

Allison Transmission Makes Strategic Equity Investment in Jing-Jin Electric Technologies

October 20, 2021

INDIANAPOLIS--(BUSINESS WIRE)--Oct. 20, 2021-- Allison Transmission, a leading designer and manufacturer of conventional, electric hybrid and fully electric vehicle propulsion solutions, today announced that it will participate in the initial public offering (IPO) of Jing-Jin Electric (JJE), a leader in electric motor, inverter, and integrated electrified propulsion systems within the largest electric vehicle market in the world. As part of JJE's upcoming IPO at The Science and Technology Innovation (STAR) Board on the Shanghai Stock Exchange, Allison will make a strategic investment of ¥264 million CNY (approx. \$42 million USD). Along with Allison, FAW Group Corporation of Changchun, Jilin, China, will also participate as a strategic investor in JJE's IPO, according to the IPO announcement from the Shanghai Stock Exchange.

Allison's investment in JJE follows the recently announced strategic partnership between the two companies, and an earlier debt financing commitment by Allison that will directly support JJE's North America commercial electric product development, testing, and manufacturing efforts. These investments represent the shared belief that combining Allison's electrified products, brand, channel, technical expertise and product robustness with JJE's broad portfolio of electric motors, inverters and integrated systems will enable the strategic partnership to offer a differentiated value proposition to our global customers and end users.

"This investment, in support of the Allison and JJE collaboration, is an exciting development that highlights Allison's continued commitment to, and investments in, the commercial electric vehicle space," said David Graziosi, Chairman and Chief Executive Officer of Allison Transmission. "In further support of the relationship, Allison is proud to participate in JJE's initial public offering as a strategic investor."

"We are grateful for the support of Allison during this critical stage in JJE's evolution. The inclusion of Allison as a strategic investor in our IPO demonstrates our confidence in the combined capabilities of the strategic partnership to accelerate global electric vehicle development and offer innovative and reliable electrified propulsion solutions to commercial vehicle manufacturers around the world," said Ping Yu, Chairman and Chief Executive Officer of Jing-Jin Electric.

For more information on the Allison-JJE partnership and Allison's eGen Power portfolio, please visit www.allisontransmission.com.

About Allison Transmission

Allison Transmission (NYSE: ALSN) is a leading designer and manufacturer of vehicle propulsion solutions for commercial vehicles, the largest global manufacturer of medium- and heavy-duty fully automatic transmissions, and a leader in electrified propulsion systems that *Improve the Way the World Works*. Allison products are used in a wide variety of applications, including on-highway trucks (distribution, refuse, construction, fire and emergency), buses (school, transit and coach), motorhomes, and off-highway vehicles and equipment (energy, mining and construction applications). Founded in 1915, the company is headquartered in Indianapolis, Indiana, USA. With a presence in more than 150 countries, Allison has regional headquarters in the Netherlands, China and Brazil, manufacturing facilities in the USA, Hungary and India, as well as global engineering resources, including electrification engineering centers in Indianapolis, Indiana, Auburn Hills, Michigan and London in the United Kingdom. Allison also has more than 1,400 independent distributor and dealer locations worldwide. For more information, visit allisontransmission.com.

About Jing-Jin Electric Technologies (JJE)

Established in 2008, JJE is an electrified propulsion leader in components, assemblies and systems for global automotive and commercial vehicle customers. Headquartered in Beijing, China, JJE has technical centers and production facilities in the United States and China including Michigan, Shandong, and Shanghai. Following the company's initial public offering, JJE shares will begin trading on the Shanghai Stock Exchange (SSE) under the stock code of 688280. For more information, please visit www.jjecn.com.

Allison Transmission Forward-Looking Statements

This press release contains forward-looking statements. All statements other than statements of historical fact contained in this press release are forward-looking statements, including all statements regarding future financial results. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "expect," "plans," "project," "anticipate," "believe," "estimate," "predict," "intend," "forecast," "could," "potential," "continue" or the negative of these terms or other similar terms or phrases. Forward-looking statements are not guarantees of future performance and involve known and unknown risks. Factors which may cause the actual results to differ materially from those anticipated at the time the forward-looking statements are made include, but are not limited to: the duration and spread of the COVID-19 pandemic, including new variants of the virus and the pace and availability of vaccines, mitigating efforts deployed by government agencies and the public at large, and the overall impact from such outbreak on economic conditions, financial market volatility and our business, including but not limited to the operations of our manufacturing and other facilities, our supply chain, our distribution processes and demand for our products and the corresponding impacts to our net sales and cash flow; increases in cost, disruption of supply or shortage of labor, freight, raw materials or components used to manufacture or transport our products, including as a result of the COVID-19 pandemic; risks related to our substantial indebtedness; our participation in markets that are competitive; the highly cyclical industries in which certain of our end users operate; uncertainty in the global regulatory and business environments in which we operate; our ability to prepare for, respond to and successfully achieve our objectives relating to technological and market developments, competitive threats and changing customer needs; the concentration of our net sales in our top five customers and the loss of any one of these; the failure of markets outside North America to increase adoption of fully-automatic transmissions; the success of our research and development efforts, the outcome of which is uncertain; U.S. and foreign defense spending; risks associated with our international operations, including increased trade protectionism; general economic and industry conditions; the discovery of defects in our products, resulting in delays in new model launches, recall campaigns and/or increased warranty costs and reduction in future sales or damage to our brand and reputation; our ability to identify, consummate and effectively integrate acquisitions; labor shortages, labor strikes, work stoppages or similar labor disputes, which could significantly disrupt our operations or those of our principal customers or suppliers; our intention to pay dividends and repurchase shares of our common stock and other risks and uncertainties associated with our business described in our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Although we believe the expectations reflected in such forward-looking statements are based upon reasonable assumptions, we can give no assurance that the expectations will be attained or that any deviation will not be material. All information is as of the date of this press release, and we undertake no obligation to update any forward-looking statement to conform the statement to actual results or changes in expectations.

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