

Investment Banking Update

May 24, 2021

\$260 MILLION



HAS BEEN ACQUIRED BY



Stephens served as exclusive financial advisor to Colt's Manufacturing Company

Transaction Details

- On May 24, 2021, Česká zbrojovka Group SE ("CZG"; PSE: CZG) announced the closing of its acquisition of Colt Holding Company LLC ("Colt"), the parent company of Colt's Manufacturing Company LLC and its Canadian subsidiary, Colt Canada Corporation, for total consideration, as valued on the closing date of the acquisition (May 21, 2021), of up to approximately \$260 million
- The total consideration consists of a combination of (i) cash in the amount of \$220 million, (ii) 1,098,620 shares of CZG's common stock which, based on the closing share price on the Prague Stock Exchange for CZG's common stock on May 21, 2021, is currently valued at approximately \$20 million, and (iii) potential earnout consideration of up to 1,098,620 additional shares of CZG's common stock which is currently valued at approximately \$20 million if all conditions and earnings thresholds for the earnout are met
- Colt is a leading designer, developer, and manufacturer of firearms, having supplied civilian, military, and law enforcement customers in the US and throughout the world for over 175 years
- Dennis Veilleux, President and CEO of Colt, said, "Colt is pleased to join forces with CZG. We are proud of our heritage and believe that the strength of the combined businesses and the many synergies created by the merger will enable us to honor our roots while also securing the future of the Colt brand. We look forward to continuing to deliver our high- quality products while also investing in innovation and new product offerings in the near future."

Stephens Contacts

- [Chris Gidden](#), Managing Director
- [Jeff Henderson](#), Vice President

According to the Company's Press Release

Colt's Manufacturing Company

Colt is a supplier to the US military and the exclusive supplier to the Canadian military, and it also supplies its products to other armed forces around the world. Colt firearms enjoy a reputation throughout the world for accuracy, reliability, and quality. Colt pistols and revolvers are carried by military and law enforcement personnel in numerous countries and are used by hunters and sportsmen and sportswomen worldwide. Colt commercial, sporting, military, and law enforcement rifles enjoy similar renown.

Česká zbrojovka Group

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 commercial 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 1,670 people in the Czech Republic, the United States and Germany.

Sources: Transaction Press Releases.

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