

REGULATORY ANNOUNCEMENT

CZG – Česká zbrojovka Group SE Announces Closing of the Acquisition of Colt

Prague, 24 May 2021 – CZG – Česká zbrojovka Group SE (“CZG” or “the Group”; PSE: CZG) today announced that, after securing all necessary regulatory approvals from the U.S. and Canadian authorities, it has successfully closed on its acquisition of 100% of the equity interest in Colt Holding Company LLC (“Colt”), the parent company of the U.S. firearms manufacturer, Colt’s Manufacturing Company LLC as well as its Canadian subsidiary, Colt Canada Corporation.

CZG and Colt are confident that the merger will bring significant operational, commercial, and R&D synergies for the combined business, which generated pro-forma aggregated annual sales in excess of USD 570 million in 2020 and which has more than 2,000 employees in the Czech Republic, the United States, Canada and Germany.

“With this acquisition, we have created a strategic relationship between CZG and Colt, which will bring significant opportunities for the group. We will focus on continuing to provide high quality products to our customers in a seamless manner as we harness the many synergies generated by this acquisition. We are confident that this combination will create value for our customers and shareholders alike and strengthen these iconic brands,” stated Lubomír Kovařík, Chairman and President of CZG. *“This merger also confirms our commitment to the North American market which is an integral part of our growth strategy,”* he added.

Thanks to this acquisition, CZG gains further production capacity and positions itself to become a leading firearms manufacturer and a key partner globally for military, law enforcement and commercial customers.

“Colt is pleased to join forces with CZG. We are proud of our heritage and believe that the strength of the combined businesses and the many synergies created by the merger will enable us to honor our roots while also securing the future of the Colt brand. We look forward to continuing to deliver our high-quality products while also investing in innovation and new product offerings in the near future. We believe in the successful connection of our corporate cultures, the proven track record of our teams and the complementary nature of the CZ and Colt brands,” stated Dennis Veilleux, President and CEO of Colt.

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About CZG - Česká zbrojovka Group SE

CZG – Česká zbrojovka Group (CZG), together with its subsidiaries, is one of the leading European producers of firearms for military and law enforcement, personal defense, hunting, sport shooting and other commercial use. CZG markets and sells its products mainly under the CZ (Česká zbrojovka), CZ-USA, Dan Wesson, Brno Rifles and 4M Systems brands. CZG’s subsidiaries include Česká zbrojovka,

CZ-USA, 4M Systems and CZ Export Praha. CZG owns a minority stake in Spuhr i Dalby, a Swedish manufacturer of optical mounting solutions for weapons.

CZG is headquartered in the Czech Republic. It has production facilities in the Czech Republic and in the United States and employs around 1,670 people in the Czech Republic, the United States and Germany.

About Colt

Colt is one of the world's leading designers, developers, and manufacturers of firearms. It has supplied commercial, military and law enforcement customers in the U.S. and throughout the world for over 175 years.

Colt is a supplier to the U.S. military, the exclusive supplier to the Canadian military and it also supplies its products to other armed forces around the world. Colt firearms enjoy a reputation throughout the world for accuracy, reliability and quality. Colt pistols and revolvers are carried by military and law enforcement personnel in numerous countries and are used by hunters and sportsmen and sportswomen worldwide. Colt commercial, sporting, military and law enforcement rifles enjoy similar renown.

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