

News Release



BorgWarner Acquires Drivetek AG

- *Strengthens specialty power electronics capabilities*
- *Supports growth of High Voltage eFan business*

Auburn Hills, Michigan, December 2, 2022 – – BorgWarner Inc. (NYSE: BWA) today announced that it has acquired Drivetek AG.

Headquartered in Switzerland, Drivetek offers engineering and product development services for inverters, electric drive solutions, and power electronics as well as a line of products that include specialized inverters for high-speed electrified turbomachinery. Their competencies include design and development of power electronics and electrical machines, system engineering, and control software. Drivetek supports customers in the automotive and transportation industry as well as in the aviation, industrial and energy sectors.

The transaction has an enterprise value of up to CHF 35 million, of which CHF 25 million was delivered at closing. An additional CHF 10 million could be paid in the form of contingent payments over the next 3 years. “Drivetek is an important partner with BorgWarner on our booked eFan business, with our [first customer award](#) being announced in February of this year,” said Frédéric Lissalde, President and CEO of BorgWarner. “Bringing Drivetek’s talented team in house is an investment that grows our power electronics capabilities in auxiliary inverters, which we expect to accelerate the growth of our High Voltage eFan business. We welcome the team to BorgWarner.”

About BorgWarner

For more than 130 years, BorgWarner has been a transformative global product leader bringing successful mobility innovation to market. Today, we're accelerating the world's transition to eMobility — to help build a cleaner, healthier, safer future for all.

Forward-Looking Statements:

This press release contains forward-looking statements as contemplated by the 1995 Private Securities Litigation Reform Act that are based on management's current outlook, expectations, estimates and projections. Words such as "anticipates," "believes," "continues," "could," "designed," "effect," "estimates," "evaluates," "expects," "forecasts," "goal," "guidance," "initiative," "intends," "may," "outlook," "plans," "potential," "predicts," "project," "pursue," "seek," "should," "target," "when," "will," "would," and variations of such words and similar expressions are intended to identify such forward-looking statements. Further, all statements, other than statements of historical fact contained or incorporated by reference in this press release that we expect or anticipate will or may occur in the future regarding our financial position, business strategy and measures to implement that strategy, including changes to operations, competitive strengths, goals, expansion and growth of our business and operations, plans, references to future success and other such matters, are forward-looking statements. All forward-looking statements are based on assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. Forward-looking statements are not guarantees of performance, and the Company's actual results may differ materially from those expressed, projected or implied in or by the forward-looking statements.

You should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Forward-looking statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results to differ materially from those expressed, projected or implied in or by the forward-looking statements. These risks and uncertainties, among others, include: failure to realize the expected benefits of this or other acquisitions on a timely basis; the failure to promptly and effectively integrate this or other acquired businesses; supply disruptions impacting us or our customers, such as the current shortage of semiconductor chips that has impacted original equipment manufacturer ("OEM") customers and their suppliers, including us; commodities availability and pricing; competitive challenges from existing and new competitors including OEM customers; the challenges associated with rapidly-changing technologies, particularly as relates to electric vehicles, and our ability to innovate in response; uncertainties regarding the extent and duration of impacts of matters associated with the COVID-19 pandemic, including additional production disruptions; the difficulty in forecasting demand for electric vehicles and our electric vehicles revenue growth; potential disruptions in the global economy caused by Russia's invasion of Ukraine; the ability to identify targets and consummate acquisitions on acceptable terms; the potential for unknown or inestimable liabilities relating to the acquired businesses; the uncertainty of the global economic environment and potential for recessionary conditions in regional economies; and the other risks noted in reports that we file with the Securities and Exchange Commission, including Item 1A, "Risk Factors" in our most recently-filed Form 10-K and/or Quarterly Report on Form 10-Q. We do not undertake any obligation to update or announce publicly any updates to or revisions to any of the forward-looking statements in this press release

to reflect any change in our expectations or any change in events, conditions, circumstances, or assumptions underlying the statements.

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