

BorgWarner Secures New Transfer Case Business in China, Expanding All-Wheel Drive Growth

- *Transfer case to be featured on a newly developed, full-size SUV for a Chinese OEM*
- *Combines torque-on-demand with mechanical lock to balance on-road efficiency and off-road capability*
- *Supports vehicle competitiveness with proven four-wheel drive technology*

Auburn Hills, Michigan, July 27, 2026 – BorgWarner has secured a new award to supply its torque-on-demand transfer case with mechanical lock (Mlock TOD) for a newly developed, full-size SUV from a Chinese OEM. Start of production is planned for the fourth quarter of 2026.

“We have built a 20-year relationship with this customer and we’re proud to continue supplying our AWD technology for their newest SUV,” said Henk Vanthournout, Vice President of BorgWarner Inc. and President and General Manager, Drivetrain and Morse Systems. “The Mlock TOD featured in this program combines torque-on-demand four-wheel drive with mechanical lock modes, helping address a wide range of driving conditions while enhancing off-road capability, handling and safety. As a leader in four-wheel drive technology, BorgWarner will continue to leverage its proven product portfolio and technical expertise to deliver greater value to customers.”

Demand in the full-size SUV market continues to grow for vehicles capable of handling diverse driving conditions. Traditional part-time four-wheel drive systems typically require drivers to actively select different drive modes, which can limit ease of operation and adaptability across driving scenarios. By contrast, the Mlock TOD enables more intelligent torque distribution and greater operating convenience, helping full-size SUVs meet both on-road and off-road driving needs.

BorgWarner’s Mlock TOD is based on a proven and reliable product design. By supporting the coordinated use of torque-on-demand four-wheel drive and mechanical lock modes, the solution helps improve overall vehicle performance while providing customers with flexible and efficient four-wheel drive solutions for different vehicle platforms. With long-standing expertise in four-wheel drive systems, local engineering and manufacturing capabilities, and a

deep understanding of market trends and customer needs, BorgWarner will continue to deliver drivetrain solutions that offer performance, efficiency and reliability.

About BorgWarner

For more than 130 years, BorgWarner has been a transformative global product leader bringing successful mobility innovation to market. With a focus on sustainability, we're helping to build a cleaner, healthier, safer future for all.



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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: the possibility that our all-wheel drive programs will not achieve its intended benefits; the supply disruptions impacting us or our

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customers, commodity availability and pricing; competitive challenges from existing and new competitors, including original equipment manufacturer (“OEM”) customers; the challenges associated with rapidly changing technologies, including artificial intelligence, and our ability to innovate in response; potential future changes in laws and regulations, including, by way of example, taxes and tariffs, in the countries in which we operate; potential disruptions in the global economy caused by wars or other geopolitical conflicts; our dependence on automotive and truck production, which is highly cyclical and subject to disruptions; our reliance on major OEM customers; impacts of any future strikes involving any of our OEM customers and any actions such OEM customers take in response; fluctuations in interest rates and foreign currency exchange rates; our dependence on information systems; the uncertainty of the global economic environment; the uncertainty surrounding global trade policies, including tariffs and export restrictions, and their impacts on the Company, its customers and its suppliers; the outcome of existing or any future legal proceedings, including litigation with respect to various claims, or governmental investigations, including related litigation; impacts from any potential future acquisition or disposition transactions; and the other risks discussed in reports that we file with the Securities and Exchange Commission, including in Item 1A, “Risk Factors” in our most recently-filed Annual Report on 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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