

Report of the Supervisory Board of Colt CZ Group SE for 2021

concerning the supervisory activities, review of the financial statements and the auditor's findings, Board of Directors' proposal for distribution of profits, report on affiliated persons, and report on remuneration for 2021

1. Introduction

The Supervisory Board of Colt CZ Group SE, in compliance with Article 19(5) of the Articles of Association, hereby presents to the General Meeting this report summarizing the results of the Supervisory Board's supervisory activities for the period from 1 January 2021 to 31 December 2021.

In carrying out its supervisory activities in 2021, the Supervisory Board adhered to the company's Articles of Association and applicable laws, in particular the relevant provisions of Act No. 90/2012 Sb., on business companies, and Act No. 256/2004 Sb., on capital market business.

This report has been drawn up for the purposes of the General Meeting that will pass resolutions *per rollam* with voting taking place between 6 May 2022 and 26 May 2022.

The Supervisory Board regularly attended meetings of the company's Board of Directors, and held a total of seven separate regular meetings of the Supervisory.

2. Opinion on the Board of Directors' work

The Supervisory Board notes that, while carrying out its supervisory activities, it has not ascertained any:

- ▶ risks, or any suspected fraud or unlawful conduct, which might have a material adverse impact on the financial statements,
- ▶ committed fraud or unlawful conduct with a material adverse impact on the financial statements,
- ▶ substantial drawbacks in the company's internal control mechanism,
- ▶ negative aspects in the company's operations which could be perceived as violations of law, the Articles of Association or fundamental internal policies.

Accordingly, the Supervisory Board has not encountered any conduct on the part of the Board of Directors that would be contrary to due managerial care. No breach of the ban on competitive activities has been ascertained on the part of members of the Board of Directors within the meaning of the relevant provisions of the Companies Act, i.e., the Supervisory Board has not found any member of the Board of Directors to engage in business, serve on the governing body (except for the governing bodies of companies controlled by Colt CZ Group SE and disclosed engagements) or participate

in the business of any other legal entities with objectives similar to those of Colt CZ Group SE.

3. Opinion on the annual report, proposal for distribution of profits, and report on remuneration

The Supervisory Board has reviewed the company's annual report for 2021 containing the individual and the consolidated financial statements for 2021. The Supervisory Board has no objections to the form and content of the individual and the consolidated financial statements for 2021, and states that the documents presented give a true and a fair view of the company's financial position and assets.

The Supervisory Board has discussed the Board of Directors' 2021 report on relations between the controlling company and the controlled company and between the controlled company and companies controlled by the same controlling company, and states that it has no objections to that report.

The Supervisory Board has discussed with the company's auditor, Deloitte Audit s.r.o., the method of compiling the financial statements, the content of the auditor's report and the auditor's opinion, without finding any drawbacks in this respect.

Therefore, the Supervisory Board recommends that the General Meeting of Colt CZ Group SE approve the individual and the consolidated financial statements for 2021, constituting part of the annual report for the same year.

The Supervisory Board has discussed the Board of Directors' proposal for distribution of profits for the financial year 2021 and recommends that it be approved by the General Meeting.

The Supervisory Board has reviewed the draft report on the remuneration of members of the Board of Directors and members of the Supervisory Board of Colt CZ Group SE as submitted by the Board of Directors to the company's General Meeting for approval. The Supervisory Board recommends that it be approved by the General Meeting.

4. Conclusion

This report of the Supervisory Board was discussed at a regular meeting of the Supervisory Board of Colt CZ Group SE on 6 May 2022 and was approved by all attending members in the form of a resolution.

Prague, 6 May 2022



Ing. Lubomír Kovařík, MBA
Chairman of the Supervisory Board