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**CZG – Česká zbrojovka Group SE raised CZK 812,000,000  
in public offering of its shares**

*Trading with CZG shares starts today*

**Prague (2 October 2020)** — CZG – Česká zbrojovka Group SE (“CZG” or the “Company”) has completed the underwriting of its shares in a public offering, resulting in gross proceeds at CZK 812,000,000 designated to finance the Company’s growth plans in the United States. In addition to the primary component, the Company’s sole shareholder, Česká zbrojovka Partners SE, granted an over-allotment option to sell additional 280,000 shares in the amount up to CZK 81,200,000. Trading of CZG’s shares commences today under the symbol “CZG”. The opening price was set at CZK 290 per share.

The Offering attracted strong interest primarily from Czech institutional and retail investors, including employees of the Company.

*“Today’s start of trading of our shares on the Prime Market of the Prague Stock Exchange marks an important step in the history of our Company. We are pleased about the interest that our shares have attracted among a high number of both Czech institutional and retail investors, including a number of CZG employees. In fact, about 10% of our Czech-based employees decided to participate in the offering, which we consider to be a strong demonstration of their commitment to and trust in the Company. With the capital we have raised through the public offering, we are well set to carry out our growth plans, including the construction of a new production facility in the United States,”* stated **Lubomír Kovařík**, President and Chairman of the Board of Directors of CZG.

*“During the roadshow we saw a rather encouraging interest from both local and international institutional investors from Europe and the United States. Nevertheless, we have in the end decided to conclude a transaction reduced in size and not to sell secondary shares for now, because we strongly believe in the future increase of the value of CZG, as we execute our strategy. We have managed to raise enough funds to help us finance the planned enhancement our US production presence. We believe that the future market performance of*

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*our shares will prove that we have chosen the right attitude towards the public markets. We remain fully committed to pursuing our strategy and delivering strong results,”* added **Jan Drahota**, Vice-Chairman of the Board of Directors and CFO of CZG.

Welcoming CZG at the PSE floor, **Petr Kobic**, CEO of the Prague Stock Exchange, stated: *“I am very pleased that the issue of this world-renowned company succeeded and that we can again welcome the traditional successful Czech company at the Prague Stock Exchange. Česká zbrojovka is a highly recognized ambassador of the top Czech engineering industry worldwide, and investors were given the opportunity to participate in their growth story. At a time when political correctness affects even the world of investing, the CZG issue was a bold act. I am convinced that all investors who have bought shares of one of the best European engineering companies will be satisfied with their investment.”*

### The Offering Summary

- The Offering Price has been set at CZK 290 per share, corresponding to a market capitalisation of CZK 9.5bn.
- The Offering comprises 2,800,000 new shares issued by the Company, representing approximately 8.6 percent of the total number of shares in the Company following the Offering and the registration of the capital increase.
- In the course of the bookbuilding process, the existing majority shareholder (Česká zbrojovka Partners SE) decided not to participate in the Offering at the moment and remains fully committed to its ownership role going forward.
- To cover any over-allotments in the Offering, Česká zbrojovka Partners SE has undertaken to sell up to 280,000 of existing shares, corresponding to approximately 10 percent of the total number of shares in the Offering (the “Over-Allotment Option”).
- Assuming the Over-Allotment Option is exercised in full, the Offering will comprise of 3,080,000 shares, representing approximately 9.4 percent of the total number of shares in the Company following the Offering.
- Following the Offering and the registration of the capital increase, the total number of shares in the Company will amount to 32,638,000.
- Through the issue of the new shares, the Company will receive gross proceeds of approximately CZK 0.8bn.
- The majority of the shares were allotted to investors from the Czech Republic, while 90.9% of the Offer shares were allocated to institutional investors and 9.1% to retail investors. All employees of the Company who have applied for allocation of shares within the Offering have been allocated shares according to their orders.
- The Settlement is expected to be completed on or about 6 October 2020.
- The Company is subject to a 180-day lock-up period in respect of any newly issued shares, subject to customary exceptions. The existing majority shareholder is subject to a 720-day lock-up period in respect of the shares held by him in case of execution of the Over-Allotment Option, subject to customary exceptions.
- The shares were admitted to trading on the Prime Market of the Prague Stock Exchange on 1 June 2020. Application has been made by the Company to the PSE to admit the new shares to trading on the Prime Market of the PSE. Trading will CZG’s shares commences today on the Prime Market of PSE under the ticker symbol “CZG”.

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- The free float is expected to be around 8.6%, which may be increased up to 9.4% in case of exercise in full of the Over-Allotment Option.
- Effective from the first trading day, Erste Group Bank, Fio banka, J&T banka and Wood & Company Financial Services have agreed to act as market makers for CZG shares with spread set at CZK 8 and minimal lot at 1,000 pcs.

### Advisors

For the purposes of the Offering, Česká spořitelna, Komerční banka and Soci t  G n rale were appointed by the Company as Joint Global Coordinators, joined by Wood & Company Financial Services as Joint Bookrunners. Allen & Overy acts as legal advisor to the Company. White & Case acts as legal advisor to the Joint Global Coordinators and Joint Bookrunners. Soci t  G n rale acts as Stabilizing Manager.

### About CZG – Česk  zbrojovka Group SE

CZG – Česk  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 civilian use. CZG markets and sells its products mainly under the CZ (esk  zbrojovka), CZ-USA, Dan Wesson, Brno Rifles and 4M Systems brands. CZG's subsidiaries include Česk  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 1,625 people in the Czech Republic, the United States and Germany.

Last year, CZG announced its intention to invest into extension of its presence on the U.S. market by strengthening its production and distribution capacities in the region through the Little Rock Project.

### Contact for media

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