



Amkor Technology, Inc. Q4 and Full Year 2022 Earnings Call

February 13, 2023

Presenter Introductions



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President and
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Officer



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Executive Vice
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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, 2021 (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

Q4 2022 Highlights



\$1.91B
Revenue



Record fourth quarter revenue,
up 11% YoY



EPS of \$0.67



Record Automotive and Industrial
revenue

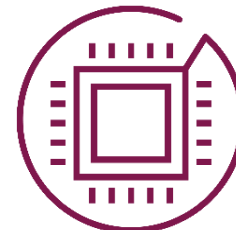
2022: Another Great Year for Amkor



Record revenue
of **\$7.1B**,
growth of
\$1.0B



Record EPS
\$3.11



Advanced
packaging
growth **22%**

Record Revenue
in all end markets



Strengthened
**Geographic
Footprint**



Increased
dividend by
50%

2022 End Markets



Communications

- ▶ Full year 2022 revenue up 23%
- ▶ Strength in 5G premium smartphones
- ▶ Leading position in Advanced SiP



Automotive and Industrial

- ▶ Full year 2022 revenue up 14%
- ▶ Expanding capacity and technology to support regional supply chains
- ▶ Trusted partner for leading customers



Consumer

- ▶ Full year 2022 revenue up 3%
- ▶ Portfolio of solutions for IoT wearables
- ▶ Expanding capacity for Advanced SiP



Computing

- ▶ Full year 2022 revenue up 15%
- ▶ Increasing outsourced supply chains
- ▶ TSMC 3DFabric™ Alliance member

Amkor and Industry Trends



Test Business

- ▶ Record revenue of \$925M in 2022
- ▶ Full turnkey service offerings
- ▶ Investing to broaden test services



Manufacturing Organization

- ▶ Diligence and flexibility to meet customer requirements
- ▶ QualityFIRST commitment



Diversified Geographic Footprint

- ▶ Expanding in Europe for automotive
- ▶ Vietnam construction on track
- ▶ Active exploration in U.S.



Outlook⁽¹⁾

- ▶ Q1 revenue of \$1.45B
- ▶ Down 9% YoY

(1) See corresponding endnotes on slide 22.



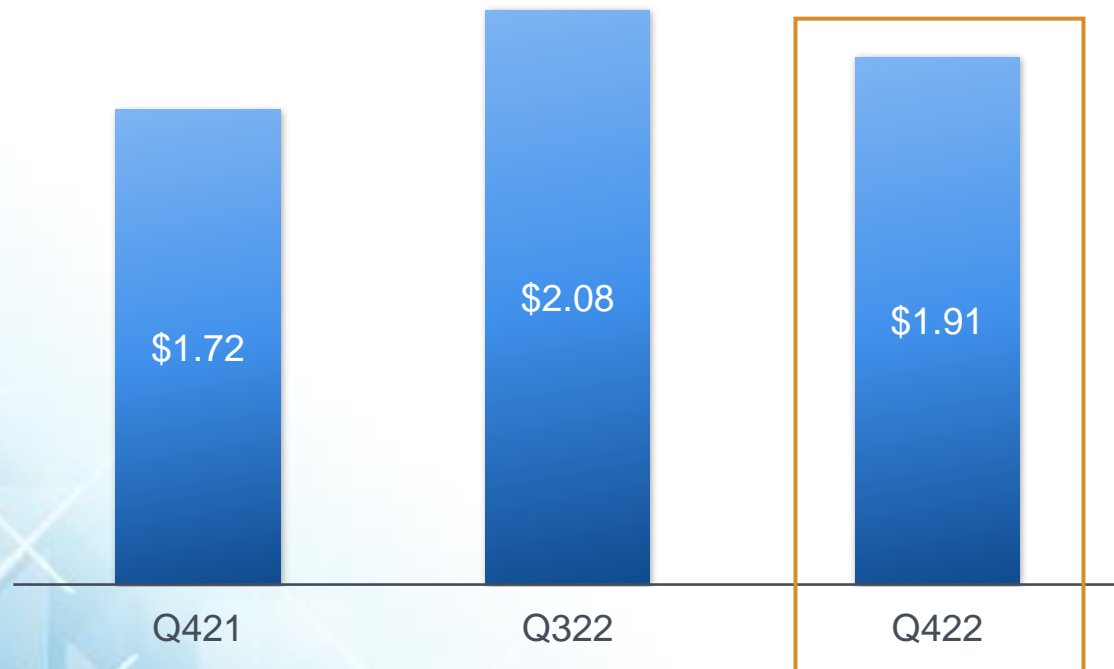
Financial Results and Outlook

Megan Faust | Executive Vice President and
Chief Financial Officer

Revenue and Gross Profit

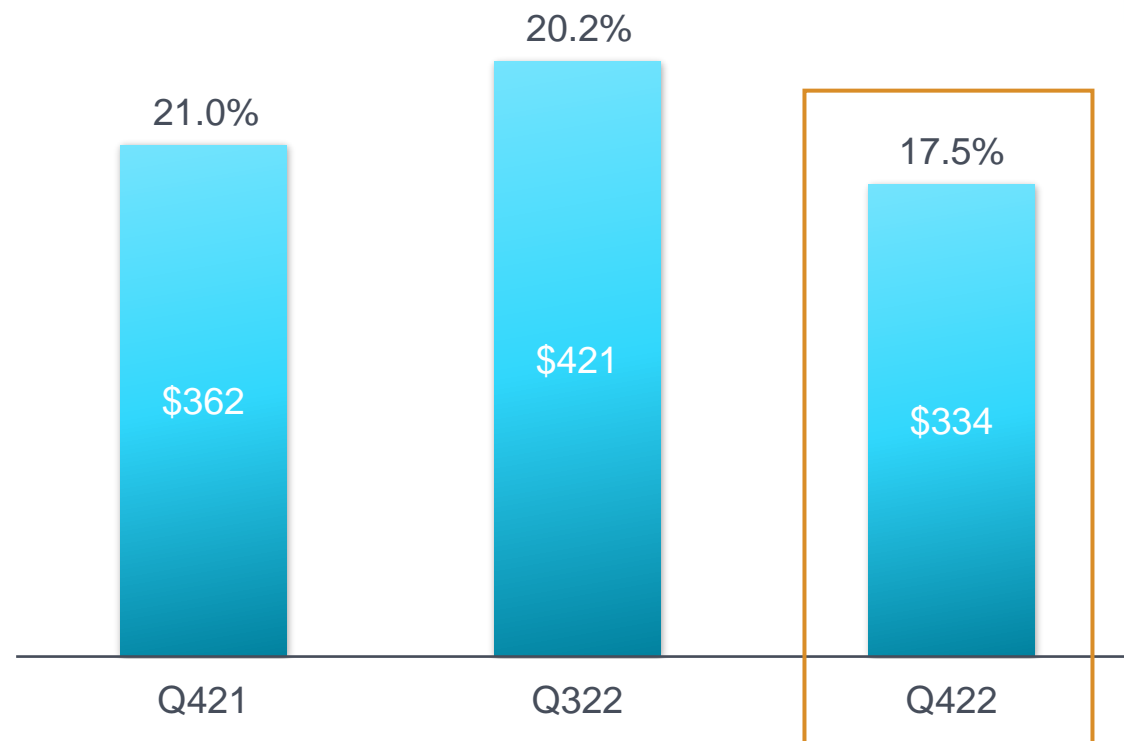
Revenue

(\$ in billions)



Gross Profit and Margin %

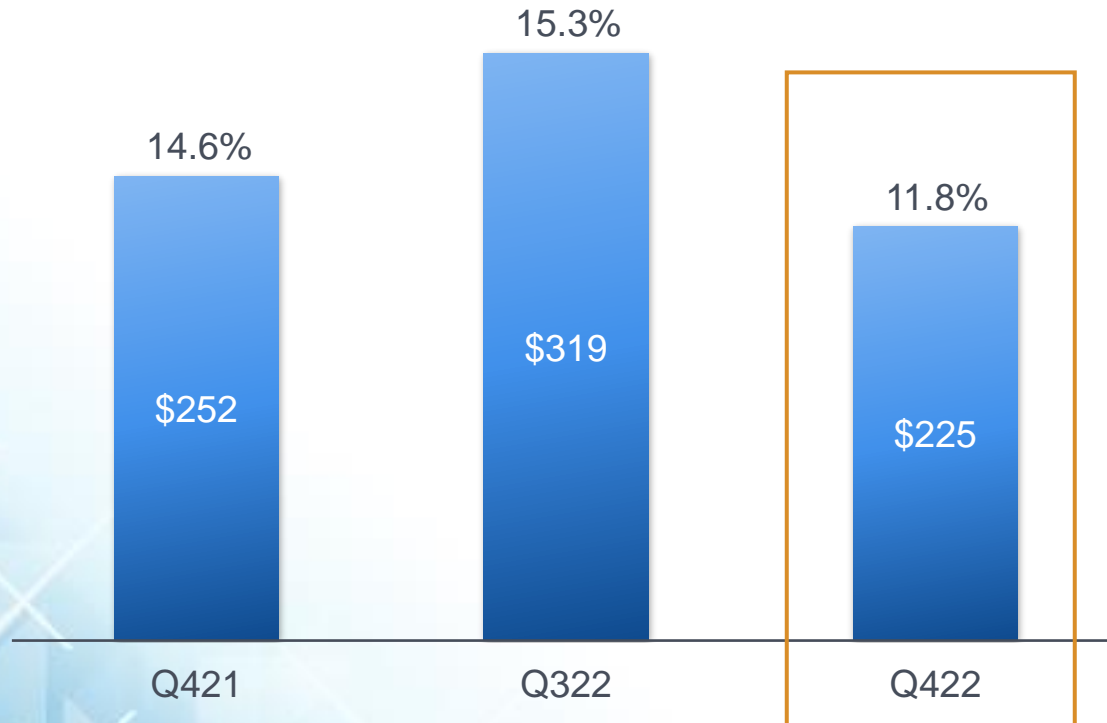
(\$ in millions)



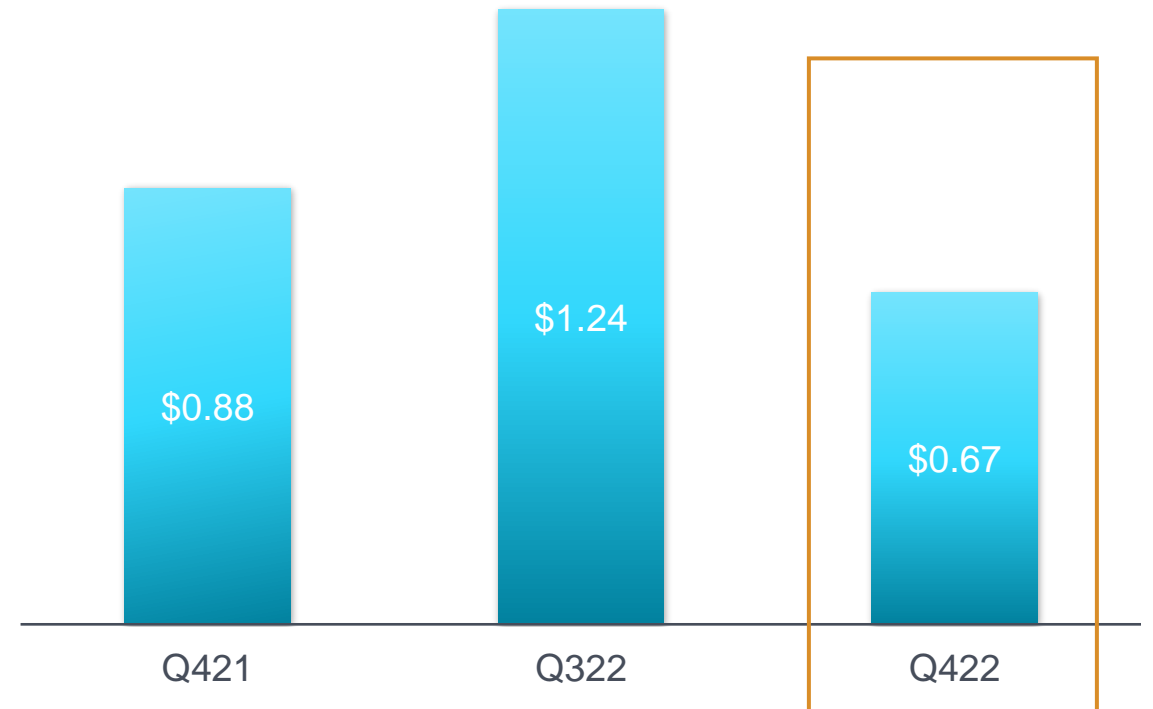
Operating Income and EPS

Operating Income and Margin %

(\$ in millions)



Earnings Per Share



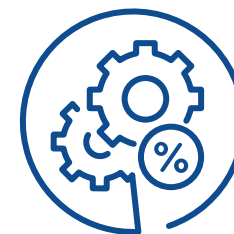
2022 Record Financial Performance



Revenue
\$7.1B up
16% YoY



Gross profit
\$1.3B



Operating
income
\$897M



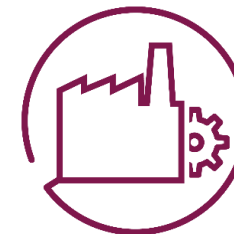
Net income
\$766M



EPS
\$3.11



Generated
~\$200M in
FCF*



\$908M
CapEx

*See discussion of non-GAAP measures on slide 21 and the reconciliation to the most directly comparable GAAP measure on slide 20.

Financial Strength

As of and for the quarter ended December 31, 2022



EBITDA*

- ▶ \$382 million
- ▶ EBITDA margin 20.0%



Cash & Short-Term Investments

- ▶ \$1.2 billion
- ▶ Invest in the future



Liquidity⁽²⁾

- ▶ \$1.9 billion
- ▶ Solid financial position



Total Debt

- ▶ \$1.2 billion
- ▶ Debt to EBITDA* 0.8x

(2) See corresponding endnotes on slide 22.

*See discussion of non-GAAP measures on slide 21 and the reconciliation to the most directly comparable GAAP measure on slide 19.

Q1 2023 Guidance

As of February 13, 2023⁽¹⁾



\$1.40B-\$1.50B

Net Sales



10.5%-13.5%

Gross Margin



\$15M-\$55M

Net Income



\$0.06-\$0.22

Earnings per
Diluted Share

(1) See corresponding endnotes on slide 22.

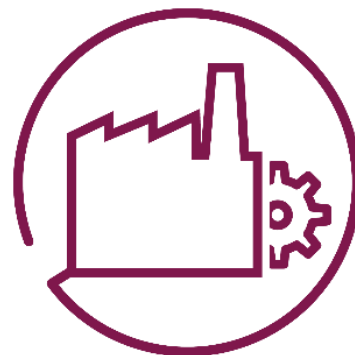
Q+A

Well Positioned to Outgrow the Market



Key Messages

- ▶ All-time record revenue and EPS in 2022
- ▶ Secular growth drivers remain in place
- ▶ Leading technology, scale and global footprint



\$800M

FY 2023
CapEx⁽¹⁾



\$1.40B-\$1.50B

Q1 2023 Revenue
Guidance⁽¹⁾

(1) See corresponding endnotes on slide 22.



Enabling the Future

Visit us at [amkor.com](https://www.amkor.com)





Appendix

Financial Reconciliation Tables

<i>(\$ in millions)</i>	Q4 22	2022
Net Income	\$164	\$767
Plus: Interest Expense	15	59
Plus: Income Tax Expense	46	90
Plus: Depreciation & Amortization	157	613
EBITDA*	\$382	\$1,529
Revenue	\$1,906	
Net Income Margin	8.6%	
EBITDA Margin*	20.0%	
Total Debt		\$1,232
EBITDA*		\$1,529
Debt/EBITDA Ratio*		0.8

*See discussion of Non-GAAP measures on slide 21.

Financial Reconciliation Tables

<i>(\$ in millions)</i>	2022
Net Cash Provided by Operating Activities	\$1,099
Less: Payments for Property, Plant and Equipment	(908)
Plus: Proceeds from Sale of and Insurance Recovery for Property, Plant and Equipment	3
Free Cash Flow*	\$194

*See discussion of Non-GAAP measures on slide 21.

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 19 for the reconciliation of all non-GAAP measures to the most directly comparable U.S. GAAP measures.

Free cash flow is not defined by U.S. GAAP. We define free cash flow as net cash provided by operating activities less payments for property, plant and equipment, plus proceeds from the sale of, and insurance recovery for property, plant and equipment, if applicable. We believe free cash flow to be relevant and useful information to our investors because it provides them with additional information in assessing our liquidity, capital resources and financial operating results. Our management uses free cash flow in evaluating our liquidity, our ability to service debt, and our ability to fund capital expenditures and pay dividends. However, free cash flow has certain limitations, including that it does not represent the residual cash flow available for discretionary expenditures since other, non-discretionary expenditures, such as mandatory debt service, are not deducted from the measure. The amount of mandatory versus discretionary expenditures can vary significantly between periods. This measure should be considered in addition to, and not as a substitute for, or superior to, other measures of liquidity or financial performance prepared in accordance with U.S. GAAP, such as net cash provided by operating activities. Furthermore, our definition of free cash flow may not be comparable to similarly titled measures reported by other companies. Please see Slide 20 for the reconciliation to the most directly comparable U.S. GAAP measure.

Endnotes

1. This financial guidance is from our February 13, 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.