



GlobalFoundries™

Second Quarter 2023 Financial Results (unaudited)

August 8, 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; 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 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.

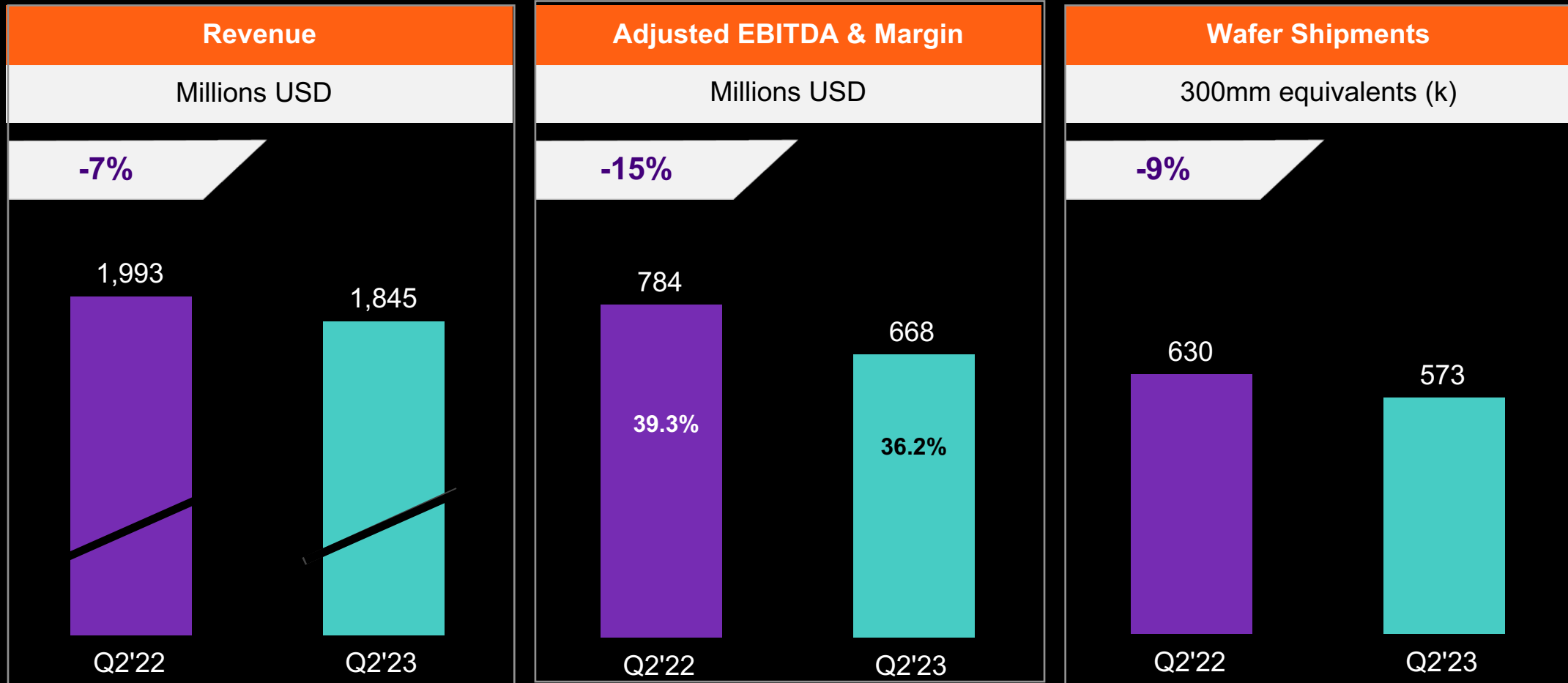
Adjusted non-IFRS financial information is presented for supplemental informational purposes only and should not be considered in isolation or as a substitute for financial information presented in accordance with IFRS. Our presentation of adjusted non-IFRS measures should not be construed as an inference 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.



Q2'23 Results

Key Q2'23 Results

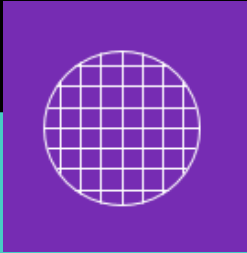
(Unaudited)



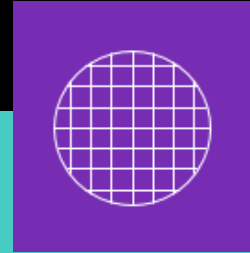
Note:

We define adjusted EBITDA as net income (loss), excluding 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; See "Unaudited reconciliation of Net Income to Adjusted EBITDA" found in the Appendix. Effective Q3'22, the Company has revised its definition of Adjusted EBITDA to include an adjustment for finance income.

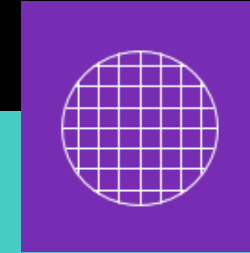
Key Recent Announcements



GF and Lockheed Martin announced a strategic collaboration to advance U.S. semiconductor manufacturing and innovation and to increase the security, reliability and resiliency of domestic supply chains for national security systems.



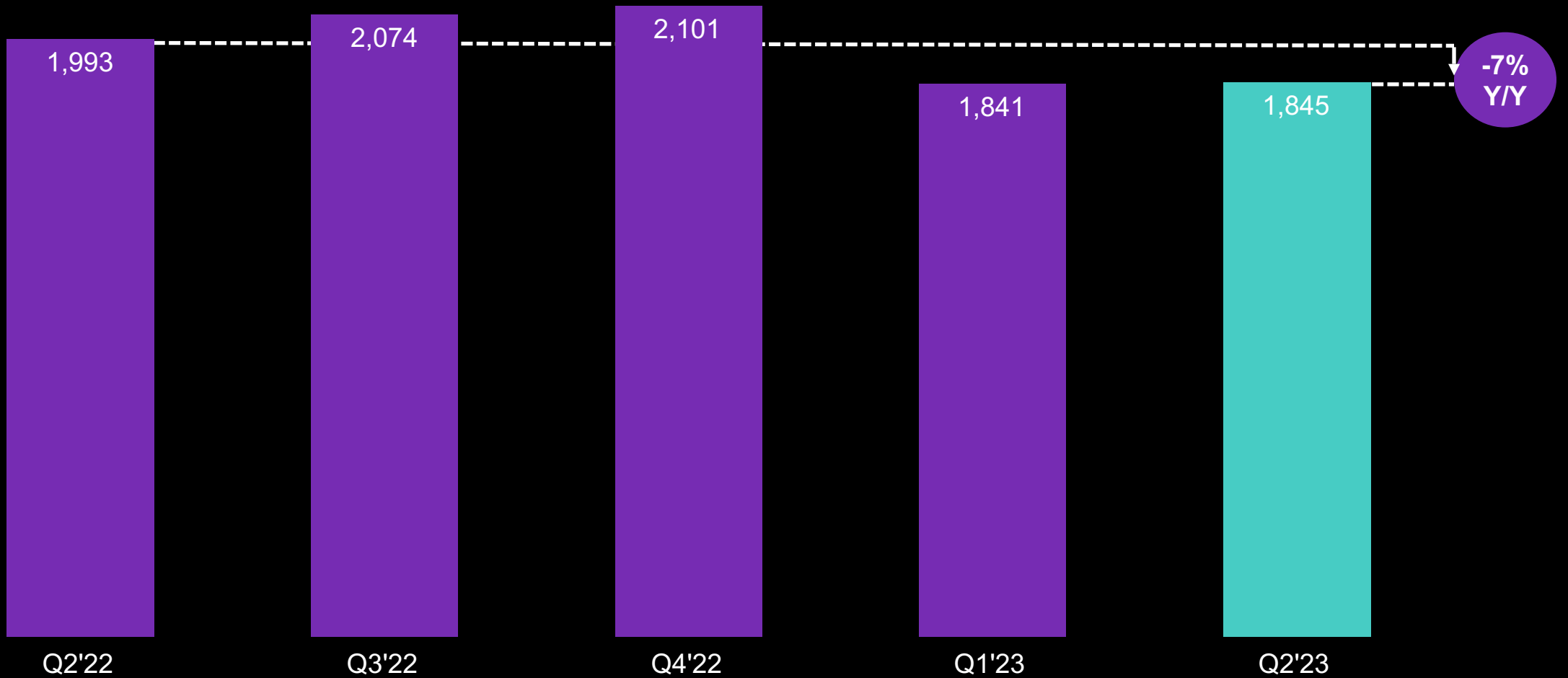
The U.S. Department of Defense accredited GF's advanced manufacturing facility in Malta, New York, as a Category 1A Trusted Supplier with the ability to manufacture secure semiconductors for a range of critical aerospace and defense applications.



GF published its Annual Corporate Responsibility Report, highlighting the company's commitment to minimizing our impact on the environment, driving positive change, and creating value through corporate responsibility.

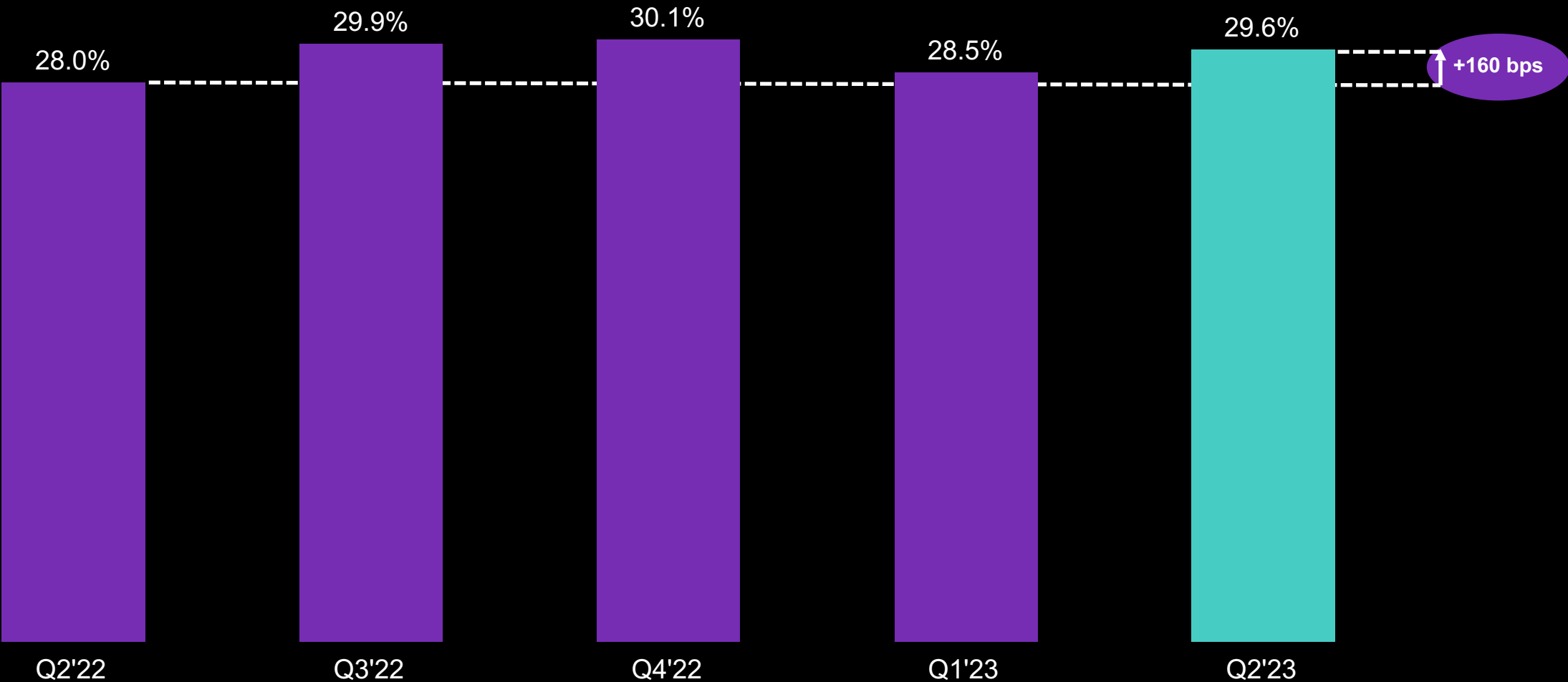
Quarterly Revenue Trend

(Unaudited, Millions USD)



Adjusted Gross Margin Trend

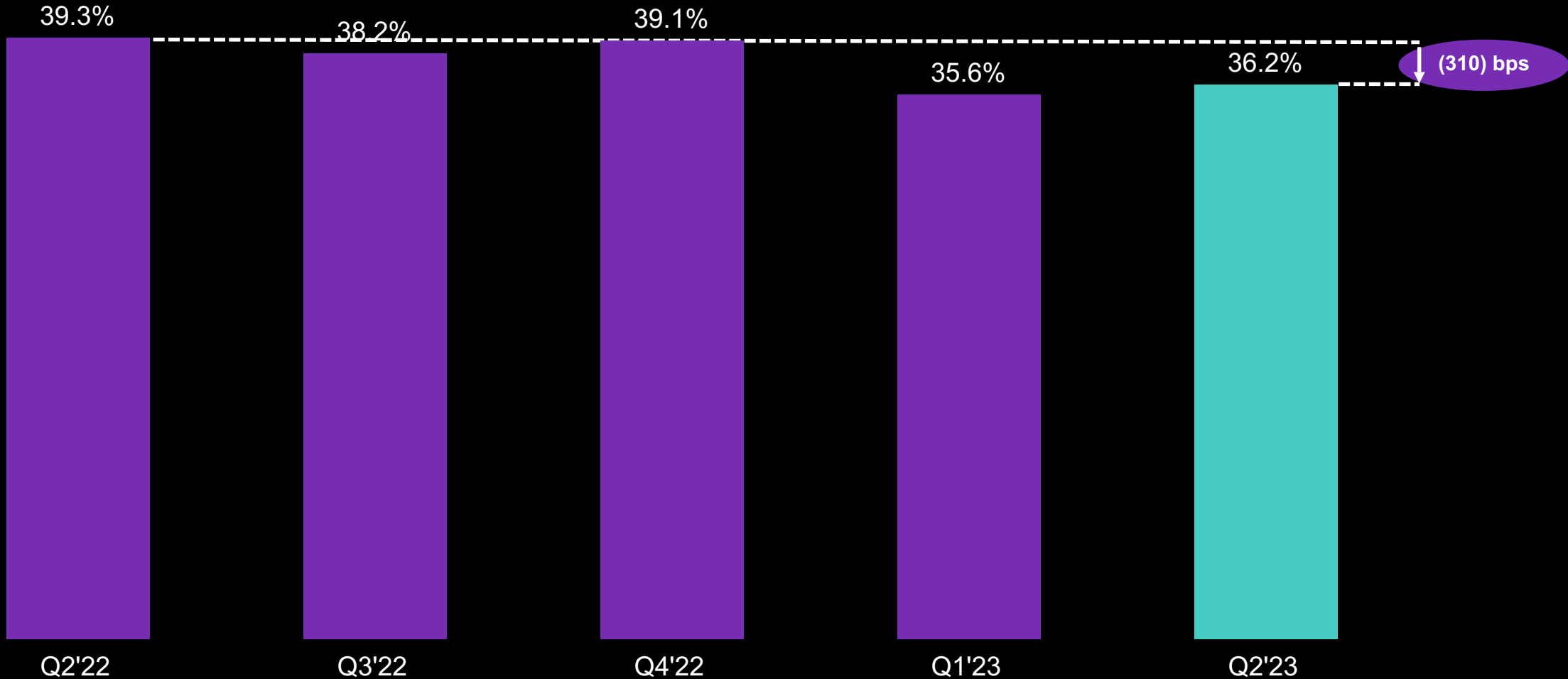
(Unaudited)



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 the unaudited reconciliation of IFRS to Non-IFRS metrics.

Adjusted EBITDA Margins Trend

(Unaudited)



Note:

Adjusted EBITDA is a Non-IFRS measure which we define as net income (loss), excluding 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. Adjusted EBITDA margin is adjusted EBITDA divided by revenue. See Appendix for the unaudited reconciliation of IFRS to Non-IFRS metrics. Beginning in Q3 2022, the Company has revised its definition of Adjusted EBITDA to include an adjustment for finance income.

Q2'23 Financial Summary

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

	Q2'23	Q1'23	Q2'22	Year-over-year Q2'23 vs Q2'22		Sequential Q2'23 vs Q1'23	
Net revenue	\$ 1,845	\$ 1,841	\$ 1,993	\$ (148)	(7)%	\$ 4	— %
Gross profit	532	515	538	\$ (6)	(1)%	\$ 17	3 %
<i>Gross margin</i>	28.8 %	28.0 %	27.0 %		+180bps		+80bps
Adjusted gross profit⁽¹⁾	\$ 546	\$ 525	\$ 559	\$ (13)	(2)%	\$ 21	4 %
<i>Adjusted gross margin⁽¹⁾</i>	29.6 %	28.5 %	28.0 %		+160bps		+110bps
Operating profit	\$ 275	\$ 290	\$ 297	\$ (22)	(7)%	\$ (15)	(5)%
<i>Operating margin</i>	14.9 %	15.8 %	14.9 %		0bps		(90)bps
Adjusted operating profit⁽¹⁾	\$ 338	\$ 326	\$ 350	\$ (12)	(3)%	\$ 12	4 %
<i>Adjusted operating margin⁽¹⁾</i>	18.3 %	17.7 %	17.6 %		+70bps		+60bps
Net income	\$ 237	\$ 254	\$ 264	\$ (27)	(10)%	\$ (17)	(7)%
<i>Net income margin</i>	12.8 %	13.8 %	13.2 %		(40)bps		(100)bps
Adjusted net income⁽¹⁾⁽²⁾	\$ 297	\$ 290	\$ 317	\$ (20)	(6)%	\$ 7	2 %
<i>Adjusted net income margin⁽¹⁾</i>	16.1 %	15.8 %	15.9 %		+20bps		+30bps
Diluted earnings per share ("EPS")	\$ 0.43	\$ 0.46	\$ 0.48	\$ (0.05)	(10)%	\$ (0.03)	(7)%
Adjusted diluted earnings per share⁽¹⁾	\$ 0.53	\$ 0.52	\$ 0.58	\$ (0.05)	(9)%	\$ 0.01	2 %
Adjusted EBITDA⁽¹⁾⁽³⁾	\$ 668	\$ 655	\$ 784	\$ (116)	(15)%	\$ 13	2 %
<i>Adjusted EBITDA margin⁽¹⁾</i>	36.2 %	35.6 %	39.3 %		(310)bps		+60bps
Cash from operations	\$ 546	\$ 479	\$ 609	\$ (63)	(10)%	\$ 67	14 %
Wafer shipments (300MM Equivalent) (in thousands)	573	511	630	(57)	(9)%	62	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 see Appendix for the unaudited reconciliation of IFRS to non-IFRS metrics.

⁽²⁾ Beginning in Q4 2022, the Company 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.

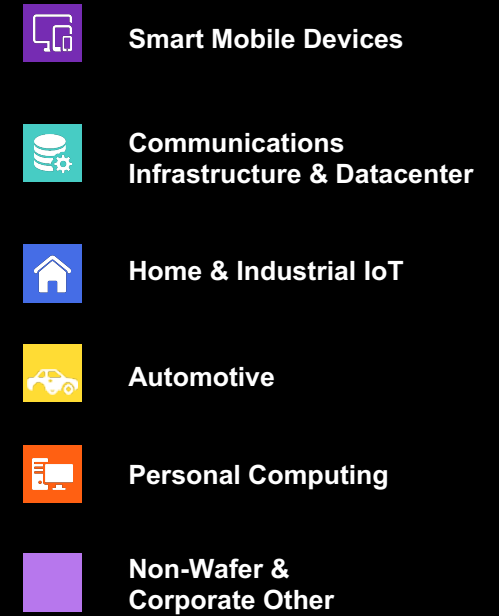
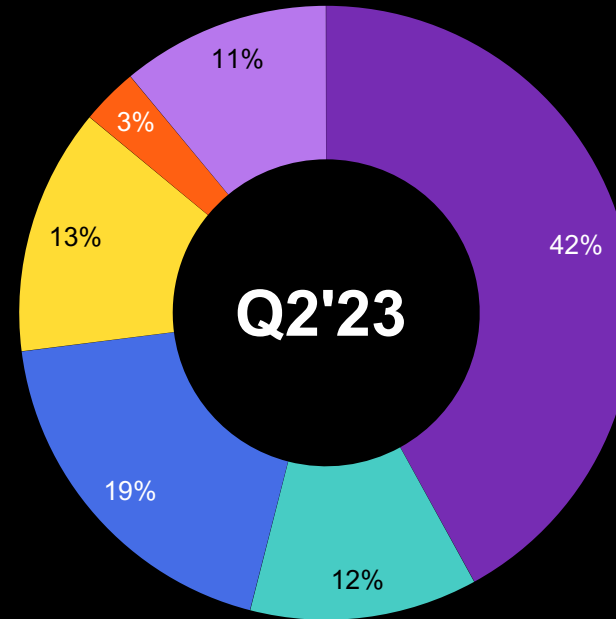
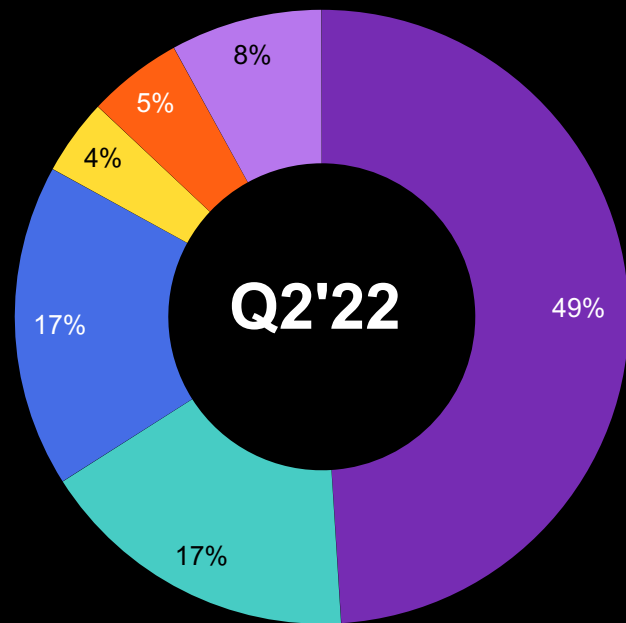
⁽³⁾ Beginning in Q3 2022, the Company revised its definition of adjusted EBITDA to include an adjustment for finance income. The change was made due to the Company making an investment during Q2 2022 of approximately \$1.0 billion in marketable securities. The Company believes the revised definition provides management and investors more useful information to evaluate the operations of our business. Adjusted EBITDA is now defined as net income (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 settlement.

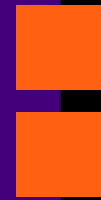
Q2'23 Revenue by End Market

	Q2'23	Q1'23	Q2'22	Year-over-year Q2'23 vs Q2'22		Sequential Q2'23 vs Q1'23	
 Smart Mobile Devices	\$783	\$696	\$969	\$(186)	(19)%	\$87	13%
 Communications Infrastructure & Datacenter	\$211	\$352	\$342	\$(131)	(38)%	\$(141)	(40)%
 Home and Industrial IoT	\$358	\$344	\$346	\$12	3%	\$14	4%
 Automotive	\$245	\$180	\$82	\$163	199%	\$65	36%
 Personal Computing	\$52	\$36	\$95	\$(43)	(45)%	\$16	44%
Non-Wafer and Corporate Other Revenue	\$196	\$233	\$159	\$37	23%	\$(37)	(16)%
Revenue	\$1,845	\$1,841	\$1,993	\$(148)	(7)%	\$4	—%

Revenue Mix by End Market

(Unaudited)





Q3'23 Guidance

Q3'23 Guidance⁽¹⁾

(Unaudited, in millions USD except per share amounts)

	IFRS	Share-Based Compensation	Non-IFRS Adjusted ⁽²⁾
Net revenue	\$1,825 - \$1,870	—	—
Gross Profit	\$485 - \$527	\$15 - \$17	\$502 - \$542
<i>Gross Margin (mid-point)⁽³⁾</i>	27.4%		28.3%
Operating Profit	\$227 - \$287	\$40 - \$50	\$277 - \$327
<i>Operating Margin (mid-point)⁽³⁾</i>	13.9%		16.3%
Net Income	\$204 - \$262	\$40 - \$50	\$254 - \$302
<i>Net Income Margin (mid-point)⁽³⁾</i>	12.6%		15.0%
Diluted EPS	\$0.37 - \$0.47		\$0.46 - \$0.54

Notes:

⁽¹⁾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.

⁽²⁾Adjusted gross profit, adjusted operating profit, adjusted net income, and adjusted diluted EPS are non-IFRS metrics and, for purposes of the Outlook only, are defined as gross profit, operating profit, net income, and EPS before share-based compensation expense, respectively.

⁽³⁾Adjusted margins are non-IFRS metrics and for purposes of the Outlook only, are defined as adjusted gross profit, adjusted operating profit and adjusted net income, each divided by net revenue (using the definitions of adjusted gross profit, adjusted operating profit, and adjusted net income, in footnote (2) above, 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	Q2
Net revenue	\$ 1,418	\$ 1,620	\$ 1,700	\$ 1,847	\$ 1,940	\$ 1,993	\$ 2,074	\$ 2,101	\$ 1,841	\$ 1,845
Cost of sales	1,319	1,389	1,400	1,463	1,471	1,455	1,464	1,479	1,326	1,313
Gross profit	\$ 99	\$ 231	\$ 300	\$ 384	\$ 469	\$ 538	\$ 610	\$ 622	\$ 515	\$ 532
Operating expenses:										
Research and development	103	132	114	130	128	120	124	110	109	106
Sales, marketing, general and administrative	91	202	134	167	116	121	129	130	111	132
Restructuring charges	—	—	—	—	—	—	—	94	5	19
Total operating expenses	\$ 194	\$ 334	\$ 248	\$ 297	\$ 244	\$ 241	\$ 253	\$ 334	\$ 225	\$ 257
Operating profit (loss)	\$ (95)	\$ (103)	\$ 52	\$ 87	\$ 225	\$ 297	\$ 357	\$ 288	\$ 290	\$ 275
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)	(10)
Income tax expense	(11)	(20)	(22)	(26)	(29)	(30)	(19)	(8)	(23)	(28)
Net income (loss)	\$ (127)	\$ (174)	\$ 5	\$ 43	\$ 178	\$ 264	\$ 336	\$ 668	\$ 254	\$ 237
Attributable to:										
Shareholders of GlobalFoundries	(126)	(173)	6	44	179	264	337	668	254	240
Non-controlling interest	(1)	(1)	(1)	(1)	(1)	—	(1)	—	—	(3)
Earnings (loss) per share ("EPS"):										
Basic	\$ (0.25)	\$ (0.35)	\$ 0.01	\$ 0.08	\$ 0.34	\$ 0.49	\$ 0.62	\$ 1.22	\$ 0.46	\$ 0.43
Diluted	\$ (0.25)	\$ (0.35)	\$ 0.01	\$ 0.08	\$ 0.33	\$ 0.48	\$ 0.61	\$ 1.21	\$ 0.46	\$ 0.43
Shares used in earnings (loss) per share calculation										
Basic	500	500	500	522	532	535	543	546	550	552
Diluted	500	500	512	540	549	550	553	554	555	556

Balance Sheet

(Unaudited, in millions USD)

	As of	
	June 30, 2023	December 31, 2022
Assets:		
Cash and cash equivalents	\$ 1,832	\$ 2,352
Receivables, prepayments and other	1,232	1,487
Marketable securities	955	622
Inventories	1,504	1,339
Current assets	5,523	5,800
Deferred tax assets	245	292
Property, plant, and equipment, net	10,789	10,596
Marketable securities	516	372
Other assets	742	781
Non-current assets	12,292	12,041
Total assets	\$ 17,815	\$ 17,841
Liabilities and equity:		
Current portion of long-term debt	221	223
Other current liabilities	2,569	3,136
Current liabilities	2,790	3,359
Noncurrent portion of long-term debt	2,208	2,288
Other liabilities	2,243	2,234
Non-current liabilities	4,451	4,522
Shareholders' equity:		
Common stock/additional paid-in capital	\$ 23,979	\$ 23,842
Accumulated deficit	(13,527)	(14,021)
Accumulated other comprehensive income (loss)	77	92
Non-controlling interest	45	47
Total liabilities and equity	\$ 17,815	\$ 17,841

Statement of Cash Flows

(Unaudited, in millions USD)

(in millions USD)	Three Months Ended	
	June 30, 2023	June 30, 2022
Cash flows from operating activities:		
Net income	\$ 237	\$ 264
Depreciation and amortization	340	411
Finance expense, net and other ⁽¹⁾	(14)	(10)
Deferred income taxes	24	22
Other non-cash operating activities	50	23
Net change in working capital	(91)	(101)
Net cash provided by operating activities	<u>\$ 546</u>	<u>\$ 609</u>
Cash flows from investing activities:		
Purchases of property, plant, equipment, and intangible assets	\$ (400)	\$ (812)
Other investing activities	(488)	(792)
Net cash used in investing activities	<u>\$ (888)</u>	<u>\$ (1,604)</u>
Cash flows from financing activities:		
Proceeds from issuance of equity instruments and other	\$ 9	\$ —
Proceeds (repayment) of debt, net	(87)	124
Other financing activities	(4)	83
Net cash (used in) provided by financing activities	<u>\$ (82)</u>	<u>\$ 207</u>
Effect of exchange rate changes	—	(2)
Net change in cash and cash equivalents	(424)	(790)
Cash and cash equivalents at the beginning of the period	<u>\$ 2,256</u>	<u>\$ 3,264</u>
Cash and cash equivalents at the end of the period	<u>\$ 1,832</u>	<u>\$ 2,474</u>

⁽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	Q2
Gross profit for the period	\$99	\$231	\$300	\$384	\$469	\$538	\$610	\$622	\$515	\$532
<i>Gross profit margin</i>	7.0%	14.3%	17.6%	20.8%	24.2%	27.0%	29.4%	29.6%	28.0%	28.8%
Share-based compensation	—	36	6	13	21	21	11	\$11	10	14
Adjusted gross profit⁽¹⁾	\$99	\$267	\$306	\$397	\$490	\$559	\$621	\$633	\$525	\$546
<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%	29.6%
Net revenue	\$1,418	\$1,620	\$1,700	\$1,847	\$1,940	\$1,993	\$2,074	\$2,101	\$1,841	\$1,845
	2021				2022				2023	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Selling, general and administrative	\$91	\$202	\$134	\$167	\$116	\$121	\$129	\$130	\$111	\$132
Share-based compensation	—	\$97	\$21	\$33	\$27	\$24	\$15	\$25	\$17	\$24
Adjusted selling, general and administrative	\$91	\$105	\$113	\$134	\$89	\$97	\$114	\$105	\$94	\$108
	2021				2022				2023	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Research and development	\$103	\$132	\$114	\$130	\$128	\$120	\$124	\$110	\$109	\$106
Share-based compensation	—	\$11	\$2	\$9	\$6	\$8	\$6	\$7	\$4	\$6
Adjusted research and development	\$103	\$121	\$112	\$121	\$122	\$112	\$118	\$103	\$105	\$100
	2021				2022				2023	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Operating profit (loss) for the period	\$(95)	\$(103)	\$52	\$87	\$225	\$297	\$357	\$288	\$290	\$275
<i>Operating profit (loss) margin</i>	(6.7)%	(6.4)%	3.1%	4.7%	11.6%	14.9%	17.2%	13.7%	15.8%	14.9%
Share-based compensation	—	\$144	\$29	\$55	\$54	\$53	\$32	\$43	\$31	\$44
Restructuring charges ⁽²⁾	—	—	—	—	—	—	—	94	5	19
Adjusted operating profit (loss)⁽¹⁾	\$(95)	\$41	\$81	\$142	\$279	\$350	\$389	\$425	\$326	\$338
<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%	18.3%
Net revenue	\$1,418	\$1,620	\$1,700	\$1,847	\$1,940	\$1,993	\$2,074	\$2,101	\$1,841	\$1,845
	2021				2022				2023	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Net income (loss) for the period⁽³⁾	\$(127)	\$(174)	\$5	\$43	\$178	\$264	\$336	\$668	\$254	\$237
<i>Net income (loss) margin</i>	(9.0)%	(10.7)%	0.3%	2.3%	9.2%	13.2%	16.2%	31.8%	13.8%	12.8%
Share-based compensation	—	\$144	\$29	\$55	\$54	\$53	\$32	\$43	\$31	\$44
Restructuring charges ⁽²⁾	—	—	—	—	—	—	—	94	5	19
Income tax effect ⁽⁴⁾	—	—	—	—	—	—	—	\$(5)	\$—	\$(3)
Adjusted net income (loss)⁽¹⁾⁽⁵⁾	\$(127)	\$(30)	\$34	\$98	\$232	\$317	\$368	\$800	\$290	\$297
<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%	16.1%
Diluted earnings (loss) per share	\$(0.25)	\$(0.35)	\$0.01	\$0.08	\$0.33	\$0.48	\$0.61	\$1.21	\$0.46	\$0.43
Shares outstanding	500	500	512	540	549	550	553	554	555	556
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	\$0.53
	2021				2022				2023	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Net cash provided by (used in) operating	—	—	—	—	—	—	—	—	—	546
Less: Purchase of property, plant and equipment	—	—	—	—	—	—	—	—	—	400
Free cash flow⁽¹⁾	—	—	—	—	—	—	—	—	—	\$146

⁽¹⁾ Adjusted gross profit, adjusted selling, general and administrative expense, adjusted research and development expense, adjusted operating profit (loss), adjusted net income (loss), adjusted diluted earnings per share, free cash flow and any related margins are all Non-IFRS measures. See "Financial Measures (Non-IFRS)" 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.

Unaudited reconciliation of Net Income to Adjusted EBITDA

(Unaudited, in millions USD)

	2021				2022				2023	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Net Income (Loss) for the period	\$(127)	\$(174)	\$5	\$43	\$178	\$264	\$336	\$668	\$254	\$237
Depreciation and amortization	377	408	415	419	408	411	395	409	343	340
Finance expense	29	29	28	28	29	26	28	28	31	34
Finance Income	NA	NA	NA	NA	NA	NA	(17)	(26)	(32)	(34)
Income tax expense	10	20	22	26	29	30	19	8	23	28
Share-based compensation	—	144	29	55	54	53	32	43	31	44
Restructuring charges ⁽¹⁾	—	—	—	—	—	—	—	94	5	19
Labor optimization program	5	5	2	5	—	—	—	—	—	—
Divestiture gains and associated expenses, 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	\$668
Adjusted EBITDA margin ⁽¹⁾⁽⁴⁾⁽⁵⁾	20.7%	28.8%	29.7%	31.6%	36.0%	39.3%	38.2%	39.1%	35.6%	36.2%

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

Financial Measures (Non-IFRS)

In addition to the financial information presented in accordance with IFRS, this press release includes the following Non-IFRS metrics: adjusted gross profit, adjusted selling, general and administrative expense, adjusted research and development expense, adjusted operating profit, adjusted net income, adjusted diluted earnings per share, adjusted EBITDA, free cash flow and any related margins. We define adjusted gross profit as gross profit adjusted for share-based compensation expense. We define adjusted selling, general and administrative expense as selling, general and administrative expense adjusted for share-based compensation expense. We define adjusted research and development expense as research and development expense 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 as net income adjusted for share-based compensation expense, restructuring charges and the associated tax impact. We define adjusted diluted EPS as adjusted net income divided by the dilutive shares. We define free cash flow as cash flow provided by (used in) operating activities less purchases of property, plant and equipment and intangible assets. We define adjusted EBITDA 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 settlements.

We believe that in addition to our results determined in accordance with IFRS, these 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 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. Management believes that free cash flow as a Non-IFRS measure is helpful to investors as it provides insights into the nature and amount of cash the Company generates in the period. For further information regarding these Non-IFRS measures, please refer to "Unaudited Reconciliation of IFRS to Non-IFRS" table above.

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 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.



For further information, please contact:

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Thank you

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