

BorgWarner Supplies Next-Generation Triple-clutch P2 Drive Module to HYCET Transmission

- BorgWarner provides a highly integrated triple-clutch P2 drive module and electro-hydraulic control unit for HYCET Transmission, a wholly-owned subsidiary of Great Wall Motors for its Haval and WEY brands
- Applied to the world's first P2 9-speed 9HDCT hybrid transmission by HYCET
- Partnership further drives the development of hybrid vehicles

Auburn Hills, Michigan, September 28, 2021 – BorgWarner has extended its cooperation with HYCET Transmission Technology Hebei Co., Ltd. by supplying BorgWarner's triple-clutch P2 drive module and hydraulic control unit to Great Wall's Haval and WEY brands. As a leading supplier in the global HEV market, BorgWarner supports the world's first 9-speed P2 9HDCT hybrid transmission for HYCET "I-Era 2.0" powertrain. The hybrid transmission features nine gears and a parking lock function for greater vehicle efficiency and performance.

With the electric motor placed directly between the internal combustion engine and the transmission, BorgWarner's on-axis P2 drive module, which matches HYCET delivers cost-effective hybridization through its compatibility with existing vehicle platforms. This innovative BorgWarner P2 solution has a compact axial and outstanding performance and is capable of integrating up to three clutches, including a disconnecting clutch. This allows the system to decouple from the engine for pure electric driving, enabling the vehicle to always provide sufficient power performance when the engine is not working or in inefficient areas. BorgWarner's P2 hydraulic control unit for HYCET adopts a next-generation low-leakage design to further improve the efficiency of the hydraulic system. The latest solenoid valve is also designed for optimized clutch and shifting characteristics, resulting in better system efficiency and performance.

With the development of hybrid technology and subsidy policy adjustments, OEMs are exploring more possibilities for energy conservation and emission reductions in the combustion-fueled vehicles space, thus elevating the role of hybrid vehicles. Among various hybrid structures, BorgWarner's P2

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solution has been widely recognized by car makers as a highly efficient and fast-to-market hybridization technology.

"We are thrilled to extend our nearly two-decade partnership with HYCET" said Dr. Volker Weng, President & General Manager, BorgWarner DriveTrain Systems. "Our customized triple-clutch P2 module can meet the requirements for HYCET's 9-speed 9HDCT hybrid powertrain and is especially suitable for P2 hybrids that are expected to become the mainstream of hybrid architectures."

BorgWarner's on-axis P2 drive module can be installed directly into the drive shaft for easy integration. The compact design with up to three nested clutches minimizes overall length, enabling OEMs to integrate it with a variety of engines and vehicle platforms, including high voltage PHEV, high voltage HEV and 48V systems. The company's triple-clutch P2 module integrates the disconnecting clutch, the drive motor and the cooling system, and features a high-performance, low-noise stator delivering 95% peak efficiency.

By using BorgWarner's award-winning S-wind wire-forming process to create the motor, the P2 drive module produces high power and torque densities in an extremely compact package. The innovative manufacturing process allows BorgWarner to produce smaller, more powerful high-voltage electric motors on a mass scale and is expected to help drive growth in the hybrid and electric vehicle market. In addition, BorgWarner can supply the electrohydraulic controls for actuating the wet clutches, giving customers the option to choose individual components or a complete system.

It is reported that the hybrid vehicles equipped with BorgWarner's triple-clutch P2 hybrid drive module and hydraulic control unit will have mass produced by the end of January 2022.

About BorgWarner

BorgWarner Inc. (NYSE: BWA) is a global product leader in delivering innovative and sustainable mobility solutions for the vehicle market. Building on its original equipment expertise, BorgWarner also brings market leading product and service solutions to the global aftermarket. With manufacturing and technical facilities in 96 locations in 23 countries, the company employs approximately 50,000 people worldwide. For more information, please visit borgwarner.com.

About HYCET Transmission Technology Hebei Co., Ltd.

HYCET Transmission Technology Hebei Co., Ltd. regards technological innovation as the foundation of survival, creates benefits for customers, creates happiness for employees, and creates value for society. Adhering to the attitude of integrity, openness, innovation, and win-win, we are committed to becoming a top-level "green and intelligent" transmission system solution provider that "from China and

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serving the world". It has 4 R&D centers, 7 production bases at home and abroad, and more than 3,500 employees.



BorgWarner supplies next-generation triple-clutch P2 drive module to HYCET Transmission (The housing is designed and provided by HYCET)

Forward-Looking Statements: This press 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 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. Accounting estimates, such as those described under the heading "Critical Accounting Policies and Estimates" in Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2019 ("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 in 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: uncertainties regarding the extent and duration of impacts of matters associated with COVID-19, including additional production disruptions; the failure to realize the expected benefits of the acquisition of Delphi Technologies PLC that the Company completed on October 1, 2020; the failure to promptly and effectively integrate acquired businesses; the potential for unknown or inestimable liabilities relating to the acquired businesses; the possibility that the proposed transaction between the Company and AKASOL AG will not be consummated; failure to obtain necessary regulatory approvals or to satisfy any of the other conditions to the proposed transaction; failure to realize the expected benefits of the proposed transaction; our dependence on automotive and truck

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production, both of which are highly cyclical and subject to disruptions; our reliance on major OEM customers; commodities availability and pricing; supply disruptions; fluctuations in interest rates and foreign currency exchange rates; availability of credit; our dependence on key management; 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; future changes in laws and regulations, including, by way of example, tariffs, in the countries in which we operate; impacts from any potential future acquisition or divestiture 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. 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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