

**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): August 8, 2025

Magnachip Semiconductor Corporation
(Exact name of Registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-34791
(Commission
File Number)

83-0406195
(IRS Employer
Identification No.)

c/o Magnachip Semiconductor, Ltd.
15F, 76 Jikji-daero 436beon-gil, Heungdeok-gu
Cheongju-si, Chungcheongbuk-do, 28581, Republic of Korea
(Address of Principal Executive Offices)

Not Applicable
(Zip Code)

Registrant's telephone number, including area code: +82 (2) 6903-3000

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, par value \$0.01 per share	MX	New York Stock Exchange

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

Appointment of Interim Chief Executive Officer

On August 11, 2025, the Board of Directors (the “Board”) of Magnachip Semiconductor Corporation (the “Company”) appointed Camillo Martino to serve as the Company’s Interim Chief Executive Officer. Mr. Martino currently serves as the Chairman of the Board and will continue in that role as well.

Mr. Martino, age 63, has served as the Company’s non-executive Chairman of the Board since June 2020 and as a director since August 2016. Mr. Martino currently also serves as a member of the board of directors for CXApp (formerly, KINS Technology Group). Mr. Martino also serves as a member of the board of directors at multiple privately-held companies, including VVDN Technologies, Sakuu and Ceremorphic. Mr. Martino previously served as a director of Cypress Semiconductor from June 2017 through to April 2020, a director of Sensera from 2018 to 2024, and was also the Chief Executive Officer of Silicon Image Inc. from January 2010 until the completion of its sale to Lattice Semiconductor Corporation in March 2015. From January 2008 to December 2009, Mr. Martino served as Chief Operating Officer of SAI Technology Inc., where he also served as a director from June 2006 to November 2010. From July 2005 to June 2007, Mr. Martino served as a director, the President and Chief Executive Officer of Cornice Inc. From August 2001 to July 2005, Mr. Martino served as the Executive Vice President and Chief Operating Officer at Zoran Corporation. Prior to that, Mr. Martino held multiple positions with National Semiconductor Corporation for a total of nearly 14 years, and in four different countries. Mr. Martino holds a Bachelor of Applied Science degree from the University of Melbourne and a Graduate Diploma from Monash University in Australia.

As a result of Mr. Martino’s appointment as Interim Chief Executive Officer, Mr. Martino has stepped down from each of the Company’s Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee.

As of the date of filing of this Current Report on Form 8-K, the Company has not entered into any compensatory agreements, arrangements or understandings in connection with Mr. Martino’s appointment as Interim Chief Executive Officer. The Company’s Compensation Committee is expected to review and consider appropriate compensation for Mr. Martino’s Interim Chief Executive Officer role in due course and, to the extent any such compensatory arrangements are made in connection with Mr. Martino’s appointment as Interim Chief Executive Officer, the Company will file an amendment to this Current Report on Form 8-K to include the information required by Item 5.02(c)(3) of Form 8-K.

There are no arrangements or understandings between Mr. Martino and any other persons pursuant to which he was appointed as Interim Chief Executive Officer. In addition, there are no family relationships between Mr. Martino and any other director or executive officer of the Company, and Mr. Martino has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Departure of Former Chief Executive Officer

On August 11, 2025, Young-Joon Kim resigned from his position as Chief Executive Officer of the Company. Mr. Kim also resigned as a member of the Board on August 8, 2025. Mr. Kim further resigned from his position as Representative Director of Magnachip Semiconductor, Ltd. (“MSK”), the Korean operating subsidiary of the Company, and from all other positions with each direct and indirect subsidiary of the Company; provided, however, that Mr. Kim will remain as the liquidator of Magnachip Mixed-Signal, Ltd. (“MMS”), the Korean subsidiary that used to operate the Company’s display business, until its liquidation process is completed or until the Company otherwise determines that Mr. Kim will no longer serve as liquidator of MMS.

Mr. Kim’s decision to step down from the role of Chief Executive Officer and the Board was not based on any disagreement with the Company on any matter relating to its operations, policies or practices. The Company thanks Mr. Kim for his decade of significant service and contributions to the Company, during which time he helped enhance the Company’s management functions and skillfully guided the Company through significant corporate development matters.

In connection with Mr. Kim’s resignation with the Company, Mr. Kim and the Company entered into a separation agreement dated as of August 11, 2025 (the “Separation Agreement”), consistent with its past practice with prior departing executives and conditioned on the required release as set forth in Mr. Kim’s current employment agreement, as amended (the “Kim Employment Agreement”). The terms of the Separation Agreement provide for severance and other benefits on the terms contained in the Kim Employment Agreement substantially consistent with a “termination without Cause” or “resignation with Good Reason,” as such terms are defined in and as set forth in Section 5(b) of the Kim Employment Agreement which has previously been filed with the Securities and Exchange Commission by the Company in its periodic reports. Pursuant to the Separation Agreement, the Company has agreed to the following: (i) the Company will pay Mr. Kim a cash severance payment equal to twenty-four times his monthly base salary, payable ratably over a period of twenty-four months after the separation date (with the first payment being paid two months after the separation date and to equal two times the monthly base salary and the remaining monthly base salary payments due on the twenty-fifth day of each month for a period of twenty-two months), together with any annual bonus earned for calendar year 2025, which shall be prorated on a daily basis, and (ii) any outstanding unvested equity awards held by Mr. Kim will be treated in accordance with the terms set forth in the Company’s applicable

equity incentive plan and the applicable award agreements, solely for the purpose of this clause (ii), as if Mr. Kim's separation was deemed to be "termination without Cause" rather than "resignation without Good Reason" under the applicable equity incentive plan and such award agreements (collectively, the "Separation Benefits"). The Separation Benefits are contingent on the execution and non-revocation of the Release of Claims (as defined below) and Mr. Kim's compliance with all other terms of his Confidentiality Agreement, Proprietary Information and Invention Assignment Agreement, the Separation Agreement and the Release of Claims.

In connection with the Separation Agreement, Mr. Kim also entered into a release with the Company, MSK and MMS whereby Mr. Kim released all claims he may have against the Company, MSK, MMS or their respective affiliates, subsidiaries, representatives and other related parties in exchange for the Separation Benefits and the other applicable severance benefits set forth in the Separation Agreement (the "Release of Claims").

The foregoing description of the Separation Agreement is qualified in its entirety by reference to the full text of the Separation Agreement, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On August 11, 2025, the Company issued a press release announcing the management changes discussed above. A copy of that press release is furnished as Exhibit 99.1 hereto and incorporated herein by reference.

The information contained in this Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1 attached hereto, is intended to be furnished and shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of 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, except as expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The following exhibit is furnished as part of this report:

<u>Exhibit No.</u>	<u>Description</u>
10.1	Separation Agreement, dated as of August 11, 2025, by and among the Company and YJ Kim.
99.1	Press Release issued August 11, 2025.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

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.

MAGNACHIP SEMICONDUCTOR CORPORATION

Dated: August 11, 2025

By: /s/ Theodore Kim

Theodore Kim

Chief Compliance Officer, General Counsel and Secretary



August 11, 2025

Via Hand Delivery

Mr. Young-Joon Kim
[address omitted]

Re: **Separation Agreement**

Dear Mr. Kim:

This letter agreement (this "Separation Agreement") confirms our mutual understanding regarding your resignation from the positions of a director and member of the Board of Directors (the "Board") and Chief Executive Officer ("CEO") of Magnachip Semiconductor Corporation, a Delaware corporation ("MSC"), and Representative Director of Magnachip Semiconductor, Ltd., a Korean *yuhan hoesa* ("MSK"), and (subject to this Separation Agreement) from all other positions with each direct and indirect subsidiary of MSC, including MSK, effective as of August 11, 2025 (the "Resignation Date"). MSC and all of its direct and indirect subsidiaries are collectively referred to herein as the "Company".

1. Incorporation by Reference. Reference is made to that certain Employment Agreement by and between you, on the one hand, and MSC and MSK, on the other hand, entered into as of April 25, 2018, as amended (the "Employment Agreement"). Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Employment Agreement. Reference is also made to that certain letter, which you delivered to, and accepted by, the Board on August 8, 2025, whereby you resigned, *inter alia*, as a director and member of the Board effective immediately (the "Resignation Letter").

2. Voluntary Resignation. By signing below and without limiting the effect of the Resignation Letter, you hereby voluntarily resign from the position of CEO of MSC, and from all other positions with each direct and indirect subsidiary of MSC, including MSK, effective as of 11:59 p.m. (Korea Time) on the Resignation Date; provided, however, that you will remain as the liquidator of Magnachip Mixed-Signal, Ltd., a Korean *yuhan hoesa* ("MMS"), until its liquidation process is completed or the Company otherwise determines that you will no longer serve as the liquidator of MMS. Without limiting Section 4 below, Section 10 of the Employment Agreement or the Resignation Letter, you agree to cooperate with the Company and take all actions to effectuate the foregoing, including executing documents in connection with your resignations and carrying out your duties as the liquidator of MMS and/or taking the necessary procedures for replacement. Except as provided herein, it is intended that the compensation and benefits you receive pursuant to this Separation Agreement shall be substantially equivalent to those you would be entitled to if you were to resign with Good Reason (or if you were to be terminated by the Company without Cause). For the avoidance of doubt, other than the compensation and benefits contemplated by this Separation Agreement, there shall be no compensation for the cooperation you provide with respect to your resignations and as the liquidator of MMS. Notwithstanding anything to the contrary, if any provision in the Employment Agreement conflicts with any provision in this Separation Agreement, the provision contained in this Separation Agreement shall govern and control.

Magnachip Semiconductor, 40F, Parc.1 Tower 2, 108, Yeoui-daero, Yeongdeungpo-gu, Seoul, Republic of Korea, 07335

3. Severance Benefit. The Company is offering, and you have accepted, the following compensation and benefits (collectively, the “Severance Benefit”) in exchange for your execution of this Separation Agreement and the Release of Claims contained herein and in Exhibit A attached hereto (the “Release”):

(a) Separation Payment. You will receive a cash severance payment equal to two (2) times your Final Base Salary, which shall be paid as set forth in this Section 3(a). The Company will first withhold all required taxes and similar deductions applicable to the total amount of such cash severance, and the resulting net total amount shall be paid to you in installments. One-twenty-fourth (1/24) of such net total amount shall be referred to herein as the “Monthly Net Salary”. The installment payments shall be as follows: (i) two (2) times the Monthly Net Salary on the 60th day following the Resignation Date; and (ii) the Monthly Net Salary on the 25th day of each month for a period of 22 months starting from November 2025; provided, however, that if the 25th falls on a non-business day of the Company, the payment will be made on the immediately preceding business day; provided further that, in the event of a Change in Control, the Company shall pay you in lump-sum all Monthly Net Salary payments remaining to be paid hereunder immediately prior to such Change in Control. You will also be entitled to receive a prorated portion of the Annual Bonus applicable to the calendar year 2025, determined on a daily basis, based on actual performance achievement for such year, and payable if and when annual bonuses (if any) are paid to the senior executives of the Company with respect to such year. The payments set forth in this Section 3(a) are collectively referred to herein as the “Separation Payment”.

(b) Equity Compensation. During your engagement with the Company, you have been granted equity awards (“Equity Awards”) under the terms of, as the case may be, the MagnaChip Semiconductor Corporation 2011 Equity Incentive Plan (the “2011 Equity Plan”) or the Magnachip Semiconductor Corporation 2020 Equity and Incentive Compensation Plan, as amended (together with the 2011 Equity Plan, the “Equity Plan”). Any Equity Awards that are outstanding under the Equity Plan will be treated in accordance with the terms of the Equity Plan and the applicable award agreements; provided that, for purposes of this Section 3(b), your separation shall be deemed to constitute “termination without Cause” under the Equity Plan and the applicable award agreements; provided further that, notwithstanding anything to the contrary, you may exercise your stock options, to the extent unexercised and exercisable, at any time prior to the expiration date applicable to each such stock option.

(c) Expatriate Benefits. The following benefits shall be provided to you as settlement in respect of all of your expatriate assignment entitlements:

(i) Continuation of your current housing support (including rent payments (if any), utilities, management fees and the like, consistent with past practice) for a period of 90 days from the Resignation Date;

(ii) Continuation of your current life/accident/travel insurance coverage (consistent with past practice) for a period of 90 days from the Resignation Date;

(iii) Cash payment equal to the Monthly Net Salary, to be paid on the 60th date following the Resignation Date;

(iv) In lieu of all other expatriate assignment entitlements, cash payment equal to KRW 199,327,476, to be paid on the 60th date following the Resignation Date; and

(v) Continuation of tax equalization and tax preparation/consulting services as required with respect to any and all compensation you receive from the Company (including the compensation and benefits you receive under this Separation Agreement) for the tax year(s) during which any portion of such compensation is paid and becomes taxable, provided that, for the avoidance of doubt, the Company's tax equalization obligation shall not cover or apply to any capital gains taxes accrued or assessed on any equity awards you have been granted by the Company and the tax preparation/consulting services shall not extend beyond the tax year 2025.

Except as set forth above, you will have no right to receive any compensation or benefit with respect to your expatriate assignment, whether pursuant to the Employment Agreement, the Company's policies or practices relating to expatriate assignments or otherwise.

(d) Notwithstanding anything to the contrary, the Severance Benefit (including the Separation Payment) to be provided to you shall be contingent upon and subject to:

(i) your execution and non-revocation of the Release and your satisfaction of the conditions under the Release;

(ii) your compliance with all of the terms of the Confidentiality Agreement and Proprietary Information and Invention Assignment Agreement, which you signed upon joining the Company, except as superseded by this Separation Agreement; and

(iii) your compliance with all the terms of this Separation Agreement, including Section 4 below (and by reference, Sections 6, 7, 8 and 10 of the Employment Agreement).

(e) Taxes. Notwithstanding anything to the contrary, the Company will withhold taxes and other similar deductions as required by applicable law.

(f) Payment of Benefits and Compensation. You agree that, except as otherwise provided herein and except any statutory severance required by Korean law (or its equivalent accrued pursuant to the Company's policies and practices), you have been paid all benefits and compensation (including any equity-based compensation) owed to you by the Company and are not entitled to any additional severance, wages, salary, bonuses, benefits, equity awards, incentive compensation, allowances or other remuneration from the Company. Except as provided herein or any adjustments due to income-related taxes to be settled between you and the Company with respect to prior periods or any other adjustments that may be required due to manifest error (including miscalculations, misapplication of tax rates, items requiring an amendment to tax filings and the like), neither party shall be required to make any payment or reimbursement to the other party, whether in association with compensation, bonuses, benefits, equity awards, expatriate assignment entitlements (including repatriation benefits and tax equalization) or otherwise.

(g) Waiver of Notice. Each party hereto waives any and all notice requirements in connection with the termination or resignation of your employment contemplated by this Separation Agreement, including any such requirement set forth in Section 4(b) of the Employment Agreement.

4. Covenants. Sections 6 (Non-Competition; Non-Solicitation; Non-Hire), 7 (Non-Disclosure of Confidential Information; Non-Disparagement; Intellectual Property), 8 (Injunctive Relief) and 10 (Cooperation) of the Employment Agreement are hereby incorporated hereinto by reference. You hereby confirm the validity and effectiveness of such provisions and agree to comply with them.

5. Entire Agreement. This Separation Agreement, the Release and the Employment Agreement (and the Confidentiality Agreement and the Proprietary Information and Invention Assignment Agreement referenced in this Separation Agreement) constitute the entire agreement and understanding between you and the Company with respect to the subject matter hereof and supersede all prior agreements, policies and understandings (whether written or oral), between you and the Company, relating to such subject matter (including any oral promise to retain you as a consultant for any period following your termination of engagement and provide payments or benefits in connection therewith).

6. Notices. Any notice, request, claim, demand, document or other communication hereunder to any party hereto shall be effective upon receipt (or refusal of receipt) and shall be in writing and delivered personally or sent by telex, telecopy, email, commercially recognized overnight courier or certified or registered mail, postage prepaid, to the following address (or at any other address as any party hereto shall have specified by notice in writing to the other party hereto):

(a) If to the Company, to it at its current executive offices, Attn: Chief Financial Officer ([*email address omitted*]).

(b) If to Mr. Kim ([*email address omitted*]), at his most recent address on the payroll records of the Company.

7. General. Sections 13 (Assignment and Successors), 14 (Governing Law), 15 (Validity), 17 (Counterparts), 19 (Amendments; Waivers), 20 (No Inconsistent Actions), 21 (Construction), 22 (Dispute Resolution), 23 (Enforcement), 24 (Withholding), 25 (Clawback) and 27 (Employee Representations) of the Employment Agreement are hereby incorporated hereinto by reference, provided that those sections shall apply *pari passu* to this Separation Agreement as if the term “Agreement” were replaced with the term “Separation Agreement”.

[Remainder of page internationally left blank, Signature page follows.]

Please confirm your agreement with the foregoing by signing and returning one copy of this Separation Agreement to the undersigned, whereupon this Separation Agreement shall become a binding agreement between you and the Company.

Very truly yours,

MAGNACHIP SEMICONDUCTOR CORP.

By: /s/ Camillo Martino

Name: Camillo Martino

Title: Chairman of the Board of Directors

MAGNACHIP SEMICONDUCTOR, LTD.

By: /s/ Theodore S. Kim

Name: Theodore S. Kim

Title: Director on the Board of Directors

Accepted and agreed as of
the date first written above:

 /s/ Young-Joon Kim

Young-Joon Kim

EXHIBIT A

RELEASE OF CLAIMS

As used in this Release of Claims (this “Release”), the term “claims” include all claims, covenants, warranties, promises, undertakings, actions, suits, causes of action, proceedings, obligations, debts, accounts, attorneys’ fees, judgments, losses and liabilities, of whatsoever kind or nature, in law, in equity, or otherwise. Capitalized terms used but not defined in this Release have the respective meanings ascribed to them in the Separation Agreement dated August 11, 2025, among Magnachip Semiconductor Corporation, Magnachip Semiconductor, Ltd. and the undersigned (the “Separation Agreement”).

For and in consideration of the Severance Benefit, and other good and valuable consideration, I, for and on behalf of myself and my executors, heirs, administrators, representatives, and assigns, hereby agree to release and forever discharge the Company and all of their respective predecessors, successors, affiliates, subsidiaries, investors, directors, shareholders, members, officers, general or limited partners, employees, attorneys, agents, and representatives, and the employee benefit plans in which I am or have been a participant by virtue of my employment with or service to the Company (collectively, the “Company Releasees”), from any and all claims that I have or may have had against the Company Releasees based on any events or circumstances arising or occurring on or prior to the date hereof and arising directly or indirectly out of, relating to, or in any other way involving in any manner whatsoever my executive service to, or employment by, the Company or the termination thereof, including any and all claims arising under federal, state or local laws of the United States of America or under national, provincial or local laws of the Republic of Korea (as well as any applicable foreign jurisdictions) relating to executive service or employment, including claims of wrongful discharge, breach of express or implied contract, fraud, misrepresentation, defamation, intentional infliction of emotional distress, whistleblowing or liability in tort, and claims of any kind that may be brought in any court or administrative agency, and any related claims for attorneys’ fees and costs. I agree further that this Release may be pleaded as a full defense to any action, suit, arbitration, or other proceeding covered by the terms hereof that is or may be initiated, prosecuted, or maintained by me or my descendants, dependents, heirs, executors, administrators, or assigns. By signing this Release, I acknowledge that I intend to waive and release all rights known or unknown that I may have against the Company Releasees under these and any other laws.

I acknowledge and agree that as of the date I execute this Release (the “Release Effective Date”), I have no knowledge of any facts or circumstances that give rise or could give rise to any claims under any of the laws listed in the preceding paragraph and that I have not filed any claim against any of the Company Releasees before any local, state, federal, or foreign agency, court, arbitrator, mediator, arbitration or mediation panel, or other body (each individually a “Proceeding”). I (i) acknowledge that I will not initiate or cause to be initiated on my behalf any Proceeding and will not participate in any Proceeding, in each case, except as required by law, and (ii) waive any right that I may have to benefit in any manner from any relief (whether monetary or otherwise) arising out of any Proceeding. Further, I understand that, by executing this Release, I will be limiting the availability of certain remedies that I may have against the Company and limiting also my ability to pursue certain claims against the Company Releasees.

Notwithstanding the generality of the foregoing, I do not release (i) claims that may arise out of the Separation Agreement, including my right to receive the Severance Benefit, including the Separation Payment, in accordance with the Separation Agreement, (ii) claims for indemnification arising under any applicable indemnification obligation of the Company, or (iii) claims that cannot be waived by law.

I understand that nothing in this Agreement will preclude, prohibit or restrict me from (i) participating or cooperating in any investigation conducted by any governmental agency or authority or (ii) filing a charge of discrimination with any administrative agency or regulatory authority.

Nothing in this Agreement, or any other agreement with the Company, prohibits or is intended in any manner to prohibit, me from (i) reporting a possible violation of U.S. federal or other applicable law or regulation to any governmental agency or entity, including the Department of Justice, the SEC and the U.S. Congress and any similar governmental agencies of other jurisdictions, including the inspector general of any such governmental agency, or (ii) making other disclosures that are protected under whistleblower provisions of U.S. federal or other applicable law or regulation. This Agreement does not limit my right to receive an award (including a monetary reward) for information provided to the SEC. I do not need the prior authorization of anyone at the Company to make any such reports or disclosures, and I am not required to notify the Company that I have made such reports or disclosures.

Nothing in this Agreement or any other agreement or policy of the Company is intended to interfere with or restrain the immunity provided under 18 U.S.C. §1833(b). I cannot be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) (A) in confidence to federal, state or local government officials, directly or indirectly, or to an attorney and (B) for the purpose of reporting or investigating a suspected violation of law, (ii) in a complaint or other document filed in a lawsuit or other proceeding, if filed under seal, or (iii) in connection with a lawsuit alleging retaliation for reporting a suspected violation of law, if filed under seal and does not disclose the trade secret, except pursuant to a court order.

I acknowledge that I have been given at least 21 days in which to consider this Release. I acknowledge further that the Company has advised me to consult with an attorney of my choice before signing this Release, and I have had sufficient time to consider the terms of this Release. I represent and acknowledge that, if I execute this Release before 21 days have elapsed, I do so knowingly, voluntarily and upon the advice and with the approval of my legal counsel (if any), and that I voluntarily waive any remaining consideration period.

I understand that after executing this Release, I have the right to revoke it within seven (7) days after its execution. I understand that this Release will not become effective and enforceable unless the seven (7)-day revocation period passes and I do not revoke the Release in writing. I understand that this Release may not be revoked after the seven (7)-day revocation period has passed. I understand also that any revocation of this Release must be made in writing and delivered to the Company at its principal place of business within the seven (7)-day period.

This Release will become effective, irrevocable and binding on the eighth (8th) day after its execution, so long as I have not timely revoked it as set forth above. I understand and acknowledge that I will not be entitled to payments or benefits under the Separation Agreement unless this Release is effective on or before the date that is 60 days following the Resignation Date.

I hereby agree to waive any and all claims to re-engagement or re-employment with the Company and affirmatively agree not to seek further employment with the Company.

The provisions of this Release will be binding upon my heirs, executors, administrators, legal representatives and assigns. If any provision of this Release will be held by any court of competent jurisdiction to be illegal, void or unenforceable, such provision will be of no force or effect. The illegality or unenforceability of such provision, however, will have no effect upon and will not impair the enforceability of any other provision of this Release.

This Release will be governed in accordance with the laws of the State of Delaware, without reference to the principles of conflicts of law. Any dispute or claim arising out of or relating to this Release or claim of breach hereof will be brought exclusively in the United States District Court for the District of Delaware to the extent that federal jurisdiction exists, and in the Delaware Chancery Court to the extent that federal jurisdiction does not exist. By execution of this Release, I am waiving any right to trial by jury in connection with any suit, action or proceeding under or in connection with this Release.

Young-Joon Kim

Date



**Magnachip Semiconductor Announces YJ Kim to Step Down as CEO
Current Board Chairman Camillo Martino Appointed Interim CEO**

-Board Continues to Explore Strategic Alternatives; CAPEX Plans to Be Cut by Over 50% Through 2027-

SEOUL, South Korea, August 11, 2025 – Magnachip Semiconductor Corporation (NYSE: MX) (“Magnachip” or the “Company”) today announced that YJ Kim has agreed to step down as CEO and as a member of the Board of Directors, effective immediately. Camillo Martino, Chairman of the Board of Directors, has also been appointed Interim Chief Executive Officer, effective immediately.

Magnachip’s Interim CEO and Chairman Camillo Martino said, “YJ Kim became CEO during a turbulent period in the Company’s history, and has led the firm for the past decade. However, Magnachip now faces several strategic, operational and financial challenges as it transitions to become a pure play power semiconductor company, and this requires new leadership. On behalf of the Board of Directors, I thank YJ for his service and wish him well in his future endeavors.”

Mr. Martino commented, “I am fully committed as Interim CEO and will spend most of my time in South Korea to accelerate our transition to a pure-play power company, while also focusing intensely on achieving sustainable profitability and maximizing shareholder value. Among the first actions being taken in our plan is cutting capital expenditures by more than 50% over the next two-plus years as we prioritize capital allocation. As part of our capital allocation plans, it is important that we invest in our Gumi fab to support the growth of our new-generation power products that are critical to our financial recovery. New-generation products are expected to increase our market competitiveness and result in higher average selling prices and gross profit margins. Capital expenditures, which recently had been forecast to range between \$65-70 million through 2027, now are forecast to be in the range of \$30-35 million, but the total net cash outlay by Magnachip currently is expected to range between \$12-13 million, with the remainder covered by our bank equipment loan facility.”

“In addition, we will continue to review all other available cost reduction initiatives to align our spending consistent with our goal to achieve Adjusted EBITDA¹ breakeven as soon as possible. One of the right-sizing initiatives being undertaken is headcount reduction, primarily through shared corporate functions. We are currently targeting to achieve annual savings of \$2-3 million in operating expenses, with a payback period of 1.5 years.”

In concluding comment, Mr. Martino said, “As part of Magnachip’s capital allocation process, the Board will review all strategic alternatives including, but not limited to, a potential sale of the Company. The Board and management share the frustration of shareholders regarding the performance of the Company, and we are determined to optimize capital returns to shareholders. I will work closely with our management team to execute our strategic and financial plans and our new-generation power product roadmap.”

YJ Kim said, “I wish to thank Magnachip’s employees for their dedication to the Company, and the Board of Directors for its support. It’s been an honor to lead Magnachip over the past 10 years.”

¹ Adjusted EBITDA is a non-GAAP financial measure. See the Company’s most recent earnings release for the fiscal quarter ended June 30, 2025 in the investor relations section of the Company’s website for its definition of Adjusted EBITDA, reconciliations of historical presentations to net income, and a description of how the Company uses it in evaluating operating performance.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to the safe harbor created thereby. Statements that are not historical or current facts, including statements about beliefs and expectations and statements are forward-looking statements. These forward-looking statements are often, but not always, made through the use of words or phrases such as “may,” “will,” “will be,” “anticipate,” “estimate,” “plan,” “project,” “continuing,” “ongoing,” “expect,” “believe(s),” “intend,” “predict,” “potential,” “future,” “strategy,” “opportunity” and similar words or phrases or the negatives of these words or phrases. Forward-looking statements involve inherent risks and uncertainties, and important factors could cause actual results to differ materially from those anticipated, including, but not limited to: the impact of changes in macroeconomic conditions, including those caused by or related to recent trade and tariff actions announced by the U.S. globally and the related retaliatory tariffs and disruptions in supply chains and global trade as a result thereof, inflation, potential recessions or other deteriorations, economic instability or civil unrest; geopolitical conflicts, including between Russia-Ukraine and between Israel-Hamas and Iran, and sustained military action and conflict in the Red Sea; manufacturing capacity constraints or supply chain disruptions that may impact our ability to deliver our products or affect the price of components, which may lead to an increase in our costs and impact demand for our products from customers who are similarly affected by such capacity constraints or disruptions; the impact of competitive products and pricing; timely acceptance of our designs by customers; timely introduction of new products and technologies; our ability to ramp new products into volume production; industry-wide shifts in supply and demand for semiconductor products; overcapacity within the industry or at Magnachip; effective and cost-efficient utilization of manufacturing capacity; financial stability in foreign markets and the impact of foreign exchange rates; unanticipated costs and expenses or the inability to identify expenses that can be eliminated; compliance with U.S. and international trade and export laws and regulations by us, our customers and our distributors; change to or ratification of local or international laws and regulations, including those related to environment, health and safety; public health issues; other business interruptions that could disrupt supply or delivery of, or demand for, Magnachip’s products; and other risks detailed from time to time in Magnachip’s filings with the U.S. Securities and Exchange Commission (the “SEC”), including our Form 10-K filed on March 14, 2025, and subsequent registration statements, amendments or other reports that we may file from time to time with the SEC and/or make available on Magnachip’s website. These reports are available at www.magnachip.com or www.sec.gov. Forward-looking statements speak only as of the date they are made. Magnachip assumes no obligation and does not intend to update the forward-looking statements provided, whether as a result of new information, future events or otherwise.

About Magnachip Semiconductor

Magnachip is a designer and manufacturer of analog and mixed-signal power semiconductor platform solutions for various applications, including industrial, automotive, communication, consumer and computing. The Company provides a broad range of standard products to customers worldwide. Magnachip, with about 45 years of operating history, owns a portfolio of approximately 1,000 registered patents and pending applications, and has extensive engineering, design and manufacturing process expertise. For more information, please visit www.magnachip.com. Information on or accessible through Magnachip’s website is not a part of, and is not incorporated into, this release.

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