REGULATORY ANNOUNCEMENT

CZG – Česká zbrojovka Group SE: negotiations concerning Colt acquisition continue

*Exclusivity for CZG has been extended*

*General Agreement on key commercial terms has been reached*

*Further discussions about technical parameters and legal terms*

**Prague, 9 January 2021** – CZG – Česká zbrojovka Group SE (“CZG” or “the Group”) further to our previous disclosure with respect to the Letter of Intent dated November 5, 2020 for the acquisition of 100% of the outstanding equity interest in Colt Holding Company LLC (“Colt”), CZG hereby informs that it has agreed with Colt on the extension of the exclusivity period to complete its due diligence until the end of January 2021.

The parties have reached an agreement in principle on key commercial parameters of the transaction and they continue discussing the technical parameters, regulatory review requirements, and legal terms and conditions of the transaction.

Execution of the definitive documentation for the transaction is estimated to take place by the end of January 2021, subject to completing the negotiations, finalizing the transaction documentation, and obtaining necessary approvals of the relevant stakeholders.

Assuming achievement of these contingencies, the closing of the transaction would be subject to regulatory approval. Despite this significant progress in the negotiations, no assurances can be made that the transaction will be consummated.

**About CZG - Česká zbrojovka Group SE**

CZG – Česká 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 (Česká zbrojovka), CZ-USA, Dan Wesson, Brno Rifles and 4M Systems brands. CZG’s subsidiaries include Česká 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 1,650 people in the Czech Republic, the United States and Germany.

About Colt
Colt is one of the world’s leading designers, developers, and manufacturers of firearms. It has supplied civilian, military and law enforcement customers in the U.S. and throughout the world for over 175 years.

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