

# **COLT CZ GROUP SE**

## **PRELIMINARY FINANCIAL RESULTS 2024**

INVESTOR PRESENTATION

**COLT**  
**CZGROUP**

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# AGENDA AND TODAY'S PRESENTERS

## AGENDA

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1 2024 PRELIMINARY UNADJUSTED RESULTS

2 FINANCIAL HIGHLIGHTS

3 2025 GUIDANCE

4 APPENDIX

## PRESENTERS

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### **JAN DRAHOTA**

Chairman of the Board of Directors  
Colt CZ Group SE



### **RADEK MUSIL**

Vicechairman of the Board of Directors  
CEO of Colt CZ Group SE



### **JAN ZAJÍČ**

Member of the Board of Directors  
CEO of Česká zbrojovka a.s.



### **JANA MATOUŠKOVÁ**

Head of Group Finance  
Colt CZ Group SE

# 2024 PRELIMINARY UNAUDITED RESULTS

## REVENUES

**CZK 22,376 m**

↑ 50.6% vs 2023

## ADJUSTED EBITDA

**CZK 4,599 m**

↑ 50.9% vs 2023

## ADJUSTED NET PROFIT

**CZK 1,933 m**

↓ 5.7% vs 2023

## ADJUSTED EPS

**CZK 41**

↓ 29.8% vs 2023

## PRO FORMA REVENUES

**CZK 25,095 m**

↑ 68.9% vs 2023

## PRO FORMA ADJUSTED EBITDA

**CZK 5,430 m**

↑ 78.1% vs 2023



# PRELIMINARY RESULTS 2024 – COMMENTS

Record organic growth of revenues (+17.6%), accompanied with a flat adj. EBITDA profitability.

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The acquisition of S&B had a significant positive effect on both revenue growth and adjusted EBITDA, supported by the company's strong operating profitability.

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Double-digit revenue growth achieved on the US commercial market (+26.8%), below-expected profitability performance of the US business due to relatively unfavorable product mix, unsuccessful entry of Colt to the bolt action rifle market (bad market timing resulting in inventory write off) and insufficient cost control. Profitability in North America further impacted by new projects/investments for future (Mk 47 etc.).

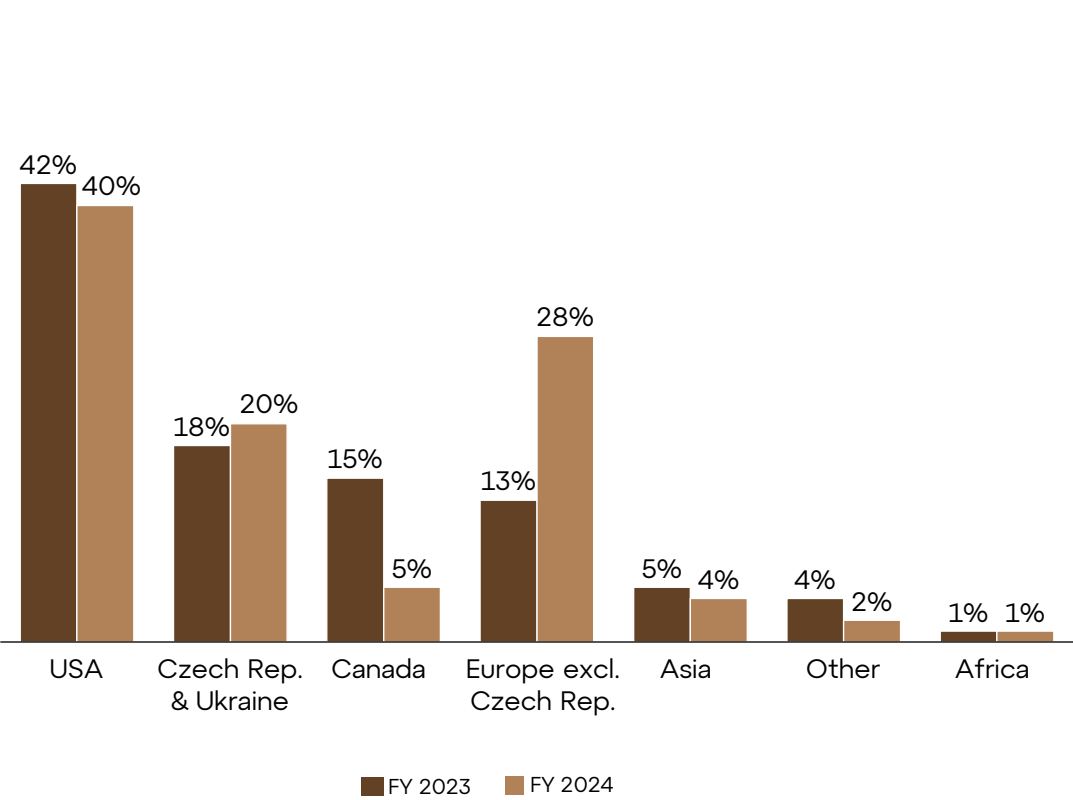
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Net profit down due to higher interest costs. Post ABB net leverage down to 2.26x.

# REVENUES – SIGNIFICANT SHIFT DUE TO S&B CONSOLIDATION

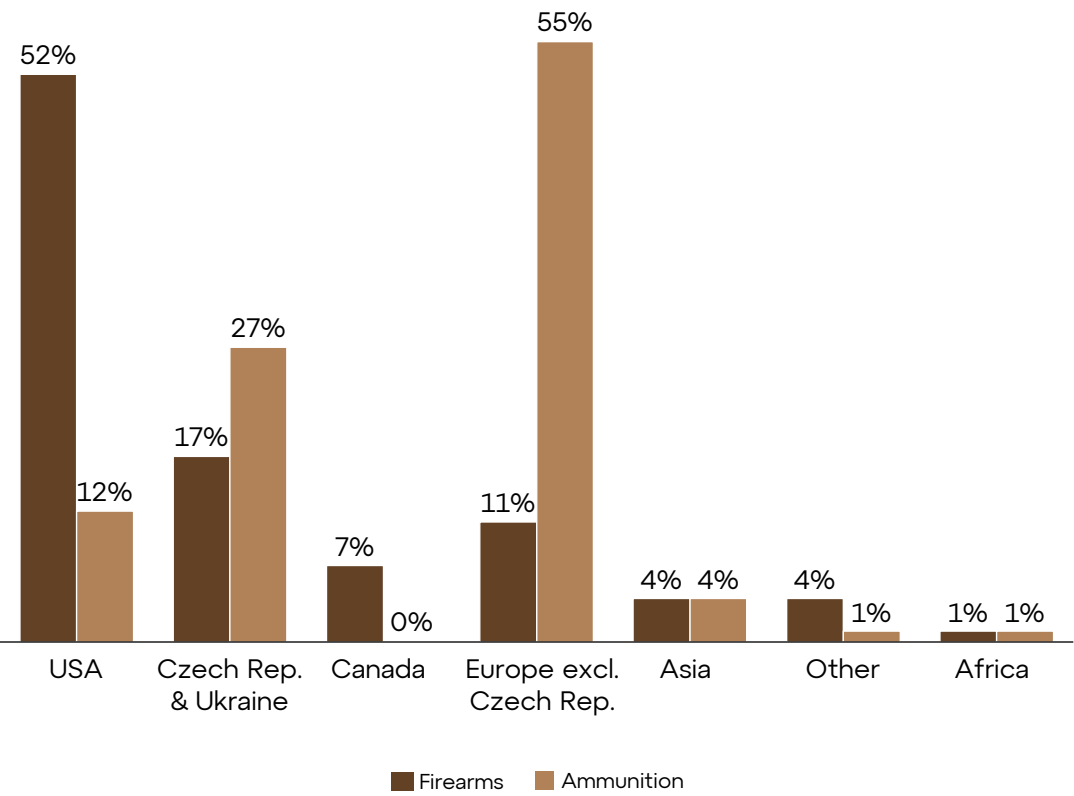
## REVENUE BREAKDOWN BY GEOGRAPHY

In % of total revenues



## REVENUE BREAKDOWN BY GEOGRAPHY – SEGMENTS

In % of total revenues

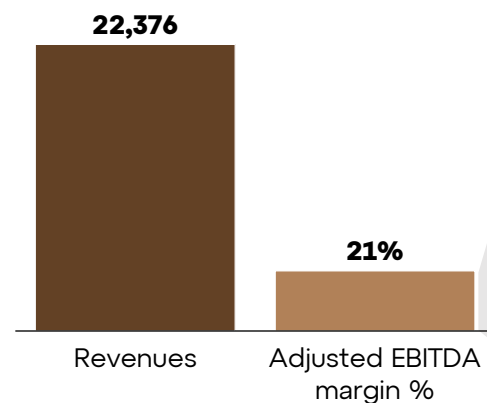




# REVENUES AND EBITDA MARGIN - OWN PRODUCTION VS TRADING

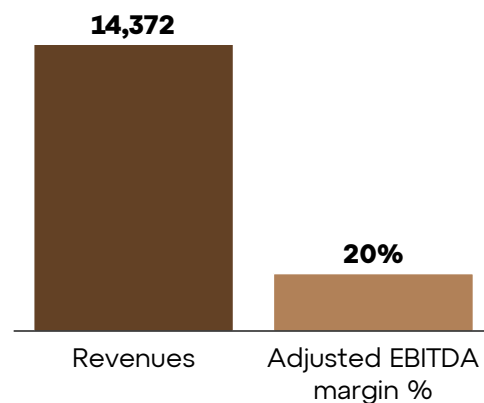
## REVENUE & ADJ. EBITDA MARGIN

In CZK m



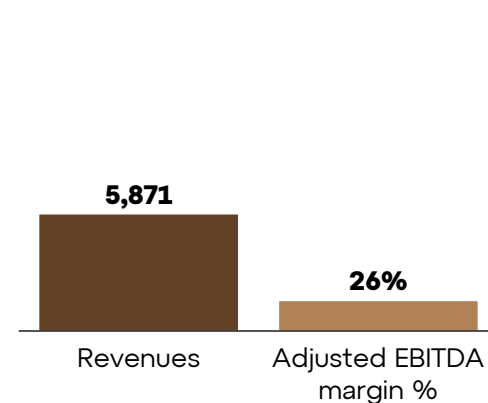
## OWN PRODUCTION FIREARMS

In CZK m



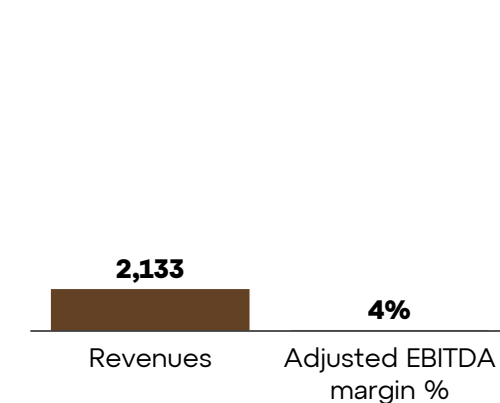
## OWN PRODUCTION AMMUNITION

In CZK m



## TRADING

In CZK m

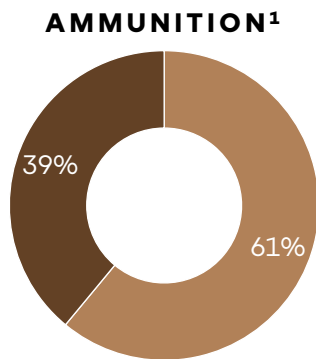
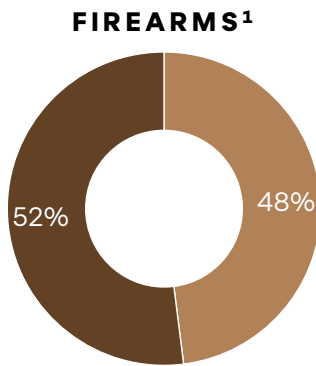
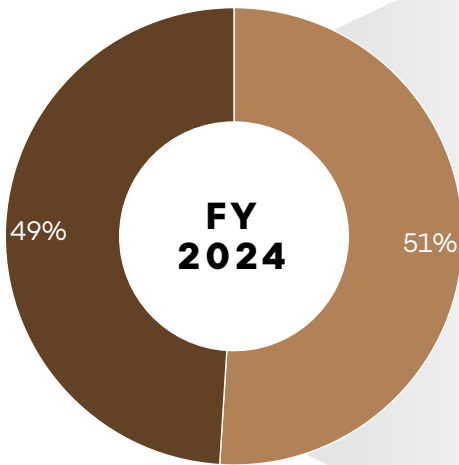
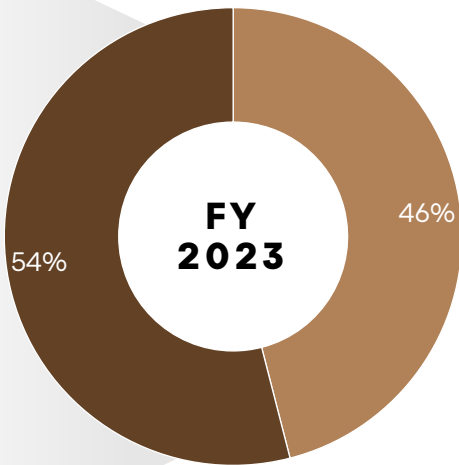
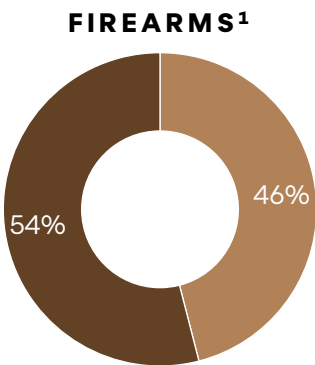


# FY 2024 CUSTOMER SEGMENTS SPLIT 50:50

FY2023

REVENUES BY TYPE OF CUSTOMER

FY 2024



Commercial Military and Law Enforcement

## COMMENTS

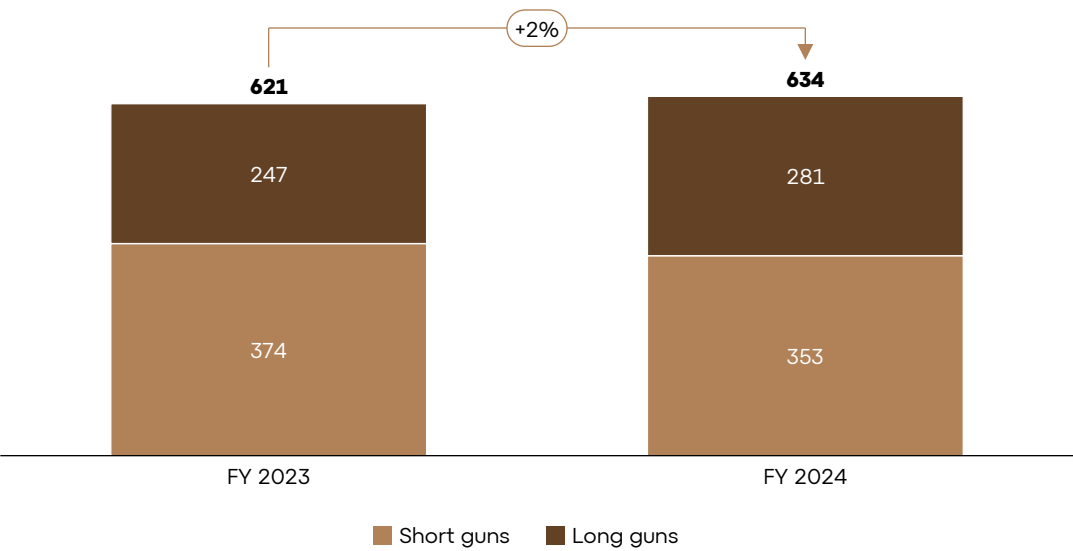
► MLE share grew from 10% to 50% since IPO



# FY 2024 RECORD YEAR IN GROUP'S HISTORY

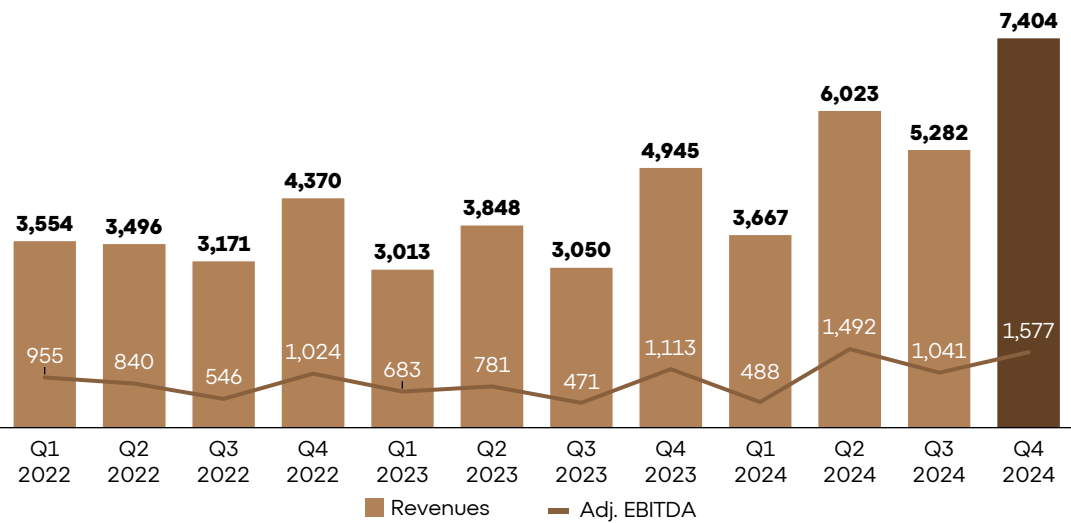
## BREAKDOWN BY FIREARMS UNITS SOLD

In '000 units



## QUARTERLY REVENUES & ADJ. EBITDA SEASONALITY

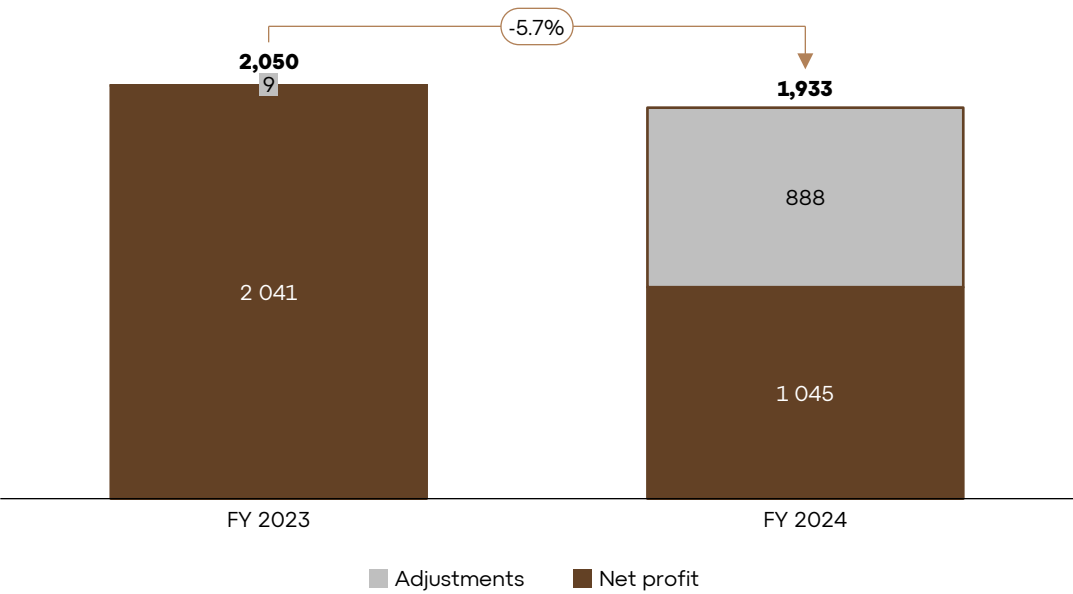
In CZK m



# FY 2024 NET PROFIT AFFECTED BY FINANCIAL RESULT AND ONE-OFFS

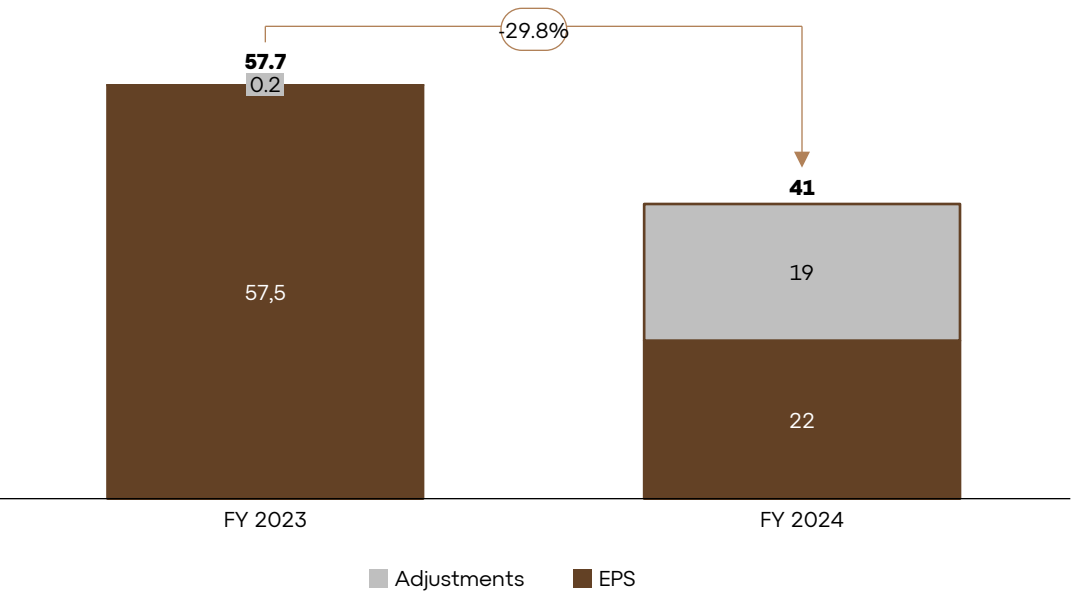
## ADJUSTED VS. REPORTED NET PROFIT

In CZK m



## ADJUSTED EARNINGS PER SHARE<sup>1</sup>

In CZK

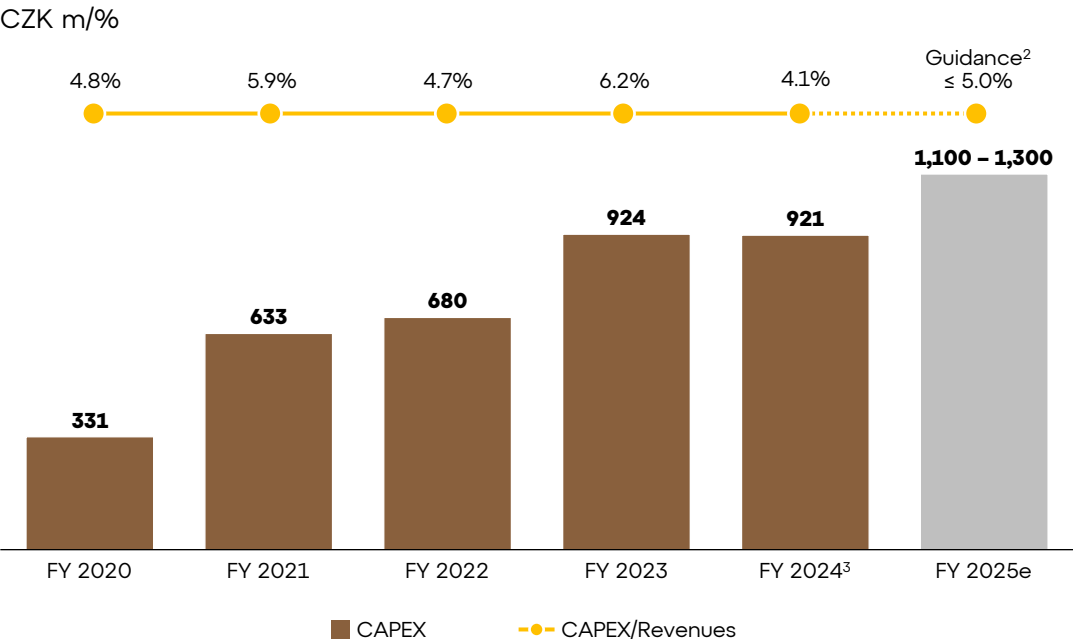


## COMMENTS

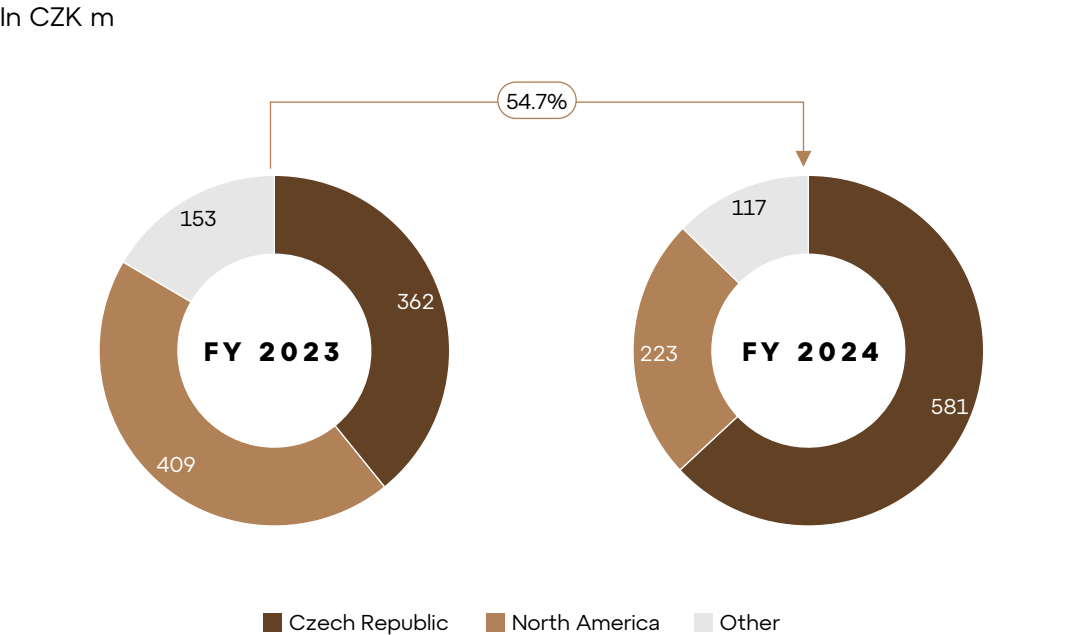
► Full breakdown of adjustments available on page 21

# CAPEX IN LINE WITH 2024 GUIDANCE

## CAPITAL EXPENDITURES<sup>1</sup>



## CAPEX GEOGRAPHICAL SPLIT



## COMMENTS

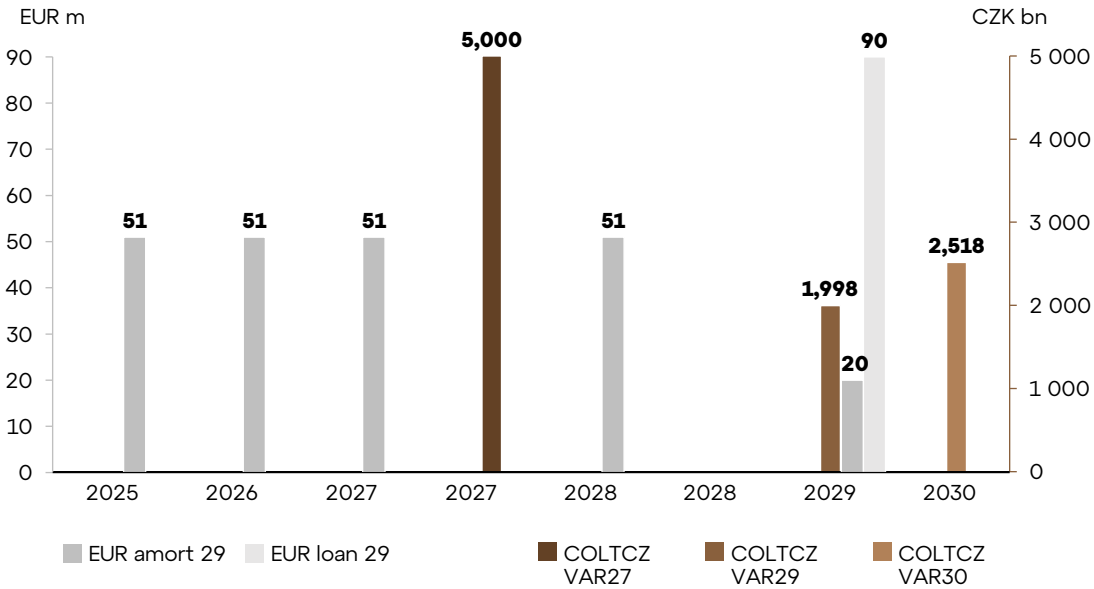
- ▶ FY 2024 CAPEX in line with FY CAPEX guidance (i.e. up to 5% of revenues)
- ▶ Major investments in 2024 in production lines in both segments, mainly in capacity increase, innovation, modernization and automatization of manufacturing processes
- ▶ FY 2025 CAPEX guidance in line with medium-term strategy

Notes: Financial results are unaudited  
1 – Corresponds to the paid acquisition of non-current assets  
2 – Guidance is based on the management expectations as of the date of presentation  
3 – CZK 148 m of CAPEX not included in 2024 figures as payment was postponed to 2025

# NET LEVERAGE DOWN POST ABB TRANSACTION

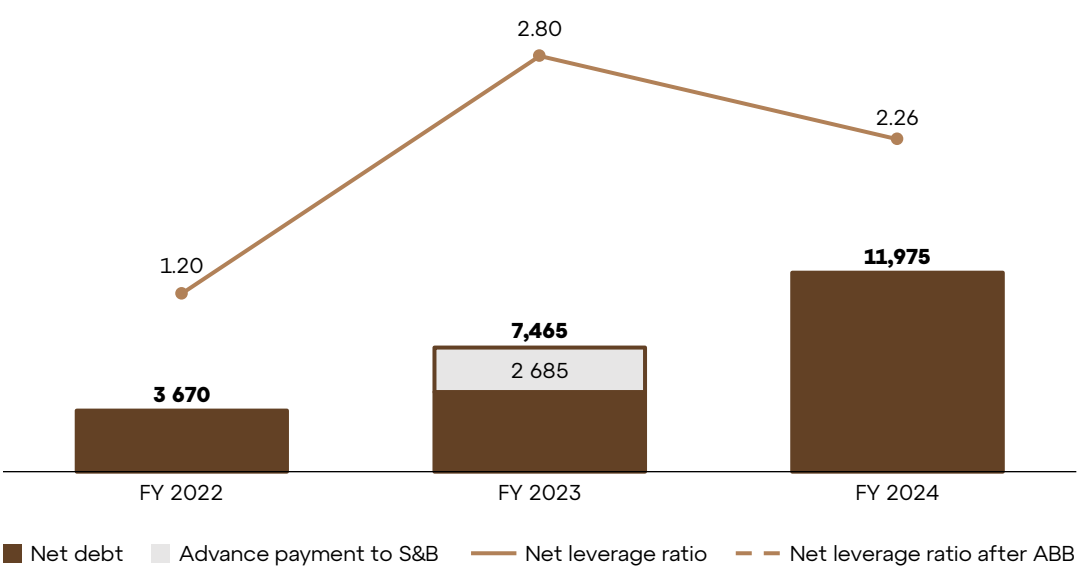
## EXPECTED DEBT MATURITY PROFILE (INC. ACQUISITION FINANCING)

In CZK bn/EUR m



## NET FINANCIAL DEBT<sup>1</sup> & NET LEVERAGE RATIO<sup>2</sup>

In CZK m



## COMMENTS

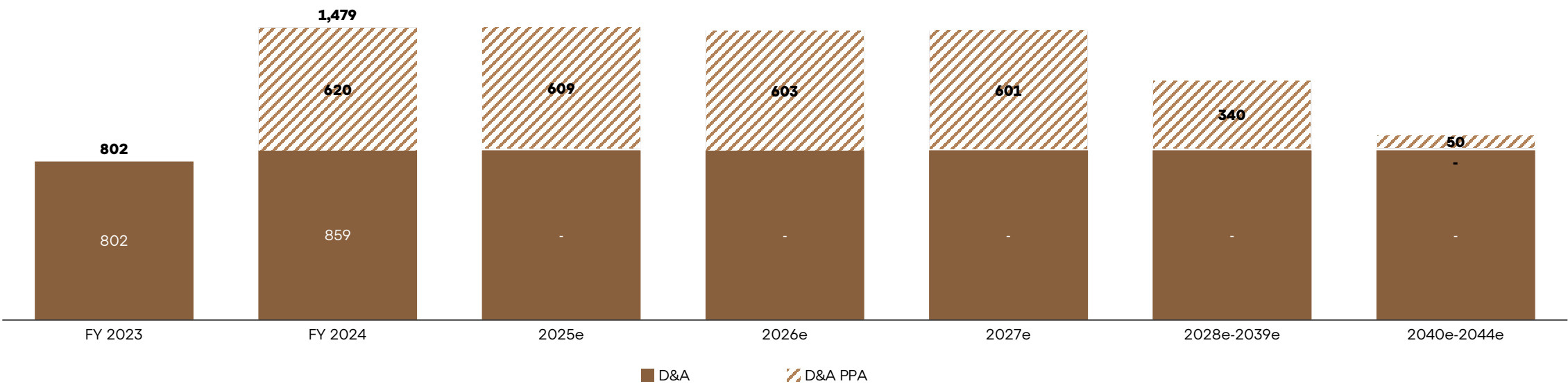
- ▶ Net leverage significantly below 3x as communicated by the Company, creating room for potential M&A
- ▶ In December company repaid part for the S&B acquisition loan in the amount of EUR 94 m
- ▶ Cash generative business of both businesses will allow leverage reduction going forward, with expected acquisition loan repayment by 2029
- ▶ Preference of bonds to loans

Notes: 1 – Net financial debt is defined as long-term and short-term bonds, bank loans and borrowings and finance lease liabilities (non-current and current), less cash and cash equivalents, less other current financial assets (marketable securities)  
2 – Net leverage ratio is defined as the ratio of net financial debt at the end of the period to LTM adjusted EBITDA, formula based on the loan legal documentation

# ACQUISITION OF SELLIER & BELLOT – D&A IMPACT

## D&A IMPACT

In CZK m



## COMMENTS

- ▶ Increase in Amortization due to Purchase Price Allocation of S&B acquisition significantly affecting Net profit/EPS
- ▶ Significant impact on net profit and EPS in the next 3 years, approximately CZK 600 m impact on the net profit per year

# PRIORITIES AND GUIDANCE 2025

## REVENUES

**CZK 25 bn**

↑ 12% yoy

**plus/minus 7%**

## EBITDA

**CZK 5.5 bn**

↑ 20% yoy

**plus/minus 7%**

**Net interest costs CZK 631 mio**

## Indicative split per quarters

CZK bn	Q1	Q2	Q3	Q4	FY 2025
Revenues	5.2	6.3	6	7.5	25
Adj. EBITDA	1.0	1.5	1.3	1.7	5.5



# PRIORITIES AND GUIDANCE 2025

The Board of Directors will propose a cash dividend of CZK 847 million (CZK 15 per share) for 2024, representing 44% of the adjusted net profit. Separately, the Board also plans to allocate CZK 847 million for a share buyback program. This buyback is intended to enhance long-term shareholder value by supporting EPS growth and potentially increasing the stock's free float.

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We see significant, “once in a generation” business opportunities in the M&LE segment globally, NATO and EU countries remain priority, but selected Asian countries could have significant importance as well. Key will be to finalise/win and to execute on time.

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We intend to continue support of Ukraine via 2 key projects – CZ BREN 2 ToT, S&B ammunition technology provision.

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The US commercial market to develop in line with the overall economy and consumer behavior, no political impulses expected due to the very firm pro gun stance of the current administration and Congress. Introduction of new products is the key for success. Strong pipeline aligned for both CZ and Colt.

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Disciplined approach to costs overall, but a special emphasis on the North America business, focus on the right insourcing and realization of operational efficiencies.

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Are there segments which will become significant due to the changing landscape and where Colt CZ Group should be present? (larger/new calibers - both ammo and firearms, UAV etc.?).



# RISKS AND OPPORTUNITIES FOR GUIDANCE

## RISKS

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- ▶ Further deterioration of the US commercial market, global economic outlook
- ▶ Timing to market of key products in the pipeline
- ▶ Several significant M&LE projects still to be finalized to be able to start potential deliveries (strongly weighted towards Q3 and Q4 of 2025)
- ▶ FX development (only EBITDA impact as company well hedged)

## OPPORTUNITIES

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- ▶ Some of the potential contracts would be historically large for the Group if finally signed, and deliveries started in 2025.
- ▶ Impact of trading activities of non-produced products should be more significant in terms of profitability in 2025, but still uncertainty on timing/size.

The background of the image is a dark, industrial setting. A yellow robotic arm is visible in the center, partially obscured by a yellow safety cage. Above the arm, a banner for "COLT CANADA" is visible, featuring the company logo and text including "SEMI-AUTOMATIC RIFLES & CARBINES" and "MADE IN CANADA".

# THANK YOU FOR YOUR ATTENTION

**COLT**  
**CZGROUP**



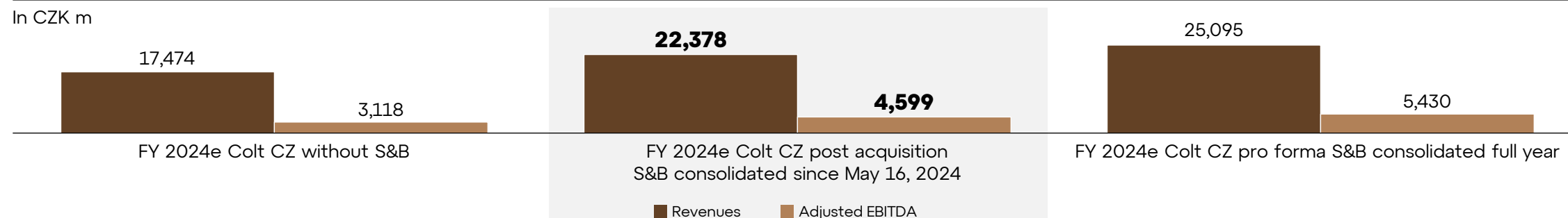
# APPENDIX

**COLT**  
**CZGROUP**

# FY 2024 GUIDANCE VS ACTUALS

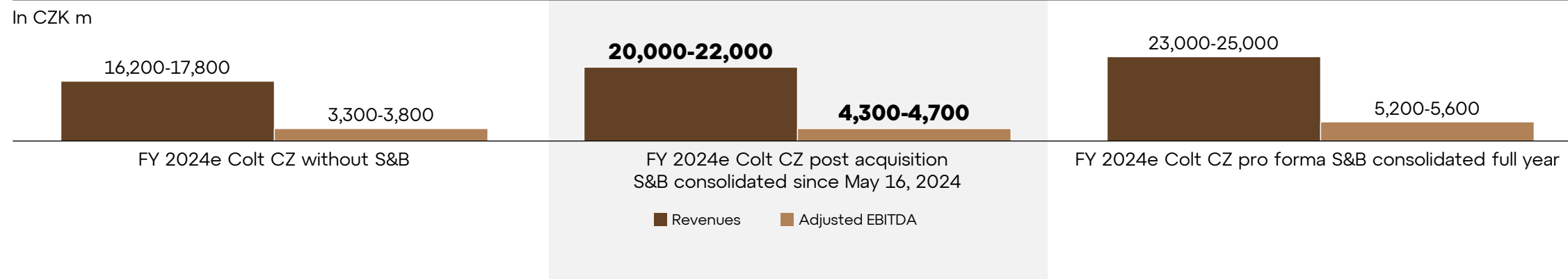
## ACTUAL

In CZK m



## GUIDANCE

In CZK m



# ADJUSTED EBITDA RECONCILIATION

In CZK '000	FY 2024	FY 2023
Operating profit	2,001,018	1,861,966
Depreciation and amortization	1,478,824	801,721
<b>EBITDA</b>	<b>3,479,842</b>	<b>2,663,687</b>
ESOP related costs	418,730	313,455
M&A costs <sup>1</sup>	14,960	71,237
S&B inventory step up	513,596	-
S&B commodity hedging	56,334	-
Wasted project – Bolt action rifles	69,624	-
Wasted project – Foundry	21,642	-
Legacy costs	24,136	-
<b>Adjusted EBITDA</b>	<b>4,598,864</b>	<b>3,048,379</b>

# ADJUSTED NET PROFIT RECONCILIATION

In CZK '000	FY 2024	FY 2023
Earnings before tax	1,379,838	2,509,562
Tax expenses	(335,263)	(467,024)
<b>Net income</b>	<b>1,044,575</b>	<b>2,042,538</b>
Earn-out revaluation	-	-
ESOP related costs	418,730	313,455
M&A costs <sup>1</sup>	14,960	71,237
Wasted project – Bolt action rifles	69,624	-
Wasted project – Foundry	21,642	-
Legacy costs	24,136	-
S&B inventory step up	513,596	-
Negative goodwill	-	(384,482)
Bank fee – acquisition loan S&B	100,864	-
One-off expenses related to the bond issue	10,289	8,641
<b>Adjusted earnings before tax (Adj. EBT)</b>	<b>2,553,679</b>	<b>2,518,413</b>
Effective tax rate on Adj. EBT (2024 ~24.3%; 2023 ~18.6%)	(620,474)	(468,671)
<b>Adjusted Net Income</b>	<b>1,933,205</b>	<b>2,049,742</b>

# NET INTEREST COSTS GUIDANCE

In CZK '000 000;	G 2025
Interest expenses	898
Hedging impact	-124
Deposit revenues	-143
<b>Net interest costs</b>	<b>631</b>
<b>Effective interest rate</b>	<b>3.7%</b>

## ASSUMPTIONS

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- ▶ Stable FX rate EUR/CZK
- ▶ No extraordinary debt repayment
- ▶ Stable market interest rates



# CONSOLIDATED PROFIT AND LOSS STATEMENT

In '000 CZK	31 Dec 2024	31 Dec 2023
Revenues from the sale of own products, goods and services	22,375,792	14,855,581
Other operating income	159,638	89,789
Change in inventories developed internally	(629,980)	887,593
Own work capitalized	338,746	172,976
Raw materials and consumables used	(11,335,766)	(8,065,419)
Services	(2,487,683)	(1,959,627)
Personnel costs	(4,489,688)	(3,083,096)
Depreciation and amortization	(1,478,824)	(801,721)
Other operating expenses	(331,521)	(210,225)
Allowances	(119,696)	(23,885)
<b>Operating profit</b>	<b>2,001,018</b>	<b>1,861,966</b>
Interest income	784,854	756,541
Interest expense	(1,307,949)	(894,604)
Other financial income	113,159	251,596
Other financial expenses	(202,902)	(72,120)
Gains or losses from derivative transactions	(8,872)	221,019
Bargain purchase gain	-	384,482
Share in the profit of associates after tax	530	682
<b>Profit before tax</b>	<b>1,379,838</b>	<b>2,509,562</b>
Income tax	(335,263)	(467,024)
<b>Profit for the period</b>	<b>1,044,575</b>	<b>2,042,538</b>
<b>Items that may be subsequently reclassified to the statement of profit or loss</b>		
Cash flow hedges – remeasurement of effective portion of hedging instruments	(803,310)	(468,398)
Foreign currency translation of foreign operations	74,551	183,745
<b>Other comprehensive income</b>	<b>(728,759)</b>	<b>(284,653)</b>
<b>Comprehensive income for the period</b>	<b>315,816</b>	<b>1,757,885</b>
Profit for the period attributable to:		
Owner of the parent company	1,044,575	2,042,538
Comprehensive income for the period attributable to:		
Owner of the parent company	315,816	1,757,885
<b>Net earnings per share attributable to the owner of the parent company (CZK per share)</b>		
Basic	22	58
Diluted	22	58

# CONSOLIDATED BALANCE SHEET 1/2

In CZK '000	31 Dec 2024	31 Dec 2023
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets	10,403,416	3,413,881
Goodwill	8,489,707	2,547,480
Property, plant and equipment	9,582,545	4,281,449
Advance payment for financial investment	-	2,690,040
Equity-accounted securities and investments	44,102	40,795
Financial derivatives	413,372	1,013,168
Trade and other receivables	20,021	61,891
Other receivables	2,593	2,556
Deferred tax assets	75,589	21,245
<b>Total non-current assets</b>	<b>29,031,345</b>	<b>14,072,505</b>
<b>Current assets</b>		
Inventories	7,456,512	5,298,077
Trade and other receivables	2,829,759	1,774,947
Provided loans	20,017	-
Other financial assets	12,531	908,580
Financial derivatives	127,174	149,047
Other receivables	555,882	351,165
Tax receivables	81,210	93,751
Cash and cash equivalents	5,917,768	3,328,684
<b>Total current assets</b>	<b>17,000,853</b>	<b>11,904,251</b>
<b>Total assets</b>	<b>46,032,198</b>	<b>25,976,756</b>

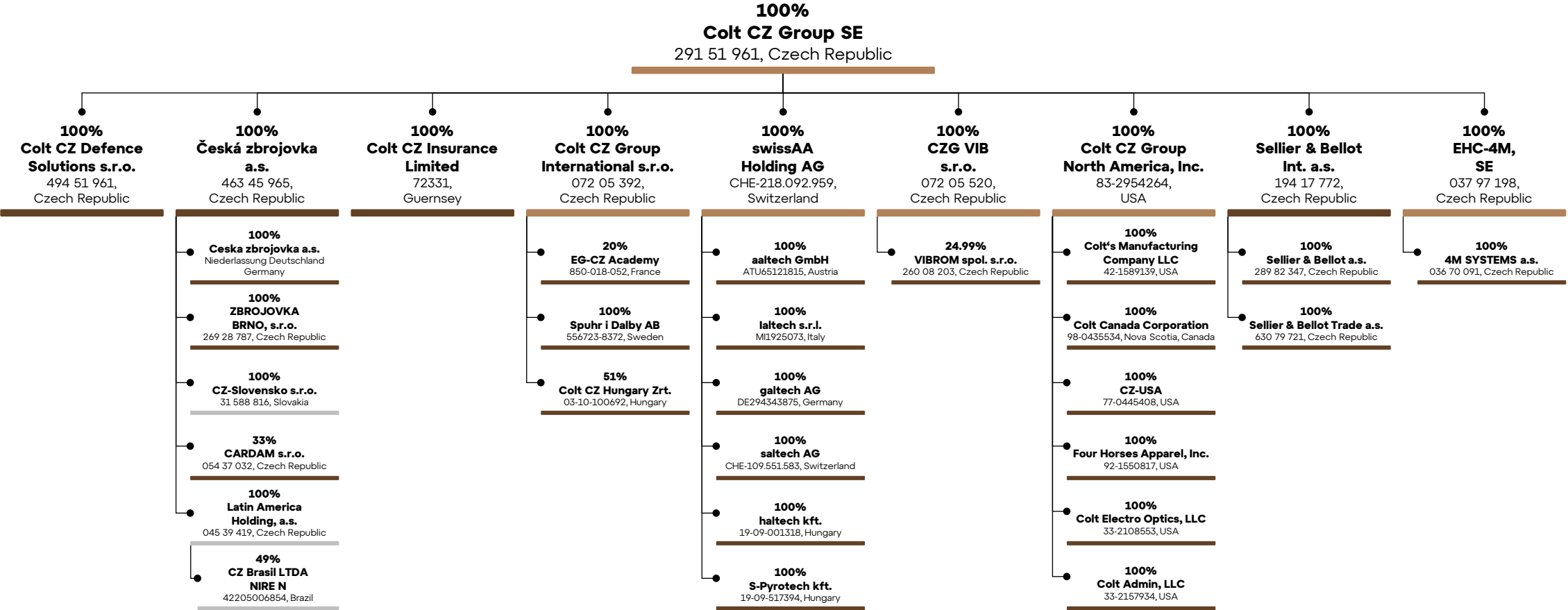
# CONSOLIDATED BALANCE SHEET 2/2

In CZK '000	31 Dec 2024	31 Dec 2023
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Share capital	5,646	3,516
Share premium	13,477,795	1,942,818
Capital funds	1,641,512	1,641,512
Cash flow hedge reserve	(203,494)	599,816
Foreign exchange translation reserve	(68,137)	(142,688)
Accumulated profits	5,175,107	5,229,872
<b>Equity attributable to the owner of the Company</b>	<b>20,028,429</b>	<b>9,274,846</b>
Non-controlling interest	-	-
<b>Total equity</b>	<b>20,028,429</b>	<b>9,274,846</b>
<b>Non-current liabilities</b>		
Bonds, bank loans and borrowings	16,336,227	9,040,540
Financial derivatives	532,473	244,169
Lease liabilities	58,922	62,052
Trade and other payables	46,802	42,022
Other payables	10,387	14,569
Provisions	101,095	76,188
Deferred tax liability	2,561,948	722,783
Employee benefit liabilities	234,725	255,721
<b>Total non-current liabilities</b>	<b>19,882,579</b>	<b>10,458,044</b>
<b>Current liabilities</b>		
Bonds, bank loans and borrowings	1,474,910	2,573,744
Financial derivatives	394,262	11,038
Lease liabilities	22,267	25,619
Other financial liabilities	-	44,580
Trade and other payables	1,573,335	1,746,796
Other payables	2,333,203	1,655,094
Provisions	57,870	30,084
Tax liabilities	248,236	142,084
Employee benefit liabilities	17,107	14,827
<b>Total current liabilities</b>	<b>6,121,190</b>	<b>6,243,866</b>
<b>Total liabilities</b>	<b>26,003,769</b>	<b>16,701,910</b>
<b>Total equity and liabilities</b>	<b>46,032,198</b>	<b>25,976,756</b>

# CONSOLIDATED CASH FLOW STATEMENT

In '000 CZK	31 Dec 2024	31 Dec 2023
<b>Cash flows from principal economic activity (operating activity)</b>		
<b>Profit from ordinary activity before tax</b>	<b>1,379,838</b>	<b>2,509,562</b>
Depreciation/amortization of non-current assets	1,478,824	801,721
Change in allowances and provisions	170,879	22,276
Gain/Loss on sale of fixed assets	(1,990)	(2,659)
Interest expense and interest income	523,095	138,063
Share in the profit of associates	(630)	(682)
Unrealized foreign exchange gain and losses	(343,250)	14,988
Partial earnout settlement	-	406,915
Other financial assets – remeasurement	(113,402)	(160,692)
Cash flow hedging – remeasurement of the effective portion of hedging instruments	(1,001,100)	(468,398)
Bargain purchase gain	-	(384,482)
Share-based payments	411,729	293,068
Adjustments for other non-cash transactions	62,197	52,921
<b>Net operation cash flows before changes in working capital</b>	<b>2,566,290</b>	<b>3,222,601</b>
<b>Change in working capital</b>	<b>1,403,132</b>	<b>-926,498</b>
Change in receivables and deferrals	682,840	(162,505)
Change in liabilities and accruals	216,589	244,040
Change in inventories	503,703	(1,008,033)
<b>Cash flow from operating activities</b>	<b>3,969,422</b>	<b>2,296,103</b>
Paid interest	(1,327,694)	(880,196)
Interest received	826,407	756,881
Income tax paid for ordinary activity	(797,443)	(759,473)
<b>Net cash flow from operating activities</b>	<b>2,670,692</b>	<b>1,413,315</b>
<b>Cash flows from investing activities</b>		
Acquisition of non-current assets	(920,565)	(924,156)
Proceeds from the sale of non-current assets	1,990	2,964
Acquisition of subsidiaries – opening balance	(5,231,350)	(723,902)
Acquisition of subsidiaries – cash and cash equivalents	443,521	150,863
Acquisition of equity-accounted securities and investments	(3,776)	(1,212)
Advance paid for financial investment	-	(2,690,040)
Employee benefit liabilities	(54,240)	(27,014)
Acquisition of other financial assets	(12,531)	-
Proceeds from sale of other financial assets	1,021,982	-
Provided loans	(18,889)	7,700
<b>Net cash flow from investing activities</b>	<b>(4,773,858)</b>	<b>(4,204,797)</b>
<b>Cash flows from financing activities</b>		
Proceeds from bonds	588,000	1,917,756
Proceeds from share	2,242,673	-
Dividends paid to owners	(260,445)	(864,393)
Proceeds from loans	7,382,973	2,295,087
Loan repayment	(5,324,774)	(22,333)
Leases repayment	(25,650)	(32,762)
<b>Net cash flow from financing activities</b>	<b>4,602,777</b>	<b>3,293,353</b>
<b>Net change in cash and cash equivalents</b>	<b>2,499,611</b>	<b>501,871</b>
<b>Opening balance of cash and cash equivalents</b>	<b>3,328,684</b>	<b>2,825,781</b>
Effect of exchange rate on cash and cash equivalents	89,473	1,032
<b>Closing balance of cash and cash equivalents</b>	<b>5,917,768</b>	<b>3,328,684</b>

# COLT CZ GROUP STRUCTURE AS OF 31/12/2024



■ Holding companies    ■ No asset companies

# THANK YOU

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