit facility, finance leases and other credit facilities we maintain with various financial institutions.

Other Income (Expense), net

Other income (expense), net consists of our share of profit of our joint venture, one-time gains and losses and other miscellaneous income and expense items unrelated to our core operations. Included are gains and losses relating to hedging activities.

Income Tax Expense

Income tax expense consists primarily of income taxes in jurisdictions in which we conduct business, which mainly include Germany, Singapore and the U.S. federal and state income taxes.

A. Results of Operations

Comparison of Three and Six months ended June 30, 2025 and 2024, (in millions).

The following table sets forth our consolidated statements of operations data for the periods indicated:

	Three Months Ended June 30		Six Months Ended June 30	
	2025	2024	2025	2024
Net revenue	\$ 1,688	\$ 1,632	\$ 3,273	\$ 3,181
Cost of revenue	1,280	1,237	2,510	2,393
Gross profit	408	395	763	788
Research and development expenses	134	121	261	245
Selling, general and administrative expenses	78	114	155	236
Restructuring charges	—	5	—	5
Operating expenses	212	240	416	486
Income from operations	196	155	347	302
Finance income (expense), net	17	16	31	26
Other income (expense), net	8	(4)	38	(6)
Income before income taxes	221	167	416	322
Income tax (expense) benefit	7	(12)	23	(33)
Net income	\$ 228	\$ 155	\$ 439	\$ 289

Net Revenue

	Three Months Ended June 30				Six Months Ended June 30			
	2025	2024	Change	% Change	2025	2024	Change	% Change
Net revenue	\$ 1,688	\$ 1,632	\$ 56	3.4 %	\$ 3,273	\$ 3,181	\$ 92	2.9 %

Net revenue increased by \$56 million, or 3.4%, for the three months ended June 30, 2025 compared to the three months ended June 30, 2024. The increase from the prior period was primarily driven by wafer shipment volume totaling 581 thousand (300mm equivalent), a 12% increase from prior period. This was offset by an 8.5% year-over-year decline in average selling prices, primarily driven by lower year-over-year underutilization payments from customers as well as changes in product mix.

For the three months ended June 30, 2025, we experienced growth in three of our four end markets compared to the three months ended June 30, 2024. The Automotive end market increased 36.3% year-over-year, driven by continued content expansion and share gains across multiple automotive applications. Communications, Infrastructure & Datacenter grew 11.0% year-over-year, driven by growth in several areas, including satellite communications and Silicon Photonics. Home and Industrial IoT grew 1.7% year over year, with signs of stabilization in core industrial IoT markets. Offsetting this growth, Smart Mobile Device declined 10.4% year-over-year driven primarily due to lower underutilization payments from customers and changes in product mix. Additionally, non-wafer revenue increased 9.9% year-over-year, driven by higher license activity.

Net revenue increased by \$92 million, or 2.9%, for the six months ended June 30, 2025, compared to the six months ended June 30, 2024. The increase was primarily driven by higher wafer shipment volumes totaling 1,124 thousand (300mm equivalent), a 14.7% increase from the prior period. This was offset by a 11.1% year-over-year decline in average selling prices, primarily driven by year-over-year lower underutilization payments from customers as well as changes in product mix.

For the six months ended June 30, 2025, we experienced growth in three of our four end markets. Automotive increased 26.3% year-over-year, driven by continued content expansion and share gains and supported by strong ramps at key customers. Communications, Infrastructure & Datacenter grew 25.9% year-over-year, supported by growth in optical networking and satellite communications. Home and Industrial IoT grew 4.0% year over year, driven by early signs of stabilization in smart home and industrial markets. This growth was partially offset by a 12.0% year-over-year decline in Smart Mobile Devices, primarily due to lower underutilization payments from customers and changes in product mix. Additionally, non-wafer revenue increased 8.9% year-over-year, driven by higher license activity.

GLOBALFOUNDRIES INC.

End Markets:

	Three Months Ended June 30				Six Months Ended June 30			
	2025	2024	Change	% Change	2025	2024	Change	% Change
Smart Mobile Devices	\$ 683	\$ 762	\$ (79)	(10.4)%	\$ 1,269	\$ 1,442	\$ (173)	(12.0)%
Communications Infrastructure & Datacenter	171	154	17	11.0 %	345	274	71	25.9 %
Home and Industrial IoT	300	295	5	1.7 %	628	604	24	4.0 %
Automotive	368	270	98	36.3 %	677	536	141	26.3 %
Non wafer revenue and other	166	151	15	9.9 %	354	325	29	8.9 %
Total	\$ 1,688	\$ 1,632	\$ 56	3.4 %	\$ 3,273	\$ 3,181	\$ 92	2.9 %

Cost of Revenue

	Three Months Ended June 30				Six Months Ended June 30			
	2025	2024	Change	% Change	2025	2024	Change	% Change
Cost of revenue	\$ 1,280	\$ 1,237	\$ 43	3.5 %	2,510	2,393	\$ 117	4.9 %
Gross margin	24.2 %	24.2 %	0bps		23.3 %	24.8 %	(150)bps	

Cost of revenue increased by \$43 million, or 3.5%, for the three months ended June 30, 2025 compared to the three months ended June 30, 2024. The change was driven primarily by a 12.4% higher shipment volume, offset by approximately 16.7% lower depreciation and amortization expense.

Gross margin remained flat for the three months ended June 30, 2025 and 2024.

Cost of revenue increased by \$117 million, or 4.9%, for the six months ended June 30, 2025 compared to the six months ended June 30, 2024. The change was driven by a 14.7% higher shipment volume, partially offset by approximately 13.5% lower depreciation and amortization expense.

Gross margin decreased to 23.3% for the six months ended June 30, 2025 from 24.8% for the six months ended June 30, 2024. The decrease of 150 basis points was primarily driven by lower customer underutilization payments as well as changes in product mix.

Operating Expenses

Research and Development Expenses

	Three Months Ended June 30				Six Months Ended June 30			
	2025	2024	Change	% Change	2025	2024	Change	% Change
Research and development expenses	\$ 134	\$ 121	\$ 13	10.7 %	\$ 261	\$ 245	\$ 16	6.5 %
As a % of revenue	7.9 %	7.4 %			8.0%	7.7%		

R&D expenses increased by \$13 million, or 10.7%, for the three months ended June 30, 2025 compared to the three months ended June 30, 2024. The increase was primarily due to \$9 million higher R&D product portfolio investments, and \$4 million higher employee-related expenses.

R&D expense increased by \$16 million, or 6.5%, for the six months ended June 30, 2025 compared to the six months ended June 30, 2024. The change was primarily a result of \$12 million higher portfolio investments, and \$4 million higher employee-related expenses.

Selling, General and Administrative Expenses

	Three Months Ended June 30				Six Months Ended June 30			
	2025	2024	Change	% Change	2025	2024	Change	% Change
Selling, general and administrative expenses	\$ 78	\$ 114	\$ (36)	(31.6)%	\$ 155	\$ 236	\$ (81)	(34.3)%
As a % of revenue	4.6 %	7.0 %			4.7 %	7.4 %		

SG&A expenses decreased by \$36 million, or 31.6%, for the three months ended June 30, 2025 compared to the three months ended June 30, 2024. The decrease was primarily due to a \$25 million increase in gains from tool sales, a \$7 million decrease in withholding tax expense related to an intercompany loan and a \$7 million decrease in digital transformation expenses, partially offset by a decrease of \$4 million advanced manufacturing investment tax credits.

SG&A expenses decreased by \$81 million or 34.3%, for the six months ended June 30, 2025 compared to the six months ended June 30, 2024. The decrease was primarily due to a \$51 million increase in gains from tool sales, a \$17 million decrease in withholding tax expense related to an intercompany loan, and a decrease of \$10 million in digital transformation expenses.

Finance income (expense), net

	Three Months Ended June 30				Six Months Ended June 30			
	2025	2024	Change	% Change	2025	2024	Change	% Change
Finance income (expense), net	\$ 17	\$ 16	\$ 1	6.3 %	\$ 31	\$ 26	\$ 5	19.2 %

Finance income (expense), net increased by \$1 million or 6.3%, for the three months ended June 30, 2025 compared to the three months ended June 30, 2024. The increase was primarily due to \$14 million of reduced interest expense due to lower debt balances partially offset by \$13 million of lower interest income generated from money market funds and investments in marketable securities.

Finance income (expense), net increased by \$5 million or 19.2%, for the six months ended June 30, 2025 compared to the six months ended June 30, 2024. The increase was primarily due to \$27 million of reduced interest expense due to lower debt balances compared to the first half of 2024 partially offset by \$22 million lower interest income generated from money market funds and investments in marketable securities.

Other income (expense), net

	Three Months Ended June 30				Six Months Ended June 30			
	2025	2024	Change	% Change	2025	2024	Change	% Change
Other income (expense), net	\$ 8	\$ (4)	\$ 12	300.0 %	\$ 38	\$ (6)	\$ 44	733.3 %

Other income (expense), net increased by \$12 million or 300%, for the three months ended June 30, 2025 compared to the three months ended June 30, 2024. The increase was primarily due to a nonrecurring gain of \$24 million recognized in connection with the liquidation of one of the Company's manufacturing plants, offset by contingency loss of \$9 million.

Other income (expense), net increased by \$44 million or 733.3%, for the six months ended June 30, 2025 compared to the six months ended June 30, 2024. The increase was primarily due to a \$31 million step-acquisition of the remaining equity interest of a joint venture and a nonrecurring gain of \$24 million recognized in connection with the liquidation of one of the Company's manufacturing plants. This was partially offset by a \$9 million contingency loss recognized during the quarter.

Income Tax Expense

	Three Months Ended June 30				Six Months Ended June 30			
	2025	2024	Change	% Change	2025	2024	Change	% Change
Income tax (expense) benefit	\$ 7	\$ (12)	\$ 19	158.3 %	\$ 23	\$ (33)	\$ 56	169.7 %

Income tax expense decreased by \$19 million for the three months ended June 30, 2025 compared to the three months ended June 30, 2024, primarily due to \$38 million tax benefit related to exchange rate changes on the base of certain non-monetary assets in Germany, partially offset by a \$18 million of tax expense related primarily to an anticipated qualified domestic top-up tax liability in Singapore.

Income tax expense decreased by \$56 million for the six months ended June 30, 2025 compared to the six months ended June 30, 2024, primarily due to \$78 million of tax benefit related to exchange rate changes on the base of certain non-monetary assets in Germany and an \$8 million of tax benefit from recognition of German deferred tax assets net of contingencies, partially offset by a \$28 million of tax expense related primarily to an anticipated qualified domestic top-up tax liability in Singapore.

B. Liquidity and Capital Resources

We have historically financed operations primarily through cash and cash equivalents and marketable securities, as well as cash generated from our business operations, including prepayments under long term agreements ("LTAs"), debt, government grants and advanced manufacturing investment tax credits. As of June 30, 2025, our cash, cash equivalents and marketable securities balances of approximately \$3.9 billion included \$1.8 billion of cash and cash equivalents and approximately \$2.1 billion of marketable securities.

As of June 30, 2025 and December 31, 2024, we had an undrawn revolving credit facility of \$1.0 billion. In addition to our available revolver, we had \$1.2 billion and \$1.8 billion of debt outstanding as of June 30, 2025 and December 31, 2024, respectively, which was primarily comprised of multiple term loans in various currencies. Our future capital requirements will depend on many factors, including our revenue growth rate, the timing and amount of payments we receive from customers pursuant to our LTAs and other business arrangements, the timing and extent of spending to support development efforts, the timing and amount of reimbursements we receive under government grants, the introduction of new and enhanced products and solutions, the continuing market adoption of our platform, strategic transactions and our obligations to repay our indebtedness from time to time. We may from time to time seek to raise additional capital to support our growth. As of June 30, 2025, we believe that our existing cash, cash equivalents, marketable securities, credit under our revolving credit facility and expected cash generated from operations are sufficient to meet our capital requirements for at least the next 12 months and beyond.

Cash Flows

The following table shows a summary of our cash flows for the periods presented:

	Six Months Ended June 30	
	2025	2024
Cash provided by operating activities	\$ 762	\$ 890
Cash used in investing activities	(418)	(770)
Cash used in financing activities	(752)	(321)
Effect of exchange rate changes on cash and cash equivalents	6	(2)
Net decrease in cash and cash equivalents	\$ (402)	\$ (203)

Operating Activities

Cash provided by operating activities of \$762 million decreased \$128 million for the six months ended June 30, 2025, compared to \$890 million for the six months ended June 30, 2024. The decrease was primarily driven by \$113 million of lower deferred income taxes, primarily due to the recognition of German net deferred tax assets and foreign currency impacts, \$107 million lower depreciation expenses as a result of prior year impairment charges, \$66 million higher gains on the disposal of property, plant and equipment driven by tool sales, and \$31 million gain from the step-acquisition of the remaining equity interest of a joint venture of the Company. This was partially offset by a \$150 million increase in net income and a \$25 million favorable change in other operating activities driven by non-cash foreign currency related losses. In addition, unfavorable changes in working capital of \$15 million were primarily due to \$320 million unfavorable changes in accounts receivable, prepayments and other current assets, driven by timing differences, partially offset by a \$210 million decrease in cash used for inventory due to build up on inventory during the six months ended June 30, 2024 and the timing of LTAs and a \$95 million decrease in current and non current trade and other payables primarily due to income tax payables and timing differences.

Investing Activities

Cash used in investing activities for the six months ended June 30, 2025 of \$418 million decreased \$352 million compared to the cash used in investing activities of \$770 million for the six months ended June 30, 2024. The decrease was primarily driven by \$262 million lower purchases of marketable securities, higher proceeds from sales and maturities of marketable securities of \$102 million, and higher tool sales of \$66 million. Offsetting these amounts were a \$68 million increase in purchases of equity securities and \$19 million in acquisition costs related to a joint venture of the Company.

Financing Activities

Cash used in financing activities for the six months ended June 30, 2025 of \$752 million increased \$431 million compared to the cash used of \$321 million for the six months ended June 30, 2024. The change was primarily attributable to a \$639 million increase in repayments of debt and lease obligations primarily due to a \$664 million prepayment of our Term Loan A, offset by a \$200 million reduction in share repurchases in the second quarter of 2025.