



GlobalFoundries™

2021 Third Quarter Financial Results

November 30, 2021

Disclaimer

This presentation and the accompanying oral presentation include express and implied “forward-looking statements,” including but not limited to, statements regarding our financial outlook, product development, business strategy and plans, and market trends, opportunities and positioning. Forward-looking statements are based on our management's beliefs and assumptions and on information currently available to our management. These forward-looking statements are based on current expectations, estimates, forecasts and projections. Words such as “expect,” “anticipate,” “should,” “believe,” “hope,” “target,” “project,” “goals,” “estimate,” “potential,” “predict,” “may,” “will,” “might,” “could,” “intend,” “shall” and variations 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 number of risks and uncertainties, many of which involve factors or circumstances that are beyond our control. For example, our business could be impacted by the COVID-19 pandemic and actions taken in response to it; 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. For further discussion of potential risks and uncertainties, please see “Risk Factors” contained in our filings with the U.S. Securities and Exchange Commission. 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.

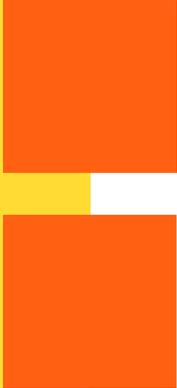
Although we believe that the expectations reflected in our statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances described in the forward-looking statements will be achieved or occur. Moreover, neither we, nor any other person, 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.

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 International Financial Reporting Standards (“IFRS”), this presentation includes the following non-IFRS metrics: adjusted gross profit, adjusted EBITDA, adjusted operating profit, adjusted net income (loss) and adjusted EPS. We define adjusted gross profit (loss) as gross profit (loss) adjusted for share-based compensation expense. We define adjusted EBITDA as net income (loss), excluding the impact of interest expense, tax expense, depreciation, amortization adjusted for share-based compensation expense, one-time transaction gains and associated expenses, one-time restructuring charges and litigation settlements. 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 EPS as adjusted net income (loss) divided by the weighted average number of ordinary shares outstanding.

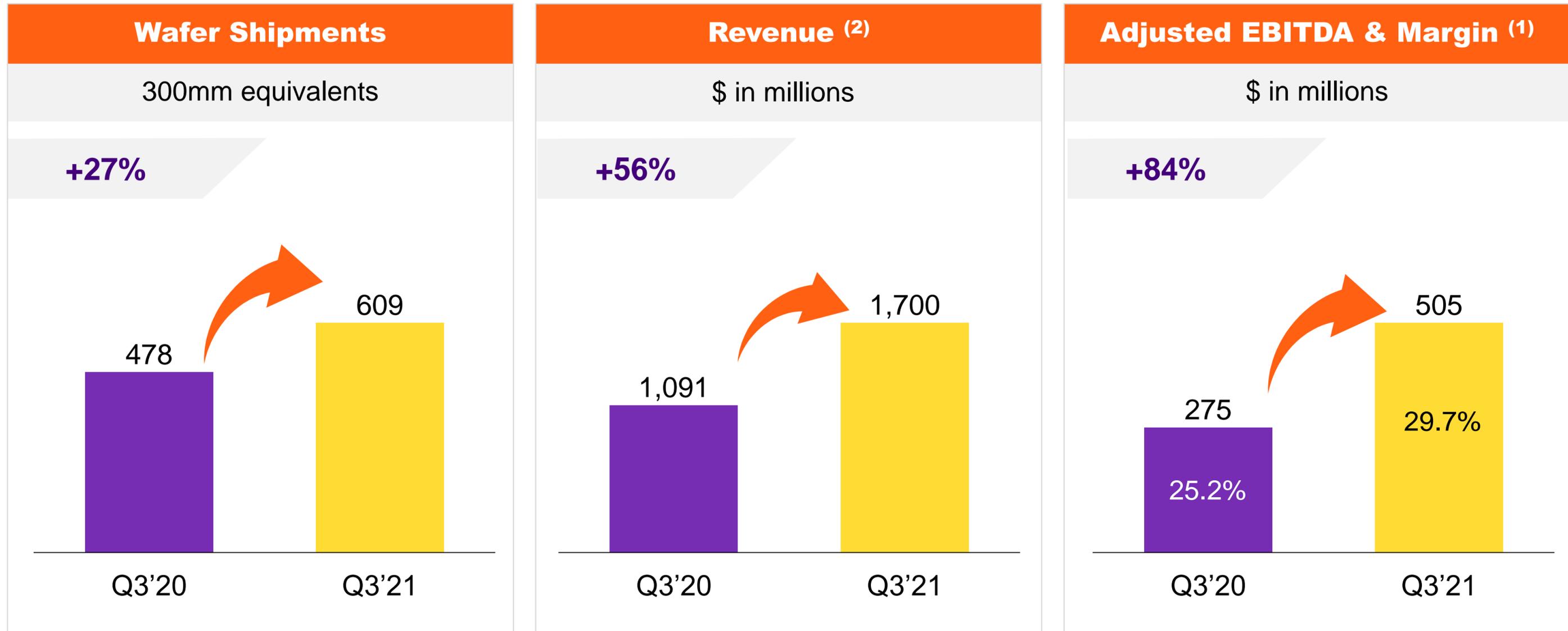
We believe that in addition to our results determined in accordance with IFRS, these non-IFRS measures are useful in evaluating our business and the underlying trends that are affecting our performance. These non-IFRS financial measures provide supplemental information regarding our operating performance 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. These non-IFRS measures are used by both our management and our board of directors, together with the comparable IFRS information, in evaluating our current performance and planning future business activities.

We believe that these non-IFRS measures, when used in conjunction with our IFRS financial information, also allow investors to better evaluate our financial performance in comparison to other periods and to other companies in our industry. However, 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.



Q3'21 Results

Key Q3'21 Results



Notes:

- Adjusted EBITDA is defined as net income (loss), excluding the impact of interest expense, tax expense, depreciation, amortization adjusted for share-based compensation expense, one-time transaction gains and associated expenses, one-time restructuring charges and litigation settlements
- 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 periods ended September 30, 2020 and December 31, 2020 would have been an estimated \$309 million and \$501 million higher than reported results, respectively.

Key Recent Business Highlights

GF began trading on the Nasdaq Stock Market under the ticker "GFS" on October 28

GF and Qualcomm signed an agreement to extend the companies' successful collaboration to deliver advanced 5G RF front-end products

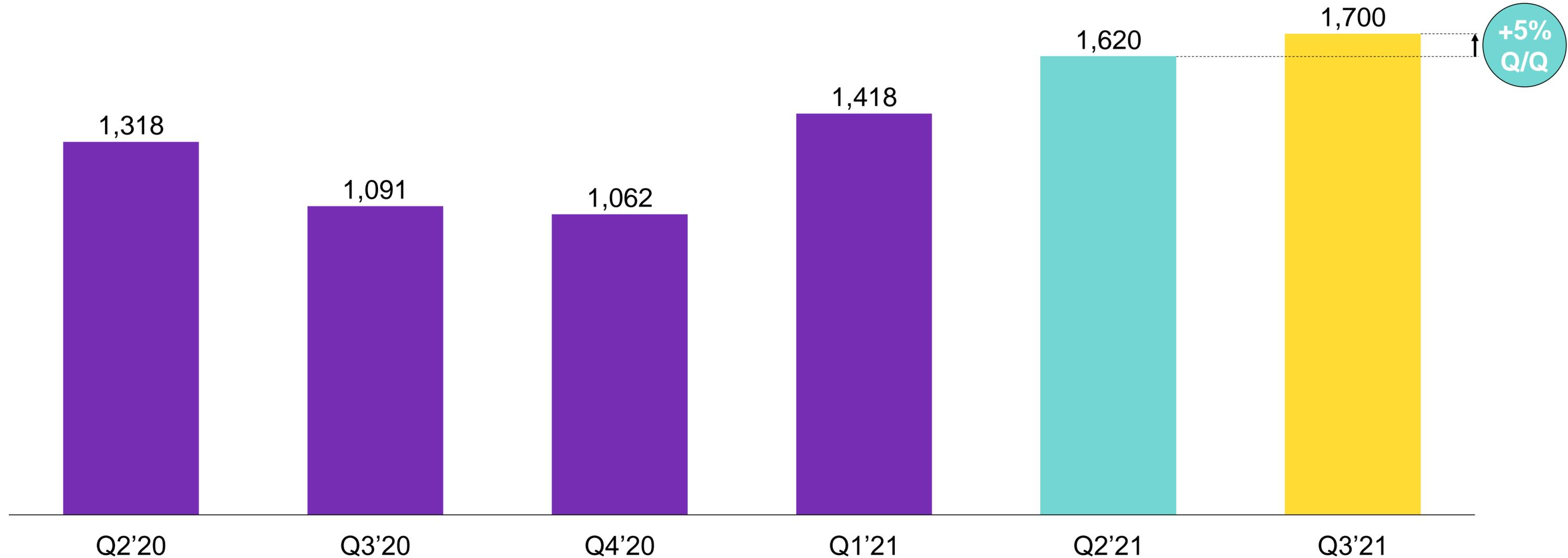
GF 22FDX™ platform is Auto Grade 1 qualified at Fab 1 in Dresden, Germany

GF set a "Journey to Zero Carbon" goal to reduce greenhouse gas emissions by 25% from 2020 to 2030

GF appointed Elissa Murphy to its Board of Directors. Ms. Murphy is currently a vice president of Engineering at Google, and previously served as the chief technology officer and executive vice president of Cloud Platforms at GoDaddy

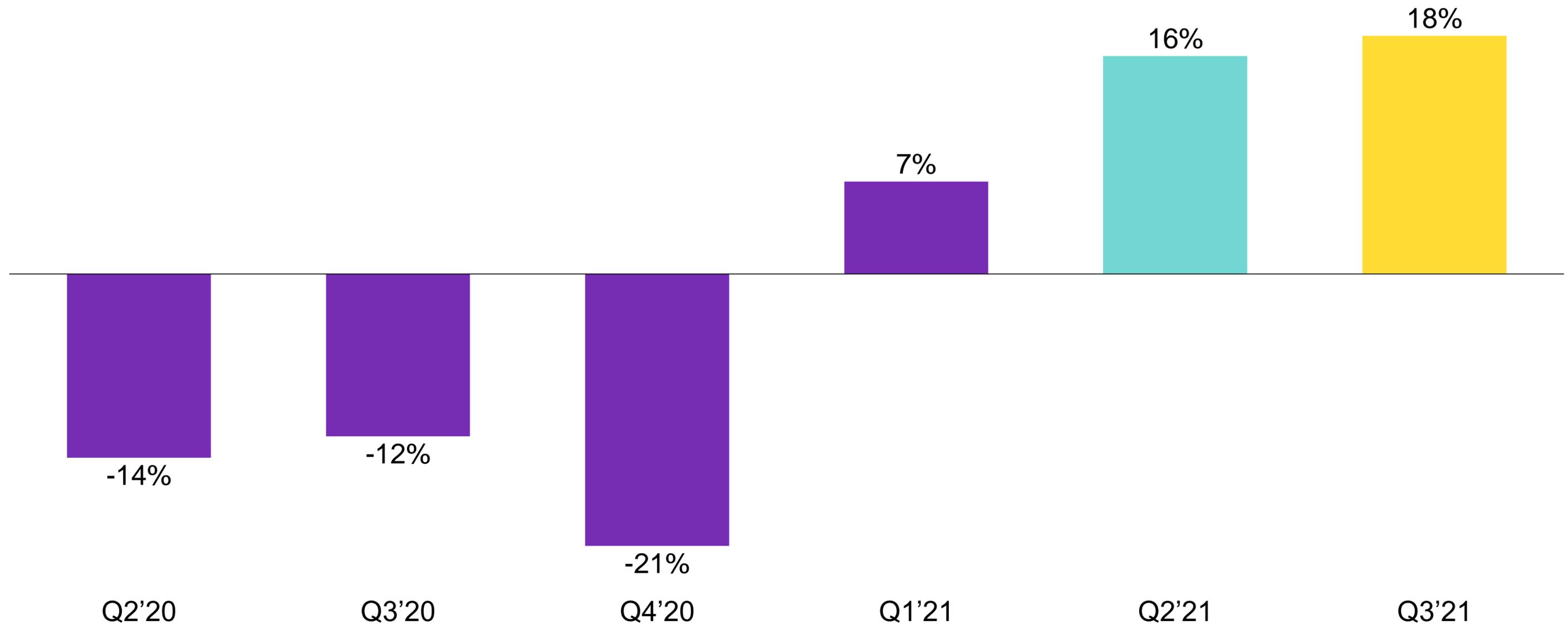
Growing Quarterly Revenue

(\$ in millions)¹



Note:
1. 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 periods ended September 30, 2020 and December 31, 2020 would have been an estimated \$309 million and \$501 million higher than reported results, respectively.

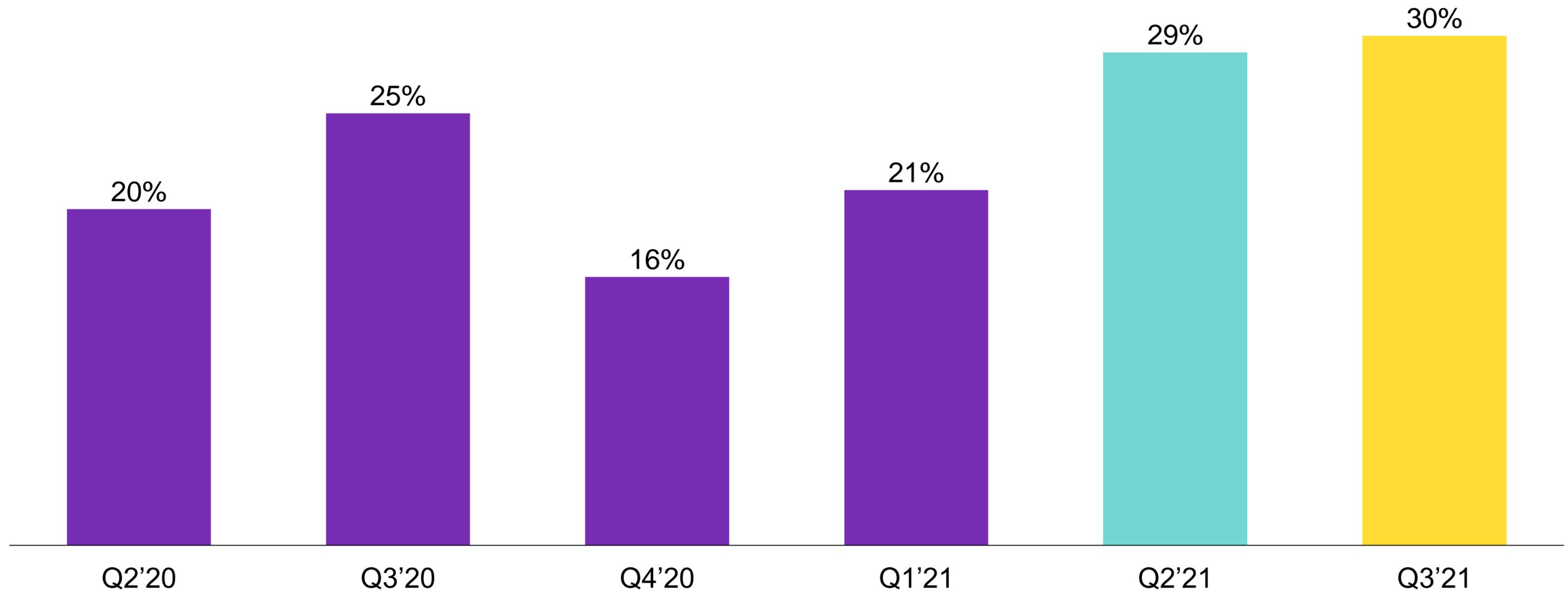
Expanding Adj. Gross Margins⁽¹⁾



Note:

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

Expanding Adj. EBITDA Margins⁽¹⁾



Note:

1. Adjusted EBITDA for particular period is defined as net income (loss), excluding the impact of interest expense, tax expense, depreciation, amortization, adjusted for share-based compensation expense, one-time transaction gains and associated expenses, one-time restructuring charges and litigation settlements. See Appendix for a reconciliation of non-IFRS metrics to IFRS metrics. Adjusted gross margin is adjusted EBITDA divided by revenue

Q3'21 Financial Summary

(\$ in millions, except per share data and wafer shipments)^{1, 2}

	<u>Q3'20</u>	<u>Q2'21</u>	<u>Q3'21</u>	<u>Year-over-year Q3'20 vs Q3'21</u>		<u>Sequential Q2'21 vs Q3'21</u>	
Revenue	\$1,091	\$1,620	\$1,700	\$609	56%	\$80	5%
Gross profit (loss)	(\$134)	\$231	\$300	\$434	325%	\$69	30%
Adjusted gross profit (loss)	(\$134)	\$267	\$306	\$440	329%	\$39	15%
<i>Adjusted gross margin</i>	(12%)	16%	18%		+3029bps		+155bps
Operating profit (loss)	(\$350)	(\$103)	\$52	\$402	115%	\$155	150%
Adjusted operating profit (loss)	(\$350)	\$41	\$81	\$431	123%	\$40	98%
<i>Adjusted operating margin</i>	(32%)	3%	5%		+3684bps		+224bps
Net income (loss)	(\$293)	(\$174)	\$5	\$299	102%	\$179	103%
Adjusted net income (loss)	(\$293)	(\$30)	\$34	\$328	112%	\$64	213%
<i>Adjusted net income (loss) margin</i>	(27%)	(2%)	2%		+2891bps		+386bps
Basic and diluted earnings per share (EPS)	(\$0.58)	(\$0.35)	\$0.01	\$0.59	102%	\$0.36	103%
Adjusted EPS	(\$0.58)	(\$0.06)	\$0.07	\$0.65	112%	\$0.13	217%
Adjusted EBITDA	\$275	\$466	\$505	\$230	84%	\$39	8%
<i>Adjusted EBITDA margin</i>	25%	29%	30%		+450bps		+96bps
Cash from operations	\$267	\$434	\$1,109	\$842	315%	\$675	156%
Wafer shipments (300MM Equivalent)	478	595	609	131	27%	14	2%

Note:

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2. Please see Appendix for a reconciliation of non-IFRS metrics to IFRS metrics. Adjusted gross margin is adjusted gross profit divided by revenue
3. Any discrepancies in totals or in percentages are due to rounding.

Q3'21 Revenue by End Market

(\$ in millions)¹

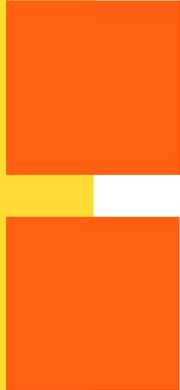
	<u>Q3'20</u>	<u>Q2'21</u>	<u>Q3'21</u>	<u>Year-over-year Q3'20 vs Q3'21</u>		<u>Sequential Q2'21 vs Q3'21</u>	
Smart Mobile Devices	\$587	\$847	\$849	\$262	45%	\$2	0%
Communications Infrastructure & Datacenter	\$213	\$228	\$285	\$72	34%	\$57	25%
Home and Industrial IOT	\$159	\$201	\$218	\$59	37%	\$17	8%
Automotive	\$22	\$61	\$103	\$81	368%	\$42	69%
Personal Computing	\$187	\$154	\$113	(\$74)	(40%)	(\$41)	(27%)
NWR/Corp	(\$77)	\$129	\$132	\$209	NM	\$3	2%
Revenue	\$1,091	\$1,620	\$1,700	\$609	56%	\$80	5%

Note:

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End Market Highlights

	 Smart Mobile Devices	 Communications Infrastructure & Datacenter	 Home and Industrial IoT	 Automotive	 Personal Computing
Q3'21 Rev.	\$849m	\$285m	\$218m	\$103m	\$113m
Y/Y	+45%	+34%	+37%	+368%	-40%
KEY HIGHLIGHTS	<p>Ramp of 2020 DWINs in Image sensor, 5G RF Front End and WiFi6e new markets</p> <p>Continued growth in Sub 6GHz market as 5G-enabled handsets expected to nearly double in 2021</p> <p>Higher GF Silicon content in 5G handsets.</p>	<p>GF customers increasing market share in the growing Datacenter market</p> <p>Broad-based strength from Enterprise and Datacenter Networking Communications customers</p> <p>Growth from customers exposed to the cellular infrastructure and RF Transceiver end markets</p>	<p>Ramp of key products in IoT in addition to increased ASPs from key customers for applications such as DTVs, WiFi and wireless payments</p> <p>Broad-based growth for microcontrollers (MCUs)</p>	<p>Ramp of new designs that have been in development and qualification for the past few years</p> <p>GF automotive solutions now going into a variety of automotive products such as in-vehicle comfort, safety and battery management solutions for EVs</p>	<p>Declining personal computing market SAM due to continued and expected transition of certain customer designs to lower nodes</p> <p>GF optimizing and prioritizing wafer capacity for higher profits and more durable demand from other end markets</p>



Q4'21 Guidance

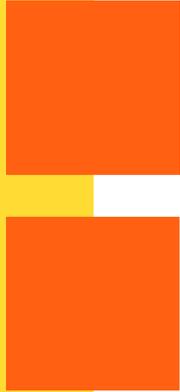
Key Q4'21 Guidance⁴

(\$ in millions, except per share data)

	Low-end	Mid-point	High-end
Revenue	\$1,800m	\$1,815m	\$1,830m
Adj. Gross Profit^(1,3)	\$344m	\$352m	\$359m
Adj. Operating Profit^(1,3)	\$92m	\$102m	\$112m
Adj. EBITDA^(2,3)	\$510m	\$520m	\$530m
Adj. EPS^(1,3)	\$0.09	\$0.11	\$0.13

Note:

- Adjusted gross profit (loss), operating profit (loss) and EPS for a particular period is defined as gross profit (loss), operating profit (loss) and EPS before share-based compensation expense, respectively
- Adjusted EBITDA is defined as net income (loss), excluding the impact of interest expense, tax expense, depreciation, amortization adjusted for share-based compensation expense, one-time transaction gains and associated expenses, one-time restructuring charges and litigation settlements
- Adjusted margins are defined as adjusted profit (loss) divided by revenue for a particular period (using definitions of adjusted gross profit, adjusted operating profit, and adjusted EBITDA)
- The guidance provided above contains a number of assumptions, is based on current plans and expectations and is subject to a number of known and unknown certainties and risks. The information presented here is forward-looking and reflects expectations as of November 30, 2021. We assume no obligation to update this statement. Results may be materially different and are affected by many factors detailed in our SEC filings. GF has not provided a reconciliation of its Fourth Quarter fiscal quarter outlook for non-IFRS gross margin, non-IFRS operating profit margin, non-IFRS EPS or Non-IFRS Adjusted EBITDA Margin because estimates of all of the reconciling items cannot be provided without unreasonable efforts. It is difficult to reasonably provide a forward-looking estimate between such forward-looking non-IFRS measures and the comparable forward-looking IFRS measures. 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.



Appendix: Summary Financials and Reconciliations

Quarterly P&L (1,2)

(\$ in millions)

	2020				2021		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Revenue	\$1,379	\$1,318	\$1,091	\$1,062	\$1,418	\$1,620	\$1,700
Adj. Gross Profit	(\$178)	(\$183)	(\$134)	(\$218)	\$99	\$267	\$306
<i>% Margin</i>	<i>(12.9%)</i>	<i>(13.9%)</i>	<i>(12.3%)</i>	<i>(20.6%)</i>	<i>7.0%</i>	<i>16.5%</i>	<i>18.0%</i>
Adj. Operating Income	(\$404)	(\$410)	(\$350)	(\$491)	(\$95)	\$41	\$81
<i>% Margin</i>	<i>(29.3%)</i>	<i>(31.1%)</i>	<i>(32.1%)</i>	<i>(46.2%)</i>	<i>(6.7%)</i>	<i>2.5%</i>	<i>4.8%</i>
Adj. Net Income	(\$297)	(\$236)	(\$293)	(\$524)	(\$127)	(\$30)	\$34
<i>% Margin</i>	<i>(21.5%)</i>	<i>(17.9%)</i>	<i>(26.9%)</i>	<i>(49.4%)</i>	<i>(9.0%)</i>	<i>(1.9%)</i>	<i>2.0%</i>
Adj. EPS	(\$0.59)	(\$0.47)	(\$0.58)	(\$1.05)	(\$0.25)	(\$0.06)	\$0.07
Adj. EBITDA	\$277	\$258	\$275	\$166	\$294	\$466	\$505
<i>% Margin</i>	<i>20.1%</i>	<i>19.6%</i>	<i>25.2%</i>	<i>15.7%</i>	<i>20.7%</i>	<i>28.7%</i>	<i>29.7%</i>

Note:

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2. Any discrepancies in totals or in percentages are due to rounding.

Quarterly Balance Sheet

(\$ in millions)

(in millions USD)	<u>December 31, 2020</u>	<u>September 30, 2021</u>
Assets:		
Cash and cash equivalents	\$908	\$1,019
Receivables, prepayments and other	1,159	1,059
Inventories	920	1,078
Current assets	\$2,987	3,156
Deferred tax assets	444	398
Property, plant, and equipment, net	8,226	8,466
Other assets	665	627
Noncurrent assets	9,335	9,491
Total assets	\$12,322	\$12,647
Liabilities and Equity:		
Current portion of long-term debt	\$382	\$371
Current portion of finance lease obligations	131	95
Other current liabilities	1,383	1,958
Current liabilities	1,896	2,424
Noncurrent portion of long-term debt	1,956	1,725
Noncurrent portion of finance lease obligations	333	350
Other liabilities	895	1,646
Noncurrent liabilities	3,184	3,721
Stockholders' Equity:		
Common stock/additional paid-in capital	11,718	11,887
Accumulated deficit	(15,219)	(15,512)
Loan from shareholder and other ²	10,743	10,127
Total liabilities and equity	\$12,322	\$12,647

Note:

- Any discrepancies in totals or in percentages are due to rounding.
- On October 3, 2021, GF executed the conversion of the entire Shareholder Loans balance of \$10,112,687 thousand under our loan facilities with Mubadala Investment Company PJSC into additional paid-in-capital, which did not have an impact on shares outstanding or have any dilutive effects, as no additional shares were issued.

Quarterly Cash Flow

(\$ in millions)

(in millions USD)	Three Months Ended	
	<u>September 30, 2020</u>	<u>September 30, 2021</u>
Cash Flows from Operating Activities:		
Net income (loss)	(\$293)	\$5
Depreciation and amortization	612	415
Finance expense, net	34	27
Deferred income taxes	(53)	20
Other non-cash operating activities	(58)	2
Change in net working capital	25	640
Net cash provided by operating activities	\$267	\$1,109
Cash Flows from Investing Activities:		
	-	
Purchases of property, plant, equipment, and intangible assets	(\$123)	(\$392)
Other investing activities	-	30
Net cash used in investing activities	(\$123)	(\$362)
Cash Flows from Financing Activities:		
Repayments of shareholder loan	\$0	(\$442)
Repayment of debt, net	(315)	(87)
Other financing activities	28	4
Net cash used in financing activities	(287)	(525)
Effect of exchange rate changes	3	(8)
Net decrease in cash and cash equivalents	(140)	214
Cash and cash equivalents at the beginning of the period	1,269	805
Cash and cash equivalents at the end of the period	\$1,129	\$1,019

Note:

1. Any discrepancies in totals or in percentages are due to rounding.

Quarterly IFRS to Non-IFRS reconciliations

(\$ in millions)

Adjusted Gross Profit (Loss)	2020				2021		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Gross profit (loss) for the period	(\$178)	(\$183)	(\$134)	(\$218)	\$99	\$231	\$300
Share based compensation	-	-	-	-	-	\$36	\$6
Adjusted gross profit (loss)	(\$178)	(\$183)	(\$134)	(\$218)	\$99	\$267	\$306
Revenue	\$1,379	\$1,318	\$1,091	\$1,062	\$1,418	\$1,620	\$1,700
Adjusted gross margin (%)	(12.9%)	(13.9%)	(12.3%)	(20.6%)	7.0%	16.5%	18.0%

Adjusted Operating Profit (Loss)	2020				2021		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Operating profit (loss) for the period	(\$404)	(\$411)	(\$350)	(\$491)	(\$95)	(\$103)	\$52
Share based compensation	-	-	-	-	-	\$144	\$29
Adjusted operating profit (loss)	(\$404)	(\$411)	(\$350)	(\$491)	(\$95)	\$41	\$81
Revenue	\$1,379	\$1,318	\$1,091	\$1,062	\$1,418	\$1,620	\$1,700
Adjusted operating margin (%)	(29.3%)	(31.2%)	(32.1%)	(46.2%)	(6.7%)	2.5%	4.8%

Adjusted Net Income (Loss)	2020				2021		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Net income (loss) for the period	(\$297)	(\$237)	(\$293)	(\$524)	(\$127)	(\$174)	\$5
Share based compensation	-	-	-	-	-	\$144	\$29
Adjusted net income (loss)	(\$297)	(\$237)	(\$293)	(\$524)	(\$127)	(\$30)	\$34
Shares outstanding	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Adjusted earnings per share	(\$0.59)	(\$0.47)	(\$0.58)	(\$1.05)	(\$0.25)	(\$0.06)	\$0.07

Note:

1. Any discrepancies in totals or in percentages are due to rounding.

Quarterly IFRS to Non-IFRS reconciliations

(\$ in millions)

Adjusted EBITDA	2020				2021		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Net Income (Loss) for the period	(\$297)	(\$237)	(\$293)	(\$524)	(\$127)	(\$174)	\$5
<i>Adjustments to net income (loss):</i>							
Depreciation and amortization	\$642	\$643	\$612	\$626	\$377	\$408	\$415
Finance expense	\$39	\$43	\$34	\$38	\$29	\$29	\$28
Income tax expense (benefit)	-	\$36	(\$56)	\$8	\$10	\$20	\$22
Share based compensation	-	\$1	-	-	-	\$144	\$29
Restructuring and corporate severance programs	\$3	-	\$2	\$11	\$5	\$5	\$2
(Gain) on transactions, legal settlements and transaction expenses	(\$110)	(\$228)	(\$24)	\$7	-	\$34	\$4
Adjusted EBITDA	\$277	\$258	\$275	\$166	\$294	\$466	\$505

Note:

1. Any discrepancies in totals or in percentages are due to rounding.



For further information, please contact:

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