

## **LG struggles to find buyer for Vietnam plant in smartphone exit**

**If the Hai Phong facility sale cannot be made, company will sell just land**

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HANOI -- LG Electronics is seeking buyers for one of its key Vietnamese factories after deciding to shut its loss-making smartphone business, though the company appears to be having trouble attracting interest in the facility.

The South Korean electronics maker is halting smartphone production in May and terminating the business altogether in July. It now seeks to unload a plant in Hai Phong, which currently produces roughly 10 million smartphones annually or half of LG's global output, according to several Vietnamese news outlets.

LG originally was aiming to sell the Hai Phong plant for at least 100 billion won (\$88.9 million) to Vietnamese companies like Vingroup. But Vingroup already has its own smartphone-producing facility, and the two sides reportedly have failed to reach any agreement so far.

LG set up shop in Hai Phong in 2015, and now operates three key factories there that also produce air conditioners, vacuum cleaners and washing machines. The facilities are located close to port, and LG had increasingly relied on the city for products for the rest of the Asian market.

If it cannot find a buyer for the smartphone plant, LG will consider selling just the land where the facility is located.

The company employs thousands in Hai Phong, and news of the plant sale has sparked fears over the fate of jobs on the ground.

A Hai Phong official said smartphones are just one of many products LG produces in the city and that local authorities are only aware of the company's plans to shut down production lines, Vietnamese news outlets report.