

Date: 26th February, 2026

To,
Department of Corporate Services,
BSE Limited,
P J Towers, Dalal Street,
Mumbai- 400 001.
BSE: Scrip Code: 531112

To,
Listing Department,
National Stock Exchange of India Limited,
“Exchange Plaza”, C-1, Block-G,
Bandra Kurla Complex, Bandra (E),
Mumbai- 400 051.
NSE Trading Symbol: BALUFORGE

Subject:- Press Release- Execution of Memorandum of Understanding (M.O.U)

Dear Sir / Madam,

Please find enclosed the Press Release regarding execution of Memorandum of Understanding (M.O.U) by the Company for the supply of empty shells from the Company’s greenfield manufacturing campus in Belgaum, Karnataka. The details of the same are furnished in the attached Press Release.

The above information will also be made available on the website of the Company at www.baluindustries.com.

Kindly take the above information on your records.

For Balu Forge Industries Limited

Jaspalsingh Chandock
Managing Director
DIN: 00813218

Encl: As above



BALU FORGE INDUSTRIES LTD

CIN: L29100MH1989PLC255933

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Balu Forge has entered into a Memorandum of Understanding for a period of 5 years for the supply of large caliber ammunition

Mumbai, Thursday, 26th February 2026: Balu Forge Industries Ltd (Balu Forge or the Company) (BSE: 531112 | NSE: BALUFORGE), a precision engineering company engaged in the manufacturing of forged and machined components, has entered into a Memorandum of Understanding (M.O.U) for the supply of empty shells from the Company's greenfield manufacturing campus in Belgaum, Karnataka. This is the next phase of our journey post the onboarding onto the NATO supply chain & commercialisation of our empty shell line.

This is in line with the company's strategy to build a strong foundation in the defence consumable space starting with large calibre ammunition & will further expand towards medium & small calibre in the near future.

The said agreement covers the complete large caliber ammunition category starting with 155 mm M107, 152 mm & 155 mm ERFB/BT variants & will be extended to 105 mm, 120 mm, 81 mm amongst others.

Please kindly find below key constituents of the said Memorandum of Understanding:

Product & Quantity

155 mm M107: 30,000 units per month in 'Ready to Fill' condition for a period of 5 years

152 mm: 10,000 units per month in 'Ready to Fill' condition for a period of 5 years

- *The above volumes exceed the present capacity of the company but there is already a plan in place to increase the production capacity beyond from the 360,000 per annum from internal accruals.*

Pricing

155 mm M107: USD 315 per unit

152 mm: USD 315 per unit

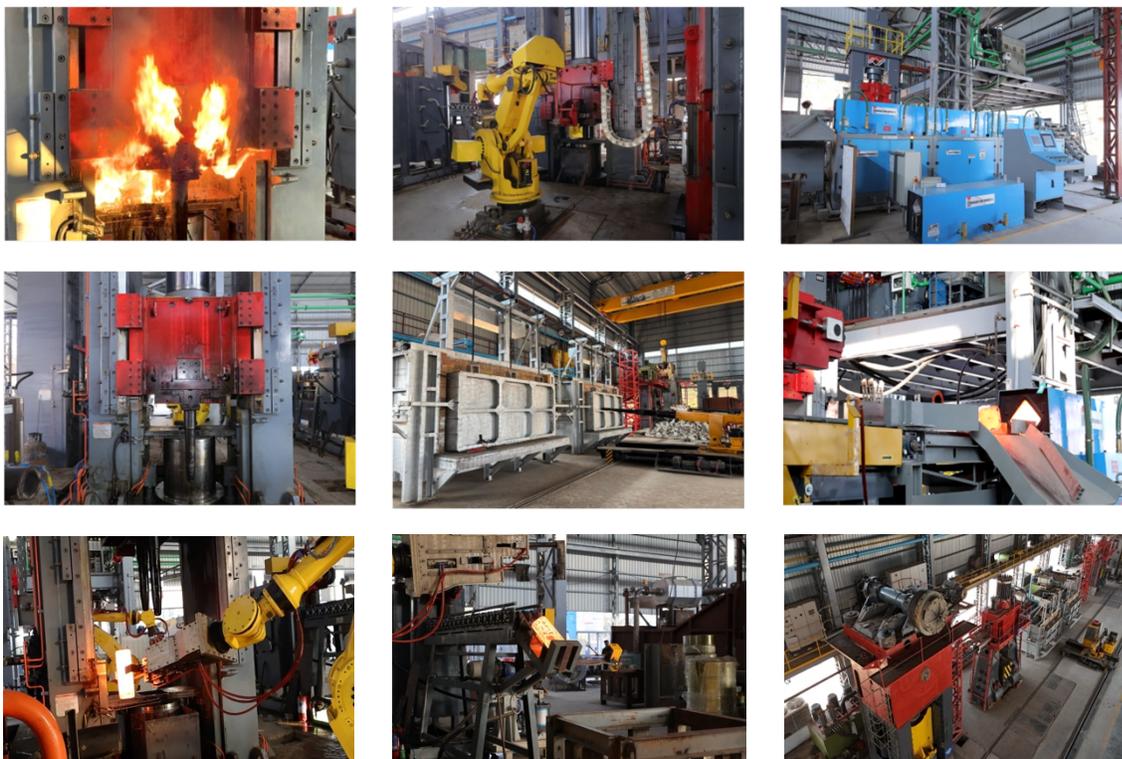
- *The said pricing will be indexed to the London Metal exchange & will be used as the basis for any fluctuation to safeguard the interests of both the buyer & seller.*
- *The above terms are as per FOB Nhava Sheva*

Payment Terms: The payment terms agreed is 20% advance & balance will be via irrevocable Letter of Credit payable within 30 days from the issuance of the invoice.

Tenure & Nature agreement: The agreement is made for a period of 5 years starting 25th February, 2026 & is legally binding for both parties involved.

Confidentiality: The said M.O.U has been signed with a NATO affiliated entity & due to the confidentiality nature of the agreement & sensitive nature of the supplies, the name of the end user has presently not been disclosed.

Commencement of Supplies: The serial commencement of supplies will be from April, 2026 & will be ramped up in a phased manner. The initial supplies will be for 155 mm M107 & 152 mm variants only. Further to trials & approval of the extended range variant (155 mm ERFB BB/BT), these will be added as an addendum to this M.O.U.



For further information please contact:



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About Balu Forge Industries:

Balu Forge Industries Limited, founded by Mr. Prehlad Singh Chandock, is a leading Indian precision engineering company delivering forged and machined components across multiple global industries. The company offers a comprehensive product portfolio ranging from 1 kg to 1,500 kg and up to 3 meters in length, supporting diverse applications in automotive, industrial vehicles, earthmoving equipment, wind energy, aerospace, defence, oil and gas, railways, marine, and agriculture. Its operations include fully integrated forging and machining capabilities, with advanced manufacturing facilities in Belgaum, Karnataka, spread over a 46+ acre campus. Equipped with high-capacity hydraulic hammers and forging presses, and supported by a dedicated in-house tool room, metallurgical labs, and CNC machining units, Balu Forge ensures consistent precision and quality. The company's strategy is driven by innovation, with a specialized R&D division focusing on new materials and rapid prototyping. Strategic initiatives emphasize expanding defence production, enhancing automation, and strengthening global partnerships. With a strong focus on operational scalability, customer diversification, and ESG commitments, Balu Forge continues to strengthen its global footprint and industry positioning. For more details, please visit: <https://www.baluindustries.com/>

Disclaimer:

This investor release is not an offer to sell any securities or a solicitation to buy any securities of Balu Forge Industries Limited (the "company") or its subsidiaries (together with the company, the "group"). Certain statements in this

document may be forward looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "projects", "expects", "intends", "may", "will", "or" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, aims, objectives, goals, future events or intention. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Forward looking statements are not guarantees of future performance including those relating to general business plans and strategy of the Company, its future outlook and growth prospects, and future developments in its businesses and its competitive and regulatory environment. No representation, warranty or undertaking, express or implied, is made or assurance given that such statements, views, projections or forecasts, if any, are correct or that the objectives of the Company will be achieved. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent development, information or events, or otherwise. Unless otherwise stated in this Investor Release, the information contained herein is based on management information and estimates. The information contained herein is subject to change without notice and past performance is not indicative of future results. Balu Forge will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward- looking statements to reflect subsequent events or circumstances.