
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)

May 1, 2023

AMKOR TECHNOLOGY, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of
Incorporation)

000-29472

(Commission File Number)

23-1722724

(IRS Employer Identification No.)

2045 EAST INNOVATION CIRCLE
TEMPE, AZ 85284

(Address of principal executive offices, including zip code)

(480) 821-5000

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of Each Class | Trading Symbol | Name of Each Exchange on Which Registered |
|---------------------------------|----------------|---|
| Common Stock, \$0.001 par value | AMKR | The NASDAQ Global Select Market |

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition

On May 1, 2023, Amkor Technology, Inc. announced in a press release its financial performance for the three months ended March 31, 2023. The information in this Current Report on Form 8-K, including the exhibit attached hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to liability under that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

| Exhibit | Description |
|----------------------|---|
| 99.1 | Press Release dated May 1, 2023, which is furnished (not filed) herewith. |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMKOR TECHNOLOGY, INC.

By: /s/ Megan Faust

Megan Faust

Executive Vice President, Chief Financial Officer and Treasurer

Date: May 1, 2023



Amkor Technology Reports Financial Results for the First Quarter 2023

TEMPE, Ariz. -- May 1, 2023 -- Amkor Technology, Inc. (Nasdaq: AMKR), a leading provider of semiconductor packaging and test services, today announced financial results for the first quarter ended March 31, 2023.

First Quarter 2023 Highlights

- Net sales \$1.5 billion
- Gross profit \$194 million, operating income \$69 million
- Net income \$45 million, earnings per diluted share \$0.18
- EBITDA \$229 million

"Amkor delivered revenue and profitability above the midpoint of guidance. Revenue in the Automotive and Industrial end market grew 14% year-on-year, and revenue in the Communications end market grew 2% year-on-year, reflecting our strong leadership in Advanced packaging," said Giel Rutten, Amkor's president and chief executive officer. "We are confident that the secular growth drivers for the industry remain in place and will drive growth beyond the current cycle. With our leading technology portfolio and diversified manufacturing and end market footprint, Amkor is well positioned to outperform the semiconductor market."

Quarterly Financial Results

| (\$ in millions, except per share data) | Q1 2023 | Q4 2022 | Q1 2022 |
|---|---------|---------|---------|
| Net sales | \$1,472 | \$1,906 | \$1,597 |
| Gross margin | 13.2% | 17.5% | 20.4% |
| Operating income | \$69 | \$225 | \$210 |
| Operating income margin | 4.7% | 11.8% | 13.2% |
| Net income attributable to Amkor | \$45 | \$164 | \$171 |
| Earnings per diluted share | \$0.18 | \$0.67 | \$0.69 |
| EBITDA (1) | \$229 | \$382 | \$363 |

(1) EBITDA is a non-GAAP measure. The reconciliation to the comparable GAAP measure is included below under "Selected Operating Data."

At March 31, 2023, total cash and short-term investments was \$1.3 billion, and total debt was \$1.2 billion.

The company paid a quarterly dividend of \$0.075 per share on March 20, 2023. The declaration and payment of future dividends, as well as any record and payment dates, are subject to the approval of the Board of Directors.

Business Outlook

The following information presents Amkor's guidance for the second quarter 2023 (unless otherwise noted):

- Net sales of \$1.425 billion to \$1.525 billion
- Gross margin of 12.0% to 14.0%
- Net income of \$30 million to \$70 million, or \$0.12 to \$0.28 per diluted share
- Full year 2023 capital expenditures of approximately \$800 million

Conference Call Information

Amkor will conduct a conference call on Monday, May 1, 2023, at 5:00 p.m. Eastern Time. This call may include material information not included in this press release. To access the live audio webcast and the accompanying slide presentation, visit the Investor Relations section of Amkor's website, located at ir.amkor.com. The live call can also be accessed by dialing 1-877-407-4019 or 1-201-689-8337.

About Amkor Technology, Inc.

Amkor Technology, Inc. is one of the world's largest providers of outsourced semiconductor packaging and test services. Founded in 1968, Amkor pioneered the outsourcing of IC packaging and test and is now a strategic manufacturing partner for the world's leading semiconductor companies, foundries and electronics OEMs. Amkor's operational base includes production facilities, product development centers, and sales and support offices located in key electronics manufacturing regions in Asia, Europe and the USA. For more information visit amkor.com.

Jennifer Jue
Vice President, Investor Relations and Finance
480-786-7594
jennifer.jue@amkor.com

AMKOR TECHNOLOGY, INC.
Selected Operating Data

| | Q1 2023 | Q4 2022 | Q1 2022 |
|--|-----------------|-----------------|-----------------|
| Net Sales Data: | | | |
| Net sales (in millions): | | | |
| Advanced products (1) | \$ 1,068 | \$ 1,488 | \$ 1,157 |
| Mainstream products (2) | 404 | 418 | 440 |
| Total net sales | <u>\$ 1,472</u> | <u>\$ 1,906</u> | <u>\$ 1,597</u> |
| Packaging services | 88 % | 88 % | 86 % |
| Test services | 12 % | 12 % | 14 % |
| Net sales from top ten customers | 66 % | 67 % | 64 % |
| End Market Distribution Data: | | | |
| Communications (smartphones, tablets) | 45 % | 50 % | 41 % |
| Automotive, industrial and other (ADAS, electrification, infotainment, safety) | 26 % | 20 % | 21 % |
| Consumer (AR & gaming, connected home, home electronics, wearables) | 12 % | 17 % | 19 % |
| Computing (data center, infrastructure, PC/laptop, storage) | 17 % | 13 % | 19 % |
| Total | <u>100 %</u> | <u>100 %</u> | <u>100 %</u> |
| Gross Margin Data: | | | |
| Net sales | 100.0 % | 100.0 % | 100.0 % |
| Cost of sales: | | | |
| Materials | 52.9 % | 55.1 % | 46.7 % |
| Labor | 11.3 % | 9.0 % | 11.5 % |
| Other manufacturing | 22.6 % | 18.4 % | 21.4 % |
| Gross margin | <u>13.2 %</u> | <u>17.5 %</u> | <u>20.4 %</u> |

(1) Advanced products include flip chip, memory and wafer-level processing and related test services.

(2) Mainstream products include all other wirebond packaging and related test services.

AMKOR TECHNOLOGY, INC.
Selected Operating Data

In this press release, we refer to EBITDA, which is not defined by U.S. GAAP. We define EBITDA as net income before interest expense, income tax expense and depreciation and amortization. We believe EBITDA to be relevant and useful information to our investors because it provides additional information in assessing our financial operating results. Our management uses EBITDA in evaluating our operating performance, and our ability to service debt, and our ability to fund capital expenditures and pay dividends. 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 should be considered in addition to, and not as a substitute for, or superior to, operating income, 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. Below is our reconciliation of EBITDA to U.S. GAAP net income.

Non-GAAP Financial Measure Reconciliation:

| (in millions) | Q1 2023 | Q4 2022 | Q1 2022 |
|-----------------------------------|---------------|---------------|---------------|
| EBITDA Data: | | | |
| Net income | \$ 45 | \$ 164 | \$ 171 |
| Plus: Interest expense | 16 | 15 | 14 |
| Plus: Income tax expense | 11 | 46 | 30 |
| Plus: Depreciation & amortization | 157 | 157 | 148 |
| EBITDA | <u>\$ 229</u> | <u>\$ 382</u> | <u>\$ 363</u> |

AMKOR TECHNOLOGY, INC.
CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share data)
(Unaudited)

| | For the Three Months Ended March 31, | |
|---|--------------------------------------|-------------------|
| | 2023 | 2022 |
| Net sales | \$ 1,471,539 | \$ 1,596,816 |
| Cost of sales | 1,277,118 | 1,271,486 |
| Gross profit | 194,421 | 325,330 |
| Selling, general and administrative | 78,671 | 76,959 |
| Research and development | 47,047 | 38,363 |
| Total operating expenses | 125,718 | 115,322 |
| Operating income | 68,703 | 210,008 |
| Interest expense | 16,167 | 14,148 |
| Other (income) expense, net | (3,552) | (5,096) |
| Total other expense, net | 12,615 | 9,052 |
| Income before taxes | 56,088 | 200,956 |
| Income tax expense | 10,864 | 29,728 |
| Net income | 45,224 | 171,228 |
| Net loss (income) attributable to non-controlling interests | 127 | (565) |
| Net income attributable to Amkor | <u>\$ 45,351</u> | <u>\$ 170,663</u> |
| Net income attributable to Amkor per common share: | | |
| Basic | <u>\$ 0.18</u> | <u>\$ 0.70</u> |
| Diluted | <u>\$ 0.18</u> | <u>\$ 0.69</u> |
| Shares used in computing per common share amounts: | | |
| Basic | 245,330 | 244,403 |
| Diluted | 247,087 | 246,000 |

AMKOR TECHNOLOGY, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands)
(Unaudited)

| | March 31, 2023 | December 31, 2022 |
|---|----------------|-------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 909,802 | \$ 959,072 |
| Short-term investments | 341,822 | 281,964 |
| Accounts receivable, net of allowances | 1,165,240 | 1,365,504 |
| Inventories | 568,565 | 629,576 |
| Other current assets | 48,174 | 65,123 |
| Total current assets | 3,033,603 | 3,301,239 |
| Property, plant and equipment, net | 3,185,278 | 3,135,614 |
| Operating lease right of use assets | 152,650 | 171,163 |
| Goodwill | 21,235 | 21,517 |
| Restricted cash | 3,497 | 3,334 |
| Other assets | 185,528 | 188,890 |
| Total assets | \$ 6,581,791 | \$ 6,821,757 |
| LIABILITIES AND EQUITY | | |
| Current liabilities: | | |
| Short-term borrowings and current portion of long-term debt | \$ 137,469 | \$ 143,813 |
| Trade accounts payable | 666,615 | 899,164 |
| Capital expenditures payable | 228,056 | 146,602 |
| Short-term operating lease liability | 64,235 | 70,991 |
| Accrued expenses | 361,174 | 401,841 |
| Total current liabilities | 1,457,549 | 1,662,411 |
| Long-term debt | 1,059,997 | 1,088,521 |
| Pension and severance obligations | 91,359 | 93,540 |
| Long-term operating lease liabilities | 63,278 | 75,745 |
| Other non-current liabilities | 182,445 | 201,839 |
| Total liabilities | 2,854,628 | 3,122,056 |
| Stockholders' equity: | | |
| Preferred stock | — | — |
| Common stock | 292 | 291 |
| Additional paid-in capital | 2,001,575 | 1,996,344 |
| Retained earnings | 1,901,569 | 1,874,644 |
| Accumulated other comprehensive income (loss) | 15,090 | 16,699 |
| Treasury stock | (222,049) | (219,226) |
| Total Amkor stockholders' equity | 3,696,477 | 3,668,752 |
| Non-controlling interests in subsidiaries | 30,686 | 30,949 |
| Total equity | 3,727,163 | 3,699,701 |
| Total liabilities and equity | \$ 6,581,791 | \$ 6,821,757 |

AMKOR TECHNOLOGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

| | For the Three Months Ended March 31, | |
|--|---|-------------|
| | 2023 | 2022 |
| Cash flows from operating activities: | | |
| Net income | \$ 45,224 | \$ 171,228 |
| Depreciation and amortization | 156,762 | 148,192 |
| Other operating activities and non-cash items | (2,821) | 11,061 |
| Changes in assets and liabilities | (23,419) | (164,303) |
| Net cash provided by operating activities | 175,746 | 166,178 |
| Cash flows from investing activities: | | |
| Payments for property, plant and equipment | (98,224) | (158,154) |
| Proceeds from sale of property, plant and equipment | 652 | 416 |
| Payments for short-term investments | (172,409) | (125,693) |
| Proceeds from sale of short-term investments | 21,549 | 4,246 |
| Proceeds from maturities of short-term investments | 92,655 | 66,694 |
| Other investing activities | 73 | (27,518) |
| Net cash used in investing activities | (155,704) | (240,009) |
| Cash flows from financing activities: | | |
| Proceeds from revolving credit facilities | 370,000 | — |
| Payments of revolving credit facilities | (370,000) | — |
| Proceeds from short-term debt | 11,042 | 18,112 |
| Payments of short-term debt | (5,840) | (3,790) |
| Proceeds from issuance of long-term debt | — | 150,000 |
| Payments of long-term debt | (35,980) | (35,973) |
| Payments of finance lease obligations | (15,148) | (7,538) |
| Payments of dividends | (18,430) | (12,228) |
| Other financing activities | (1,850) | 653 |
| Net cash (used in) provided by financing activities | (66,206) | 109,236 |
| Effect of exchange rate fluctuations on cash, cash equivalents and restricted cash | (2,943) | (7,795) |
| Net (decrease) increase in cash, cash equivalents and restricted cash | (49,107) | 27,610 |
| Cash, cash equivalents and restricted cash, beginning of period | 962,406 | 831,521 |
| Cash, cash equivalents and restricted cash, end of period | \$ 913,299 | \$ 859,131 |

Forward-Looking Statement Disclaimer

This press release 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 press release 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, but not limited to, the following:

- dependence on the cyclical and volatile semiconductor industry and vulnerability to industry downturns and declines in global economic and financial conditions;
- health conditions or pandemics, such as the COVID-19 pandemic, impacting labor availability and operating capacity, capital availability, the supply chain and consumer demand for our customers' products and services;
- changes in costs, quality, availability and delivery times of raw materials, components and equipment;
- dependence on key customers or concentration of customers in certain end markets, such as mobile communications and automotive;
- fluctuations in operating results and cash flows;
- our substantial indebtedness;
- dependence on international factories and operations and risks relating to our customers' and vendors' international operations;
- fluctuations in interest rates and changes in credit risk;
- competition with established competitors in the packaging and test business, the internal capabilities of integrated device manufacturers and new competitors, including foundries;
- difficulty funding our liquidity needs, including as a result of disruptions to the banking system and capital markets;
- our substantial investments in equipment and facilities to support the demand of our customers;
- difficulty attracting, retaining or replacing qualified personnel;
- difficulty achieving the relatively high-capacity utilization rates necessary to realize satisfactory gross margins given our high percentage of fixed costs;
- maintaining an effective system of internal controls;
- the absence of backlog and the short-term nature of our customers' commitments;
- our continuing development and implementation of changes to, and maintenance and security of, our information technology systems;
- the historical downward pressure on the prices of our packaging and test services;
- challenges with integrating diverse operations;
- fluctuations in our manufacturing yields;

- any changes in tax laws, taxing authorities not agreeing with our interpretation of applicable tax laws, including whether we continue to qualify for conditional reduced tax rates, or any requirements to establish or adjust valuation allowances on deferred tax assets;
- our ability to develop new proprietary technology, protect our proprietary technology, operate without infringing the proprietary rights of others and implement new technologies;
- warranty claims, product return and liability risks, and the risk of negative publicity if our products fail, as well as the risk of litigation incident to our business;
- environmental, health and safety liabilities and expenditures;
- restrictive covenants in the indentures and agreements governing our current and future indebtedness;
- natural disasters and other calamities, political instability, hostilities or other disruptions;
- the possibility that we may decrease or suspend our quarterly dividend;
- significant severance plan obligations associated with our manufacturing operations in Korea; and
- the ability of certain of our stockholders to effectively determine or substantially influence the outcome of matters requiring stockholder approval.

Other important risk factors that could affect the outcome of the events set forth in these statements and that could affect our operating results and financial condition are discussed in the company's 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 press release, 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 press release except as may be required by applicable law.