

## **LG AND MAGNA SIGN JOINT VENTURE AGREEMENT AND ANNOUNCE LEADERSHIP TEAM**

*New Company to Fuse Magna's and LG's Electric Powertrain Strengths to Accelerate E-Drive Component Development*

**SEOUL, South Korea and AURORA, Ontario, Canada, July 28, 2021** – LG Electronics (LG) and Magna International Inc. (Magna) today signed the transaction agreement which establishes a joint venture between the two companies. The new company, to be called LG Magna e-Powertrain, is headquartered in Incheon, South Korea and will be led by a strong management team.

Leading the new company will be CEO Cheong Won-suk, a 20-year LG veteran who was most recently vice president and head of the LG Vehicle component Solutions Company's Green Business. Prior to LG, Cheong spent nearly a decade with Daewoo Motors R&D.



*LG Magna e-Powertrain headquarters in Incheon, South Korea*

Javier Perez, who has been with Magna since 2016, will be the new company's COO. He will be responsible for overseeing the day-to-day operations of the joint venture. Perez brings nearly a quarter century of automotive manufacturing and quality control experience to LG Magna e-Powertrain, 18 of those years based in Asia.

The creation of the joint venture unifies Magna's strength in electric powertrain systems and world-class automotive manufacturing, with LG's expertise in component development for e-motors and inverters. Announcing LG Magna e-Powertrain's executive team marks a key milestone for the joint venture company, which will manufacture e-motors, inverters and on-board chargers and, for certain automakers, related e-drive systems.

The design, engineering and manufacturing synergies created by LG Magna e-Powertrain is expected to enable both companies to quickly react to market trends and capitalize on the growing global shift toward vehicle electrification. The new company will develop



powertrain components that offer automakers a scalable portfolio, from complete solutions enabling electrification and functionality to integrating intelligent operating software and controls in new e-drive systems.

“Partnering with Magna enables LG to scale-up its global production, provide additional business opportunities and offer synergies in procurement and technological innovation,” said CEO Cheong. “The integrated and collaborative approach is expected to deliver quickly for customers and capitalize on the rapid growth of the worldwide electric powertrain market.”

“The market for e-motors, inverters and electric drive systems is expected to have significant growth between now and 2030. Our joint venture company brings together experts from Magna and LG to deliver a world-class portfolio of electric solutions,” said COO Perez. “Leveraging existing technologies, engineering capabilities and global footprints, LG Magna e-Powertrain seeks to enable advancements that help automakers achieve some of the biggest challenges ahead in electrifying their full vehicle lineups.”

LG Magna e-Powertrain will be made up of more than 1,000 employees in the United States, South Korea and China.

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### **About LG Electronics Inc.**

LG Electronics is a global innovator in technology and consumer electronics with a presence in almost every country and an international workforce of more than 75,000. LG's four companies – Home Appliance & Air Solution, Home Entertainment, Vehicle component Solutions and Business Solutions – combined for global sales of over USD 56 billion in 2020. LG is a leading manufacturer of consumer and commercial products ranging from TVs, home appliances, air solutions, monitors, service robots, automotive components and its premium LG SIGNATURE and intelligent LG ThinQ brands are familiar names world over. Visit [www.LGnewsroom.com](http://www.LGnewsroom.com) for the latest news.

### **About Magna**

Magna is more than one of the world's largest suppliers in the automotive space. We are a mobility technology company with a global, entrepreneurial-minded team of 158,000 employees and an organizational structure designed to innovate like a startup. With 60+ years of expertise, and a systems approach to design, engineering and manufacturing that touches nearly every aspect of the vehicle, we are positioned to support advancing mobility in a transforming industry. Our global network includes 347 manufacturing operations and 84 product development, engineering and sales centres spanning 28 countries.

For further information about Magna (NYSE:MGA; TSX:MG), please visit [www.magna.com](http://www.magna.com) or follow us on Twitter @MagnaInt.

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