

CSG Group
Full Year 2025 Results Statement

Topline Outperformance; Margins in Line with IPO Outlook
FY 2026 Guidance Reaffirmed

Financial highlights

- Revenue increased to €6.7bn, up 71.7% year on year (30.1% pro forma¹), driven by strong demand across Defence Systems and the integration of The Kinetic Group
- Total backlog reached €15bn with a pipeline of €27bn, providing strong multi-year visibility
- Adjusted Operating EBIT² increased to €1.6bn, up 60.7% year on year (31.2% pro forma), with margin at 24.1%
- Net Profit from Continuing Operations increased to €872m, up 35.5% year on year
- Pre-tax Operating Cash Flow² of €61m, reflecting the Q4 seasonal unwind of working capital as deliveries under contracted orders were executed
- Capex Intensity of 3.3%, supporting growth while maintaining capital discipline
- Net Debt of €3.0bn, with Net Debt to LTM Adjusted Operating EBITDA of 1.7x (1.3x including €742m IPO primary proceeds)
- FY 2026 and medium-term guidance reaffirmed

Strategic and operational highlights

- Secured landmark contract awards across the year, culminating in Q4 with a seven-year framework agreement with the Slovak Ministry of Defence for up to €58bn of medium and large-calibre (M&L) ammunition and a \$1bn+ contract to produce 4,000 tactical vehicles for a Southeast Asian customer
- Advanced vertical integration through the acquisitions of MSM Walsrode (nitrocellulose propellant), ZVI Vsetín (M&L ammunition), MUST Solutions (advanced propulsion systems for unmanned aerial vehicles) and GAMA OCEL (armoured steel plates), alongside a new JV in Greece for the supply of TNT
- Strengthened strategic partnerships, including a cooperation agreement with KNDS Deutschland for Leopard 2A8 main battle tank hull production, reinforcing CSG's position within key European defence programs, and a new India JV to capitalise on procurement opportunities in this high-growth market
- Expanded production capacity, including licensed large-calibre ammunition production in Ukraine, automated 155mm filling lines in Slovakia and completion of a new manufacturing facility at Excalibur Army
- Successfully completed IPO and admission to Euronext Amsterdam, with fast-track inclusion in MSCI Standard and FTSE All-World indices
- Streamlined reporting into two core segments, CSG Defence Systems and CSG Ammo+, divesting 35+ non-core entities and launching the Advanced Systems division to focus on next-generation propulsion, missile and UAV technologies

Michal Strnad, Chairman and CEO, CSG said:

"2025 was a defining year for the Group. We delivered strong financial results in line or ahead of expectations set out at our IPO, while also executing at pace across the business. We secured major long-term contracts, expanded our production footprint and advanced our vertical integration strategy. At the same time, we undertook extensive preparation for becoming a public company, strengthening governance, reporting and capital structure. Building on that work, we successfully completed our listing on Euronext Amsterdam at the start of 2026, providing a strong platform for our next phase of growth.

"We are well placed to capitalise on a strong demand environment driven by near-term geopolitical developments, multi-year procurement frameworks and structural defence budget increases across NATO and allied nations. Our record order backlog of €15bn provides strong multi-year visibility.

“Our focus remains on disciplined execution. We have built scale in core defence systems, expanded capacity and strengthened control over critical inputs. Our order backlog, enhanced capacity and disciplined balance sheet give supports our ability to deliver sustainable growth and drive continued efficiency improvements. We look to the remainder of the year and beyond with confidence.”

Key Group financials

Year ending 31 December 2025

€ m	FY25	FY24	FY24 Pro forma	Change Reported	Change Pro forma
Revenue	6,741	3,925	5,182	71.7%	30.1%
Adjusted Operating EBITDA	1,782	1,070	1,389	66.6%	28.2%
Adjusted Operating EBIT	1,626	1,011	1,239	60.7%	31.2%
Adjusted Operating EBIT margin	24.1%	25.8%	23.9%	(170)bps	20bps
Net Profit from Continuing Operations	872	644	657	35.5%	32.9%
Pre-tax Operating cash flow	61	771	N/A	(710)	N/A
Cash Conversion ²	87.4%	89.1%	90.7%	(170)bps	(330)bps
Capex Intensity	3.3%	3.0%	2.3%	30bps	100bps
Adjusted Net Working Capital ³	1,620	518	518	1,102	1,102
Adjusted Net Working Capital as % of LTM Revenue	24.0%	13.2%	10.0%	1,080bps	1,400bps
Net debt	3,004	1,769	1,769	1,236	1,236

Q4 2025

€ m	Q4 25	Q4 24	Change Reported
Revenue	2,255	1,466	53.9%
Adjusted Operating EBITDA	565	408	38.9%
Adjusted Operating EBIT	528	391	34.8%
Adjusted Operating EBIT margin	23.4%	26.7%	(330)bps

FY 2026 Outlook

The Group expects continued strong demand across its core defence markets, supported by elevated defence budgets and a record backlog. Revenue growth in the year ahead will be driven mainly by the Group's Land Systems and M&L Ammo units within the Defence Systems business segment, in addition to a recovery in the Ammo+ segment. This will be supported by margin expansion due to the benefits of vertical integration and operating leverage related to production capacity ramp-up in both M&L Ammo and Land Systems.

Any potential cease-fire in the Russia Ukraine conflict is expected to result in the reallocation of orders between Ukraine and NATO countries, and the modernisation and replenishment of stockpiles to NATO standards. Europe's rearmament continues to be driven by an increasing geopolitical threat environment that will persist regardless of any ceasefire.

As communicated at the time of the IPO, FY 2026 revenue is expected to be in the range of €7.4-7.6bn, with Adjusted Operating EBIT margin maintained at approximately 24-25%. Capital expenditure is projected to increase to around 8.5% of revenue and net working capital is expected to reduce further to below 20% of revenue.

IPO-related costs were incurred subsequent to year-end and will therefore be reflected in Q1 2026 results.

Medium Term Outlook

Over the medium-term, the Group confirms mid-teens organic revenue CAGR, with expected segment and sub-segment growth as follows:

- Defence Systems: high-teens CAGR
 - M&L Ammo: mid to high single digit CAGR (20% CAGR in own production)
 - Land Systems: 40–50% revenue CAGR
 - Aerospace & Defence Electronics: 50–60% revenue CAGR
 - Advanced Systems is forecast to generate mid-hundred-million-euro revenue by the mid-term horizon
- Ammo+: mid-single digit CAGR

Group Adjusted Operating EBIT margin is expected to increase to approximately 26–28%, reflecting benefits from vertical integration (achieved by the end of 2027) and scale.

- Defence Systems margin expansion will be primarily driven by a material increase of M&L Ammo margin.
- Land Systems margin is expected to expand moderately
- Aerospace & Defence Electronics is expected to benefit from significant margin expansion
- Advanced Systems will positively contribute to near-term Group margin, with its margin to align with the Group by the mid-term.
- Ammo+ is expected to experience low to moderate margin improvement

Capital expenditure is anticipated to normalise after 2026/2027 at approximately 4-5% of revenue, with maintenance capex comprising approximately one-third of the total.

Presentation Notice

A management presentation and Q&A for analysts and investors will be held today, 26 March via live webcast and conference call beginning at 10:00 CET. A recording will be made available following the conclusion of the presentation. Registration for the webcast and conference call is available at the company's IR website, <https://ir.czechoslovakgroup.com/en>. Participants who wish to ask questions during the presentation are encouraged to join via the conference call.

Q1 Results

The Group's first quarter results for the period ending 31 March 2026 will be announced on 20 May 2026.

Enquiries

Investors and analysts:

Peter Russell, Head of Investor Relations
peter.russell@czechoslovakgroup.com

Media:

Tomáš Kotera, Director of Communications
tomas.kotera@czechoslovakgroup.com

Andrej Čírték, Spokesperson

+420 602 494 208
andrej.cirtek@czechoslovakgroup.com

Notes

The financial information contained in this announcement is a summary. The full audited consolidated financial statements for the year ended 31 December 2025, together with the independent auditor's report, are contained in the Company's Annual Report 2025, published simultaneously with this announcement. The Annual Report is available on the Company's website, <https://ir.czechoslovakgroup.com/en>.

¹Growth on an (unaudited) pro forma basis is presented as if The Kinetic Group had been consolidated for the full prior financial year; in FY 2024, the Kinetic Group contributed only one month of results.

²This announcement includes certain alternative performance measures (APMs) that are not defined or specified under International Financial Reporting Standards (IFRS). These measures are used by management to provide additional insight into the underlying performance of the business and to enhance comparability between reporting periods by adjusting for items that may distort the view of the Group's ongoing operational performance. Definitions of the APMs used in this announcement are provided in the notes to this announcement. Adjusted Operating EBIT is calculated by deducting the €32m non-cash impact in FY 2025 of the inventory fair value step-up (Purchase Price Allocation) included in operating expenses (FY 2024 pro forma: €47m). No adjustment is made for the PPA-related step-up in depreciation and amortisation of PP&E and intangible assets. Conversion means Adjusted Operating EBITDA less Capex divided by Adjusted Operating EBITDA. Pre-tax Operating Cash Flow means Adjusted Operating EBITDA, less change in Working Capital less Capex.

³FY 2025 Adjusted Net Working Capital excludes a receivable of €275m related to the Group structure optimisation (carve-out of non-core activities).

Group Performance Review

Market environment and demand

In 2025, defence spending across NATO and partner countries continued to increase in response to a volatile geopolitical environment. Demand for medium and large calibre ammunition, land systems and aerospace & defence electronics remained markedly strong.

The ongoing conflict in Ukraine and the broader reassessment of collective defence within Europe drove sustained procurement activity, including replenishment of depleted stockpiles and multi-year framework agreements. Commitments by NATO members to materially increase defence expenditure over the coming decade reinforced the structural nature of this demand environment. Beyond Europe, heightened geopolitical tensions in the Asia Pacific and Middle East regions contributed to elevated defence budgets and modernisation programmes. At the same time, in the United States, demand in the commercial small-calibre ammunition market remained resilient, underpinned by a strong domestic customer base and local manufacturing footprint.

Governments across Europe and other regions continued to prioritise supply chain security and domestic production capabilities. This supported investment in ammunition manufacturing capacity and vertically integrated defence platforms, areas where CSG maintains established industrial capabilities and long-term customer relationships.

Group revenue and profit performance

Revenues increased by 71.7% on a like-for-like basis in the year to €6.7bn, driven by strong organic growth in Defence Systems and the full period contribution from The Kinetic Group. This exceeded the guidance of €6.4bn issued at the time of the IPO. The year-on-year growth was mainly driven by strong demand across all major product lines, particularly medium and large calibre ammunition, reflecting both the elevated geopolitical environment and the Group's expanded production and delivery capabilities.

Adjusted Operating EBIT increased by 60.7% to €1.6bn, with margins robust at 24.1%, in-line with the guidance range stated at the time of the IPO. Margin benefited in particular from scale effects in medium and large calibre ammunition and disciplined cost control, partially offset by higher input costs and integration-related expenses. Net Profit from Continuing Operations increased to €872m, reflecting higher operating profit partially offset by increased financing costs.

Order intake backlog and visibility

The Group monitors backlog and pipeline as key indicators of future revenue visibility. Order backlog reached €15bn at period end (up 36% year-on-year), with a pipeline under negotiation of €27bn, providing strong multi-year revenue visibility. The M&L Ammunition business accounted for the largest share of the Group's total backlog (45%), followed by Land Systems (40%), Ammo+ (10%), Aerospace & Defence Electronics (3%) and Advanced Systems (1%).

As of 31 December 2025	€ billion	Backlog Coverage Ratio
Fixed backlog	7	1.0x
Frame backlog	6	0.9x
Soft backlog	2	0.3x
Total backlog	15	2.2x
Pipeline under negotiation	27	4.0x
Total opportunity	42	6.2x

The Group categorises backlog orders as orders from signed and effective contracts, long-term framework agreements and contracts that are not yet fully finalised and effective but based on the previous experience and nature of negotiation, are counted towards forecasts as nearly certain. The Group's multistage backlog, comprising fixed (signed and effective), frame (long-term framework agreements for which the specific conditions of fulfilment to be negotiated at later stages), and soft backlog (contracts that are not yet fully finalised and effective but based on previous experience and nature of negotiations), provides high revenue visibility, with historically strong conversion rates from soft to frame and fixed backlog, underscoring the reliability of backlog as an indicator of future revenue.

Pipeline projects include projects in various stages of negotiation deemed reasonably achievable based on previous experience in the market and with customer. The 2025 pipeline value includes c.€1bn relating to the seven-year agreement with the Slovak Ministry of Defence for medium and large-calibre ammunition.

Contract wins and order momentum

During the fourth quarter of 2025, building on the contracts announced in the first nine months of the year, the Group secured several additional significant contracts that are expected to support future growth and reinforce its position in the defence and manufacturing sectors:

- The Group's Slovak subsidiary, ZVS Holding, secured a framework agreement with Slovakia's Ministry of Defence in December 2025 to supply up to €58 billion worth of large and medium-calibre ammunition to Slovakia and other EU member states over seven years
- A contract valued at several hundred million US dollars to supply small-calibre ammunition to the Ministry of Defence of a Southeast Asian state.
- TATRA Defence signed a strategic contract with KNDS Deutschland for the production of hulls for Leopard 2A8 main battle tanks.
- TATRA Defence Slovakia was awarded a \$1 billion+ production contract for 4,000 Tatra vehicles for a South-East Asian client.

Strategic acquisitions and vertical integration

In 2025, CSG continued to execute a focused M&A programme designed to expand capacity, secure critical inputs and enter adjacent high-growth technologies. The emphasis remained on transactions that reinforce control over the value chain and strengthen the Group's long-term competitive positioning.

- In May 2025, CSG acquired the MSM Walsrode industrial park and nitrocellulose production plant in Germany. The facility is being converted from industrial-grade to energetic-grade nitrocellulose production, a critical component in large calibre ammunition. Management expects the conversion to deliver material cost efficiencies compared to outsourced supply, while reducing exposure to market bottlenecks. This project remains on track to be completed by the end of 2027 and will help underpin medium term margin expansion.
- CSG agreed to commit €50 million to establish Ellinika Pyromachika in Greece and reinstate TNT production at the Lavrio site. This investment strengthens security of supply for explosives.
- CSG also broadened its technological capabilities with the acquisition of AviaNera Technologies a.s. This marked the launch of the Advanced Systems business segment, providing in-house R&D expertise in turbo jet and turbo fan engines for UAVs and missile platforms.
- Additional targeted acquisitions during the year strengthened control over critical materials and advanced technologies. These included MUST Solutions, focused on advanced propulsion systems for unmanned aerial vehicles, and GAMA OCEL, a producer of armoured steel plates, enhancing upstream capabilities in protected vehicle platforms. CSG also expanded its ammunition portfolio through the acquisition of ZVI Vsetín, supporting the development of its medium calibre offering.
- CSG completed the acquisition of the remaining 30% stake in Fiocchi, consolidating full ownership of the Ammo+ platform, and substantially integrated The Kinetic Group following its November 2024 acquisition.

Segment Performance Review

The Group reports two core business segments: CSG Defence Systems and CSG Ammo+. This structure reflects both the industrial logic of the portfolio and the way management allocates capital, drives operational performance and engages with customers.

Defence Systems brings together the Group's activities in military land systems, medium and large calibre ammunition and related defence technologies. It integrates traditional heavy industrial platforms with modern defence capabilities, operating primarily across European markets and serving NATO and allied customers.

CSG Ammo+ represents the Group's global small calibre ammunition platform. The segment was materially strengthened by the acquisition of the Kinetic Group in 2024, transforming the Group into a global leader in small calibre ammunition with significant scale in the United States. The subsequent consolidation of Fiocchi has further streamlined the structure.

Total revenue from Defence Systems increased significantly, up 55.3% year on year, to €5,346 million. This growth was primarily driven by sustained demand for large-calibre artillery systems and ammunition linked to the conflict in Ukraine, including direct deliveries as well as sales to companies engaged in supplying Ukraine's defence requirements, against the backdrop of broader NATO re-stocking and procurement activity. Defence Systems Adjusted Operating EBIT grew slightly ahead of revenue, up 55.8% to €1,502 million, reflecting operating leverage across expanded production volumes, improved capacity utilisation and the benefits of vertical integration and disciplined cost control.

On a reported basis, Ammo+ revenue increased significantly year on year, up 189.4%, reflecting the full-period contribution of the Kinetic acquisition. On a pro forma basis, revenue declined, driven by softer demand in commercial markets compared to the elevated levels seen in prior periods. Adjusted Operating EBIT decreased as lower volumes reduced operating leverage and the segment absorbed higher input costs, including copper, propellants and other raw materials, as well as the impact of tariffs on certain imports. In response, management introduced targeted pricing adjustments across selected product categories to mitigate margin pressure and better align realised prices with the current cost base.

Segment Revenue

€ m	FY25	FY24	FY24 Pro forma	Change	Change Pro forma
CSG Defence Systems	5,346	3,443	3,443	55.3%	55.3%
CSG Ammo+	1,395	482	1,656	189.4%	(15.7%)
Other	116	81	81	42.8%	42.8%
Elimination of intersegment	(117)	(82)	(82)	42.5%	42.5%

Segment Adjusted Operating EBIT

€ m	FY25	FY24 Unadjusted	FY24 Pro forma	Change	Change Pro forma
CSG Defence Systems	1,502	964	964	55.8%	55.8%
CSG Ammo+	117	50	276	133.7%	(57.6%)
Other	14	(3)	(3)	(6.5%)	(6.5%)
Elimination of intersegment	(8)	(1)	(1)	1,152.5%	1,152.5%

FY24 pro forma figures have not been restated for discontinued activities; discontinued operations are excluded to provide a like-for-like comparison with FY25 continuing operations at segment level.

Defence Systems Revenue by subsegment

€ m	FY25	FY24	Change
M/L Ammunition	4,107	2,508	63.8%
Land Systems	1,068	793	34.6%
Aerospace & Defence Electronics	171	142	19.8%
Advanced Systems	-	-	-

Total	5,346	3,443	55.3%
-------	-------	-------	-------

Revenues by geography and end market

The Group maintains a strong presence within Europe and NATO, and approximately 65% of the Group's revenues were derived from NATO countries for FY 2025, underscoring the Group's positioning within NATO-aligned defence markets. The Group believes that the continued increases in defence spending across Europe and NATO member states further reinforce the outlook for its capabilities and strategic relevance in these regions.

Revenues by geographic region

€ m	FY25	FY24	Proportion FY25
Europe excluding Ukraine	3,211	1,679	48%
Ukraine*	1,834	1,715	27%
United States	1,140	269	17%
Other	556	263	8%

* Includes purchases intended for the Ukrainian end-market paid for by another nation or party.

Defence customers represented 80% of revenues, civil markets 16% and industrial non-defence 4%.

Financial Review

€ m	FY25	FY24	FY24 Pro forma	Change	Change Pro forma
Revenues	6,741	3,925	5,182	71.7%	30.1%
Raw materials and consumables	(3,706)	(2,135)	(2,628)	73.6%	41.0%
External costs	(602)	(418)	(534)	43.9%	12.8%
Employee benefits expense	(604)	(257)	(605)	134.9%	(0.2)%
Depreciation and amortisation	(156)	(58)	(151)	167.9%	3.6%
Other operating income	98	44	61	120.8%	61.1%
Other operating expense	(178)	(89)	(134)	99.7%	33.0%
Operating EBITDA	1,749	1,070	1,342	63.5%	30.4%
Operating EBIT	1,593	1,011	1,191	57.5%	33.7%
Adjusted Operating EBITDA	1,782	1,070	1,389	66.6%	28.2%
Adjusted Operating EBIT	1,626	1,011	1,239	60.7%	31.2%

Raw materials and consumables items include consumed materials, movement in stock of products and work in progress, purchase costs of sold goods, change in allowance for inventory. External costs item includes administrative costs and other external costs, services and supply relating to production, transport and travel expenses, cost of energy, rental, repairs and maintenance.

Cost structure

Raw material and consumables costs increased by 41.0% on a pro forma basis, to €3,706 million, primarily driven by higher sales volumes in line with revenue growth and delivery activity, as well as increased costs for copper, propellants and other materials used in ammunition production. Tariff changes also had a modest impact on the overall increase. The ratio of raw materials and consumables to revenue increased marginally, evidencing efficient cost control and production yields despite macroeconomic pressures.

External costs increased by 12.8% on a pro forma basis to €602 million due to higher spending on production-related services and external supplies, consistent with increased operational activity and higher production and delivery volumes, especially in the defence and ammunition segments. External costs as a portion of the Group's revenues reduced slightly year-on-year.

Employee benefits expense decreased by 0.2% year-on-year on a pro forma basis, supported by payroll discipline and efficiencies gained through integration.

Depreciation and amortisation expenses increased by 3.6% on a pro forma basis. This reflects the Group's continued capital investment program within CSG Defence Systems, including the commissioning of new production lines, facility expansions, and automation projects aimed at increasing output across the segments. In addition, depreciation and amortisation were affected by the acquisition of The Kinetic Group, completed in late 2024, which contributed toward amortisation on the newly consolidated asset base in 2025. The increase further includes the impact of purchase price allocation (PPA) adjustments of €61.0m related to the acquisition (FY 2024 pro forma: €59.7m).

Cash Flow and Net Working Capital

Adjusted Operating cash flow was €61 million. Adjusted net working capital was €1,620 million. Adjusted Net Working Capital as a proportion of LTM Revenue was 24.0%, in-line with the guidance of below 25% stated at the time of the IPO. The company deliberately increased working capital outflows earlier in the year to secure inventory needed to execute its order backlog, with a seasonal reversal in the fourth quarter as contracted deliveries were completed and working capital was released.

Capital expenditure

Capital expenditure amounted to €225 million. Capex intensity (capex as a proportion of revenue) was 3.3%. Investments supported the Group's strategy to modernise infrastructure, scale up production capacity and invest in technological upgrades that will sustain long-term operational competitiveness.

Within Defence Systems, CSG commissioned new filling capacities at Dubnica nad Váhom in Slovakia and implemented automation upgrades at the Nováky facility in 2025, increasing large-calibre ammunition output. Additional investments in new production lines, facility expansions and automation initiatives across European operations will further increase output and efficiency.

Tax and interest

Income tax expense was €307 million (FY 2024: €210 million). The increase was primarily due to increased profit before tax and partially due to an increase in tax deductible finance expense. Net finance costs increased by €252 million, primarily driven by higher interest expense resulting from higher debt levels. This includes the new financing raised for the acquisition of The Kinetic Group at the end of 2024, the additional debt obtained for the nitrocellulose business in Germany during 2025 and further borrowing to support the Group's expansion and investment activities. In addition, financial expenses were affected by foreign exchange losses.

Capital structure and liquidity

Net debt amounted to €3,004 million at year end, with Net Debt to LTM Adjusted Operating EBITDA of 1.7x, in line with the guidance of below 1.8x communicated at the time of the IPO. This level of leverage reflects the Group's strong cash generation during the year and disciplined capital expenditure.

On 10 June 2025, CSG issued CZK 10 billion notes due 2030, with a fixed rate of 5.75% p.a. These are traded on the Prague Stock Exchange. On 25 June 2025, CSG issued €1 billion of 5.250% senior secured notes due 2031 and \$1 billion of 6.500% senior secured notes due 2031.

Liquidity remained robust, supported by solid operating cash flow and a diversified funding base. The Group continues to benefit from high cash conversion, driven by profitability and close control of working capital, providing flexibility to fund ongoing capacity expansion and selective strategic investments while maintaining a prudent balance sheet.

For full details of the Group's financing arrangements see Notes to the Consolidated Financial Statements.

Debt structure of the Group

€ m	As at 31 December 2025	As at 31 December 2024
Loans and borrowings	1,824	1,912
Issued bonds	2,568	1,006
Liabilities from leases	118	99
Cash and cash equivalents	1,505	1,248
Gross debt	4,509	3,017
Net debt	3,004	1,769

Significant Changes After the Reporting Period

Initial Public Offering

After the end of the reporting period, Czechoslovak Group a.s. completed an initial public offering and the admission to trading of shares of CSG N.V. on the regulated market of Euronext Amsterdam on 23 January 2026. The offering raised total gross proceeds of €3,800 million, representing 15.2% of issued share capital post-settlement. This comprised a primary offering of newly issued shares raising €750 million and a secondary offering of existing shares totalling €2,554 million by CSG FIN a.s. As a result of this transaction, CSG N.V., a public limited liability company incorporated in the Netherlands and headquartered in Amsterdam, became the listed parent entity of the CSG Group.

Governance and Board of Directors

Following the IPO, CSG N.V. adopted a one-tier board structure governed by Dutch law, combining executive and supervisory responsibilities within a single Board of Directors. The Board consists of an executive component (Executive Directors), responsible for the day-to-day management of the Group, and an independent non-executive component (Non-Executive Directors), whose role is to oversee strategy, leadership performance, risk management and long-term value creation.

The executive leadership of CSG comprises Michal Strnad (Chairman and Chief Executive Officer), David Chour (Chief Operating Officer), Ladislav Štorek (General Counsel), Petr Formánek (Director of Acquisitions) and Zdeněk Jurák (Chief Financial Officer). Four independent Non-Executive Directors were appointed to the Board in connection with the listing: General (Ret.) John Nicholson (Senior Independent Director), Lynn Fordham, Susanne Wiegand and Virginie Banet.

Credit Rating Updates

In February 2026, Moody's upgraded the rating of CSG's backed senior secured debt from the speculative-grade level of Ba1 to investment-grade Baa3, reflecting improvements in corporate governance, a simplified capital structure, and a more conservative financial strategy. Fitch Ratings also affirmed CSG's rating at BBB- with a Stable Outlook.

Significant Transactions

On 30 January 2026, CSG and the Greek state-owned company Hellenic Defence Systems S.A. signed the key founding documents for the establishment of a joint venture Ellinika Pyromachika focused on the production of large-calibre ammunition in Greece. This further strengthens CSG's vertical integration in ammunition manufacturing.

On 12 February 2026, CSG announced it completed the divestiture of JOB AIR Technic a.s.

On 2 March 2026, CSG announced it will acquire a 49% stake in 4iG Space & Defence Technologies, thereby also indirectly becoming a 37% shareholder in Rába Automotive Holding Plc. Through this transaction, the Group confirms its ambition to become a long-term strategic partner of the Hungarian defence industry. The initial investments also include signed contracts for the production and delivery of thousands of military vehicles, as well as potential participation in the HIMARS programme for Hungary.

On 4 March 2026, a joint memorandum was signed between EURENCO and ZVS holding, a joint venture of the Slovak Republic and MSM GROUP, part of the CSG Group to establish a joint venture and the construction of a new manufacturing facility for Modular Artillery Charge Systems (MACS) for artillery systems.

On 11 March 2026, CSG and Polska Grupa Zbrojeniowa S.A. (PGZ) signed a Framework Cooperation Agreement that establishes the foundation for further deepening industrial, technological, and business cooperation. Cooperating includes development and production of engines for the next generation of unmanned systems and missiles, the ammunition segment, and modern land platforms.

Events in the Middle East

The Group's direct exposure to countries in the Middle East is limited and not material to its overall operations. Based on information currently available, management does not expect developments involving Iran to have a material impact on the Group's operations or financial position. The Group continues to monitor developments in the region and will assess any potential impacts as circumstances evolve.