PRESS RELEASE

Colt CZ Group increased revenues by 49 percent and net profit by 88 percent year-on-year in the first half of 2022

**Prague, September 22, 2022** — Colt CZ Group SE (“Colt CZ” or “the Company” and together with its subsidiaries “the Group”) has registered an increase across all key indicators in the first six months of this year. Sales grew in key territories, primarily in North America, Asia, and Europe. This is based on the published consolidated unaudited financial results.

Key financial indicators for the first half of 2022:

* Colt CZ revenues reached CZK 7.05 billion in the first half of 2022, which is a 49.1% YoY increase.
* Net profit of Colt CZ reached CZK 1.1 billion in the first half of 2022, which is an 87.9% YoY increase.
* EBITDA indicator adjusted for extraordinary items increased by 49.1% to CZK 1,794.7 million in the first six months of the year.[[1]](#footnote-2)
* The number of sold firearms increased in the first half of the year in comparison to the first six months of 2021 by 19.2% to 362,741 sold units. Handguns accounted for 58.15% and long firearms 41.85% of sold units.
* In the first half of this year, revenues in the USA accounted for 57.98% of total revenues; 12.04% revenues were generated in the European market (excluding the Czech Republic). Asia accounted for 11.24% of total revenues, the Czech Republic for 8.23%, Canada for 7.08% and the rest of the world for 3.43%.

*“Colt CZ Group experienced another record half year. Year-on-year comparison was positively influenced not only by the consolidation of Colt revenues, but also by an improved product mix and an increase in the number of firearms sold in key territories,”* said Jan Drahota CEO and Chairman of the Board of Directors of Colt CZ Group.

On a region-by-region basis, revenues in the Czech Republic increased by 329.2% to CZK 579.9 million as of June 30, 2022. Revenues from sales in the United States increased by 38.2% year-on-year in the first half of 2022, to CZK 4,086.8 million. This is primarily due to continued demand on the commercial market and Colt's consolidated revenues in the U.S. Revenues realized in Canada during the first half of 2022 were CZK 499.1 million, which is an increase by 218.8% year-on-year, also due to the full consolidation of Colt's revenues. Revenues generated in Europe (excluding the Czech Republic) increased by 67.3% year-on-year to CZK 848.6 million, mainly as a result of higher sales in Central and Eastern Europe in the six months to June 30, 2022.

Revenues generated in Africa decreased YoY by 93.0% to CZK 34.8 million, mainly due to one-off deliveries to military and law enforcement customers which were fulfilled last year. Revenues in Asia increased by 174.9% to CZK 792.5 million as a result of increased sales to both military and law enforcement sector customers and commercial customers.

The management of the Company expects that the total revenues in 2022 could reach the amount of CZK 14.0–14.6 billion, which represents YoY growth of 31%–36% compared to the realized consolidated revenues in 2021.

The expected amount of EBITDA may reach CZK 3.0–3.3 billion in 2022, representing a 36%–50% year-on-year increase compared to the adjusted consolidated EBITDA achieved in 2021.

The challenge for the rest of 2022 is to respond to the changing demand in key markets and to produce the required product mix for a competitive price. Operating cost and supply chain management remains a key challenge.

ABOUT THE COMPANY – Colt CZ Group SE

Colt CZ Group (Colt CZ), together with its subsidiaries, is one of the leading producers of firearms for military and law enforcement, personal defense, hunting, sport shooting, and other commercial use. Colt CZ subsidiaries include Colt’s Manufacturing Company, Česká zbrojovka, Colt Canada Corporation, CZ-USA, 4M Systems, and CZ Export Praha. Colt CZ also owns a minority stake in Spuhr i Dalby, a Swedish manufacturer of optical mounting solutions for firearms. Colt CZ markets and sells its products mainly under the Colt, CZ (Česká zbrojovka), Colt Canada, CZ-USA, Dan Wesson, and 4M Systems brands.

Colt CZ is headquartered in the Czech Republic and has production facilities in the Czech Republic, the United States, and Canada. It employs more than 2,000 people in the Czech Republic, the USA, Canada, Germany, and Sweden. Colt CZ is owned by Česká zbrojovka Partners SE from 76.5%, with the remaining 23.5% being a free float.

***Contact for media Investor contacts***

*Eva Svobodová Klára Šípová*

*External Relations Director Investor Relations*

*Colt CZ Group SE Colt CZ Group SE*

*Tel.: +420 735 793 656 Tel.: + 420 724 255 715*

*Email:* [*media@coltczgroup.com*](mailto:media@coltczgroup.com) *Email: sipova@coltczgroup.com*

1. EBITDA indicator adjusted in the first half of 2022 for extraordinary one-time items associated with the 2022 acquisitions and costs related to share-based payment related to the employee stock option plan, which are generally unrelated to current operations and value creation in the period. [↑](#footnote-ref-2)