



Amkor Technology, Inc. Q1 2023 Earnings Call

May 1, 2023

Presenter Introductions



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Officer



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Disclaimer

Non-GAAP Measures

This presentation contains certain measures that are not defined terms under U.S. generally accepted accounting principles (“GAAP”). These non-GAAP measures should not be considered in isolation or as a substitute for, or superior to, measures of liquidity or performance prepared in accordance with U.S. GAAP and may not be comparable to calculations of similarly titled measures by other companies. See the Appendix for a description of these financial measures and a reconciliation of all such non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures.

Forward-Looking Statement Disclaimer

This presentation contains forward-looking statements within the meaning of the federal securities laws. You are cautioned not to place undue reliance on forward-looking statements, which are often characterized by terminology such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” “continue,” or “intend,” by the negative of these terms or other comparable terminology or by discussions of strategy, plans or intentions. All forward-looking statements in this presentation are made based on our current expectations, forecasts, estimates and assumptions. Because such statements include risks and uncertainties, actual results may differ materially from those anticipated in such forward-looking statements as a result of various factors, including those set forth in our Annual Report on Form 10-K for the year ended December 31, 2022 (the “Form 10-K”) and from time to time in our other reports filed with or furnished to the Securities and Exchange Commission (“SEC”). You should carefully consider the trends, risks and uncertainties described in this presentation, the Form 10-K and other reports filed with or furnished to the SEC before making any investment decision with respect to our securities. If any of these trends, risks or uncertainties continues or occurs, our business, financial condition or operating results could be materially and adversely affected, the trading prices of our securities could decline, and you could lose part or all of your investment. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by this cautionary statement. We assume no obligation to review or update any forward-looking statements to reflect events or circumstances occurring after the date of this presentation, except as may be required by applicable law.



Business Highlights and Industry Trends

Giel Rutten | President and
Chief Executive Officer

Q1 2023 Highlights



\$1.47B
Revenue



First quarter revenue and EPS above the midpoint of guidance



Automotive and Industrial revenue up 14% YoY



Communications revenue up 2% YoY

Q1 2023 End Markets



Communications

- ▶ Revenue up 2% YoY
- ▶ Advanced SiP growth
- ▶ Strong footprint throughout premium tier smartphones



Automotive and Industrial

- ▶ Revenue up 14% YoY
- ▶ Growth in Advanced packaging
- ▶ Continued expansion of semiconductor content per vehicle



Consumer

- ▶ Revenue down 43% YoY
- ▶ Multiple near-term headwinds
- ▶ Advanced SiP pipeline for IoT devices



Computing

- ▶ Revenue down 17% YoY
- ▶ Weakness in PC and Storage
- ▶ AI and Datacenter driving innovation in Advanced packaging

Amkor and Industry Trends



Manufacturing Organization

- ▶ Continued operational excellence and supply reliability
- ▶ Focus on cost control



Outlook⁽¹⁾

- ▶ Q2 revenue of \$1.475B
- ▶ Revenue flat sequentially



Diversified Geographic Footprint

- ▶ Provides customers multiple options to diversify their supply chains
- ▶ Vietnam on track for high volume production by year end
- ▶ Europe expansion and active exploration in U.S.

See corresponding endnotes on slide 19.



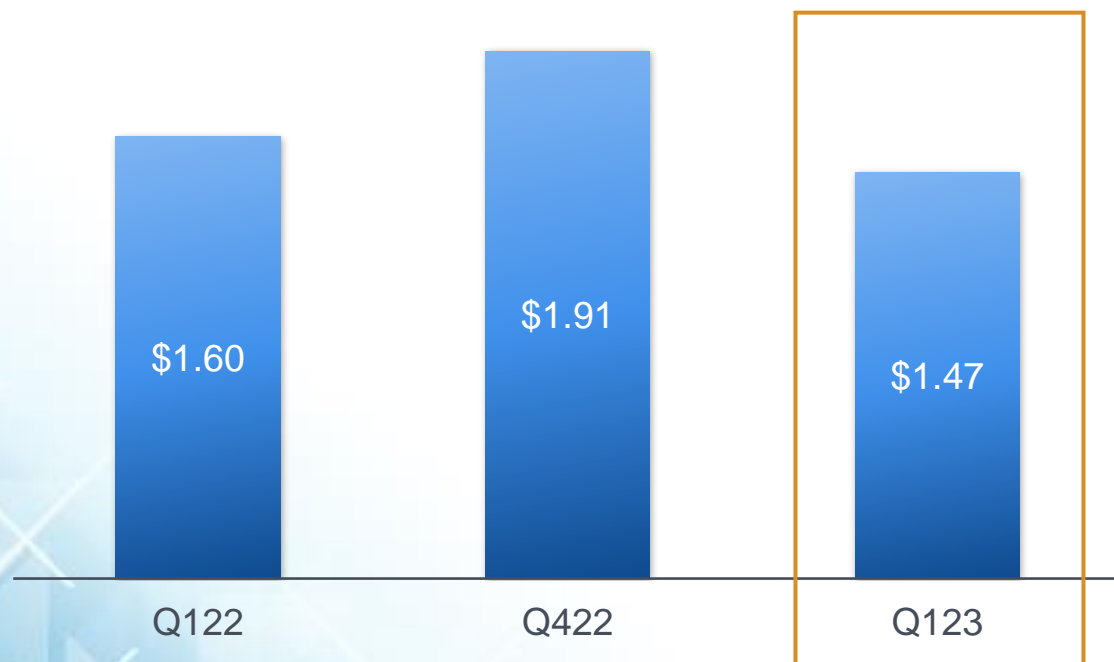
Financial Results and Outlook

Megan Faust | Executive Vice President and
Chief Financial Officer

Revenue and Gross Profit

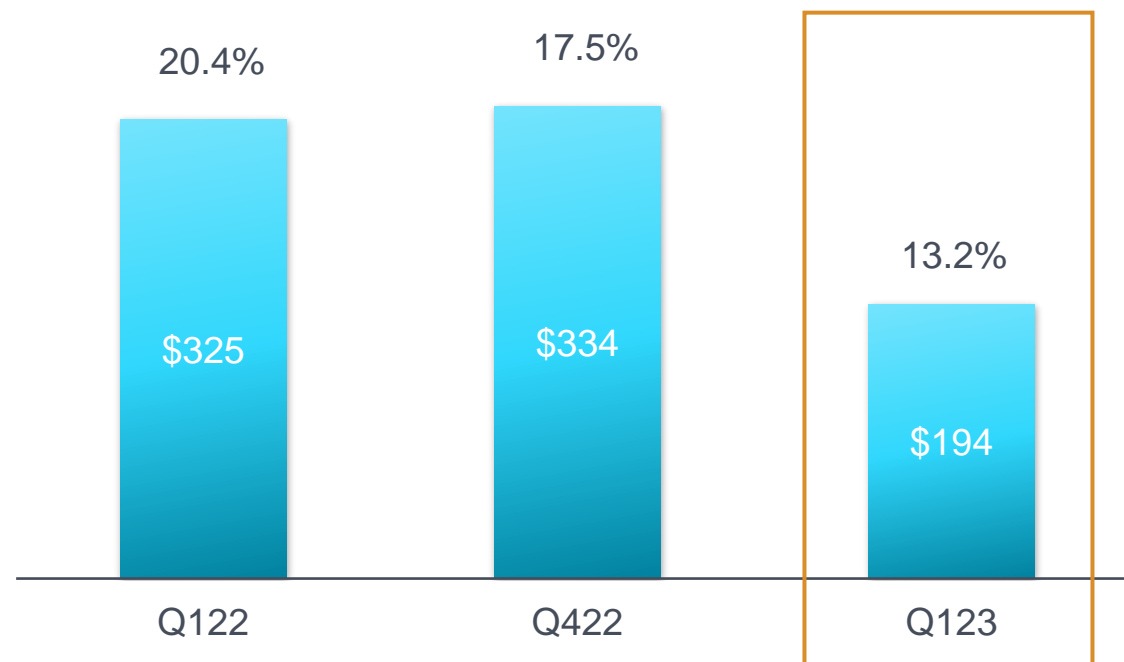
Revenue

(\$ in billions)



Gross Profit and Margin %

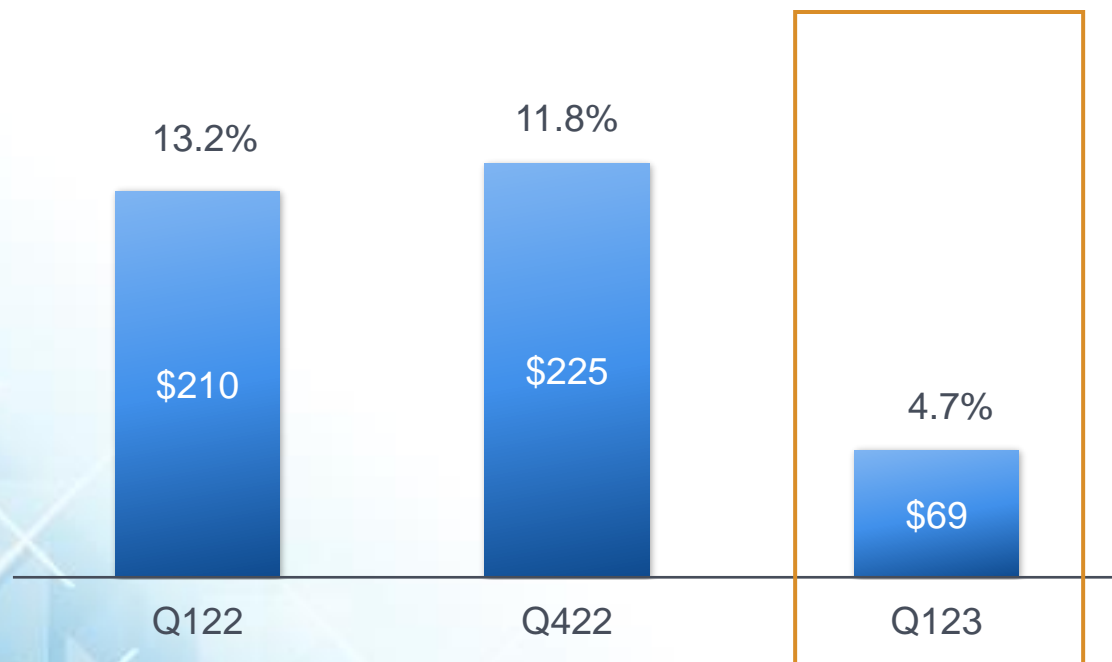
(\$ in millions)



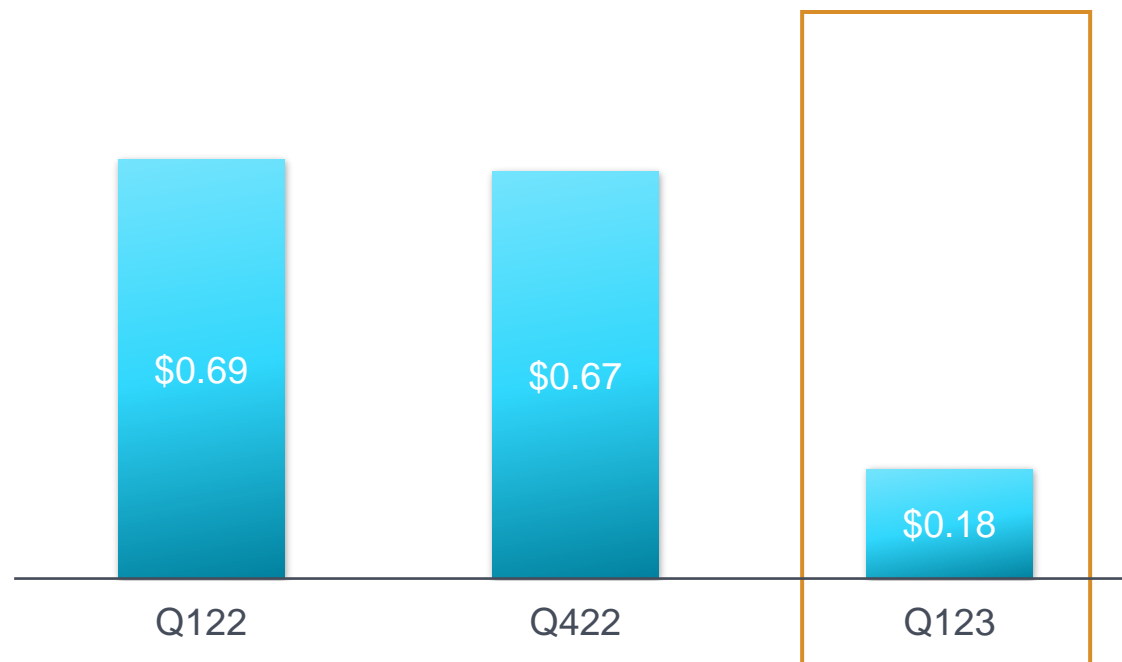
Operating Income and EPS

Operating Income and Margin %

(\$ in millions)



Earnings Per Share



Financial Strength

As of and for the quarter ended March 31, 2023



EBITDA*

- ▶ \$229 million
- ▶ EBITDA margin 15.6%



Cash & Short-Term Investments

- ▶ \$1.3 billion
- ▶ Invest in the future



Liquidity⁽²⁾

- ▶ \$1.9 billion
- ▶ Solid financial position



Total Debt

- ▶ \$1.2 billion
- ▶ Debt to EBITDA* 0.9x

See corresponding endnotes on slide 19.

*See discussion of non-GAAP measures on slide 18 and the reconciliation to the most directly comparable GAAP measure on slide 17.

Q2 2023 Guidance

As of May 1, 2023⁽¹⁾



\$1.425B-\$1.525B

Net Sales



12.0%-14.0%

Gross Margin



\$30M-\$70M

Net Income



\$0.12-\$0.28

Earnings per
Diluted Share

See corresponding endnotes on slide 19.

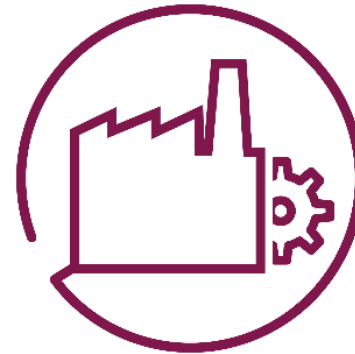
Q+A

Well Positioned to Outperform the Market



Key Messages

- ▶ Macroeconomic conditions remain challenging, business expected to improve in 2H23
- ▶ Secular growth drivers for the semiconductor industry remain in place
- ▶ Strategic focus positions us to outperform market



\$800M

FY 2023
CapEx⁽¹⁾



\$1.425B-\$1.525B

Q2 2023 Revenue
Guidance⁽¹⁾

See corresponding endnotes on slide 19.



Enabling the Future

Visit us at amkor.com





Appendix

Financial Reconciliation Tables

<i>(\$ in millions)</i>	Q123
Net Income	\$45
Plus: Interest Expense	16
Plus: Income Tax Expense	11
Plus: Depreciation & Amortization	157
EBITDA*	\$229
Revenue	\$1,472
Net Income Margin	3.1%
EBITDA Margin*	15.6%
Total Debt	\$1,197
TTM Net Income	\$641
Debt/Net Income Ratio	1.9
TTM EBITDA*	\$1,394
Debt/EBITDA Ratio*	0.9

*See discussion of Non-GAAP measures on slide 18.

Non-GAAP Measures

Generally, a non-GAAP financial measure is a numerical measure of a company's performance, financial position or cash flows that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with U.S. GAAP.

In this presentation we refer to EBITDA, EBITDA margin, and a debt/EBITDA ratio, which are not defined by U.S. GAAP. We define EBITDA as net income before interest expense, income tax expense and depreciation and amortization. EBITDA margin is calculated by dividing EBITDA by Revenue for the period. We define the debt/EBITDA ratio as total debt divided by the trailing twelve months EBITDA. We believe EBITDA, EBITDA margin, and debt/EBITDA to be relevant and useful information to our investors because they provide additional information in assessing our financial operating results. Our management uses EBITDA in evaluating our operating performance, our ability to service debt and our ability to fund capital expenditures. However, EBITDA has certain limitations in that it does not reflect the impact of certain expenses on our consolidated statements of income, including interest expense, which is a necessary element of our costs because we have borrowed money in order to finance our operations, income tax expense, which is a necessary element of our costs because taxes are imposed by law, and depreciation and amortization, which is a necessary element of our costs because we use capital assets to generate income. EBITDA, EBITDA margin, and debt/EBITDA should be considered in addition to, and not as a substitute for, or superior to, operating income, net income, net income margin, debt/net income or other measures of financial performance prepared in accordance with U.S. GAAP. Furthermore, our definition of EBITDA may not be comparable to similarly titled measures reported by other companies. Please see slide 17 for the reconciliation of all non-GAAP measures to the most directly comparable U.S. GAAP measures.

Endnotes

1. This financial guidance is from our May 1, 2023 earnings release and is reproduced here for convenience of reference only. This reference is not intended, and should not be relied upon, as a reaffirmation or other commentary with respect to such financial guidance. Please see slide 3.
2. Liquidity is defined as the sum of cash and cash equivalents, short-term investments and availability under our debt arrangements.