

## **BorgWarner Starts to Supply Li Auto New Energy Vehicles with Integrated Drive Module**

- *Highlights BorgWarner's first integrated drive module (iDM) business in China*
- *The iDM220 provides over 200 kW of maximum power*
- *System available as a fully integrated module or stand-alone solutions*

Auburn Hill, Michigan, August 2, 2023 – BorgWarner, a global product leader in delivering innovative and sustainable mobility solutions, is supplying Li Auto its advanced integrated drive module (iDM220) to the company's new energy vehicles. This is BorgWarner's first iDM business in China and is currently installed in two of Li Auto's model-lines, including the L8 and L9 range-extended electric vehicle (REEV).

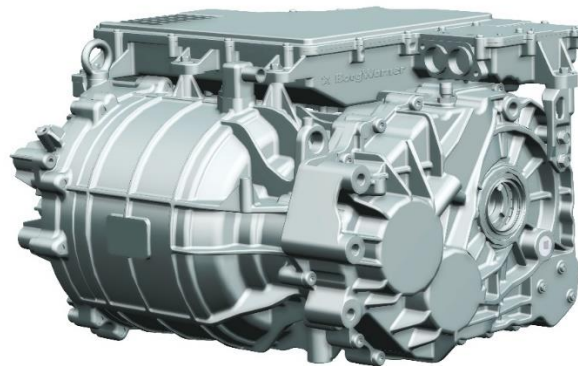
"We are delighted to kick-off our first iDM production in China and gain this opportunity to expand our partnership with Li Auto," said Dr. Stefan Demmerle, President and General Manager, BorgWarner PowerDrive Systems. "BorgWarner's iDM220 is designed to meet the needs of diverse installation adaptations by providing a scalable, modular architecture and is expected to power smart, efficient and reliable mobility solutions for our customers. We look forward to assisting Li Auto in unleashing their future sustainability capabilities by contributing industry-leading electrification solutions."

BorgWarner's iDM220 is a highly-integrated electric drive module operating at 400V that is capable of providing over 200 kW of maximum power and an estimated 4500 Nm of peak torque. The module offers high efficiency, smooth and quiet operation, and exceptional performance. The iDM incorporates an electric motor that has a compact, hairpin-wound stator with an outer diameter of 220 mm as well as an integrated off-axis gearbox and a 400V silicon-based inverter, significantly reducing the weight and size of the entire system. All subsystems used in the iDM are part of BorgWarner's technology portfolio and are available either as a fully integrated module or as stand-alone solutions for new energy vehicles. The iDM is produced in the BorgWarner Wuhan, China plant using inverters from the BorgWarner Suzhou, China plant.

In addition, BorgWarner's Tianjin, China plant indirectly supplies the traction motor and generator motor for the front axle on Li Auto's L7, L8 and L9.

## 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.



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**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

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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 relates to electric vehicles, and our ability to innovate in response; 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; 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; 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, both of which are highly cyclical and subject to disruptions; our reliance on major OEM customers; 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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