17 October 2024

Nurol Holding Acquires Full Ownership of FNSS Savunma Sistemleri A.Ş.

FNSS announced a landmark agreement that underscores a long-standing partnership and mutual respect. Under the agreement, Nurol Holding will acquire the 49% of shares held by BAE Systems in FNSS Savunma Sistemleri A.Ş., securing full ownership of the renowned Turkish defence company. The acquisition, recently agreed, is now under approval process by the Turkish Competition Authority. The acquisition will be official after this final approval process. As the majority shareholder with 51% of this long-standing partnership for several decades, Nurol Holding will become the 100% owner of FNSS. This strategic acquisition is poised to bolster FNSS's innovative capabilities, expand its reach in both local and international defence markets and support enhanced financial growth.

For over 35 years, FNSS has been highly regarded as a joint venture, that has earned the reputation of being a globally trusted and respected Turkish defence company. Its vision and mission are firmly rooted in providing value to its users and stakeholders through innovative solutions. The acquisition of full ownership by Nurol Holding ensures the continuation of FNSS's legacy, maintaining its unique brand identity and its strategic vision, which fully align with Nurol Holding's broader defence objectives.

FNSS's robust vehicle and turret portfolio, including its flagship brands such as KAPLAN, PARS, OTTER, MAV, ACVAD, SABER and TEBER, among others, will remain intact, continuing to thrive under their FNSS identity. Full ownership by Nurol Holding will align FNSS with a unified strategic vision in concert with the strategic goals of the Presidency of Defense Industries (SSB) and Nurol's long-term objectives, allowing for streamlined operations and concentrated growth efforts.

Nurol Holding extends its sincere gratitude to BAE Systems for its goodwill and contribution throughout 35-years of partnership. FNSS, Nurol Holding and BAE Systems affirm their commitment to maintaining their long-standing spirit of cooperation, which has been a hallmark of their partnership.

Commitment to Core Values and Stakeholder Engagement

Nurol Holding is committed to FNSS's enduring corporate structure and culture, promising no foreseeable changes to its field of activity, mission, or business strategies. Instead, drawing on Nurol's extensive industry experience and resources, FNSS is set to achieve greater heights under its full ownership.

Throughout the approval process, Nurol Holding will maintain transparency and frequent communication. FNSS leadership will actively engage stakeholders, ensuring the core values of trust and excellence remain at the forefront while maintaining FNSS's position as a key player in the global defence market.

FNSS CEO Kadir Nail Kurt, shared, "With Nurol Holding's comprehensive support and the synergy created within the group, FNSS is well-positioned to continue to achieve ongoing success based on innovation and sustainability. With its new structure under 100% ownership of Nurol Holding, FNSS will continue to fulfil all its regulatory, contractual, and financial obligations and responsibilities."

About FNSS Savunma Sistemleri A.Ş.

FNSS is a globally recognized land systems company that specializes in designing and producing wheeled and tracked armoured combat vehicles as well as combat engineering vehicles, turrets and sustainability solutions. As the preferred solution provider of users in various countries, the Company has delivered thousands of armoured combat vehicles worldwide.

Thanks to its competent and dynamic workforce, FNSS offers innovative solutions throughout the entire product life cycle; from the design phase to the end of service life. Ever since the first roll-out in 1990, the Company has continuously improved its vehicle design and production capabilities in line with the requirements of its users. FNSS' KAPLAN class tracked armoured product family and PARS wheeled armoured vehicles are poised to shape new generation combat vehicle trends well into the 21st century.

FNSS designs and develops customized solutions to meet the requirements of each user. The key to FNSS' success in delivering tailored products within requested time frames lies in its flexible approach to project management. This is complemented by its ability to orchestrate an extensive supply chain and a wide range of global partnerships. FNSS has successfully engineered and supplied numerous products addressing unique requirements. These vehicles have been designed, manufactured and delivered to armies worldwide by FNSS' user-centric business models and tailored solutions.

FNSS products have been challenged by countless user endurance tests in the toughest conditions and have proven themselves in combat missions. FNSS views user satisfaction as a permanent concept and strives to ensure that its products serve beyond their life cycles by addressing any emerging needs throughout their use. FNSS also makes a difference by generating significant value for its international users through localization packages that include employing local labour, establishing domestic supply chains, and providing in-country training and technology transfer. Building upon it's over 30 years of heritage in the defence industry, FNSS continues to add value to its users by creating innovative solutions.

About Nurol Holding A.Ş.

NUROL is a group of companies that started its operations with NUROL Construction established in 1966 and has been growing with the investments it has made with the companies it has structured in various sectors by putting special emphasis on efficiency and quality.

NUROL Holding was founded in 1989 under the management of brothers Nurettin, Erol, and M. Oğuz ÇARMIKLI and continues its activities with an understanding of social responsibility and prioritizing what is best for society and the environment. The Çarmıklı Family is the owner of one of Türkiye's leading groups, which has built superior brand equity with over half a century of commercial experience and know how, preserving its commitment to traditions, and taking the utmost care to ensure that family values and corporate values are in harmony.

Since the day it was founded, NUROL has been continuing its activities at home by contributing to the national economy, while taking part in significant projects abroad by representing the name of our country in the best way by upholding universal values.

Through its more than 40 subsidiaries and affiliates, the Holding operates both domestically and internationally in numerous industries, including construction and contracting, defense, mining, real estate investment, finance, tourism, energy, trade, and services. Its primary objective is to fully maximise its capacity with more than 10,000 employees, to create jobs, and contribute value to the national economy by effectively managing its risks with a balanced portfolio.

NUROL Holding A.Ş. is headquartered in Ankara, while the construction, real estate development, banking and investment sectors are based in Istanbul. The defense industry group companies, mining, energy, tourism, trade, and service sector companies are also based in Ankara. Achieving sustainable growth in line with its strategic goals by renewing its short, medium, and long-term plans according to changes, NUROL updates its short- and long-term goals to maintain its solid presence in the sectors in which it operates and to continue its investments in Türkiye and abroad with a stronger structure.

The Group Companies are managed by an Executive Committee consisting of senior executives, including Coordinators reporting to the Chairman and Vice Chairman of the Board, Presidents reporting to Sectoral Coordinators, and functional Group Heads, within the framework of corporate governance principles. The Executive Committee is primarily responsible for strategic decisions and developments and reports to the Board of Directors, which is the ultimate decision-maker. Subsidiaries and affiliated companies are managed by fully authorized General Managers and control, coordination, and supervision activities are carried out from the Holding headquarters.

As of December 31, 2022, NUROL Holding's consolidated assets amounted to TRY 79.1 billion, while the group's revenue was approximately TRY 26.8 billion as of the same date, and the target for 2023 is planned as TRY 37.2 billion.

Along with its commercial activities, NUROL sets strategies for resolving societal issues and enhancing modern living standards and takes part in various initiatives in this regard. Group companies, together with all their employees, have agreed to serve society by prioritizing people and environment with the awareness of corporate social responsibility. Meeting the economic and social requirements of the present without harming the environment and limiting the opportunities for future generations will be one of our major goals in 2023. A comprehensive working group has been established to this end. In line with its corporate policies, since its establishment, the Holding aims to fulfill the requirements outlined in the United Nations Global Compact with regard to the environment, labor standards, and human rights as well as to raise the level of implementation in these areas. The Holding attaches considerable importance to the continuity of the value chain as it is aware that the activities carried out with the principle of continuous improvement will contribute not only to the Group Companies but also to the growth of the national economy with a solid infrastructure.