



Date: - 20th July, 2025

BSE Ltd. Regd. Office: Floor - 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001. BSE Scrip Code: 543300	National Stock Exchange of India Ltd. Listing Deptt., Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 NSE Scrip: SONACOMS
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Subject: - Press Release

Dear Sir / Madam,

Pursuant to Regulation 30 and Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Press Release on the signing of term sheet for formation of Joint Venture (“JV”) in China.

Kindly take the same on record.

Thanking you,
For Sona BLW Precision Forgings Limited

Ajay Pratap Singh
Senior Vice President - Group General Counsel,
Company Secretary and Compliance Officer

Enclosed: As above



Sona Comstar strategically enters the China EV market, establishing a JV to manufacture driveline systems and components in China

China is the world's largest EV market, accounting for 2/3rd of global EV sales

Sona Comstar to invest \$12 million in the first phase, will hold 60% equity stake in the JV

JV will start operations in H2 FY26 to fulfill existing orders from EV and non-EV customers

Gurugram, India, July 20th, 2025: Sona BLW Precision Forgings Ltd. (Sona Comstar), a global leader in mobility technology solutions, has signed a binding term sheet with Jinnaito Machinery Co., Ltd (JNT) to establish a joint venture (JV) company in China. The JV will manufacture and supply driveline systems and components to automotive OEMs in China and globally. Sona Comstar will invest \$12 million, while JNT will contribute \$8 million in assets and business to the joint venture in the first phase. The JV is expected to commence operations in the second half of the current financial year, marking a significant milestone in Sona Comstar's expansion into the Chinese EV market.

Sona Comstar, a leading global supplier of driveline solutions for various automotive segments, is strategically expanding its presence in the faster-growing Asian markets. The company is the largest supplier of differential assemblies for battery electric vehicles (BEVs) in North America and ranks among the top suppliers in Europe. The driveline manufacturing operations in China align with the company's strategy to expand its presence in Asian markets, particularly in India, China, Japan, and South Korea, while also working to increase its market share further in North America and Europe.

China is the world's largest automotive market, especially for electric vehicles. In 2024, annual EV sales in China reached 11 million¹, accounting for two-thirds of global EV sales. Chinese OEMs dominate this market, accounting for 76% of global EV sales last year². Their share in international markets has also risen significantly, with exports increasing from 1 million in 2020 to over 6 million in 2024³. This growth is fueled by advancements in battery and software technologies, the Chinese government's progressive policies, and substantial investments in EV infrastructure. The expansion of charging networks and investments in green energy are making EVs more accessible, which aids in reducing carbon emissions and transforming urban mobility. It is natural for any company with aspirations to be a global EV supplier to be part of the Chinese market and supply chain.

Jinnaito Machinery Co., Ltd. (JNT) operates a world-class foundry utilizing patented technology to manufacture complex castings and molds. JNT holds 63 patents and 36 proprietary technologies, and it is actively engaged in the formulation of Chinese national standards, having contributed to the development of five national standards. Its strong customer base in the automotive, off-highway, and railway sectors, including leading Chinese automotive OEMs, as well as those from North America, Europe, and Japan, further underscores its expertise and capabilities.

The joint venture leverages Sona Comstar's expertise in driveline system design, precision forging, and precision machining, combined with JNT's proficiency in casting and molding. This collaboration, along with JNT's established customer relationships in China, supplier connections, and understanding of local regulations, positions JV for strong growth over the medium term. The JV is expected to commence operations in the second half of the current financial year to fulfill orders from both EV and non-EV automotive customers.



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The board of directors of the company has approved the signing of the binding term sheet, and the transaction is subject to the completion of conditions precedent.

Management Comment

Commenting on the strategic development, **Mr Vivek Vikram Singh, MD & Group CEO of Sona Comstar**, said: "I am excited to partner with JNT to establish a driveline manufacturing plant in China. This joint venture marks a significant step in our strategy to expand into the rapidly growing Asian markets. As the largest electric vehicle market in the world and a leader in EV technologies, China offers tremendous opportunities for innovation and growth. By leveraging the strengths of both partners, this venture is well-positioned for strong growth, and it has the potential to become a key supplier of driveline solutions for electric vehicles in the region. With a robust order book already in place, we expect operations to commence later this year."

Sources: 1. IEA Global EV Outlook 2025 - STEPS scenario, 2. Feb 2025 Report by RHO Motion, 3. China Association of Automobile Manufacturers; Chinadaily.

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About Jinnait Machinery Co., Ltd

Jinnait Machinery Co., Ltd. was established in 1997 and is located in the Gucheng County Economic Development Zone. JNT operates a large-scale foundry utilizing patented technology to produce complex castings and moldings. JNT holds 63 patents and 36 proprietary technologies, and it is actively engaged in the formulation of Chinese national standards, having contributed to the development of five national standards. It has a strong customer base in the automotive, off-highway, and railway sectors. It supplies to the leading Chinese automotive OEMs, as well as North American, European, and Japanese OEMs.

JNT was recognized as a national-level specialized and innovative "Little Giant" at the China High Quality Casting Gold Award in 2021. It is recognized as a Green Foundry Enterprise by the National Green Factory Program (Ministry of Industry and Information Technology).

For more information about JNT, please visit www.xyjnt.com

About Sona BLW Precision Forgings Limited

Sona BLW Precision Forgings Limited (Sona Comstar) is one of the world's leading companies in the mobility technology sector. Founded in 1995, Sona Comstar is headquartered in Gurugram, India. It is a global supplier with manufacturing and assembly facilities, R&D centres, and engineering capability centres across India, the USA, Serbia, Mexico, and China.

Sona Comstar primarily designs, manufactures, and supplies highly engineered, mission-critical automotive systems and components to automotive OEMs. It is a leading supplier to the fast-growing global Electric Vehicle (EV) market. Sona Comstar is the leading supplier of safety systems for railways in India. The company has strong R&D, engineering, and technological capabilities in precision forging, mechanical and electrical systems, mmWave radar sensors, and base and application software development. It is diversified across geographies, products, vehicle segments, and customers.

Sona Comstar is listed on BSE Ltd (BSE) (Code: SONACOMS/543300) and the National Stock Exchange of India Ltd. (NSE) (Symbol: SONACOMS).

For more information about us, please visit www.sonacomstar.com or contact:



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