



Rheinmetall acquires Hagedorn-NC for artillery propellants

Published on 07/04/2025

Rheinmetall announced the acquisition of the German company **Hagedorn-NC**, a company specialized in the production of **nitrocellulose for industrial use**. The operation aims to strengthen the supply chain of **strategic raw materials** for the production of **propellants intended for artillery**, in a European context marked by a strong increase in demand for **ammunition** and **explosives**.

Nitrocellulose is an essential component for the creation of **modular charges**, which allow projectiles of **155 mm** to be launched over distances exceeding **40 kilometers**. With the war in **Ukraine** still ongoing, the demand for heavy ammunition has skyrocketed, pushing governments and companies to **invest in production capacity** and supply security.

According to the statement, **Rheinmetall** intends to convert **Hagedorn-NC's** production to **military-grade nitrocellulose** in the coming months, while temporarily keeping civilian supplies active.

«The acquisition allows us to overcome a strategic bottleneck in the propellant production chain», said Armin Papperger, CEO of Rheinmetall.

«We secure an essential source of raw materials and continue vertical integration along the entire ammunition supply chain».

The **European Union** estimates reaching an **annual production of 2 million artillery shells by 2025**, compared to just **230,000 rounds** in 2023. The push also comes from joint initiatives between industry and institutions to increase **European defense resilience**.

Rheinmetall, one of the main European producers of **large-caliber ammunition**, aims to reach a production capacity of up to **1.1 million 155 mm shells per year by 2027**. With the integration of **Hagedorn-NC**, the company will have a **fourth nitrocellulose production site**, alongside those already operational in **Switzerland (Wimmis)**, **Spain (Murcia)**, and **South Africa (Wellington)**.

The acquisition comes at a time when all of Europe is mobilizing to fill **production gaps** in the defense sector. In France, for example, the production of **explosive powder** has been reactivated at **Eurengo in Bergerac**, while **Denmark** has entrusted the Norwegian company **Nammo** with the restart of an ammunition factory closed in 2020.

Poland has also invested heavily in the sector, allocating about **3 billion zloty (760 million dollars)** to local ammunition production, particularly 155 mm shells. An agreement with **Grupa Azoty** and **Polska Grupa Zbrojeniowa** provides for the construction of new plants for **nitrocellulose** and **propellants**.

The acquisition of **Hagedorn-NC** by Rheinmetall fits into a context of increasing **vertical integration** in the sector. In parallel, the Czech group **Czechoslovak Group (CSG)** acquired the nitrocellulose business of **International Flavors & Fragrances** in **Walsrode, Germany**, with the intention of expanding military production beyond the industrial one, already destined for **paints and enamels**.

Nitrocellulose is produced through the **nitrification of cellulose**, derived from **cotton linters** or **wood pulp**. Since **2022**, the **EU has banned the export of nitrocellulose to Russia**, extending the ban to **cotton pulp** in June 2023, to prevent critical components from

falling into hostile hands.

The acquisition of **Hagedorn-NC** is currently **subject to antitrust approval**, but **Rheinmetall** has confirmed that the operation will strengthen its role as a **key NATO ammunition supplier**, ensuring an **autonomous and secure supply chain**.

The company has not provided financial details of the operation, nor has it specified the future **production capacity of the acquired site**. However, according to initial information, the integration will lead to the addition of about **90 new employees** to the Rheinmetall group, while the **Walsrode** site managed by **CSG** already employs over **350 people**.

In conclusion, the growing demand for **artillery ammunition**, the strengthening of **European defense policies**, and the need for **industrial autonomy** are reshaping the European defense production landscape. Operations like Rheinmetall's on **Hagedorn-NC** confirm that the future of **European security** will also depend on the ability to control every link in the chain, from **raw material** to **finished projectile**.

News link: <https://www.defensenews.com/global/europe/2025/04/07/rheinmetall-secures-nitrocellulose-supply-amid-european-ammo-scramble/>