

## **BorgWarner Signs International Strategic Relationship Agreement with FinDreams Battery for LFP Battery Packs**

- *BorgWarner to be the preferred manufacturer of LFP battery packs for commercial vehicle markets (class 3 and above) in Europe, the Americas, and parts of Asia Pacific*

Auburn Hills, Michigan, February 13, 2024 – BorgWarner Inc. (NYSE: BWA) today announced a strategic relationship agreement with FinDreams Battery, a subsidiary of BYD Company Limited. Under this agreement, BorgWarner will be the only non-OEM localized manufacturer, unaffiliated with FinDreams Battery, with rights to localize LFP battery packs for commercial vehicles utilizing FinDreams Battery blade cells in Europe, the Americas, and select regions of Asia Pacific. The duration of the agreement is 8 years.

In addition to receiving state-of-the-art blade cells for manufacturing LFP battery packs in the covered geographies, BorgWarner will receive a license from FinDreams Battery to use FinDreams Battery's intellectual property related to its battery pack design and manufacturing process.

“The lithium iron phosphate battery chemistry is an exciting technology that is becoming increasingly important globally due to its cost competitiveness. We have seen increased demand from our customers for packs with LFP cells,” said Frédéric Lissalde, President and CEO of BorgWarner. “We believe FinDreams Battery is right for BorgWarner in this area, with its 20-plus years of experience and success in LFP batteries for the mobility sector across China and Europe. We are excited to work together to develop cutting-edge cell and battery pack technology to further electrify this market segment.”

Michael He, President and CEO of FinDreams Battery, said, “At the key timing of complicated geopolitics and starting point of lithium ion phosphate electrification for overseas commercial vehicles, the overseas localization cooperation with BorgWarner on battery packs

using FDB blade cells in the territory takes the advantages of each other's strengths, provides diversified and flexible options for overseas customers, and also offers extra access to localized battery packs using FDB blade cells for overseas customers. Devoted to the vision of 'let people use batteries carefree', FDB will cooperate with BorgWarner to make joint efforts for the speedy electrification of the overseas commercial vehicle market."

## 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 release may contain 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 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. Accounting estimates, such as those described under the heading "Critical Accounting Policies and Estimates" in Item 7 of our most recently filed Annual Report on Form 10-K ("Form 10-K"), are inherently forward-looking. 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 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: 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; commodity availability and pricing, and an inability to achieve expected levels of recoverability in commercial negotiations with customers concerning these costs; competitive challenges from existing and new competitors including OEM customers; the challenges associated with rapidly changing technologies, particularly as they relate to electric vehicles, and our ability to innovate in response; the difficulty in forecasting demand for electric vehicles and our electric vehicles revenue growth; disruptions in the global economy caused by wars, including the wars in Ukraine and the Middle East; the ability to identify targets and consummate acquisitions on acceptable terms; failure to realize the expected benefits of acquisitions on a timely basis; the possibility that our recently-completed tax-free spin-off of our former Fuel Systems and Aftermarket segments into a separate publicly traded company will not achieve its intended benefits for us; the failure to promptly and effectively integrate acquired businesses; the potential for unknown or inestimable liabilities relating to the acquired businesses; our dependence on automotive and truck production which is highly cyclical and subject to disruptions; our reliance on major OEM customers; the extent, duration, and impact of the recent and any future strikes involving some of our OEM customers and any actions such OEM customers take in response;

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fluctuations in interest rates and foreign currency exchange rates; our dependence on information systems; the uncertainty of the global economic environment; the outcome of existing or any future legal proceedings, including litigation with respect to various claims, or governmental investigations, including related litigation; future changes in laws and regulations, including, by way of example, taxes and tariffs, in the countries in which we operate; impacts from any potential future acquisition or disposition transactions; 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 release to reflect any change in our expectations or any change in events, conditions, circumstances, or assumptions underlying the statements.

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