

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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): August 9, 2022

Amtech Systems, Inc.

(Exact name of Registrant as Specified in Its Charter)

Arizona
(State or Other Jurisdiction
of Incorporation)

000-11412
(Commission File Number)

86-0411215
(IRS Employer
Identification No.)

131 S. Clark Drive
Tempe, Arizona
(Address of Principal Executive Offices)

85288
(Zip Code)

Registrant's Telephone Number, Including Area Code: (480) 967-5146

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

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(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	ASYS	NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company 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 1.01 Entry into a Material Definitive Agreement.

On April 21, 2005, Amtech Systems, Inc. (the “Registrant” or the “Company”) created a series of preferred stock designated Series A Convertible Preferred Stock, par value \$.01 per share (the “Series A Preferred Stock”), by filing the Certificate of Designations, Preferences and Privileges of the Series A Convertible Preferred Stock (the “Certificate of Designations”) with the Secretary of State of the State of Arizona.

On August 15, 2022, the Company filed a Cancellation of Certificate of Designations, Preferences, and Privileges of the Series A Convertible Preferred Stock (the “Cancellation Certificate”) with the Secretary of State of the State of Arizona. The Cancellation Certificate cancelled the Certificate of Designations, thereby eliminating all Series A Preferred Stock.

For more detailed information, reference is made to the Certificate of Cancellation, which is filed hereto as Exhibit 3.1 and incorporated herein by reference.

Item 2.02 Results of Operations and Financial Condition.

On August 15, 2022, Amtech Systems, Inc. announced by press release its results of operations for the third quarter ended June 30, 2022. A copy of the press release is included as Exhibit 99.1 to this Current Report and is incorporated herein by reference.

The information contained in this Current Report under the heading “Item 2.02 Results of Operations and Financial Condition”, including the accompanying Exhibit 99.1, is furnished pursuant to Item 2.02 of Form 8-K and shall not be incorporated by reference into any filing of the Registrant, whether made before or after the date hereof, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference in such filing. The information in this Current Report under the above-referenced heading, including the accompanying Exhibit 99.1, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On August 9, 2022, Amtech Systems, Inc. and Mr. Jong S. Whang, the Company’s former Chief Executive Officer and Chairman of the Board of Directors and a current executive and director, mutually decided that Mr. Whang would transition to a non-executive employment role effective immediately and retire from his position as director effective December 31, 2022. Mr. Whang’s decision to retire is not a result of any disagreement between the Company and Mr. Whang on any matter relating to the Company’s operations, policies or practices. In connection with his retirement, the Company and Mr. Whang entered into a letter agreement (the “Agreement”), which terminated the Second Amended and Restated Employment Agreement between the Company and Mr. Whang, dated February 9, 2012 (as amended, the “Employment Agreement”) and detailed the terms of Mr. Whang’s continued at-will employment in an M&A support role to the Company as well as his continued compensation and severance.

Pursuant to the Agreement, for his services as a non-executive advisor, Mr. Whang will receive an annual base salary of \$100,000 and be provided such employee benefits as are provided to other employees of the Company in accordance with Company policy through December 31, 2023 when his at-will employment will automatically terminate. Additionally, pursuant to the Agreement, upon his retirement from the Board, the Company will pay Mr. Whang a lump sum payment equal to \$400,000.00, subject to applicable deductions required by law, and he will be eligible to receive additional incentive compensation dependent on the completion of certain milestones as outlined in the Agreement.

The foregoing summary of the Agreement does not purport to be a complete description and is qualified in its entirety by the full text of the Agreement, which will be filed as an exhibit to the Company’s Annual Report on Form 10-K for the fiscal year ending September 30, 2022, subject to a request for confidential treatment with respect to certain portions of the Agreement.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

See Item 1.01, which is incorporated herein by reference. On August 15, 2022, the Company filed the Cancellation Certificate which, effective upon filing, cancelled the Certificate of Designations and eliminated from the Company’s Amended and Restated Certificate of Incorporation all matters set forth in the Certificate of Designations for the Series A Preferred Stock. There were no outstanding shares of the Series A Preferred Stock as of August 15, 2022. A copy of the Cancellation Certificate is attached hereto as Exhibit 3.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
3.1	Cancellation of Certificate of Designations, Preferences and Privileges of Series A Convertible Preferred Stock of Amtech Systems, Inc., dated as of August 12, 2022
99.1	Press release dated August 15, 2022
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 thereunto duly authorized.

AMTECH SYSTEMS, INC.

Date: August 15, 2022

By: /s/ Lisa D. Gibbs
Name: Lisa D. Gibbs

Title: Vice President and Chief Financial Officer

**CANCELLATION OF
CERTIFICATE OF DESIGNATIONS, PREFERENCES AND PRIVILEGES**
of the
SERIES A CONVERTIBLE PREFERRED STOCK

(Par Value \$.01 Per Share)

of

AMTECH SYSTEMS, INC.

Pursuant to Section 10-602 of the
Arizona Business Corporation Act

The undersigned duly authorized officer of Amtech Systems, Inc. (the "**Corporation**"), a corporation organized and existing under the Arizona Business Corporation Act, DOES HEREBY CERTIFY:

WHEREAS, the Amended and Restated Articles of Incorporation of the Corporation (the "**Articles of Incorporation**") authorizes the issuance of One Hundred Million (100,000,000) shares of blank preferred stock issuable from time to time in one or more series; and

WHEREAS, the board of directors of the Corporation (the "**Board**") is authorized, subject to limitations prescribed by law and by the provisions of the Articles of Incorporation, to establish and fix the number of shares to be including in any series of preferred stock and the designation, rights, preferences, powers, restrictions and limitations of the shares of such series; and

WHEREAS, the Board fixed and designated a total of Five Hundred Forty Thousand (540,000) shares of a series of preferred stock known as "**Series A Convertible Preferred Stock**"; and

WHEREAS, all authorized Series A Convertible Preferred Stock have been redeemed or converted into shares of common stock and pursuant to Section E.13 of the Certificate of Designations, Preferences, and Privileges of the Series A Convertible Preferred Stock (the "**Certificate of Designation**") all such shares shall not be reissued, and all such shares shall be cancelled, retired, and eliminated from the shares which the Corporation shall be authorized to issue; and

WHEREAS, the Board has determined it advisable and in the best interest of the Corporation and its shareholders to eliminate and cancel all designation, rights, preferences, restrictions and limitations of the shares of such series, and strike all references to Series A Convertible Preferred Stock from the books and records of the Corporation;

NOW, THEREFORE, BE IT RESOLVED, that pursuant to authority granted to and vested in the Board by the provisions of the Articles of Incorporation the Board hereby cancels the Certificate of Designation and eliminates all Series A Convertible Preferred Stock; and

RESOLVED FURTHER, that the appropriate officers of the Corporation be, and each of them individually is, in accordance with the foregoing resolutions, authorized, in the name and on behalf of the Corporation, to prepare, execute and delivery any and all agreements, amendments, certificates, reports, applications, notices, instruments, schedules, statements, consents, letters or other documents with respect to the matters contemplated by the foregoing resolutions, to make any filings pursuant to federal, state or local laws, to incur any fees and expenses and to do or cause to be done any and all such other acts and things as, in the opinion of any such Authorized Officer, may be necessary, appropriate or desirable in order to comply with the applicable laws and regulations of any jurisdiction, or otherwise in order to enable the Corporation fully and promptly to carry out the purposes and intent of the foregoing resolutions and to permit the matters contemplated thereby to be lawfully consummated.

[Signature Page Follows]

IN WITNESS WHEREOF, this Cancellation of Certificate of Designations, Preferences and Privileges of the Series A Convertible Stock of Amtech Systems, Inc. has been executed by a duly authorized officer of the Corporation on this 12th day of August, 2022.

AMTECH SYSTEMS, INC., an
Arizona corporation

By: /s/ Lisa D. Gibbs

Name: Lisa D. Gibbs

Title: Chief Financial Officer



Amtech Reports Third Quarter Fiscal 2022 Results

TEMPE, Ariz., August 15, 2022 -- Amtech Systems, Inc. ("Amtech") (NASDAQ: ASYS), a manufacturer of capital equipment, including thermal processing and wafer polishing, and related consumables used in fabricating semiconductor devices, such as silicon carbide (SiC) and silicon power devices, analog and discrete devices, electronic assemblies and light-emitting diodes (LEDs), today reported results for its third quarter ended June 30, 2022.

Third Quarter Fiscal 2022 Financial and Operational Highlights:

- Net revenue of \$20.0 million
- Shanghai facility fully reopened on June 1, 2022
- Customer orders of \$30.1 million
- Book to bill ratio of 1.5:1
- Completed sale-leaseback of Billerica, MA facility, with pretax gain of \$12.5 million and cash inflow of \$14.9 million
- Operating income of \$9.6 million
- Net income of \$10.2 million
- Net income per diluted share of \$0.73
- Unrestricted cash of \$47.7 million
- June 30, 2022 backlog of \$62.7 million

Mr. Michael Whang, Chief Executive Officer of Amtech, commented, "The robust demand for our products continued in the third quarter with bookings of \$30.1 million, representing our sixth straight quarter of bookings over \$30 million. While we experienced revenue headwinds in the third quarter due to the Shanghai COVID lockdown, we successfully re-opened our facility in early June. Our confidence around the long-awaited silicon carbide wafer ramp is building, with revenue for these applications more than doubling over the last two quarters. Given our established market leading position in consumables, we remain excited as the mid to long-term opportunities in front of us come into focus."

GAAP Financial Results

(in millions, except per share amounts)

	Q3		Q2		Q3		9 Months		9 Months	
	FY 2022		FY 2022		FY 2021		2022		2021	
Revenues, net	\$	20.0	\$	27.6	\$	23.1	\$	74.0	\$	60.9
Gross profit	\$	5.9	\$	11.2	\$	10.1	\$	27.0	\$	25.3
Gross margin		29.6 %		40.5 %		43.6 %		36.4 %		41.6 %
Operating income	\$	9.6	\$	2.6	\$	1.2	\$	13.4	\$	2.4
Operating margin		47.9 %		9.4 %		5.2 %		18.1 %		4.0 %
Net income	\$	10.2	\$	2.0	\$	0.4	\$	13.2	\$	0.8
Net income per diluted share	\$	0.73	\$	0.14	\$	0.03	\$	0.93	\$	0.06

Net revenues decreased 28% sequentially and 14% from the third quarter of fiscal 2021, primarily attributable to lower shipments of our advanced packaging equipment due to our Shanghai facility closure, partially offset by increased shipments of our consumables products. The decrease in production from the Shanghai facility was caused by the government-mandated closure relating to its COVID policies, which closed the Company's facility on March 28, 2022. The facility was allowed to partially reopen in May 2022 and fully reopened on June 1, 2022.

Gross margin decreased sequentially and compared to the same period last year primarily due to the above-mentioned closure of the Shanghai manufacturing facility. This closure resulted in decreased utilization during the period as the Company continued to pay employees while ceasing production entirely.

Selling, General & Administrative ("SG&A") expenses increased \$0.4 million on a sequential basis, with higher legal expenses related to the sale-leaseback transaction and increased consulting expenses offset by lower commission on lower sales. SG&A decreased slightly compared to the prior year period primarily due to a reduction in commissions due to lower sales in fiscal 2022 partially offset by an increase in employee-related expenses and consulting.

On June 23, 2022, the Company's subsidiary, BTU International, Inc. ("BTU"), completed the sale and leaseback of BTU's building in Billerica, Massachusetts (the "Property"). The sale price was \$20.6 million. Simultaneously with the sale closing, BTU entered into a two-year leaseback of the Property. The lease terms include base rent of \$1.5 million per year in an absolute triple net lease. In connection with the sale, BTU recognized a pretax gain of \$12.5 million. This sale-leaseback transaction resulted in a net cash inflow of approximately \$14.9 million, after repayment of the existing mortgage and settlement of related sale expenses.

Research, Development and Engineering decreased \$0.2 million sequentially and increased \$0.1 million compared to the same prior year period.

Operating income was \$9.6 million, compared to operating income of \$2.6 million in the second quarter of fiscal 2022 and operating income of \$1.2 million in the same prior year period.

Income tax provision was \$20,000 for the three months ended June 30, 2022, compared to a provision of \$0.7 million in both the preceding quarter and the same prior year period.

Net income for the third quarter of fiscal 2022 was \$10.2 million, or 73 cents per diluted share. This compares to net income of \$2.0 million, or 14 cents per diluted share, for the preceding quarter and net income of \$0.4 million, or 3 cents per diluted share, for the third quarter of fiscal 2021.

Outlook

The Company's outlook reflects the ongoing logistical impacts and the related delays for goods shipped to and from China. Actual results may differ materially in the weeks and months ahead. Additionally, the semiconductor equipment industries can be cyclical and inherently impacted by changes in market demand. Operating results can be significantly impacted, positively or negatively, by the timing of orders, system shipments, and the financial results of semiconductor manufacturers.

For the fourth fiscal quarter ending September 30, 2022, revenues are expected to be in the range of \$30 to \$32 million with operating margin in the low double-digits.

A portion of Amtech's results is denominated in Renminbis, a Chinese currency. The outlook provided in this press release is based on an assumed exchange rate between the United States Dollar and the Renminbi. Changes in the value of the Renminbi in relation to the United States Dollar could cause actual results to differ from expectations.

Conference Call

Amtech Systems will host a conference call today at 5:00 p.m. ET to discuss our fiscal third quarter financial results. The call will be available to interested parties by dialing 1-313-209-6672. For international callers, please dial +1 800-458-4121. The confirmation code is 2312671. A live webcast of the conference call will be available in the Investor Relations section of Amtech's website at:

<https://www.amtechsystems.com/investors/events>.

A replay of the webcast will be available in the Investor Relations section of the company's web site at

<http://www.amtechsystems.com/conference.htm> shortly after the conclusion of the call and will remain available for approximately 30 calendar days.

About Amtech Systems, Inc.

Amtech Systems, Inc. is a leading, global manufacturer of capital equipment, including thermal processing and wafer polishing, and related consumables used in fabricating semiconductor devices, such as silicon carbide (SiC) and silicon power devices, analog and discrete devices, electronic assemblies and light-emitting diodes (LEDs). We sell these products to semiconductor device and module manufacturers worldwide, particularly in Asia, North America and Europe. Our strategic focus is on semiconductor growth opportunities in power electronics, sensors and analog devices leveraging our strength in our core competencies in thermal and substrate processing. We are a market leader in the high-end power chip market (SiC substrates, 300mm horizontal thermal reactor, and electronic assemblies used in power, RF, and other advanced applications), developing and supplying essential equipment and consumables used in the semiconductor industry. Amtech's products are recognized under the leading brand names BTU International, Bruce Technologies™, PR Hoffman™ and Intersurface Dynamics, Inc.

Cautionary Note Regarding Forward-Looking Statements

Certain information contained in this press release is forward-looking in nature. All statements in this press release, or made by management of Amtech Systems, Inc. and its subsidiaries ("Amtech"), other than statements of historical fact, are hereby identified as "forward-looking statements" (as such term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995). The forward-looking statements in this press release relate only to events or information as of the date on which the statements are made in this press release. Examples of forward-looking statements include statements regarding Amtech's future financial results, operating results, business strategies, projected costs, products under development, competitive positions, plans and objectives of Amtech and its management for future operations, efforts to improve operational efficiencies and effectiveness and profitably grow our revenue, and enhancements to our technologies and expansion of our product portfolio. In some cases, forward-looking statements can be identified by terminology such as "may," "plan," "anticipate," "seek," "will," "expect," "intend," "estimate," "believe," "continue," "predict," "potential," "project," "should," "would," "could," "likely," "future," "target," "forecast," "goal," "observe," and "strategy" or the negative of these terms or other comparable terminology used in this press release or by our management, which are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. The Form 10-K that Amtech filed with the Securities and Exchange Commission (the "SEC") for the year-ended September 30, 2021, listed various important factors that could affect the Company's future operating results and financial condition and could cause actual results to differ materially from historical results and expectations based on forward-looking statements made in this document or elsewhere by Amtech or on its behalf. These factors can be found under the heading "Risk Factors" in the Form 10-K and in our subsequently filed Quarterly Reports on Form 10-Qs, and investors should refer to them. Because it is not possible to predict or identify all such factors, any such list cannot be considered a complete set of all potential risks or uncertainties. Except as required by law, we undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events, or otherwise.

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AMTECH SYSTEMS, INC.
(NASDAQ: ASYS)
(Unaudited)

Summary Financial Information
(in thousands, except percentages)

	Three Months Ended		June 30, 2021	Nine Months Ended June 30,	
	June 30, 2022	March 31, 2022		2022	2021
Amtech Systems, Inc.					
Revenues, net	\$ 19,964	\$ 27,556	\$ 23,100	\$ 73,983	\$ 60,865
Gross profit	\$ 5,900	\$ 11,160	\$ 10,079	\$ 26,958	\$ 25,319
Gross margin	30 %	40 %	44 %	36 %	42 %
Operating income	\$ 9,562	\$ 2,595	\$ 1,204	\$ 13,397	\$ 2,429
New orders	\$ 30,145	\$ 33,695	\$ 30,861	\$ 95,477	\$ 81,256
Backlog	\$ 62,731	\$ 53,566	\$ 34,295	\$ 62,731	\$ 34,295
Semiconductor Segment					
Revenues, net	\$ 15,135	\$ 23,584	\$ 19,501	\$ 61,484	\$ 52,195
Gross profit	\$ 3,590	\$ 9,255	\$ 8,599	\$ 21,507	\$ 22,604
Gross margin	24 %	39 %	44 %	35 %	43 %
Operating income	\$ 10,521	\$ 3,368	\$ 2,114	\$ 16,246	\$ 5,976
New orders	\$ 24,144	\$ 28,039	\$ 26,607	\$ 79,992	\$ 71,741
Backlog	\$ 58,344	\$ 50,352	\$ 32,388	\$ 58,344	\$ 32,388
Material and Substrate Segment					
Revenues, net	\$ 4,829	\$ 3,972	\$ 3,599	\$ 12,499	\$ 8,670
Gross profit	\$ 2,310	\$ 1,905	\$ 1,480	\$ 5,451	\$ 2,715
Gross margin	48 %	48 %	41 %	44 %	31 %
Operating income	\$ 1,156	\$ 654	\$ 333	\$ 1,991	\$ 14
New orders	\$ 6,001	\$ 5,656	\$ 4,254	\$ 15,485	\$ 9,515
Backlog	\$ 4,387	\$ 3,214	\$ 1,907	\$ 4,387	\$ 1,907

AMTECH SYSTEMS, INC.
(NASDAQ: ASYS)
(Unaudited)

Consolidated Statements of Operations
(in thousands, except per share data)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2022	2021	2022	2021
Revenues, net	\$ 19,964	\$ 23,100	\$ 73,983	\$ 60,865
Cost of sales	14,064	13,021	47,025	35,546
Gross profit	5,900	10,079	26,958	25,319
Selling, general and administrative	7,157	7,281	21,008	18,182
Research, development and engineering	1,646	1,523	5,018	4,637
Gain on sale of fixed assets	(12,465)	—	(12,465)	—
Severance expense	—	71	—	71
Operating income	9,562	1,204	13,397	2,429
Interest income (expense) and other, net	680	(155)	627	(337)
Income before income tax provision	10,242	1,049	14,024	2,092
Income tax provision	20	680	840	1,250
Net income	<u>\$ 10,222</u>	<u>\$ 369</u>	<u>\$ 13,184</u>	<u>\$ 842</u>
Income Per Share:				
Net income per basic share	<u>\$ 0.74</u>	<u>\$ 0.03</u>	<u>\$ 0.94</u>	<u>\$ 0.06</u>
Net income per diluted share	<u>\$ 0.73</u>	<u>\$ 0.03</u>	<u>\$ 0.93</u>	<u>\$ 0.06</u>
Weighted average shares outstanding:				
Basic	<u>13,889</u>	<u>14,176</u>	<u>14,042</u>	<u>14,163</u>
Diluted	<u>14,026</u>	<u>14,373</u>	<u>14,220</u>	<u>14,292</u>

AMTECH SYSTEMS, INC.
(NASDAQ: ASYS)
(Unaudited)

Consolidated Balance Sheets
(in thousands, except share data)

	June 30, 2022	September 30, 2021
Assets		
Current Assets		
Cash and cash equivalents	\$ 47,689	\$ 32,836
Restricted cash	524	—
Accounts receivable (less allowance for doubtful accounts of \$172 and \$188 at June 30, 2022, and September 30, 2021, respectively)	20,779	22,502
Inventories	27,457	22,075
Income taxes receivable	52	1,046
Other current assets	3,978	2,407
Total current assets	100,479	80,866
Property, Plant and Equipment - Net	5,863	14,083
Right-of-Use Assets - Net	11,019	8,646
Intangible Assets - Net	783	858
Goodwill	11,168	11,168
Deferred Income Taxes - Net	560	631
Other Assets	834	661
Total Assets	<u>\$ 130,706</u>	<u>\$ 116,913</u>
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable	\$ 9,831	\$ 8,229
Accrued compensation and related taxes	3,812	2,881
Accrued warranty expense	827	545
Other accrued liabilities	1,206	903
Current maturities of long-term debt	104	396
Current portion of long-term lease liability	1,806	531
Contract liabilities	5,888	1,624
Total current liabilities	23,474	15,109
Long-Term Debt	230	4,402
Long-Term Lease Liability	9,321	8,389
Income Taxes Payable	2,996	3,277
Other Long-Term Liabilities	62	102
Total Liabilities	36,083	31,279
Commitments and Contingencies		
Shareholders' Equity		
Preferred stock; 100,000,000 shares authorized; none issued	—	—
Common stock; \$0.01 par value; 100,000,000 shares authorized; shares issued and outstanding: 13,889,259 and 14,304,492 at June 30, 2022 and September 30, 2021, respectively	139	143
Additional paid-in capital	123,693	126,380
Accumulated other comprehensive (loss) income	(563)	14
Retained deficit	(28,646)	(40,903)
Total Shareholders' Equity	94,623	85,634
Total Liabilities and Shareholders' Equity	<u>\$ 130,706</u>	<u>\$ 116,913</u>

AMTECH SYSTEMS, INC.
(NASDAQ: ASYS)
(Unaudited)

Consolidated Statements of Cash Flows
(in thousands)

	Nine Months Ended June 30,	
	2022	2021
Operating Activities		
Net income	\$ 13,184	\$ 842
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	1,330	1,038
Write-down of inventory	235	278
Non-cash stock compensation expense	386	277
Gain on sale of property, plant and equipment	(12,465)	—
Provision for allowance for doubtful accounts	10	16
Other, net	—	8
Changes in operating assets and liabilities:		
Accounts receivable	1,714	(9,385)
Inventories	(5,617)	(3,328)
Other assets	(1,298)	(324)
Accounts payable	1,603	5,815
Accrued income taxes	713	536
Accrued and other liabilities	1,031	809
Contract liabilities	4,264	646
Net cash provided by (used in) operating activities	5,090	(2,772)
Investing Activities		
Purchases of property, plant and equipment	(325)	(790)
Proceeds from the sale of property, plant and equipment	19,908	—
Acquisition, net of cash and cash equivalents acquired	—	(5,082)
Net cash provided by (used in) investing activities	19,583	(5,872)
Financing Activities		
Proceeds from the exercise of stock options	111	1,148
Repurchase of common stock	(4,115)	—
Payments on long-term debt	(4,851)	(284)
Net cash (used in) provided by financing activities	(8,855)	864
Effect of Exchange Rate Changes on Cash, Cash Equivalents and Restricted Cash	(441)	(250)
Net Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash	15,377	(8,030)
Cash and Cash Equivalents, Beginning of Period	32,836	45,070
Cash, Cash Equivalents and Restricted Cash, End of Period	<u>\$ 48,213</u>	<u>\$ 37,040</u>

