

COLT CZ GROUP SE

FINANCIAL RESULTS Q1 2025

INVESTOR PRESENTATION

COLT
CZGROUP

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AGENDA AND TODAY'S PRESENTERS

AGENDA

1 Q1 2025 AT A GLANCE

2 FINANCIAL HIGHLIGHTS

3 2025 GUIDANCE

4 APPENDIX

PRESENTERS



JAN DRAHOTA

Chairman of the Board of Directors
Colt CZ Group SE



RADEK MUSIL

Vice-chairman of the Board of Directors
CEO of Colt CZ Group SE



JAN ZAJÍC

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



JANA MATOUŠKOVÁ

Head of Group Finance
Colt CZ Group SE

Q1 2025 AT A GLANCE

REVENUES

CZK 5,512 m

↑ 50.3% vs Q1 2024

ADJUSTED EBITDA

CZK 1,212 m

↑ 148.1% vs Q1 2024

ADJUSTED NET PROFIT

CZK 547 m

↑ 51.8% vs Q1 2024

ADJUSTED EPS

CZK 9.7

↓ 2.1% vs Q1 2024



GROUP VISION & AMBITION

VISION

To become the recognized undisputed leader of the small arms industry.

AMBITION 2030

€2 billion in revenue

€400 million in EBITDA

COMMENTS ON Q1 2025 PERFORMANCE

The Group achieved record Q1 revenues and adjusted EBITDA in 2025. If Sellier & Bellot was included in Q1 2024 comparison, adjusted EBITDA would increase by 17% yoy and revenues by 2% yoy, confirming organic growth of the Group.

Ammunition segment achieved excellent profitability of 31%, strengthening the position on the European market. Firearms segment profitability of 14% is related to seasonality of MLE contract.

Double-digit revenue growth achieved on the US market (+37.7%) was caused by both organic growth and S&B acquisition. Extreme growth in Europe (excluding the Czech Republic), a key region for ammunition segment.

Net profit growth in Q1 2025 was primarily driven by an improved EBITDA margin across the Group, mainly in ammunition segment.

Net leverage ratio of 2.04x achieved. This reflects the Group's stronger financial position, increases financial flexibility and positions us well for future growth opportunities.

ACQUISITION OF VSS

On May 9, 2025, Colt CZ Group North America, Inc. signed a stock purchase agreement to acquire all of the shares of capital stock of New England Expert Technologies Corp., which owns all of the capital stock of **Valley Steel Stamp Inc.**

By this acquisition, Colt CZ Group will gain ownership of a reputable high-quality precision machining company and a proven supplier of revolver frames, cylinders, spares and other firearm parts for the commercial market.

It will considerably expand valuable engineering and manufacturing resources of the Group located on US territory and boost the overall margins on the commercial products.

The acquisition price corresponds to single digit multiple of 2024 EBITDA of the acquired company.

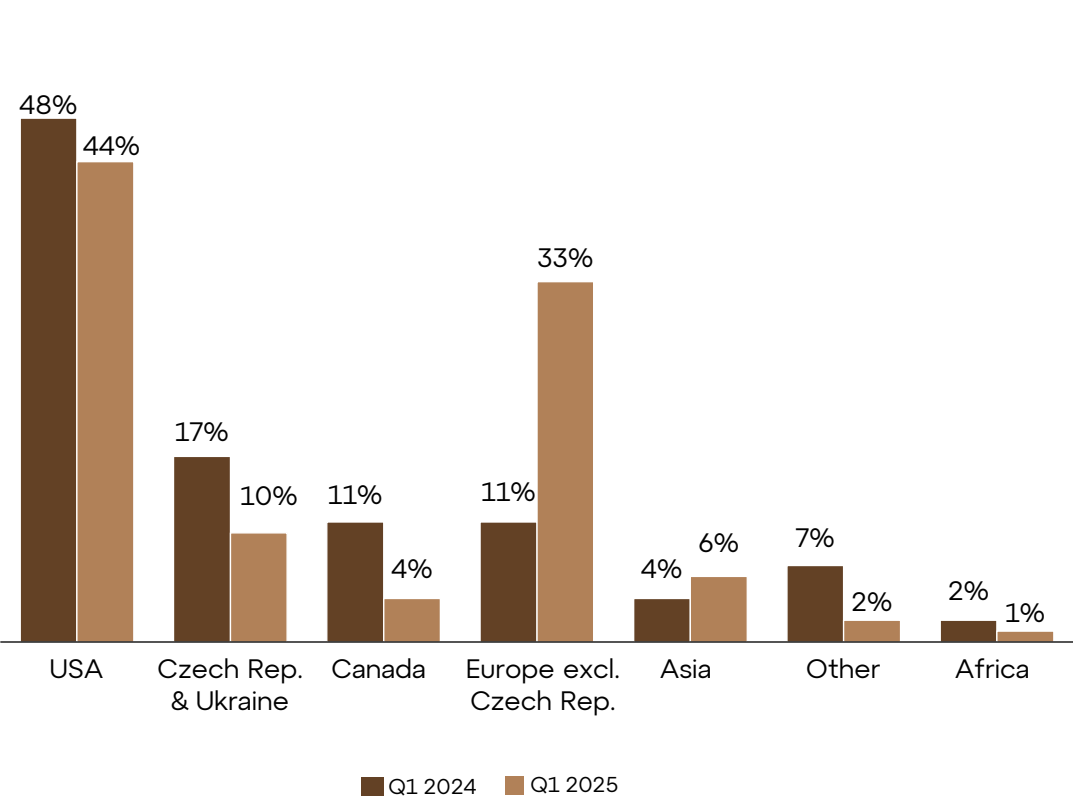
The transaction is expected to close in June 2025, subject to satisfaction of customary pre-closing conditions, the main of which is CFIUS approval.

The parties have agreed that no additional information will be communicated until closing.

REVENUES – SIGNIFICANT SHIFT DUE TO S&B CONSOLIDATION

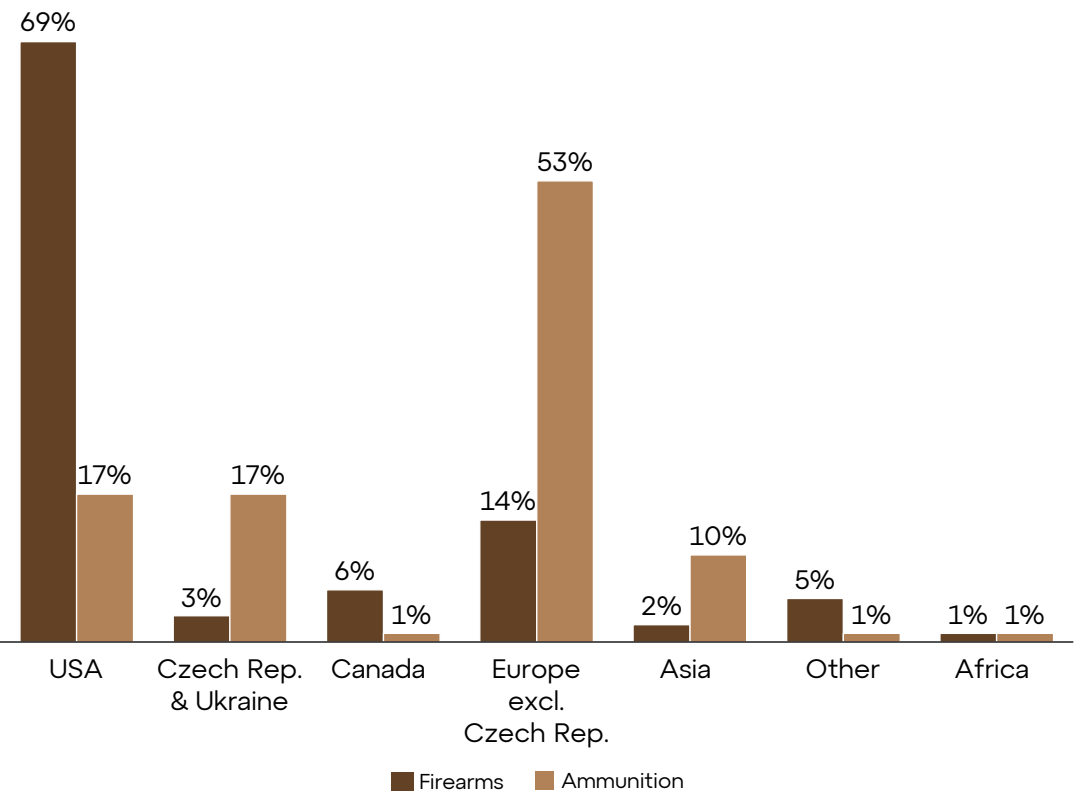
REVENUE BREAKDOWN BY GEOGRAPHY

In % of total revenues



REVENUE BREAKDOWN BY GEOGRAPHY – SEGMENTS

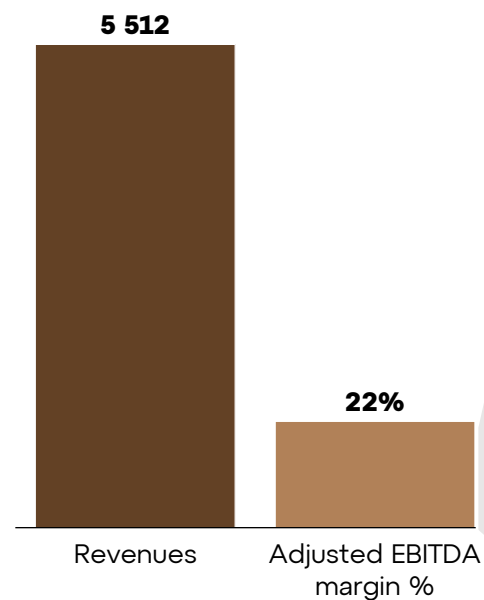
In % of total revenues



REVENUES AND EBITDA MARGIN – OWN PRODUCTION VS TRADING

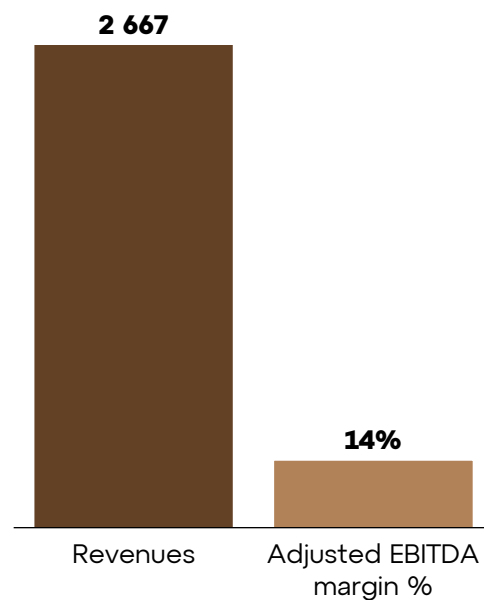
REVENUE & ADJ. EBITDA MARGIN

In CZK m



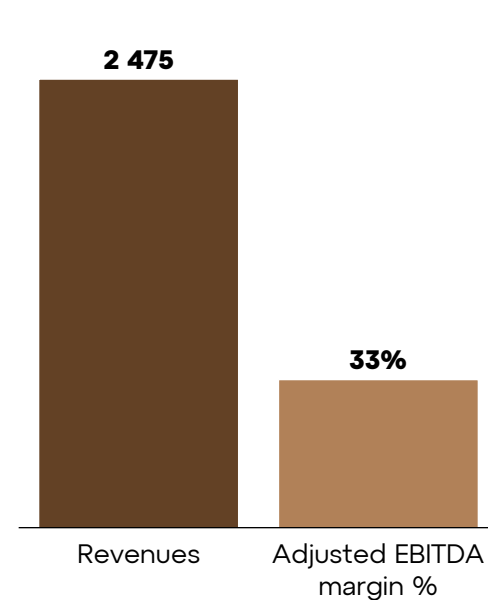
OWN PRODUCTION FIREARMS

In CZK m



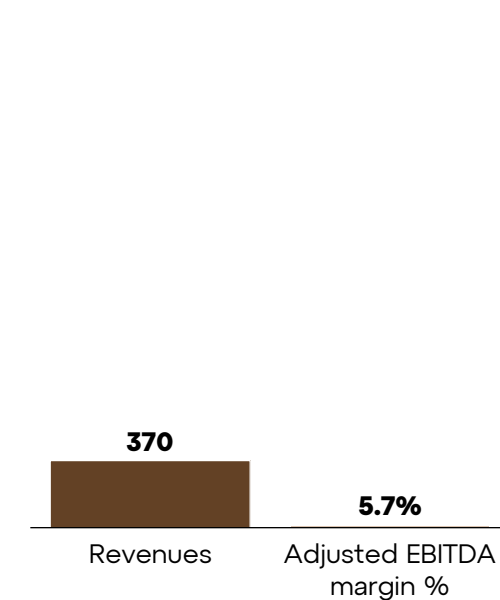
OWN PRODUCTION AMMUNITION

In CZK m



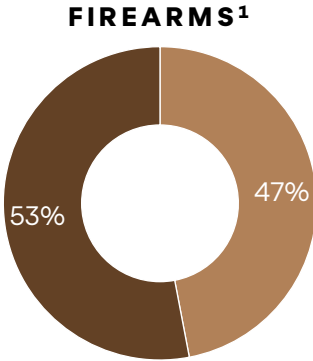
TRADING

In CZK m

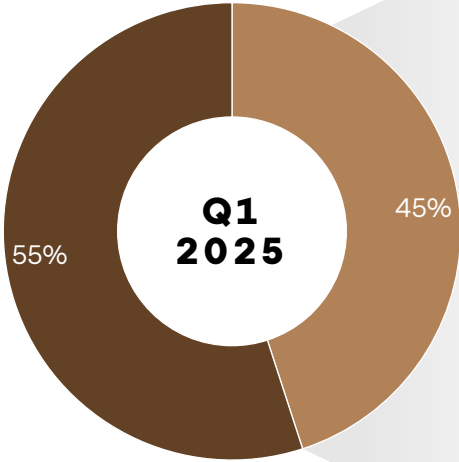
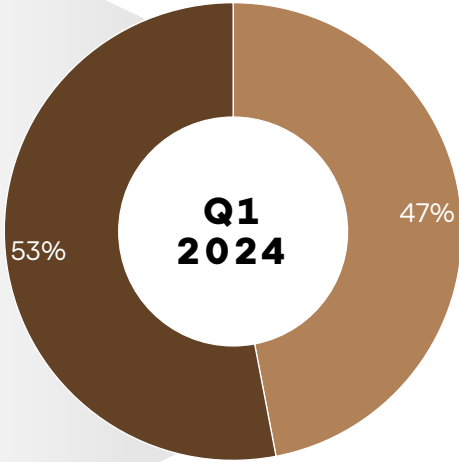


CUSTOMER SEGMENTS

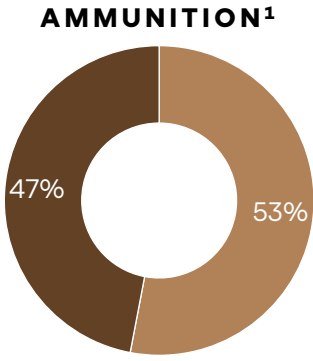
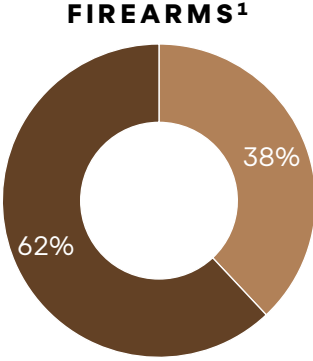
Q1 2024



REVENUES BY TYPE OF CUSTOMER



Q1 2025

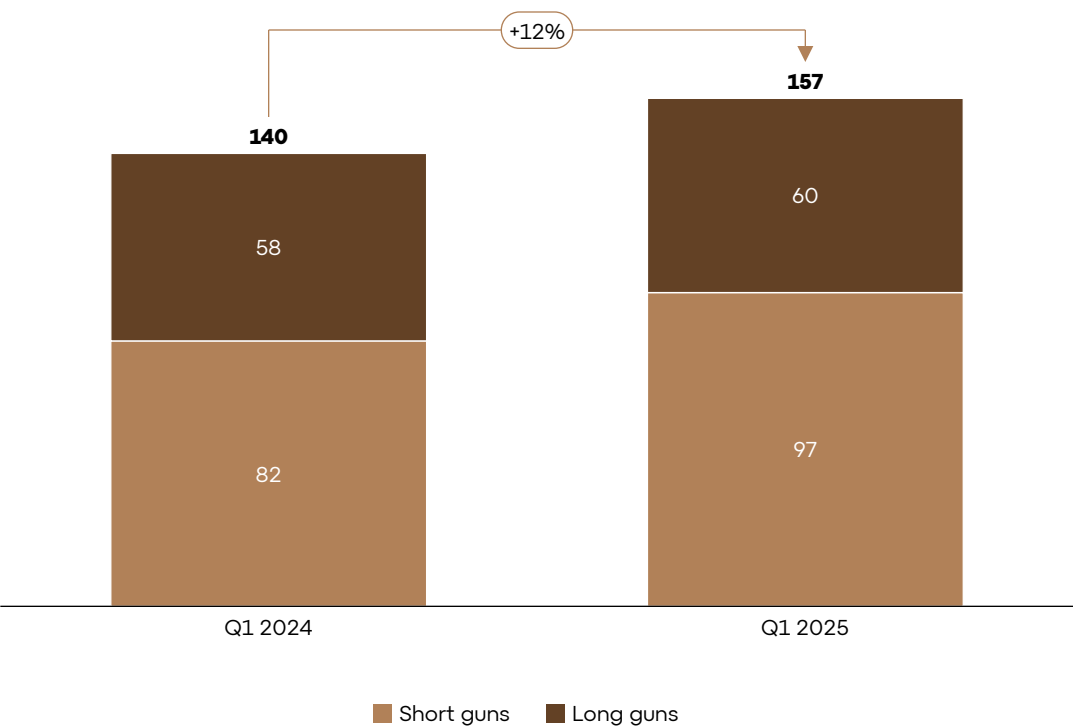


Commercial Military and Law Enforcement

RECORD Q1 IN GROUP'S HISTORY

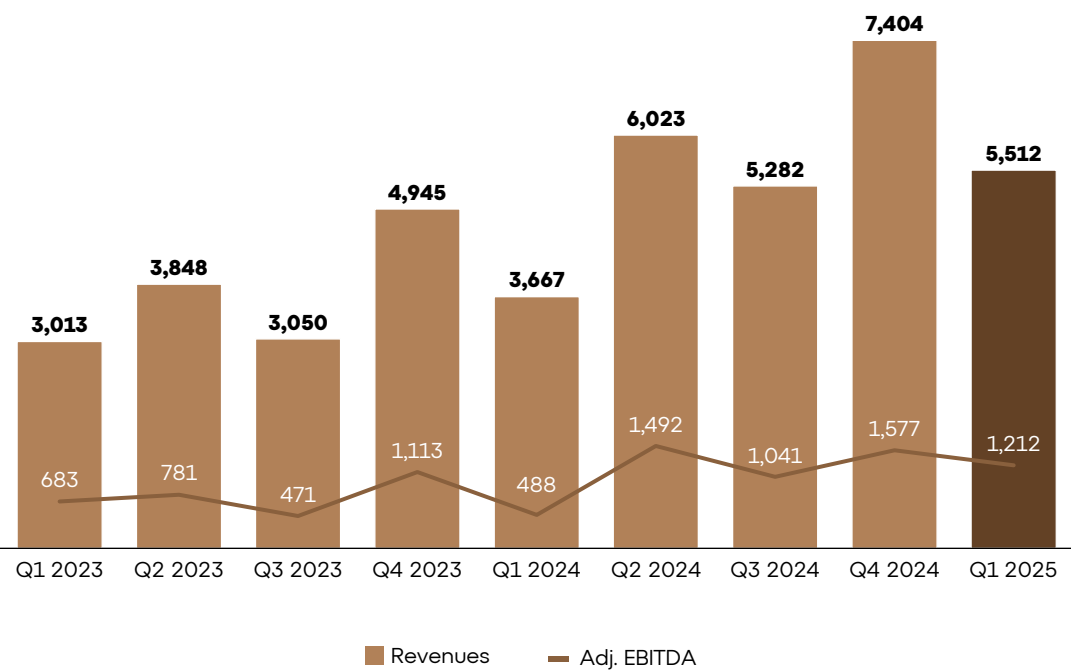
BREAKDOWN BY FIREARMS UNITS SOLD

In '000 units



QUARTERLY REVENUES & ADJ. EBITDA SEASONALITY

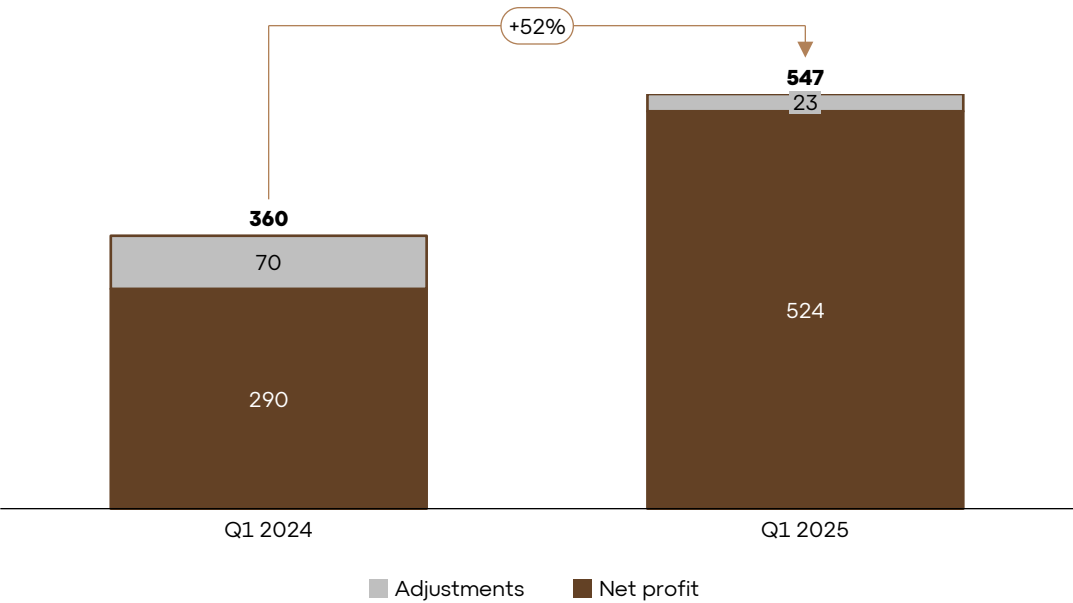
In CZK m



Q1 2025 NET PROFIT POSITIVELY AFFECTED BY AMMUNITION SEGMENT

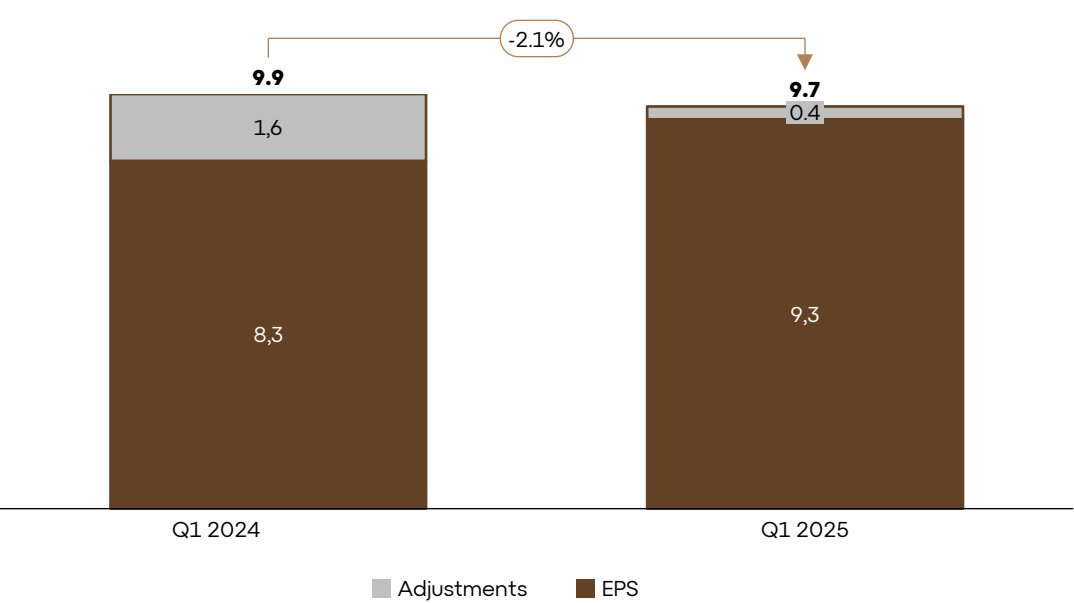
ADJUSTED VS. REPORTED NET PROFIT

In CZK m



ADJUSTED EARNINGS PER SHARE¹

In CZK

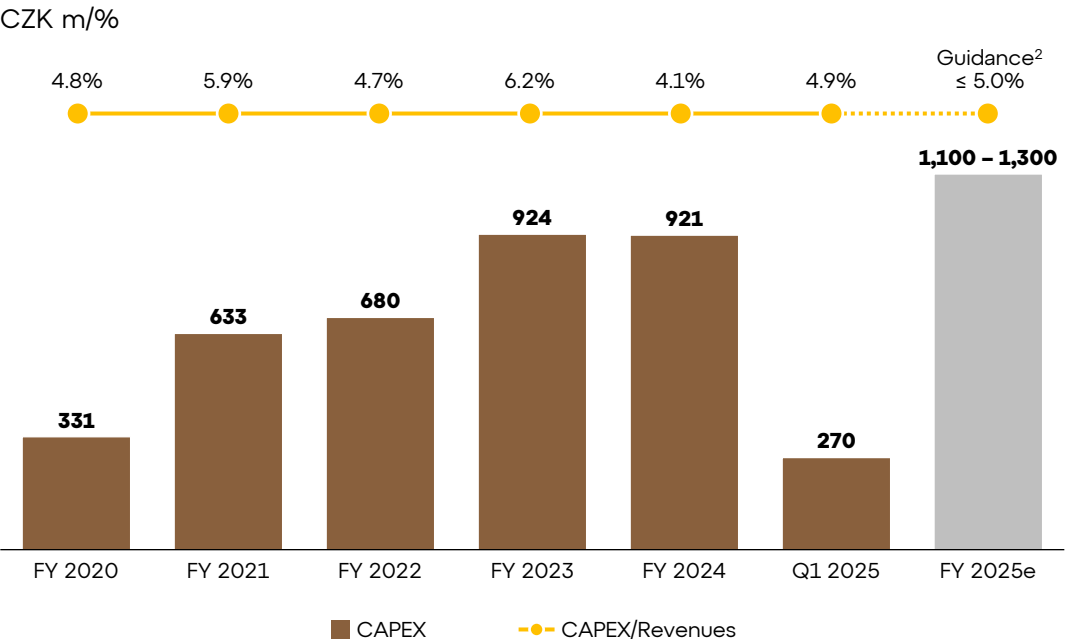


COMMENTS

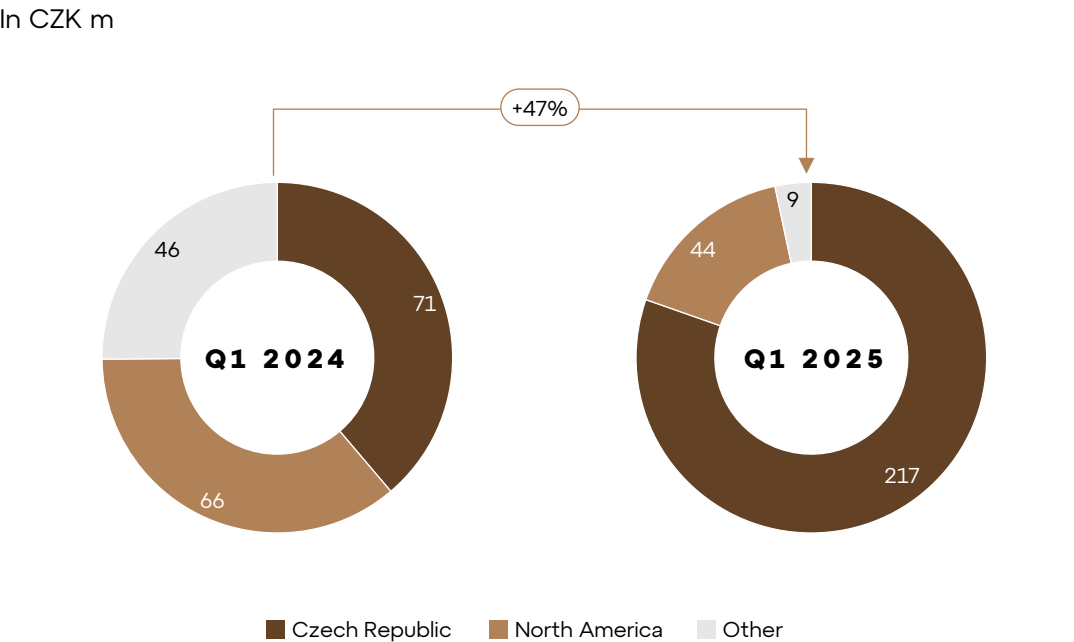
► Full breakdown of adjustments available on page 2 2

CAPEX IN LINE WITH 2025 GUIDANCE

CAPITAL EXPENDITURES¹



CAPEX GEOGRAPHICAL SPLIT

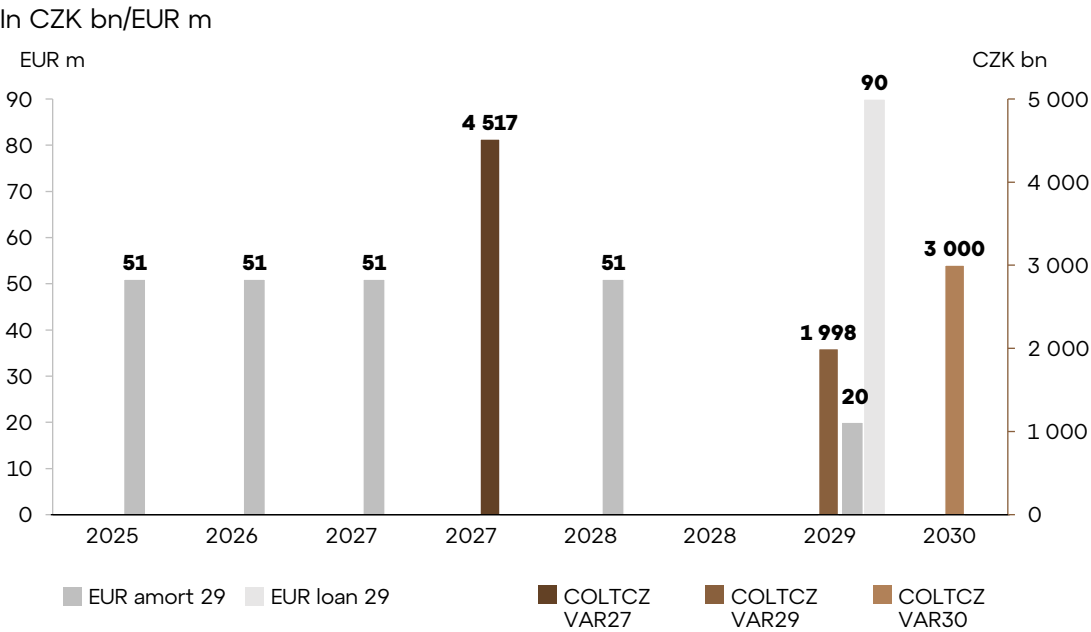


COMMENTS

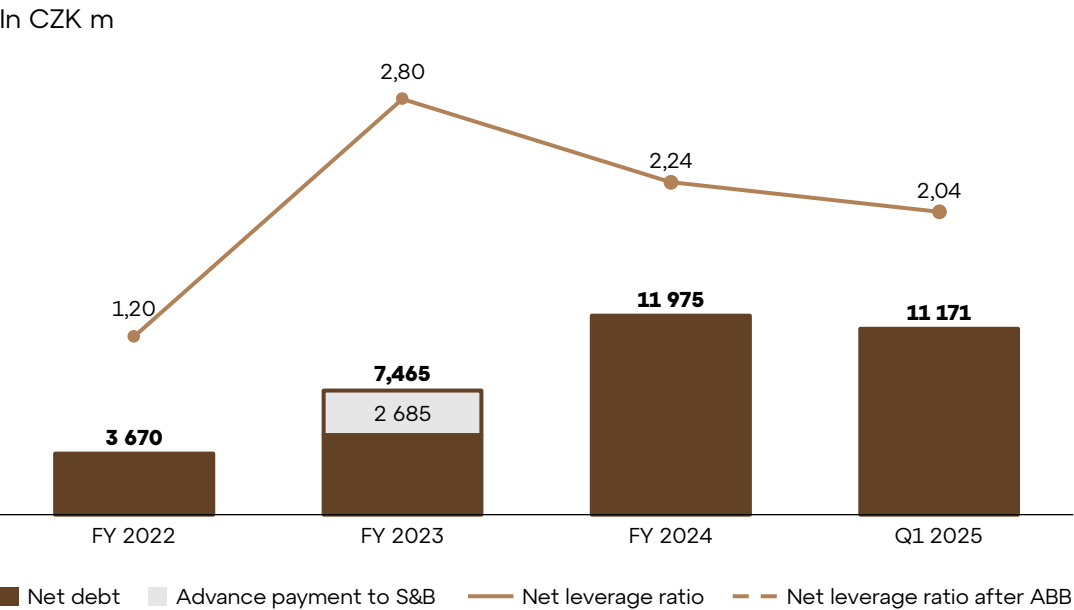
- ▶ FY 2025 CAPEX guidance in line with medium-term strategy
- ▶ Main part of CAPEX 2025 was realized in the Czech Republic in both – R&D and machinery

NET LEVERAGE DOWN POST ABB TRANSACTION

EXPECTED DEBT MATURITY PROFILE (INC. ACQUISITION FINANCING)



NET FINANCIAL DEBT¹ & NET LEVERAGE RATIO²



COMMENTS

- ▶ Refinancing of CZK 483 m from COLTCZ VAR27 by COLTCZ VAR30, extending debt maturity at low costs
- ▶ Cash generative business of both businesses will allow leverage reduction going forward, with expected acquisition loan repayment by 2029
- ▶ Preference of bonds to loans

PRIORITIES AND GUIDANCE 2025

REVENUES

CZK 25 bn

plus/minus 10%

EBITDA

CZK 5.5 bn

plus/minus 10%

Net interest costs CZK 634 mio

Indicative split per quarters (updated)

CZK bn	Q1	Q2	Q3	Q4	FY 2025
Revenues	5.5	6.0	6.0	7.5	25
Adj. EBITDA	1.2	1.3	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.

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 finalize/win and to execute on time.

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

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. Final effects of tariffs impact still to be seen.

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

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

- ▶ 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 weighed towards Q3 and Q4 of 2025)
- ▶ FX volatility of EUR and USD versus CZK
- ▶ Potential impact of US tariffs

OPPORTUNITIES

- ▶ Some of the potential contracts will be historically large for the Group if finally signed, and deliveries start 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, working on a blue machine. Above the arm, a banner for "COLT CANADA" is visible, featuring the company logo and text: "COLT CANADA", "SEMI-AUTOMATIC RIFLES & CARBINES", "MADE IN CANADA", "PRECISION MANUFACTURING", "BRISBANE, CANADA", and "WWW.COLTCANADA.COM". The banner also includes a Canadian flag and a "COLT" logo. The text "THANK YOU FOR YOUR ATTENTION" is overlaid in large, white, bold, sans-serif capital letters on the left side of the image.

THANK YOU FOR YOUR ATTENTION

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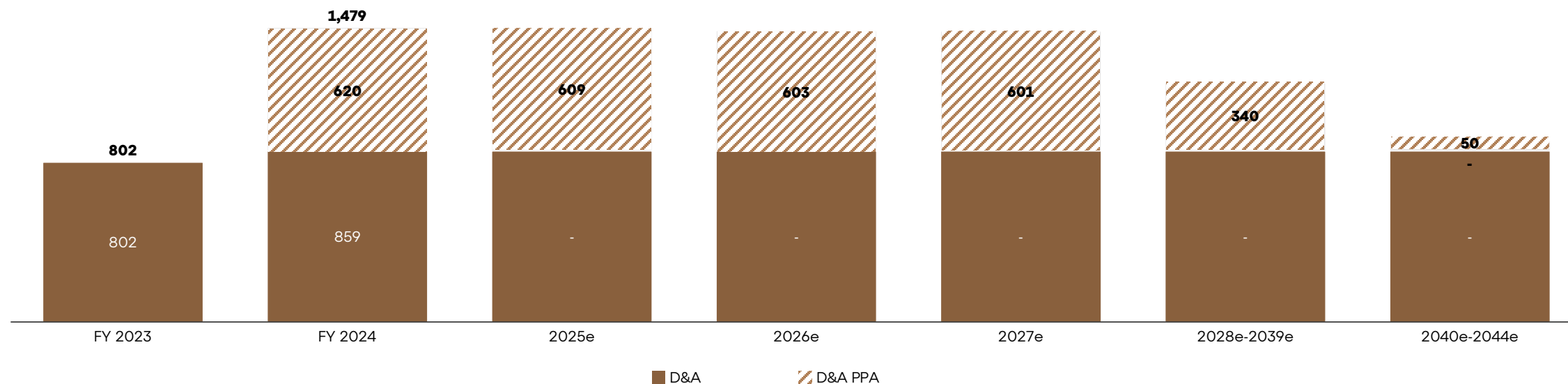
APPENDIX

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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

ADJUSTED EBITDA RECONCILIATION

In CZK '000	Q1 2025	Q1 2024
Operating profit	819 468	220 823
Depreciation and amortization	385 362	199 890
EBITDA	1 204 830	420 713
ESOP related costs	16 123	67 023
M&A costs	3 339	644
S&B commodity hedging	(12 627)	-
Adjusted EBITDA	1 211 665	488 380

ADJUSTED NET PROFIT RECONCILIATION

In CZK '000	Q1 2025	Q1 2024
Earnings before tax	691 402	374 623
Tax expenses	(167 493)	(71 360)
Net income	523 909	303 263
ESOP related costs	16 123	67 023
M&A costs	3 339	644
Bank fee – acquisition loan S&B	6 482	-
One-off expenses related to the bond issue	3 877	2 339
Adjusted earnings before tax (Adj. EBT)	721 223	444 629
Effective tax rate on Adj. EBT (2025 ~24.2%; 2024 ~19%)	(174 717)	(84 695)
Adjusted Net Income	546 506	359 934

NET INTEREST COSTS GUIDANCE

In CZK '000 000;				G 2025
Interest expenses				901
Hedging impact				(124)
Deposit revenues				(143)
Net interest costs				634
Effective interest rate				3,62%

ASSUMPTIONS

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

CONSOLIDATED PROFIT AND LOSS STATEMENT

In '000 CZK	31 Mar 2025	31 Mar 2024
Revenues from the sale of own products, goods and services	5 512 221	3 667 086
Other operating income	36 167	13 970
Change in inventories developed internally	445 844	13 296
Own work capitalized	73 263	50 647
Raw materials and consumables used	(2 805 164)	(1 898 421)
Services	(666 981)	(492 223)
Personnel costs	(1 276 113)	(896 012)
Depreciation and amortization	(385 362)	(199 890)
Other operating expenses	(105 458)	(64 203)
Allowances	(8 949)	26 573
Operating profit	819 468	220 823
Interest income	252 363	391 945
Interest expense	(313 354)	(350 472)
Other financial income	3 379	126 843
Other financial expenses	(139 792)	(17 494)
Gains or losses from derivative transactions	67 756	2 343
Share in the profit of associates after tax	1 582	635
Profit before tax	691 402	374 623
Income tax	(167 493)	(71 360)
Profit for the period	523 909	303 263
Items that may be subsequently reclassified to the statement of profit or loss		
Cash flow hedges – remeasurement of effective portion of hedging instruments	156 473	(248 994)
Foreign currency translation of foreign operations	(132 837)	73 169
Other comprehensive income	23 636	(175 825)
Comprehensive income for the period	547 545	127 438
Profit for the period attributable to:		
Owner of the parent company	523 909	303 263
Comprehensive income for the period attributable to:		
Owner of the parent company	547 545	127 438
Net earnings per share attributable to the owner of the parent company (CZK per share)		
Basic	9	8
Diluted	9	6

CONSOLIDATED BALANCE SHEET 1/2

In CZK '000	31 Mar 2025	31 Dec 2024
ASSETS		
Non-current assets		
Intangible assets	10 140 686	10 403 416
Goodwill	8 422 558	8 489 707
Property, plant and equipment	9 471 829	9 582 545
Equity-accounted securities and investments	45 685	44 102
Financial derivatives	427 220	413 372
Trade and other receivables	13 628	20 021
Other receivables	2 132	2 593
Deferred tax assets	76 510	75 589
Total non-current assets	28 600 248	29 031 345
Current assets		
Inventories	8 272 360	7 456 512
Trade and other receivables	2 380 692	2 829 759
Provided loans	19 032	20 017
Other financial assets	12 070	12 531
Financial derivatives	234 589	127 174
Other receivables	355 425	555 882
Tax receivables	81 742	81 210
Cash and cash equivalents	6 336 813	5 917 768
Total current assets	17 692 723	17 000 853
Total assets	46 292 971	46 032 198

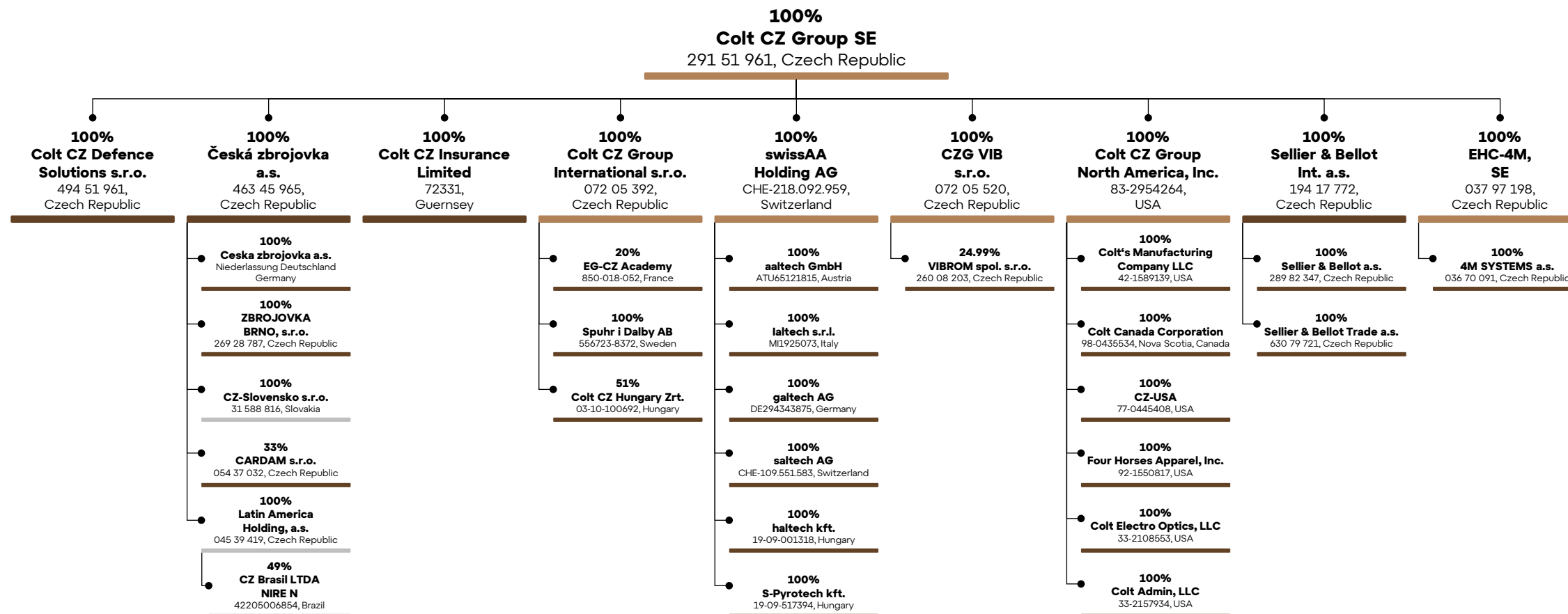
CONSOLIDATED BALANCE SHEET 2/2

In CZK '000	31 Mar 2025	31 Dec 2024
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	5 646	5 646
Share premium	13 477 795	13 477 795
Capital funds	1 641 512	1 641 512
Cash flow hedge reserve	(47 021)	(203 494)
Foreign exchange translation reserve	(200 974)	(68 137)
Accumulated profits	5 714 181	5 175 107
Equity attributable to the owner of the Company	20 591 139	20 028 429
Non-controlling interest	-	-
Total equity	20 591 139	20 028 429
Non-current liabilities		
Bonds, bank loans and borrowings	15 916 066	16 336 227
Financial derivatives	276 481	532 473
Lease liabilities	60 584	58 922
Trade and other payables	56 797	46 802
Other payables	7 385	10 387
Provisions	101 042	101 095
Deferred tax liability	2 612 372	2 561 948
Employee benefit liabilities	224 349	234 725
Total non-current liabilities	19 255 076	19 882 579
Current liabilities		
Bonds, bank loans and borrowings	1 507 950	1 474 910
Financial derivatives	277 655	394 262
Lease liabilities	23 641	22 267
Trade and other payables	1 830 395	1 573 335
Other payables	2 437 439	2 333 203
Provisions	62 860	57 870
Tax liabilities	290 406	248 236
Employee benefit liabilities	16 410	17 107
Total current liabilities	6 446 756	6 121 190
Total liabilities	25 701 832	26 003 769
Total equity and liabilities	46 292 971	46 032 198

CONSOLIDATED CASH FLOW STATEMENT

In '000 CZK	31 Mar 2025	31 Mar 2024
Cash flows from principal economic activity (operating activity)		
Profit from ordinary activity before tax	691 402	374 623
Depreciation/amortization of non-current assets	385 362	199 890
Change in allowances and provisions	16 429	(15 914)
Gain/Loss on sale of fixed assets	(1 069)	(376)
Interest expense and interest income	60 991	(41 473)
Share in the profit of associates	(1 583)	(635)
Unrealized foreign exchange gain and losses	171 554	(157 065)
Other financial assets – remeasurement	-	(113 402)
Cash flow hedging – remeasurement of the effective portion of hedging instruments	156 473	(248 994)
Share-based payments	15 165	62 684
Adjustments for other non-cash transactions	9 456	7 505
Net operation cash flows before changes in working capital	1 504 180	66 843
Change in working capital	(235 269)	(422 526)
Change in receivables and deferrals	429 311	37 398
Change in liabilities and accruals	266 307	(317 599)
Change in inventories	(930 887)	(142 325)
Cash flow from operating activities	1 268 911	(355 683)
Paid interest	(490 429)	(488 415)
Interest received	358 919	460 017
Income tax paid for ordinary activity	(145 351)	(171 269)
Net cash flow from operating activities	992 050	(555 350)
Cash flows from investing activities		
Acquisition of non-current assets	(270 142)	(183 073)
Proceeds from the sale of non-current assets	1 069	376
Acquisition of equity-accounted securities and investments	-	(3 777)
Advance paid for financial investment	-	(2 011)
Employee benefit liabilities	-	-
Acquisition of other financial assets	-	-
Proceeds from sale of other financial assets	-	1 021 982
Provided loans	-	(18 979)
Net cash flow from investing activities	(269 073)	814 518
Cash flows from financing activities		
Proceeds from loans	42 858	11 613
Loan repayment	(326 025)	(34 335)
Leases repayment	(6 867)	(8 778)
Net cash flow from financing activities	(290 034)	(31 500)
Net change in cash and cash equivalents	432 943	227 668
Opening balance of cash and cash equivalents	5 917 768	3 328 684
Effect of exchange rate on cash and cash equivalents	(13 898)	26 622
Closing balance of cash and cash equivalents	6 336 813	3 582 974

COLT CZ GROUP STRUCTURE AS OF 31/03/2025



■ Holding companies ■ No asset companies

COLT
CZGROUP

Notes: Group structure as of 31/03/2025

THANK YOU

Colt CZ Group SE

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