

BorgWarner to Acquire Eldor Corporation's Electric Hybrid Systems Business Segment

- *Complements and strengthens BorgWarner's electric product portfolio*
- *Closing expected in third quarter 2023*

Auburn Hills, Michigan, June 19, 2023 – BorgWarner Inc. (NYSE: BWA) and Eldor Corporation S.p.A. today announced that they have entered into a Share Purchase Agreement under which BorgWarner has agreed to acquire the Electric Hybrid Systems (EHS) business segment of Eldor for €75 million at closing with a potential additional amount due subject to an earnout.

Headquartered in Italy, Eldor's EHS segment includes on-board chargers (OBCs), DC/DC converters, and integrated high voltage boxes, all of which are expected to complement BorgWarner's existing product portfolio. The acquisition is expected to enhance BorgWarner's capabilities in engineering compact and efficient 400V and 800V on-board chargers that are compatible with the variety of regional grid configurations found globally while also bringing innovative and cost-effective high-frequency DC/DC converter technology to the portfolio. BorgWarner expects that Eldor's EHS business will generate €25 million of revenue for the full year 2023. Relative to its *Charging Forward 2027* targets, BorgWarner expects that revenues will be approximately €250 million in 2027.

The transaction is subject to satisfaction of closing conditions and is expected to close in the third quarter of 2023.

"Eldor's technologies are a great complement to BorgWarner's ePropulsion portfolio, particularly as it relates to expanding in high-voltage power electronics beyond the inverter," said Frédéric Lissalde, President and CEO of BorgWarner. "As we continue with our *Charging Forward* M&A strategy, we look forward to welcoming Eldor's talented team to BorgWarner later this year."

“BorgWarner represents the best opportunity for the Eldor EHS team to grow further from both a professional and managerial standpoint at a global scale,” said Pasquale Forte, President of Eldor Corporation. “I am proud that the value we have built together so far has been well recognized and I thank them for the passion, dedication, and skills they have demonstrated over the years.”

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. 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 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 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 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/coronavirus 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; failure to realize the expected benefits of acquisitions on a timely basis; our ability to effect the intended tax-free spin-off of our Fuel Systems and Aftermarket segments into a separate, publicly traded company on a timely basis or at all; the potential that uncertainty during the pendency of the spin-off transaction could affect our financial performance; the possibility that the spin-off transaction 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 under 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.

PR contact:

Michelle Collins

Phone: +1 248-754-0449

Email: mediacontact@borgwarner.com

IR contact:

Pat Nolan

Phone: +1 248-754-0884