

CSG and HDS Sign Key Documents for the Establishment of the Hellenic Ammunition Joint Venture in Lavrio

CSG and the Greek state-owned company Hellenic Defence Systems S.A. (HDS/EAS) have today signed the key founding documents for the establishment of a joint venture focused on the production of large-calibre ammunition in Greece. The newly created joint venture, Hellenic Ammunition S.A., represents a major step in restoring strategic production capacities in Lavrio while further strengthening CSG's vertical integration in ammunition manufacturing.

The documents were signed today in Athens by Jiří Schönweitz, Managing Director of MSM Greece, and Christoforos Boutsikakis, Chief Executive Officer (CEO) of Hellenic Defence Systems. The signed agreements include in particular the Articles of Association and a concession agreement, enabling the formal establishment of Hellenic Ammunition S.A.

“Today’s signing marks a key milestone not only for our joint project with HDS, but also for strengthening Europe’s defence industrial base. Lavrio is becoming an important pillar of ammunition production for Greece, Europe and its allies,” said Jiří Schönweitz, Managing Director of MSM Greece. *“We would like to thank everyone involved in making this venture possible, with special thanks to Hellenic Defence Systems for their trust, as well as to the Greek government and the relevant ministries for their forward-looking approach and recognition of the project’s potential. We are confident that, in the future, all those involved will look back with pride on this important step, which will help place the Greek defence manufacturing industry back on the world map where it belongs,”* Mr. Schönweitz added.

“The restoration of large-calibre ammunition production in Lavrio is a strategic step for the Greek defence industry and for Europe’s security. The joint venture with CSG brings investment, modern technologies and know-how that will enable sustainable long-term development of capacities and the creation of hundreds of jobs,” added Christoforos Boutsikakis, CEO of Hellenic Defence Systems.

Under the signed agreements, MSM will obtain managerial control over the Lavrio production site for a period of 25 years, allowing for the implementation of an extensive investment and modernisation programme. Approximately 120 employees currently work at the Lavrio facility. The company plans to recruit an additional 180 employees this year, with total employment expected to reach around 300 by the end of the year.

Large-calibre ammunition production will operate in a multi-shift regime in 2026. The plant is already producing 155 mm ammunition, with further calibres planned to be introduced over the course of the year. A significant technological milestone will be the launch of



production of so-called base bleed grain (composite propellant), scheduled for the second half of this year.

The project also includes the restoration of TNT production in Lavrio. Explosives production in Europe has long been constrained due to historical outsourcing of energy-intensive processes outside the region. The TNT project in Lavrio is technologically complex and has been expanded in scope: beyond nitration itself, it now also includes the production of key intermediate products. Production is scheduled to begin at the turn of 2026 and 2027. Overall investments in Lavrio amount to several tens of millions of euros, with CSG having committed to investing up to €50 million into the joint venture over the long term.

About CSG

CSG N.V. ("CSG") is a Dutch company and a leading European defence industrial group, with its top management headquartered in Prague, Czech Republic. CSG develops and delivers defence and industrial technologies that contribute to a safer and more stable future. The Group focuses on the development and manufacturing of strategically important products, systems and technologies in the fields of defence and ammunition, as well as in related sectors such as aerospace. CSG operates key manufacturing facilities in the United States, the United Kingdom, Spain, Italy, Germany, the Czech Republic, Slovakia, Serbia and India, and exports its products worldwide. The Group continues to invest in the growth of its portfolio companies and the expansion of its core business activities. Key companies within the Group include Excalibur Army (Czech Republic, land systems), Tatra Trucks (Czech Republic, vehicles), MSM Group (Slovakia, artillery ammunition) and The Kinetic Group (United States, small-calibre ammunition). CSG employs more than 14,000 people across its integrated and affiliated companies. In 2024, the Group reported annual revenues of EUR 4.0 billion. CSG shares are traded on Euronext Amsterdam under the ticker CSG.

More information is available at: www.czechoslovakgroup.com.

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