

► WEAPON AND AMMUNITION

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Cooperation with Bulgaria: Rheinmetall and VMZ establish joint venture for the production of artillery ammunition

Rheinmetall and the Bulgarian company VMZ (Vazovski Mashinostroitelni Zavodi) are establishing a joint venture for the development and manufacture of artillery shells and energetic materials. A corresponding agreement was signed today. The total investment in the joint venture amounts to approximately €1 billion – one of the most significant investments in ammunition production in recent years. Rheinmetall holds a 51% stake in the joint venture, while VMZ holds 49%.

The production facility will cover an area of around 100 hectares. The site is located in the Sopot region of Bulgaria. The joint venture is expected to create around 1,000 jobs. Annual production capacity will be around 100,000 shells and propellant charges for up to 150,000 shells. In addition, the joint venture will produce approximately 1,300 tonnes of propellant powder. This capacity will support VMZ's business. According to current plans, production of projectile casings is scheduled to begin in 2027. Energetic materials are to be produced from 2028 onwards.

‘We are grateful for the Bulgarian government's confidence in our capabilities,’ said Armin Papperger, CEO of Rheinmetall AG. ‘With the new production facility, we are further expanding our leading role as a manufacturer of artillery ammunition to continue supporting the defence capabilities of the European Union and NATO.’

About Rheinmetall: As an integrated technology group, the listed company Rheinmetall AG, headquartered in Düsseldorf, stands for a company that is as strong in substance as it is successful internationally, and that is active in various markets with an innovative range of products and services. Rheinmetall is a leading international systems supplier in the defence industry and at the same time a driver of forward-looking technological and industrial innovations in the civilian markets. With 40,000 employees on 174 sites world wide, Rheinmetall generated sales €9.8 billion in 2024.

► Key facts

- Establishment of a joint venture with VMZ in Bulgaria
- Rheinmetall holds 51% of the joint venture and VMZ 49%
- Production of energetic materials and artillery shells
- Total investment around €1 bn
- 1,000 jobs, production expected to start in 2027

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