



GlobalFoundries™

Second Quarter 2022 Financial Results (unaudited)

August 9, 2022

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 the COVID-19 pandemic and supply chain disruptions due to the Russia/Ukraine conflict and actions taken in response to such events; the market for our products may develop more slowly than expected or than it has in the past; our operating results may fluctuate more than expected; there may be significant fluctuations in our results of operations and cash flows related to our revenue recognition or otherwise; a network or data security incident that allows unauthorized access to our network or data or our customers' data could damage our reputation; we could experience interruptions or performance problems associated with our technology, including a service outage; and global economic conditions could deteriorate. 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.

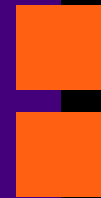
Although we believe that the expectations reflected in our statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances described in the forward-looking statements will be achieved or occur. Moreover, neither we, nor any other person, 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 2021 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, 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 (loss) as gross profit (loss) 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. We define adjusted diluted EPS as adjusted net income (loss) divided by the dilutive shares. We define adjusted EBITDA as net income (loss), excluding the impact of finance expense, tax expense, depreciation, amortization, share-based compensation expense, transaction gains and associated expenses, restructuring charges and litigation settlements. We define adjusted operating margin as adjusted operating profit (loss) 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.

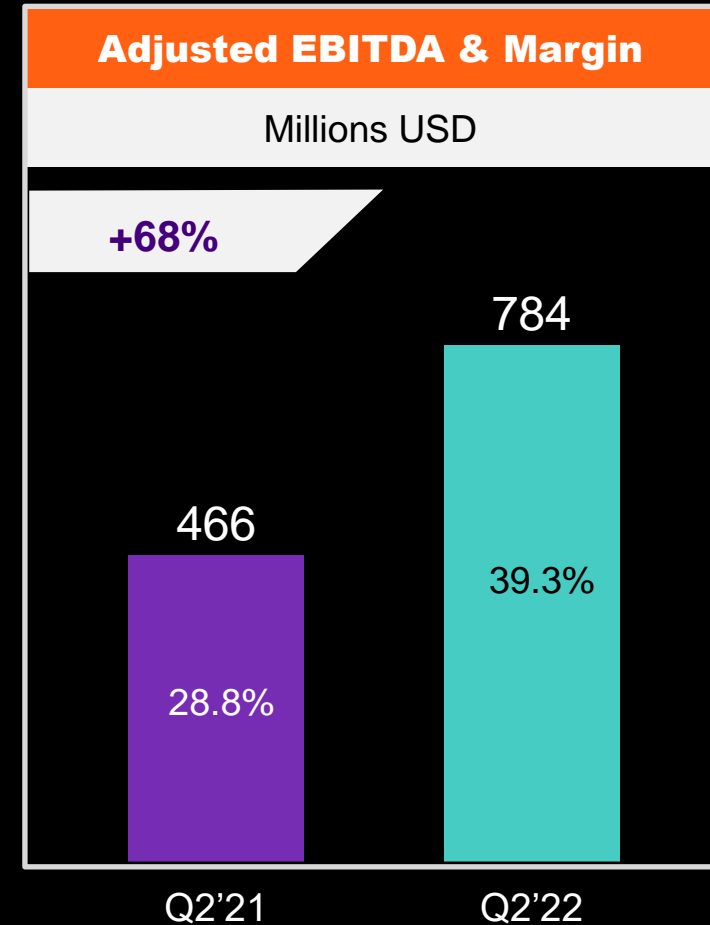
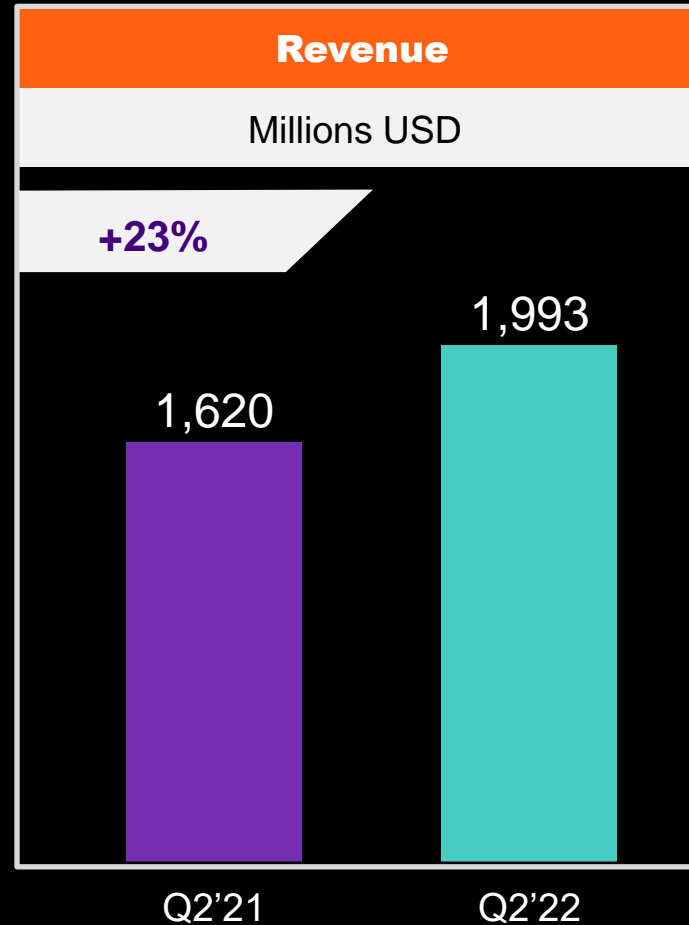
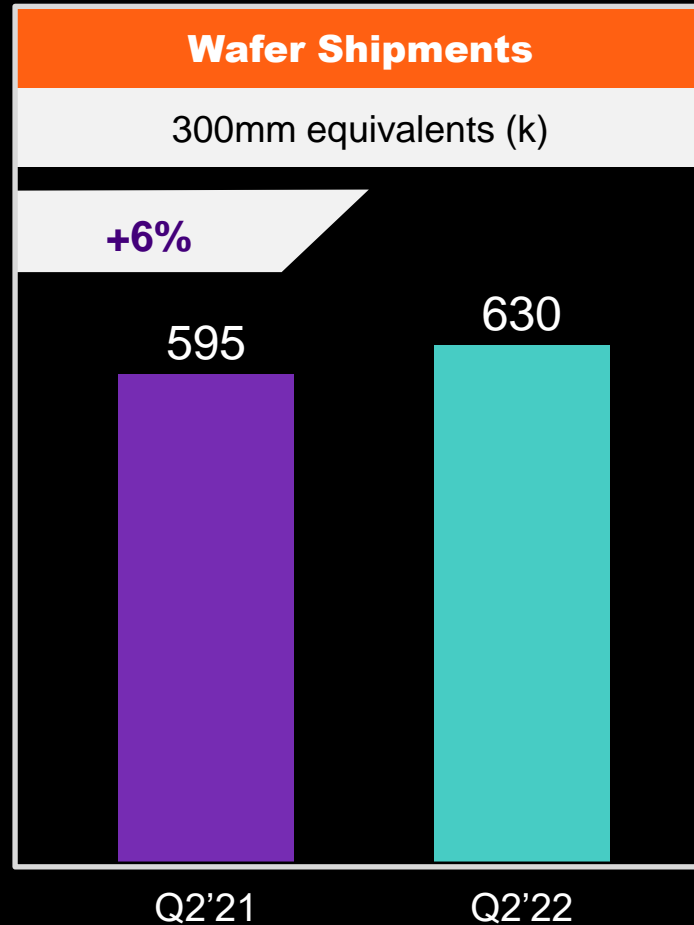
Adjusted non-IFRS financial information is presented for supplemental informational purposes only and should not be considered in isolation or as a substitute for financial information presented in accordance with IFRS. Our presentation of adjusted non-IFRS measures should not be construed as an inference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



Q2'22 Results

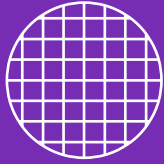
Key Q2'22 Results

(Unaudited)

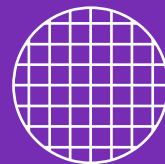


Note: We define adjusted EBITDA as net income (loss), excluding the impact of finance expense, income tax expense, depreciation, amortization, share-based compensation expense, transaction gains and associated expenses, restructuring charges and litigation settlements; a reconciliation of adjusted non-IFRS to IFRS metrics can be found in the Appendix.

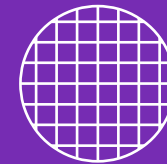
Key Recent Announcements



GF announced the extension of its long-term agreement with Qualcomm which adds more than \$4Bn in incremental wafer purchases from GF's Malta, NY facility. The total long-term agreement with Qualcomm now represents more than \$7Bn in global revenue through 2028 across multiple technologies.



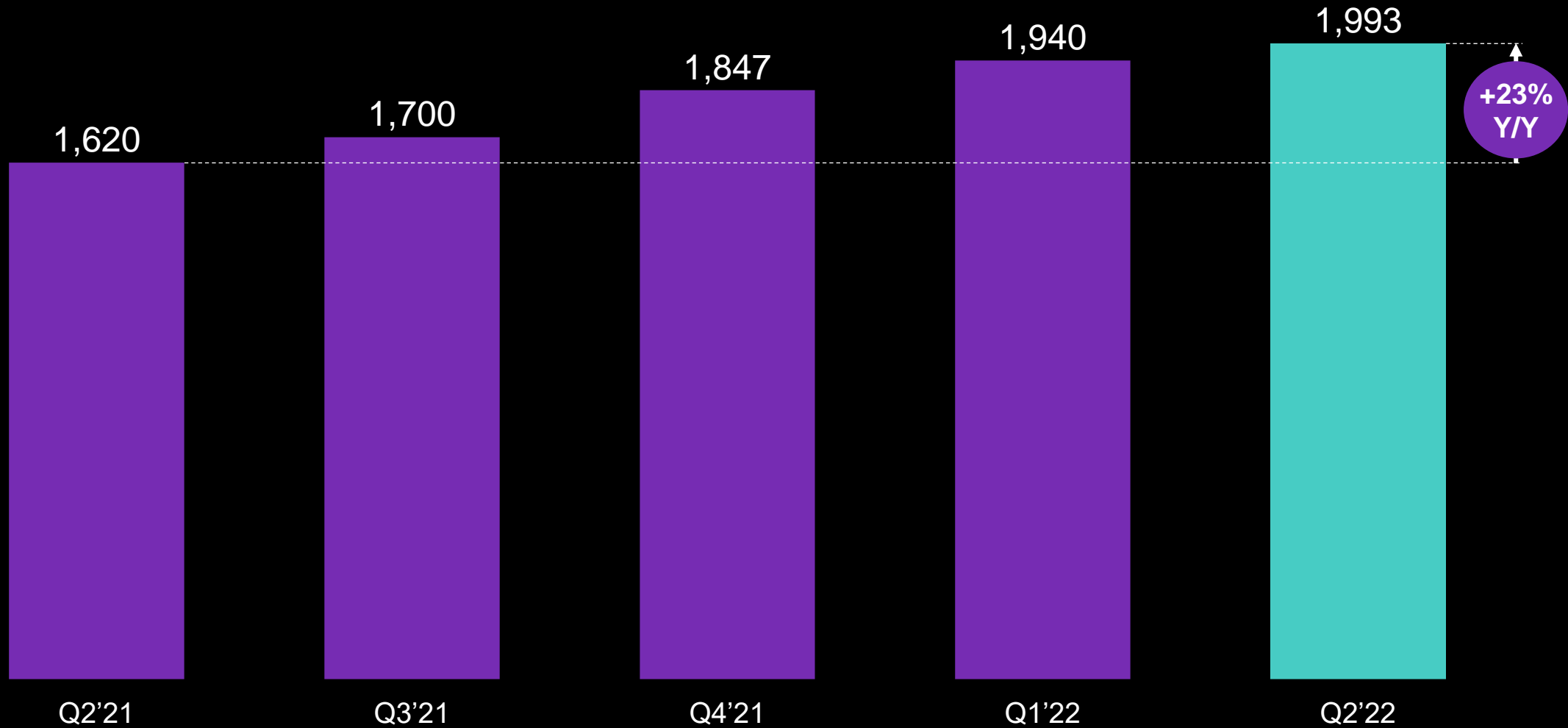
GF and ST Microelectronics signed a definitive agreement to create a new, jointly-operated 300mm semiconductor manufacturing facility adjacent to ST's existing 300mm facility in Crolles, France



GF announced that its first tool has been moved into the company's new facility on its Singapore campus.

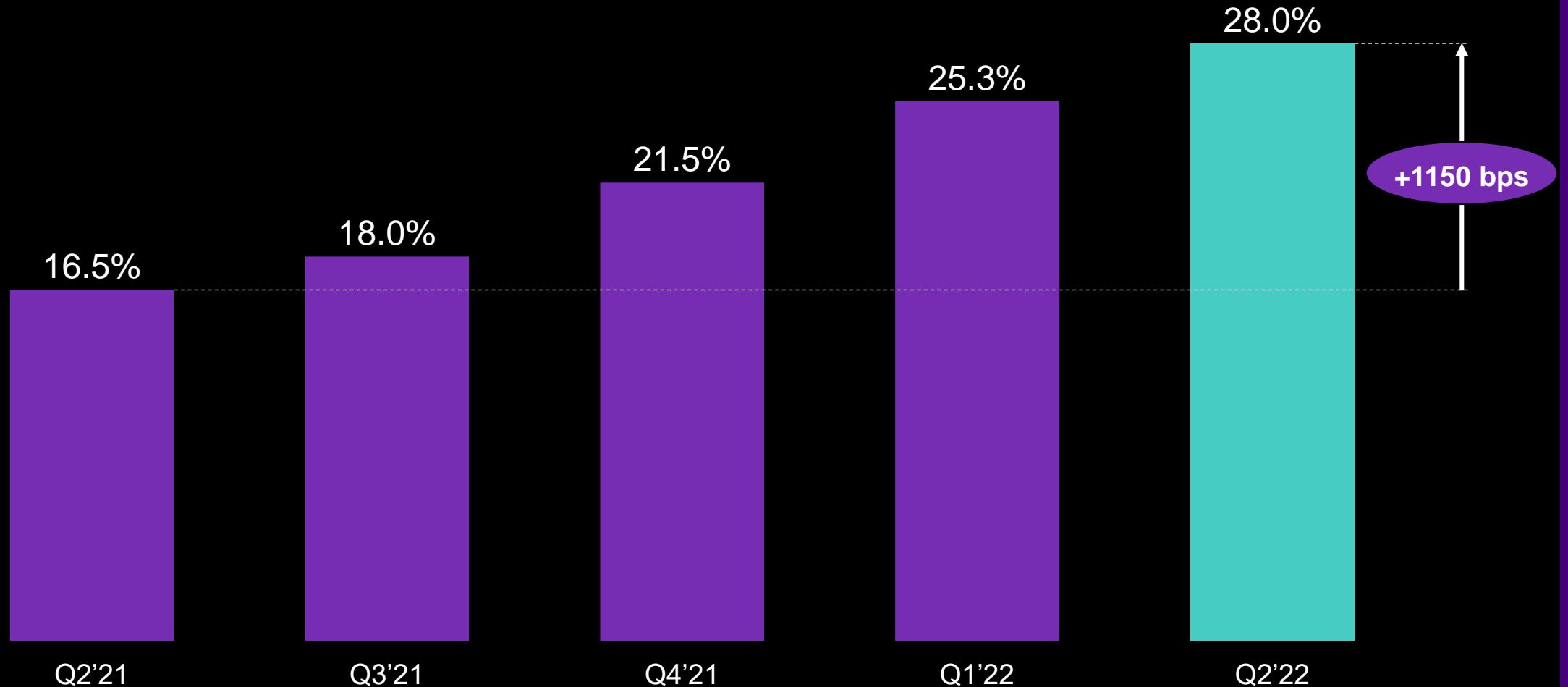
Quarterly Revenue Trend

(Unaudited, Millions USD)



Adjusted Gross Margin Trend

(Unaudited)

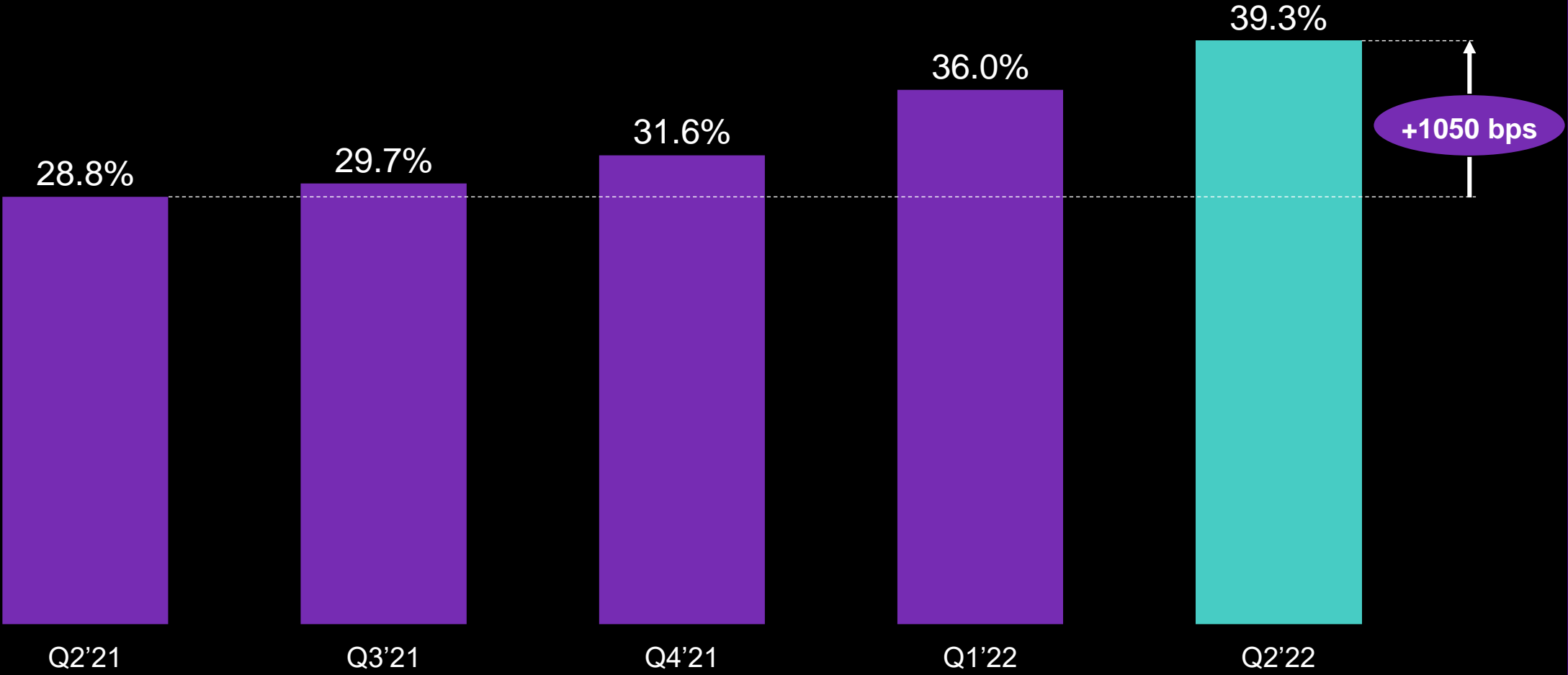


Note:

Adjusted gross profit (loss) for a particular period is defined as gross profit (loss) adjusted for share-based compensation expense; adjusted gross margin is adjusted gross profit divided by revenue. Please see Appendix for a reconciliation of adjusted non-IFRS to IFRS metrics.

Adjusted EBITDA Margin Trend

(Unaudited)



Note: We define adjusted EBITDA as net income (loss), excluding the impact of finance expense, income tax expense, depreciation, amortization, share-based compensation expense, transaction gains and associated expenses, restructuring charges and litigation settlements. Adjusted EBITDA margin is adjusted EBITDA divided by revenue. See Appendix for a reconciliation of adjusted non-IFRS metrics to IFRS metrics.

Q2'22 Financial Summary

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

	<u>Q2'22</u>	<u>Q1'22</u>	<u>Q2'21</u>	<u>Year-over-year</u> <u>Q2'22 vs Q2'21</u>		<u>Sequential</u> <u>Q2'22 vs Q1'22</u>	
Net revenue	\$ 1,993	\$ 1,940	\$ 1,620	\$ 373	23 %	\$ 53	3 %
Gross profit	\$ 538	\$ 469	\$ 231	\$ 307	133 %	\$ 69	15 %
<i>Gross margin</i>	27.0 %	24.2 %	14.3 %		+1,270bps		+280bps
Adjusted gross profit¹	\$ 559	\$ 490	\$ 267	\$ 292	109 %	\$ 69	14 %
<i>Adjusted gross margin</i>	28.0 %	25.3 %	16.5 %		+1,150bps		+270bps
Operating profit (loss)	\$ 297	\$ 225	\$ (103)	\$ 400	388 %	\$ 72	32 %
<i>Operating margin</i>	14.9 %	11.6 %	(6.4)%		+2,130bps		+330bps
Adjusted operating profit (loss)¹	\$ 350	\$ 279	\$ 41	\$ 309	754 %	\$ 71	25 %
<i>Adjusted operating margin</i>	17.6 %	14.4 %	2.5 %		+1,510bps		+320bps
Net income (loss)	\$ 264	\$ 178	\$ (174)	\$ 438	252 %	\$ 86	48 %
<i>Net income (loss) margin</i>	13.2 %	9.2 %	(10.7)%		+2,390bps		+400bps
Adjusted net income (loss)	\$ 317	\$ 232	\$ (30)	\$ 347	1,157 %	\$ 85	37 %
<i>Adjusted net income (loss) margin</i>	15.9 %	12.0 %	(1.9)%		+1,780bps		+390bps
Diluted earnings (loss) per share	\$ 0.48	\$ 0.33	\$ (0.35)	\$ 0.83	237 %	\$ 0.15	45 %
Adjusted diluted earnings (loss) per share¹	\$ 0.58	\$ 0.42	\$ (0.06)	\$ 0.64	1,067 %	\$ 0.16	38 %
Adjusted EBITDA¹	\$ 784	\$ 698	\$ 466	\$ 318	68 %	\$ 86	12 %
<i>Adjusted EBITDA margin</i>	39.3 %	36.0 %	28.8 %		+1,050bps		+330bps
Cash from operations	\$ 609	\$ 845	\$ 434	\$ 175	40 %	\$ (236)	(28)%
Wafer shipments (300MM Equivalent) (in thousands)	630	625	595	35	6 %	5	1 %

Note:

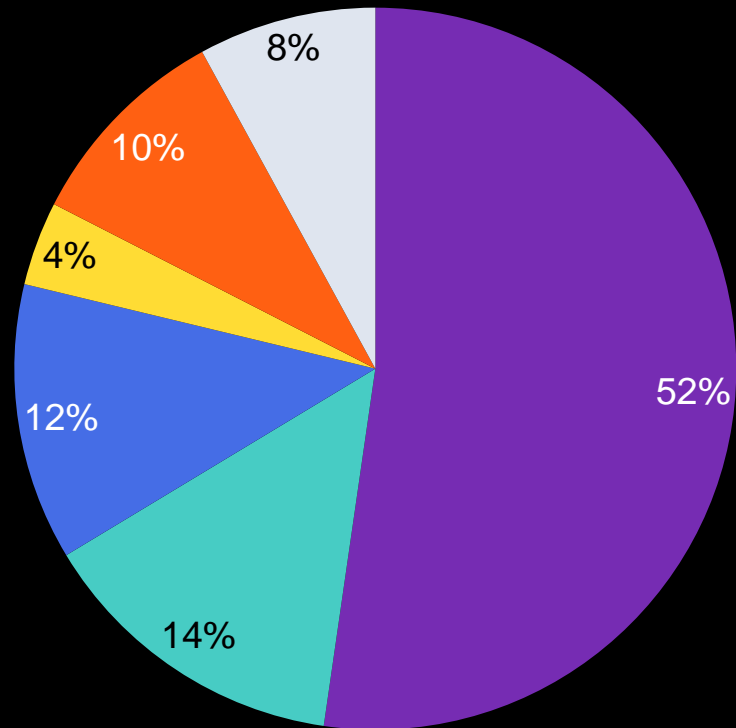
¹Adjusted gross profit, adjusted operating profit (loss), adjusted net income (loss), adjusted diluted EPS, and adjusted EBITDA are adjusted non-IFRS metrics; please see the reconciliation of IFRS to adjusted non-IFRS metrics in the Appendix.

Q2'22 Revenue by End Market

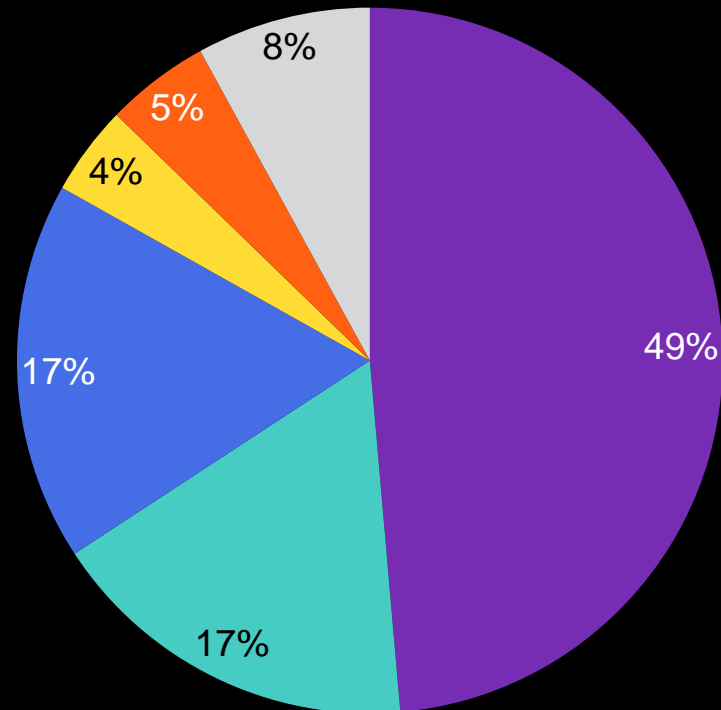
	Q2'22	Q1'22	Q2'21	Year-over-year Q2'22 vs Q2'21		Sequential Q2'22 vs Q1'22	
 Smart Mobile Devices	\$969	\$977	\$847	\$122	14%	\$(8)	(1)%
 Communications Infrastructure & Datacenter	\$342	\$327	\$228	\$114	50%	\$15	5%
 Home and Industrial IoT	\$346	\$323	\$201	\$145	72%	\$23	7%
 Automotive	\$82	\$81	\$61	\$21	34%	\$1	1%
 Personal Computing	\$95	\$41	\$154	\$(59)	(38)%	\$54	132%
Non-Wafer and Corporate Other Revenue	\$159	\$191	\$129	\$30	23%	\$(32)	(17)%
Revenue	\$1,993	\$1,940	\$1,620	\$373	23%	\$53	3%

Revenue Mix by End Market

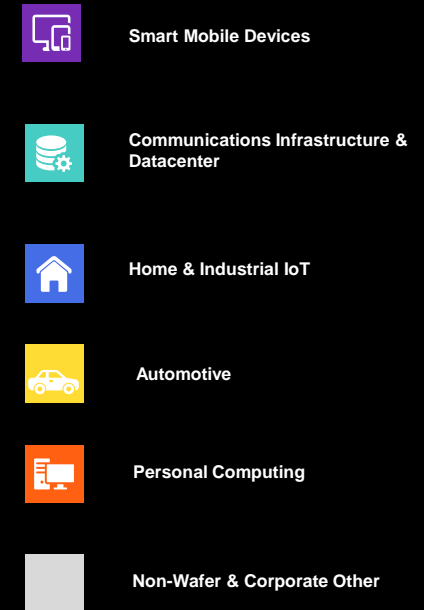
(Unaudited)



Q2'21



Q2'22





Q3'22 Guidance

Q3'22 Guidance

(Unaudited, in millions USD except per share amounts)

	IFRS	Share-Based Compensation	Non-IFRS Adjusted
Net revenue	\$2,035 - \$2,065	—	—
Gross Profit	\$557 - \$590	\$19 - \$23	\$580 - \$609
<i>Gross Margin (mid-point)</i>	<i>28.0%</i>		<i>29.0%</i>
Operating Profit	\$301 - \$343	\$38 - \$46	\$347 - \$381
<i>Operating Margin (mid-point)</i>	<i>15.7%</i>		<i>17.8%</i>
Net Income	\$278 - \$318	\$38 - \$46	\$324 - \$356
<i>Net Income Margin (mid-point)</i>	<i>14.5%</i>		<i>16.6%</i>
Diluted EPS	\$0.50 - \$0.58		\$0.59 - \$0.65
Adjusted EBITDA	—		\$775 - \$813
<i>Adj. EBITDA Margin (mid-point)</i>			<i>38.7%</i>

Notes:

The guidance provided above contains forward-looking statements as defined by the Private Securities Litigation Reform 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 Third 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 cannot be reasonably predicted.

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

We define adjusted EBITDA as net income (loss), excluding the impact of finance expense, tax expense, depreciation, amortization, share-based compensation expense, transaction gains and associated expenses, restructuring charges and litigation settlements.

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



Appendix: Summary Financials and Reconciliations

Statement of Operations

(Unaudited, in millions USD except per share amounts)

	2020				2021				2022	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Net revenue	\$ 1,379	\$ 1,318	\$ 1,091	\$ 1,062	\$ 1,418	\$ 1,620	\$ 1,700	\$ 1,847	\$ 1,940	\$ 1,993
Cost of revenue	1,557	1,501	1,225	1,280	1,319	1,389	1,400	1,463	1,471	1,455
Gross profit (loss)	(178)	(183)	(134)	(218)	99	231	300	384	469	538
Operating expenses:										
Research and development	126	117	117	116	103	132	114	130	128	120
Sales, marketing, general and administrative	101	109	99	136	91	202	134	167	116	121
Total operating expenses	227	226	216	252	194	334	248	297	244	241
Impairment charge	—	2	—	21	—	—	—	—	—	—
Total non-operating expenses	—	2	—	21	—	—	—	—	—	—
Operating profit (loss)	(404)	(411)	(350)	(491)	(95)	(103)	52	87	225	297
Finance expense, net	(38)	(42)	(34)	(38)	(28)	(28)	(27)	(26)	(28)	(19)
Other income (loss)	145	252	35	13	7	(23)	2	8	10	16
Income tax benefit (expense)	—	(36)	56	(8)	(11)	(20)	(22)	(26)	(29)	(30)
Net income (loss)	\$ (297)	\$ (237)	\$ (293)	\$ (524)	\$ (127)	\$ (174)	\$ 5	\$ 43	\$ 178	\$ 264
Attributable to:										
Shareholders of GlobalFoundries	\$ (297)	\$ (235)	\$ (292)	\$ (523)	\$ (126)	\$ (173)	\$ 6	\$ 44	\$ 179	\$ 264
Non-controlling interest	—	\$ (2)	\$ (1)	\$ (1)	\$ (1)	\$ (1)	\$ (1)	\$ (1)	\$ (1)	—
Earnings (loss) per share ("EPS"):										
Basic	\$ (0.59)	\$ (0.47)	\$ (0.58)	\$ (1.05)	\$ (0.25)	\$ (0.35)	\$ 0.01	\$ 0.08	\$ 0.34	\$ 0.49
Diluted	\$ (0.59)	\$ (0.47)	\$ (0.58)	\$ (1.05)	\$ (0.25)	\$ (0.35)	\$ 0.01	\$ 0.08	\$ 0.33	\$ 0.48
Shares used in earnings (loss) per share calculation										
Basic	500	500	500	500	500	500	500	522	532	535
Diluted	500	500	500	500	500	500	512	540	549	550

Note:

In 2020, the majority of our customer contractual terms were amended in a manner that resulted in moving from recognizing wafer revenue on a Percentage-of-Completion basis to recognizing revenue on a Wafer Shipment basis. This resulted in a one-time, non-recurring reduction in net revenues recognized in 2020. Had the change in terms not occurred, net revenues for the quarters ended September 30, 2020 and December 31, 2020 would have been an estimated \$309 million and \$501 million higher than reported results, respectively.

Balance Sheet

(Unaudited, in millions USD)

	As of	
	June 30, 2022	December 31, 2021
Assets:		
Cash and cash equivalents	2,474	2,939
Receivables, prepayments and other	1,247	1,231
Marketable securities	525	—
Inventories	1,262	1,121
Current assets	\$ 5,508	\$ 5,291
Deferred tax assets	313	353
Property, plant, and equipment, net	9,410	8,713
Marketable securities	263	—
Other assets	700	671
Noncurrent assets	10,686	9,737
Total assets	\$ 16,194	\$ 15,028
Liabilities and equity:		
Current portion of long-term debt	262	297
Other current liabilities	3,051	2,866
Current liabilities	3,313	3,163
Noncurrent portion of long-term debt	1,908	1,716
Other liabilities	2,315	2,116
Noncurrent liabilities	\$ 4,223	\$ 3,832
Stockholders' equity:		
Common stock/additional paid-in capital	23,684	23,498
Accumulated deficit	(15,026)	(15,469)
Accumulated other comprehensive income (loss)	(51)	(54)
Non-controlling interest	51	58
Total liabilities and equity	\$ 16,194	\$ 15,028

Statement of Cash Flows

(Unaudited, in millions USD)

	Three Months Ended	
	June 30, 2022	June 30, 2021
Cash flows from operating activities:		
Net income (loss)	\$ 264	\$ (174)
Depreciation and amortization	411	408
Finance expense, net and other	(10)	(2)
Deferred income taxes	22	12
Other non-cash operating activities	23	131
Net change in working capital	(101)	59
Net cash provided by operating activities	609	434
Cash flows from investing activities:		
Purchases of property, plant, equipment, and intangible assets	(812)	(423)
Other investing activities	(792)	217
Net cash used in investing activities	(1,604)	(206)
Cash flows from financing activities:		
Proceeds (repayment) of debt, net	124	(108)
Other financing activities	83	45
Net cash (used in) provided by financing activities	207	(63)
Effect of exchange rate changes	(2)	5
Net change in cash and cash equivalents	(790)	170
Cash and cash equivalents at the beginning of the period	3,264	635
Cash and cash equivalents at the end of the period	\$ 2,474	\$ 805

IFRS to Non-IFRS Reconciliations

(Unaudited, in millions USD except per share amounts)

	2020				2021				2022	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Gross profit (loss) for the period	\$ (178)	\$ (183)	\$ (134)	\$ (218)	\$ 99	\$ 231	\$ 300	\$ 384	\$ 469	\$ 538
<i>Gross profit (loss) margin</i>	(12.9)%	(13.9)%	(12.3)%	(20.5)%	7.0 %	14.3 %	17.6 %	20.8 %	24.2 %	27.0 %
Share based compensation	—	—	—	—	—	36	6	13	21	21
Adjusted gross profit (loss)	\$ (178)	\$ (183)	\$ (134)	\$ (218)	\$ 99	\$ 267	\$ 306	\$ 397	\$ 490	\$ 559
<i>Adjusted gross profit (loss) margin</i>	(12.9)%	(13.9)%	(12.3)%	(20.5)%	7.0 %	16.5 %	18.0 %	21.5 %	25.3 %	28.0 %
Net revenue	\$ 1,379	\$ 1,318	\$ 1,091	\$ 1,062	\$ 1,418	\$ 1,620	\$ 1,700	\$ 1,847	\$ 1,940	\$ 1,993
	2020				2021				2022	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Operating profit (loss) for the period	\$ (404)	\$ (411)	\$ (350)	\$ (491)	\$ (95)	\$ (103)	\$ 52	\$ 87	\$ 225	\$ 297
<i>Operating profit (loss) margin</i>	(29.3)%	(31.2)%	(32.1)%	(46.2)%	(6.7)%	(6.4)%	3.1 %	4.7 %	11.6 %	14.9 %
Share based compensation	—	1	—	—	—	144	29	55	54	53
Adjusted operating profit (loss)	\$ (404)	\$ (410)	\$ (350)	\$ (491)	\$ (95)	\$ 41	\$ 81	\$ 142	\$ 279	\$ 350
<i>Adjusted operating profit (loss) margin</i>	(29.3)%	(31.1)%	(32.1)%	(46.2)%	(6.7)%	2.5 %	4.8 %	7.7 %	14.4 %	17.6 %
Net revenue	\$ 1,379	\$ 1,318	\$ 1,091	\$ 1,062	\$ 1,418	\$ 1,620	\$ 1,700	\$ 1,847	\$ 1,940	\$ 1,993
	2020				2021				2022	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Net income (loss) for the period	\$ (297)	\$ (237)	\$ (293)	\$ (524)	\$ (127)	\$ (174)	\$ 5	\$ 43	\$ 178	\$ 264
<i>Net income (loss) margin</i>	(21.5)%	(18.0)%	(26.9)%	(49.3)%	(9.0)%	(10.7)%	0.3 %	2.3 %	9.2 %	13.2 %
Share based compensation	—	1	—	—	—	144	29	55	54	53
Adjusted net income (loss)	\$ (297)	\$ (236)	\$ (293)	\$ (524)	\$ (127)	\$ (30)	\$ 34	\$ 98	\$ 232	\$ 317
<i>Adjusted net income (loss) margin</i>	(21.5)%	(17.9)%	(26.9)%	(49.3)%	(9.0)%	(1.9)%	2.0 %	5.3 %	12.0 %	15.9 %
Diluted earnings (loss) per share	\$ (0.59)	\$ (0.47)	\$ (0.58)	\$ (1.05)	\$ (0.25)	\$ (0.35)	\$ 0.01	\$ 0.08	\$ 0.33	\$ 0.48
Shares outstanding	500	500	500	500	500	500	512	540	549	550
Adjusted diluted earnings (loss) per share	\$ (0.59)	\$ (0.47)	\$ (0.58)	\$ (1.05)	\$ (0.25)	\$ (0.06)	\$ 0.07	\$ 0.18	\$ 0.42	\$ 0.58

IFRS to Non-IFRS Reconciliations

(Unaudited, in millions USD)

	2020				2021				2022	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Net Income (loss) for the period	\$ (297)	\$ (237)	\$ (293)	\$ (524)	\$ (127)	\$ (174)	\$ 5	\$ 43	\$ 178	\$ 264
Depreciation and amortization	642	643	612	626	377	408	415	419	408	411
Finance expense	39	43	34	38	29	29	28	28	29	26
Income tax expense (benefit)	—	36	(56)	8	10	20	22	26	29	30
Share based compensation	—	1	—	—	—	144	29	55	54	53
Restructuring and corporate severance programs	3	—	2	11	5	5	2	5	—	—
(Gain) on transactions, legal settlements and transaction expenses	(110)	(228)	(24)	7	—	34	4	8	—	—
Adjusted EBITDA	\$ 277	\$ 258	\$ 275	\$ 166	\$ 294	\$ 466	\$ 505	\$ 584	\$ 698	\$ 784
Adjusted EBITDA margin	20.1 %	19.6 %	25.2 %	15.6 %	20.7 %	28.8 %	29.7 %	31.6 %	36.0 %	39.3 %



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