



Amkor Technology, Inc. Q1 2024 Earnings Call

April 29, 2024

Presenter Introductions



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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, 2023 (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 2024 Highlights



\$1.37B Revenue



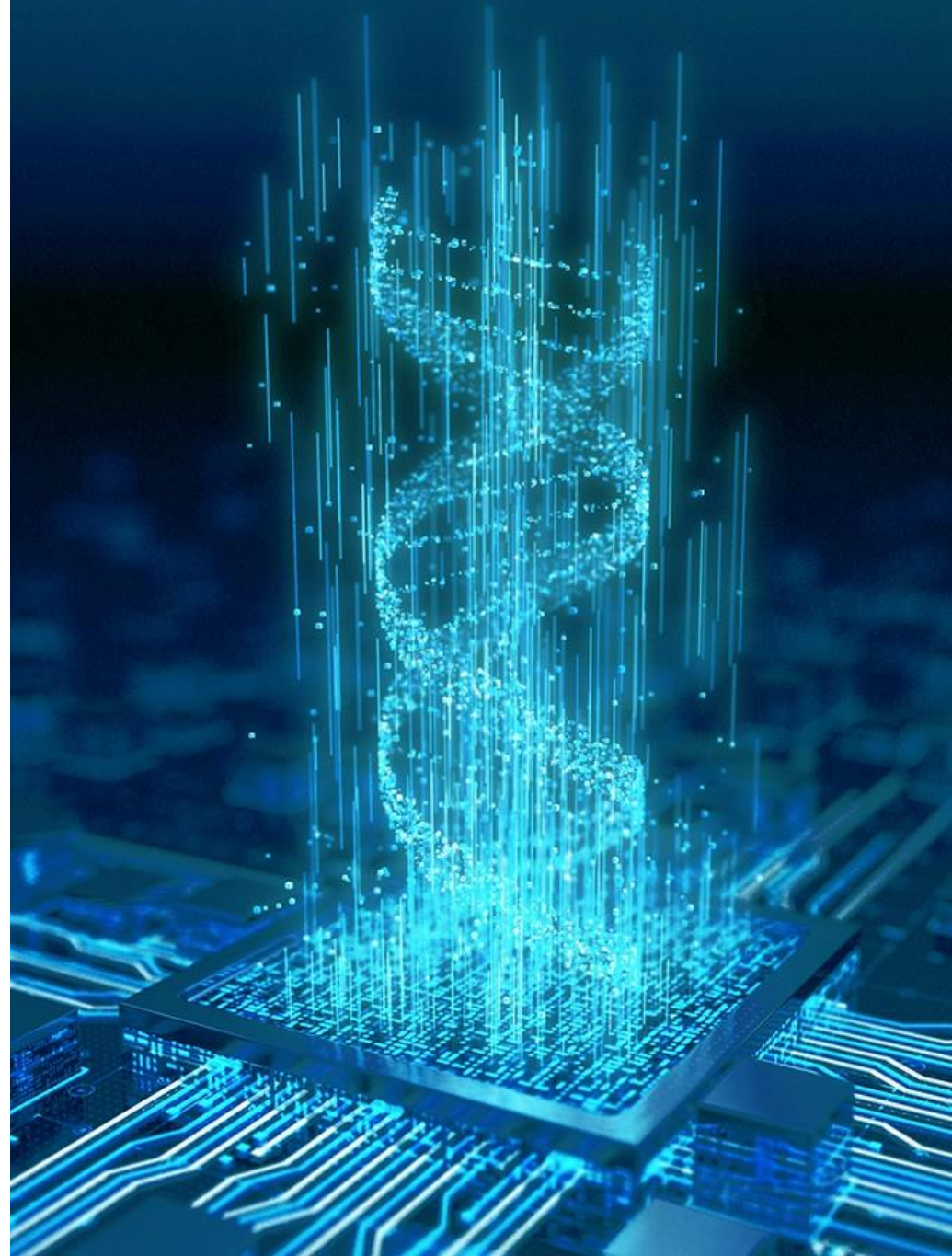
EPS of \$0.24



Performance in line with expectations



Low point of cycle for revenue



Q1 2024 End Markets



Communications

- ▶ Revenue down 3% YoY
- ▶ Larger than seasonal iOS correction
- ▶ Improvement in Android and NAND



Automotive and Industrial

- ▶ Revenue down 22% YoY
- ▶ Broad based inventory control
- ▶ Expanded engagements with industry leaders in Europe and Japan



Computing

- ▶ Revenue down 4% YoY
- ▶ Slow recovery of traditional servers
- ▶ Strong 2.5D AI demand and new product introductions for ARM PCs



Consumer

- ▶ Revenue up 6% YoY
- ▶ Increased demand for IoT wearables
- ▶ Advanced SiP ramp on track for high volume production in 2H

Elevating our Leadership Position



Manufacturing Organization

- ▶ Continued operational excellence and supply reliability
- ▶ Disciplined cost management



Outlook⁽¹⁾

- ▶ Q2 revenue of \$1.45B
- ▶ Revenue up 6% sequentially, flat year on year
- ▶ Strong 2H outlook



Strengthened Global Manufacturing Footprint

- ▶ Optimizing 2.5D capacity in Korea
- ▶ Qualifying Advanced SiP and Memory programs in Vietnam
- ▶ Progressed plans to build U.S. Advanced Packaging and Test facility in Arizona



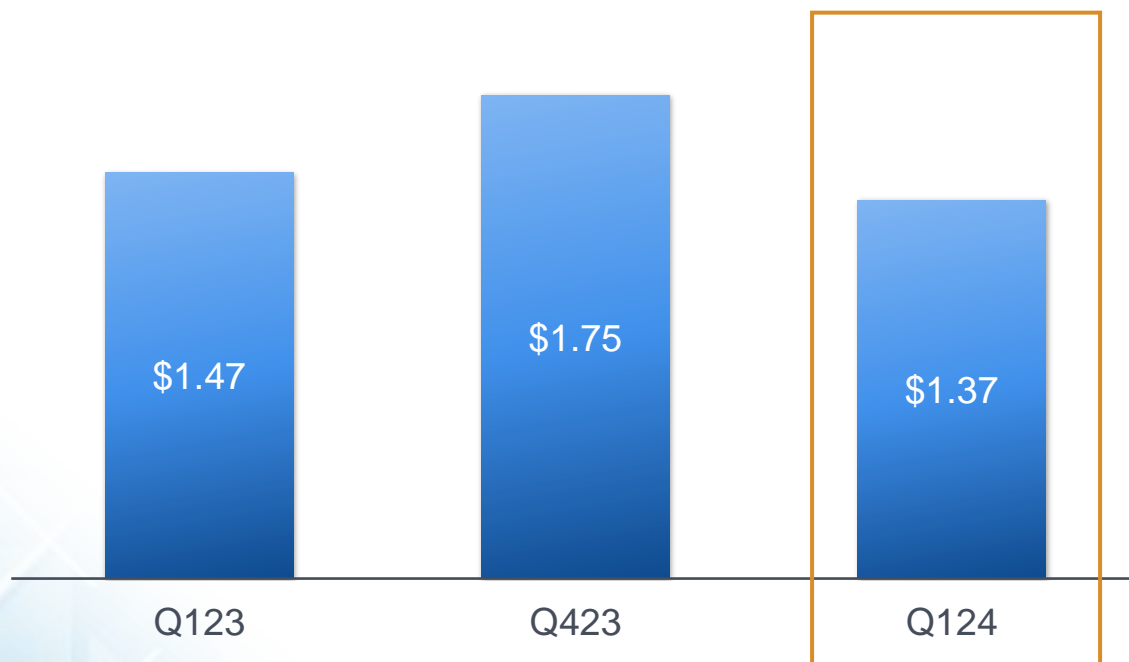
Financial Results and Outlook

Megan Faust | Executive Vice President and
Chief Financial Officer

Revenue and Gross Profit

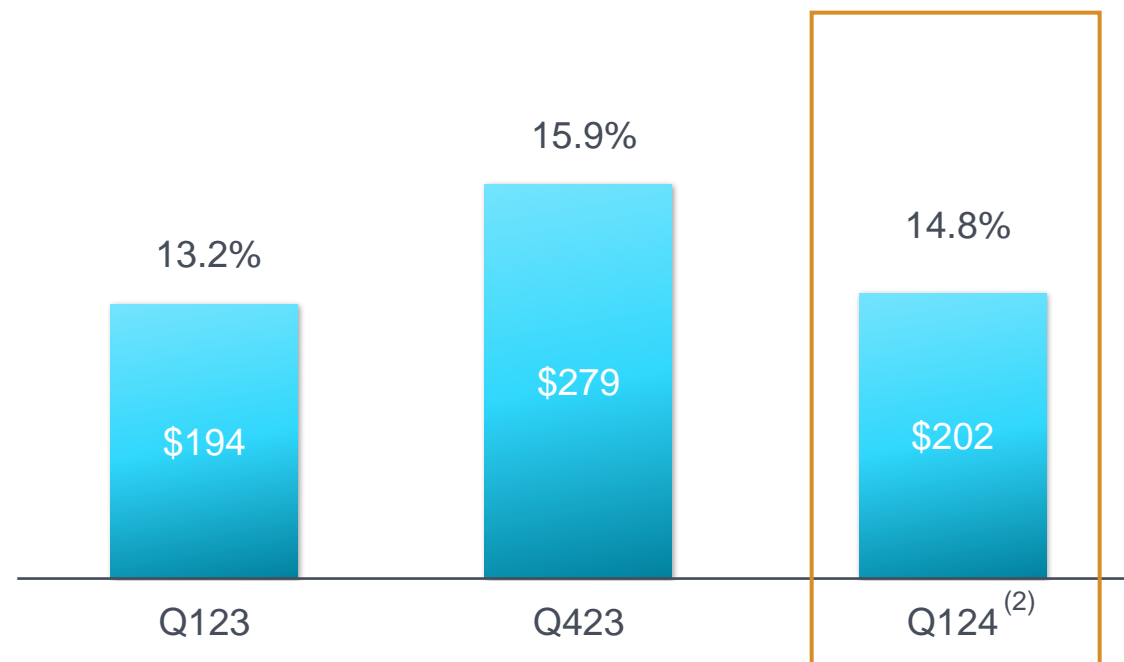
Revenue

(\$ in billions)



Gross Profit and Margin %

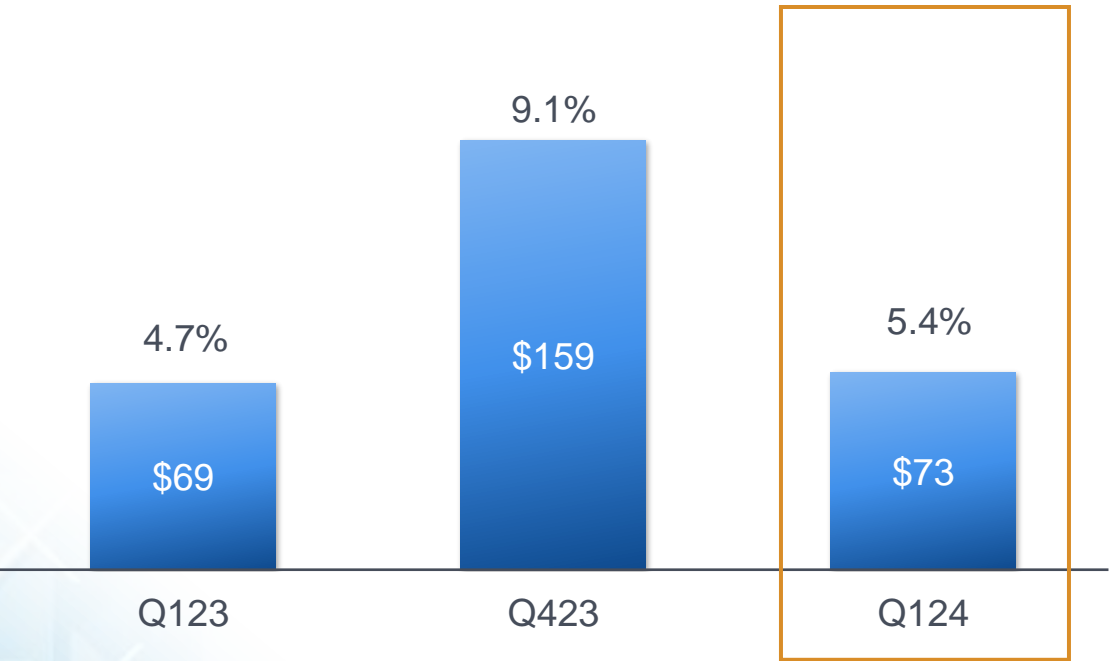
(\$ in millions)



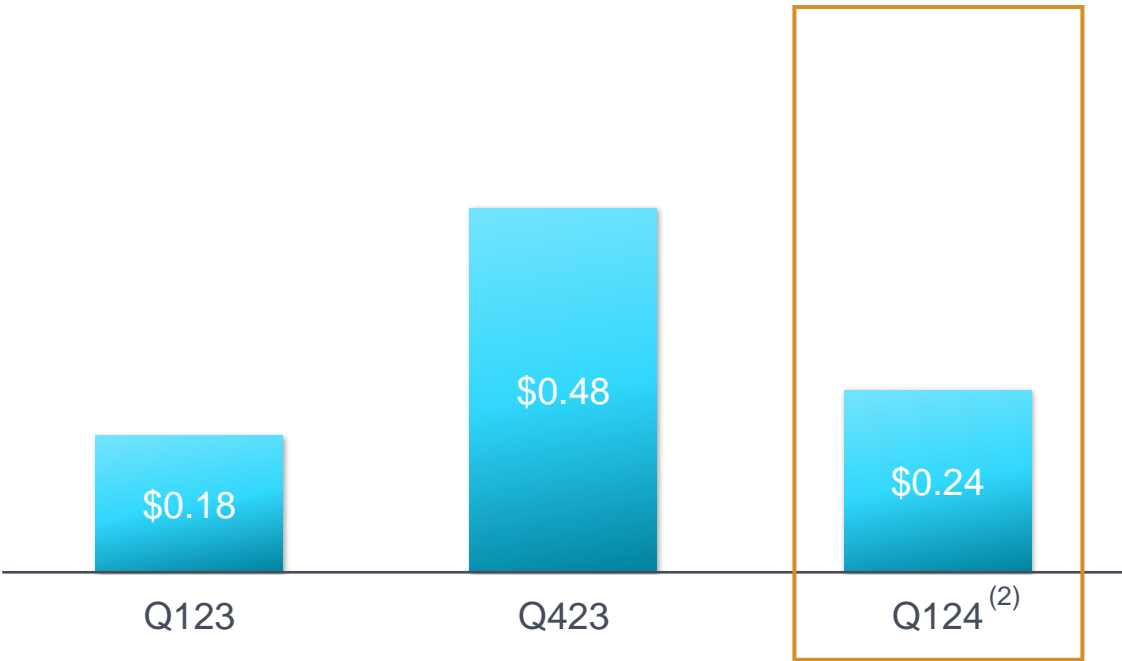
Operating Income and EPS

Operating Income and Margin %

(\$ in millions)



Earnings Per Share



Financial Strength

As of and for the quarter ended March 31, 2024



EBITDA*

- ▶ \$233 million
- ▶ EBITDA margin* 17.1%



Cash & Short-Term Investments

- ▶ \$1.6 billion
- ▶ Invest in capacity and technology



Liquidity⁽³⁾

- ▶ \$2.2 billion
- ▶ Solid financial position

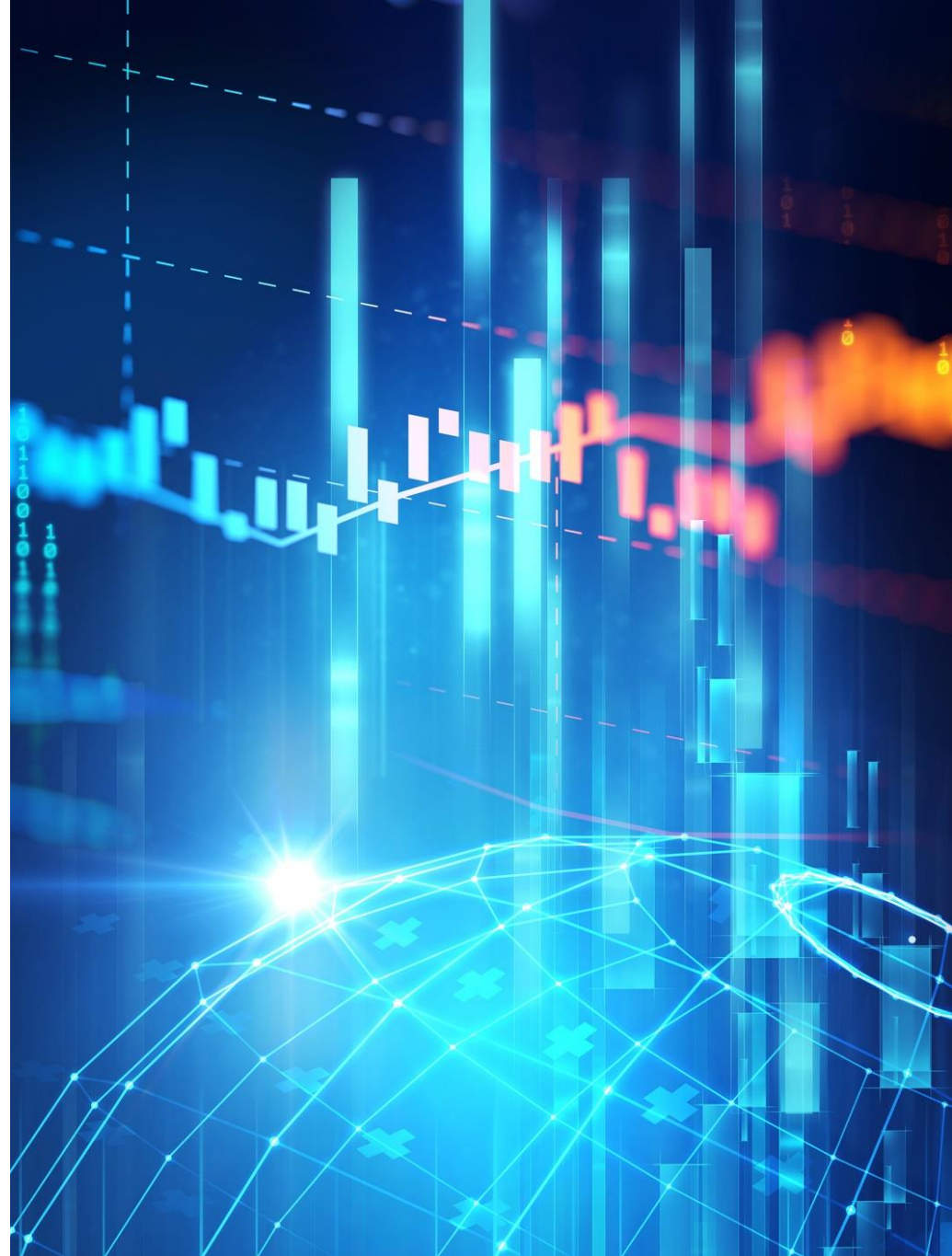


Total Debt

- ▶ \$1.2 billion
- ▶ Debt to EBITDA* 1.0x

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.
Debt to EBITDA on this slide represents Debt to TTM EBITDA.



Q2 2024 Guidance

As of April 29, 2024⁽¹⁾



\$1.40B-\$1.50B

Net Sales



13.0%-15.0%

Gross Margin



\$35M-\$75M

Net Income



\$0.14-\$0.30

Earnings per
Diluted Share

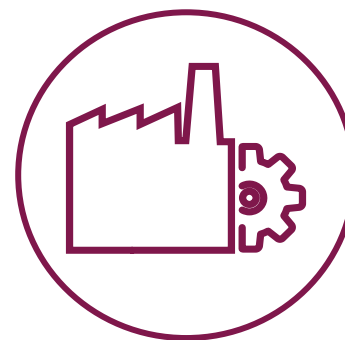
Q & A

Positioned for Growth



Key Messages

- ▶ Q1 marks low point of cycle for revenue
- ▶ Strong 2H outlook
- ▶ Executing on our three strategic pillars to elevate our leadership position



\$750M

FY 2024
CapEx⁽¹⁾



\$1.40B-\$1.50B

Q2 2024 Revenue
Guidance⁽¹⁾



Enabling the Future

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Appendix

Financial Reconciliation Tables

<i>(\$ in millions)</i>	Q124⁽²⁾
Net Income	\$60
Plus: Interest Expense	16
Plus: Income Tax Expense	12
Plus: Depreciation & Amortization	145
EBITDA*	\$233
Revenue	\$1,366
Net Income Margin	4.4%
EBITDA Margin*	17.1%
Total Debt	\$1,151
TTM Net Income	\$377
Debt/Net Income Ratio	3.1
TTM EBITDA*	\$1,139
Debt/EBITDA Ratio*	1.0

See corresponding endnotes on slide 19.

*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 Debt to EBITDA, 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. Debt to EBITDA is calculated by dividing Total Debt by EBITDA for the trailing 12 months. We believe EBITDA, EBITDA Margin, and Debt to 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, EBITDA Margin, and Debt to EBITDA in evaluating our operating performance, our ability to service debt and our ability to fund capital expenditures. However, EBITDA, EBITDA Margin, and Debt to EBITDA have certain limitations in that they do 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 to EBITDA should be considered in addition to, and not as a substitute for, or superior to, operating income, net income, net income margin, debt to 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 to the most directly comparable U.S. GAAP measures.

Endnotes

1. This financial guidance is from our April 29, 2024 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. We periodically assess the estimated useful lives of our property, plant and equipment. Based on our assessment of test equipment and its increased interchangeability enabling broader and longer use, we extended the estimated useful lives of test equipment from five years to seven years as of January 1, 2024. As a result, the reduction in depreciation expense of approximately \$15 million benefited net income and diluted earnings per share by approximately \$13 million and \$0.05 for the first quarter of 2024, respectively. In addition, the reduction in depreciation expense benefited our gross margin by approximately 100 basis points.
3. Liquidity is defined as the sum of cash and cash equivalents, short-term investments and availability under our debt arrangements.