

Nov 2020

ENG

IR Presentation

Details on the Spin-off



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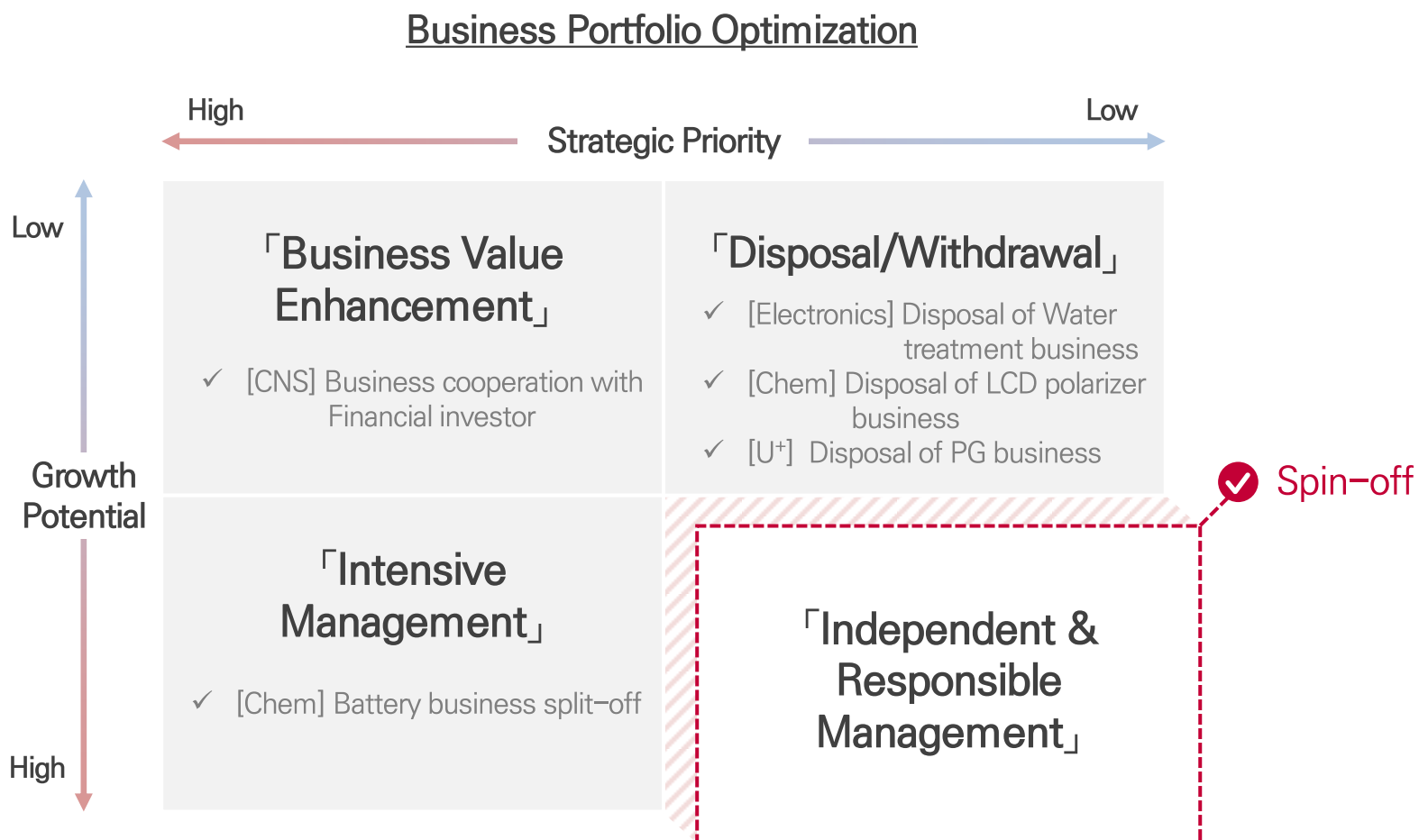
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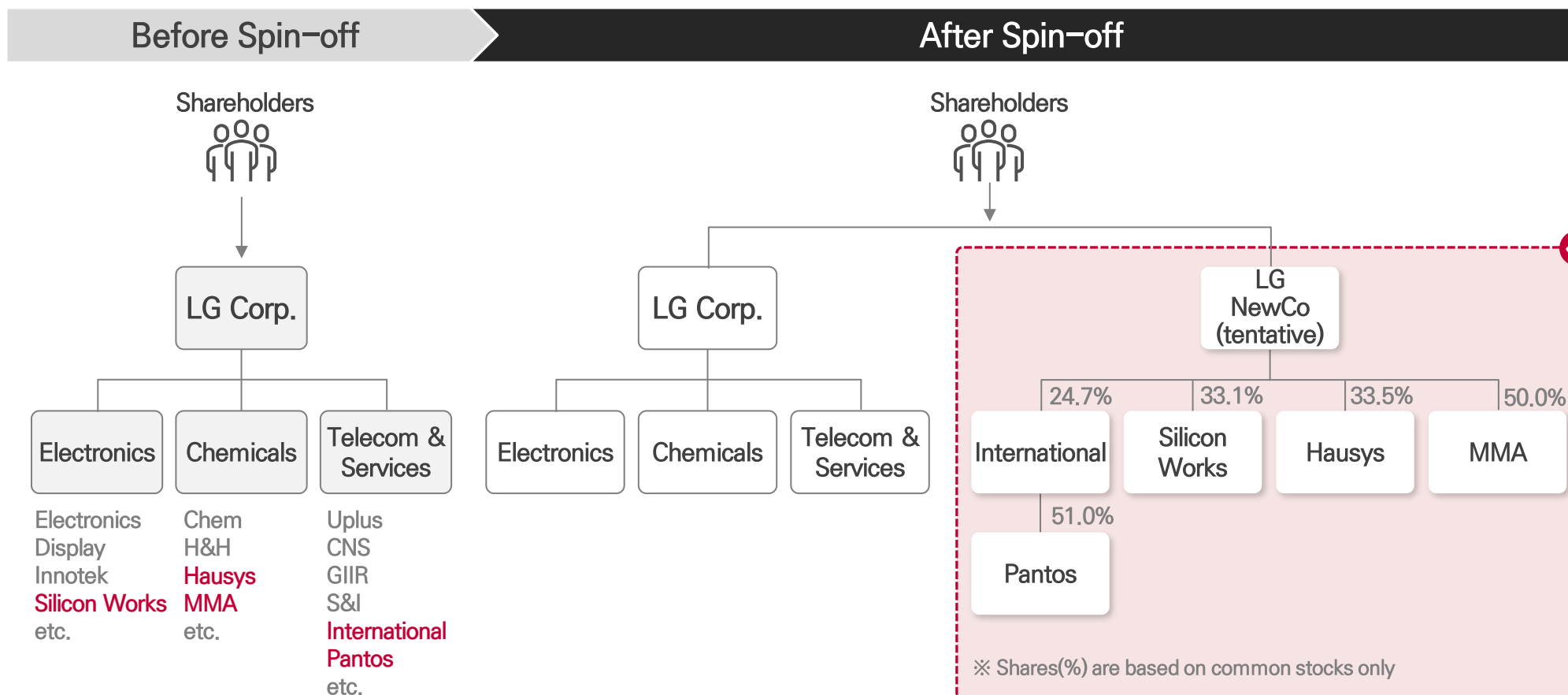
1. Background

To enhance the shareholder value, LG has taken various measures in restructuring the portfolio until now. And for the next step forward, LG Corp. has decided to spin off the holding company.



2. Spin-off Structure

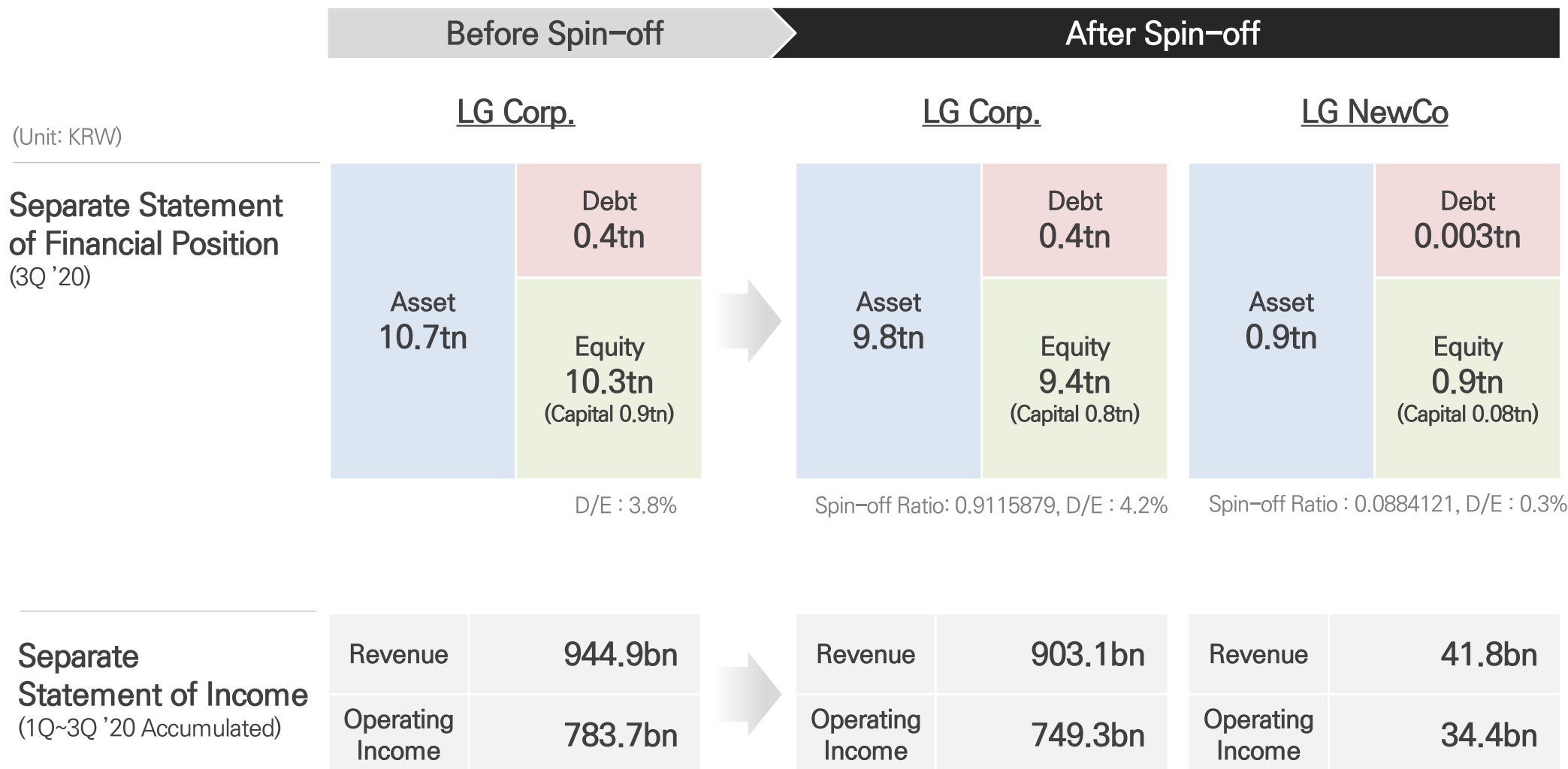
By spinning off LG Corp., the two holding companies will be able to specialize and concentrate in separate fields of expertise.



3. Financials before and after the Spin-off

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The Spin-off ratio considering the Net Asset Value of LG Corp. and LG NewCo is 0.9115879 : 0.0884121.



4. Post Spin-off Snapshot

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	<u>SurvivingCo</u>	<u>NewCo</u>
Company	LG Corp.	LG NewCo (Tentative)
Industry	Holding Company	Holding Company
Major Subsidiaries	LG Electronics, LG Chem, LG Uplus, etc.	International(Pantos), Hausys, Silicon Works, MMA
Spin-off Ratio	0.9115879	0.0884121
Capital (Unit: KRW)	801.6bn	77.8bn
Face Value (Unit: KRW)	5,000	1,000
Total number of shares	Common: 157,300,993 Preferred: 3,021,620	Common: 76,280,690 Preferred: 1,465,285

※ LG Corp. will maintain the face value of KRW 5,000, while the NewCo will set the face value to KRW 1,000 to meet the relisting requirements.

※ Before Spin-off : Common Shares total 172,557,131, Preferred Shares total 3,314,677, Capital KRW 879.4bn

5. Key Milestones

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26 NOV 2020



Board of
Directors
Meeting

31 DEC 2020



Record Date for
General Shareholders
Meeting

11 MAR 2021



Notice for General
Shareholders Meeting

26 MAR 2021



General
Shareholders
Meeting

1 MAY 2021



Date of Spin-off

End of May 2021



LG Corp. Stock Relisting
and Newco Stock Listing

※ The schedule may be subject to change, depending on the circumstances.

6. Spin-off Rationale (NewCo)

LG NewCo
(Tentative)



Portfolio Optimization

Stronger Growth & Return

Industry Expertise,
Rapid Decisions,
and Active Investments



Strategic Freedom

Expansion of External Business

Differentiated Solutions and
New Business Opportunities



Value Enhancement

Deeper Focus on
Customer Value

Profitability Improvement
through Management Efficiency

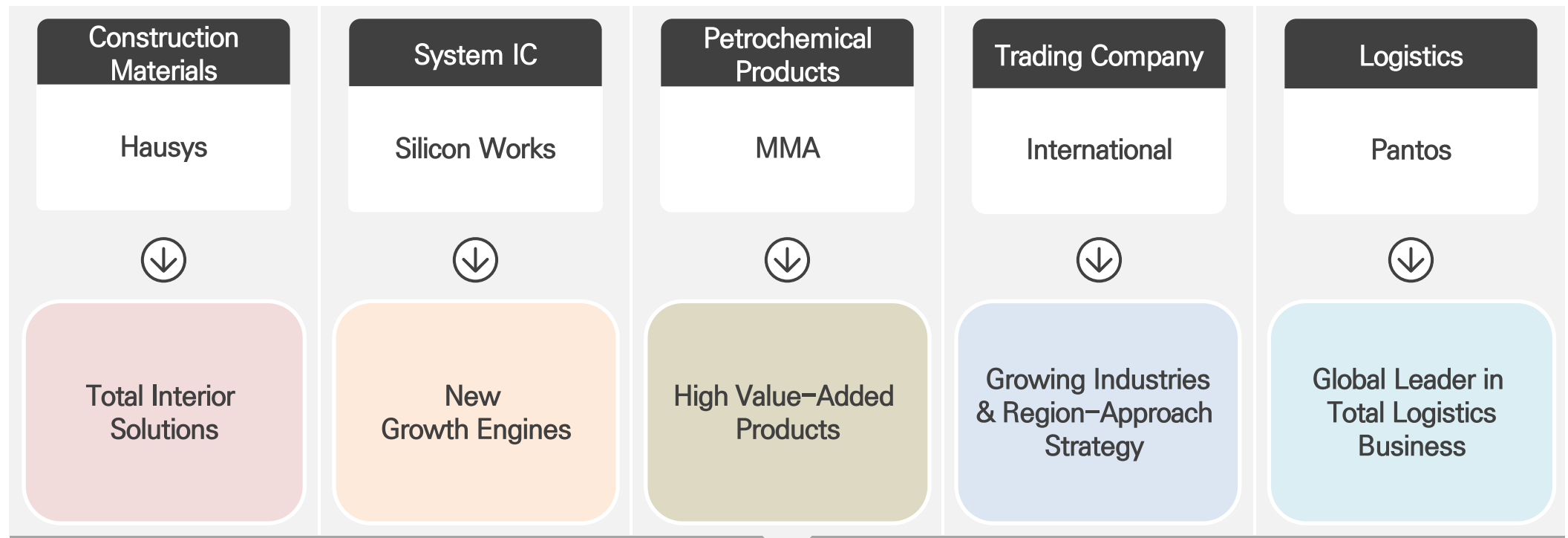
HR Development
and Agile Culture

6. Spin-off Rationale (NewCo Subsidiaries)

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LG NewCo
(Tentative)

“World-class Products and Differentiated Solutions that Connect Regions and Generations”

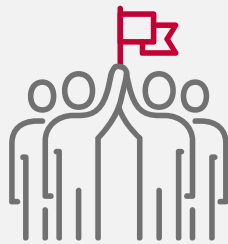


**Market Revaluation of the
Corporate Value**

6. Spin-off Rationale (LG Corp.)

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LG Corp.



Concentration of Resources & Capabilities

Focusing Resources & Capabilities on
the Core Business Areas
to Enhance the Corporate Value

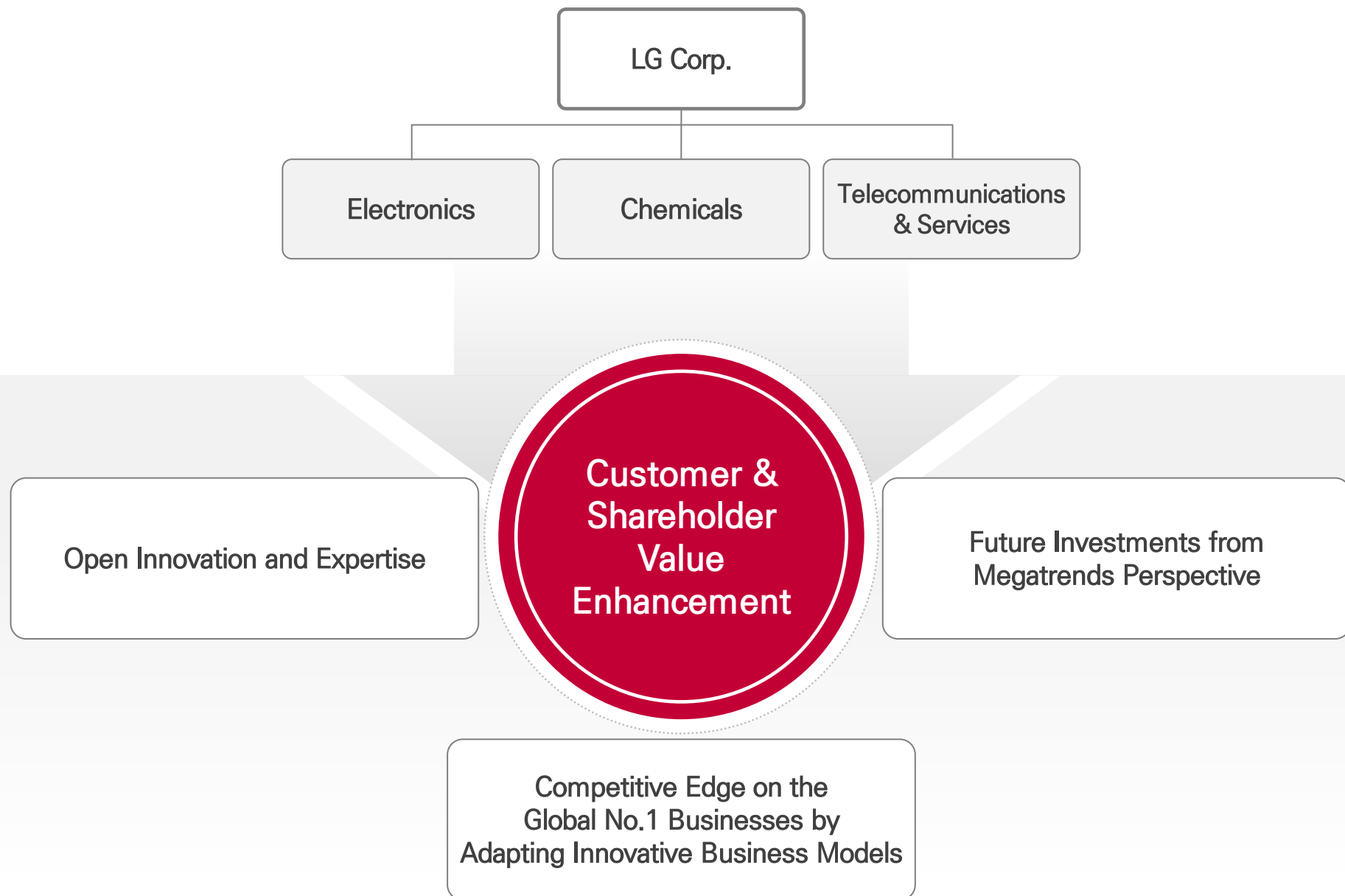


Improvement in Growth & Stability

Deeper Concentration on
New Growth Engines
and Risk Management

6. Spin-off Strategic Rationale (SurvivingCo)

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Thank you

