1Q22 Earnings results

TAURUS™

COMPROMISSO COM A EXCELÊNCIA

Operating and Financial Highlights - 1Q22

Total production:

574,000 weapons, 16.8% up on 1Q21

Net revenue:

R$676.6 million, up 22.8% year-over-year

Gross profit:

R$334.5 million with 49.4% margin, up 31.7% and 3.3 p.p. respectively from 1Q21

EBITDA:

R$242.2 million, 37.8% up on 1Q21, and 35.8% margin (up 3.9 p.p.)

Net income:

R$195.0 million, up 2.9 times from 1Q21

Dividends paid on 04/29: R$194.3 million

R$1.62436514443 per share

Taurus records stable operating performance, with 49.4% gross margin, and R$195.0 million net income in 1Q22

São Leopoldo, May 10, 2022 – Taurus Armas S.A. ("Taurus" or "Company") (B3: TASA3; TASA4), listed on B3's Corporate Governance Level 2, one of the world's largest manufacturers of light firearms, hereby presents its earnings results for the first quarter of 2022. The financial and operating information below, except where otherwise indicated, is presented in Brazilian Reais (R$ or BRL) and follows the International Financial Reporting Standards (IFRS) and the Brazilian accounting principles. The comparisons refer to the same period of 2021.

Main indicators

R$ milhões	1Q22	1Q21	1Q22x1Q21 % Chg.	4Q21	1Q22x4Q21 % Chg.
Net operating revenues	676.6	551.1	*22.8%*	820.3	*-17.5%*
Domestic market	192.9	146.4	*31.8%*	220.5	*-12.5%*
Exports market	483.7	404.7	*19.5%*	599.8	*-19.4%*
COGS	-342.0	-297.1	*15.1%*	-424.1	*-19.4%*
Gross profit	334.5	254.0	*31.7%*	396.2	*-15.6%*
Gross margin (%)	*49.4%*	*46.1%*	*3.4 p.p.*	*48.3%*	*1.1 p.p.*
Operating expenses (SG&A)	-100.8	-85.6	*17.8%*	-95.8	*5.2%*
Earnings before financial result and income tax (EBIT)	233.7	168.4	*38.8%*	300.4	*-22.2%*
Net financial income (expenses)	43.5	-76.1	-	-3.0	-
Income tax and social contribution	-81.9	-24.1	*239.8%*	-90.1	*-9.1%*
Net income (loss) from continued operations	195.3	68.2	*186.4%*	207.4	*-5.8%*
Net income (loss) from discontinued operations	-0.3	-0.1	*200.0%*	-0.4	*-25.0%*
Net income (loss)	**195.0**	**68.1**	**186.3%**	**206.9**	***-5.8%***
EBITDA	242.2	175.7	*37.8%*	307.8	*-21.3%*
EBITDA Margin	*35.8%*	*31.9%*	*3.9 p.p.*	*37.5%*	*-1.7 p.p.*
Adjusted EBITDA*	242.6	176.3	*37.6%*	308.2	*-21.3%*
*Adjusted EBITDA Margin**	*35.9%*	*32.0%*	*3.9 p.p.*	*37.6%*	*-1.7 p.p.*
Net debt (end of period)	198.3	665.7	*-70.2%*	436.8	*-54.6%*

**Adjusted EBITDA and EBITDA margin – not including extraordinary expenses on the COVID-19 pandemic.*
Note: - EBITDA is not an indicator used in accounting practices. It is calculated as described in the EBITDA section of this report.

Message from Management

We started the year 2022 with net income of R$195.0 million in the first quarter. That is already more than the amount paid as dividends for fiscal year 2021–R$194.3 million, or R$1.62 per share. The preferred stock's (TASA4) dividend yield stood at 6.9% on the publication date of management's proposal to distribute 100% of the 2021 adjusted net income. That is a considerable return, mainly considering all the changes the Company has undergone in recent years. Now that we have fully adjusted our structure and our good operating and financial indicators are firmly established, our goal is to continue distributing earnings to shareholders.

Our good results in 1Q22 reflect our stability, efficiency and operational soundness. During the quarter, we achieved gross margin of 49.4%—well above the average recorded by global companies from the industry—and EBITDA margin of 35.8%, with a profitability gain in comparison to the year-ago quarter. Our operating structure model allowed us to increase gross margin and EBITDA margin respectively by 3.4 and 3.9 percentage points (p.p.) in the period despite the 4.6% rise of the Brazilian real (BRL) against the US dollar (USD), considering the average rate in 1Q22 and in 1Q21, which has a negative impact on earnings since our revenue comes mostly from international sales.

The US firearms market is changing from what it has been over the last two years, when demand hit new highs in the world's largest market and, consequently, the main market for our products. We are witnessing the beginning of a market stabilization. Demand indicators in the US show a slowdown although at a higher level than that recorded in the years prior to the great 2020 boom. As a result, after demand reached an all-time high in 2020 and remained quite strong in 2021, the market is now stable and more competitive, with distributors building up inventories.

It is worth noting the gun market is seasonal. Although not felt in the last two years due to strong demand, this seasonality will be noticed in 2022. Demand tends to fall between June and August due to the summer vacation in the Northern Hemisphere. We take this seasonal factor into account and adopt strategies designed to mitigate its effects when planning for the year. We now have efficient processes, low costs, expense control and a sound operational structure because of the structural changes we have introduced in recent years. We were ready for, and managed to take advantage of, the opportunities created by the market boom and are now prepared for a different market situation. We remain focused on opportunities and risks, with management continually receiving information from the areas dedicated to market intelligence and risk monitoring, and with our operating strategies defined for different market moments.

Our goal is to maintain our strong operating performance at the same level and increase the production of handguns, thus adapting to the current market profile. We already rank first worldwide in sales of small firearms, in comparison to the traditional American companies, and are the absolute market leader. In addition, we have the lowest production costs in the industry, reflecting our revolver excellence project, currently in place. We are still working to boost profitability and improve the distinguishing features of our products. Unlike pistols, the demand for which has soared in the last two years and is now starting to decline, the revolver is seen as a classic product and has a more stable market. Our plant is capable of producing a range of products; however, revolver production is less flexible than pistol production, which we have been focusing on for the last two years. Since we were already prepared for the new market dynamics, we are now more focused on revolvers and have purchased state-of-the-art machinery (which should be delivered during this year) for this production line.

Furthermore, we stick to the strategy of launching products from new categories, thus not competing with our own current products, as well as diversifying and increasing the added value of our product mix. Accordingly, we are launching some new calibers of tactical firearms, such as the T4 300 MLOK rifle, introduced in late April.

In 1T22, our margins and selling prices remained unchanged, we expanded our strategic inventory and achieved our sales targets. Sales exceeded production for a series of quarters. After that, we increased marketing expenses in the US as part of our strategy for 2022. To oversee those activities, we hired a new Sales VP and a new Marketing Officer for our North American unit.

Production—including operations in Brazil and the US—averaged 9,000 firearms per day in 1Q22, up 15.4% from the year-ago quarter, when it averaged 7,800 units/day, and totaled 574,000 units, 16.8% up on 1Q21. Production in 1Q22 was lower than the 2021 average of 9,300 units/day because Q1 production is usually lower than Q2, Q3 and Q4 production. That trend is due to the ramp-up period at the plants after maintenance downtime and a temporary closedown in December. In addition, production is not fully resumed in January, when the employees taking stock in the previous month go on vacation.

ESG (environmental, social and corporate governance) issues are among the priorities of our agenda. Last year, I suggested—by my own decision—that we start conversations with several ESG consulting firms, and we have chosen as our partner EY, with whom we identify due to its methodology and credibility. I myself have been overseeing that process. We are now interviewing senior executives, managers and employees directly involved in the processes, as well as examining companies we believe to have a connection with Taurus. The ESG Project is bringing new ideas and allowing us to communicate the initiatives the current management team has been undertaking since it took office to further investors' long-term interests, aligned with those of our employees, suppliers, community and the environment.

Concerning our activities in the joint venture in India, we are currently selecting the best local suppliers. We have conducted extensive market research, including cost estimates from different suppliers, and now we are seeking reliable partners offering good quality, good prices and deadlines suitable for the local plant. Moreover, a group of Taurus engineers has been to India to train local staff and prepare the plant to receive the parts to be shipped from Brazil.

We are expecting 2022 to be different from the last two years, more challenging, but with good results for Taurus, which is prepared for the new market dynamics. We have a good operating performance and a strong cash generation; in addition, we have solved the debt issue, so much so that our net debt/EBITDA ratio stood at 0.2 time, and cash amounted to R$337.1 million. We paid dividends on April 29 and have a well-defined operating strategy, focusing on seizing opportunities and mitigating risks. Innovation and R&D, led by CITE [Centro Integrado de Tecnologia e Engenharia, or Integrated Center for Technology and Engineering], are key to developing distinct features for, and boosting the competitiveness of, our products. We remain confident that new achievements lie ahead, with the support of our Board of Directors, partners, customers, employees and shareholders.

The Management

Operating performance

Production

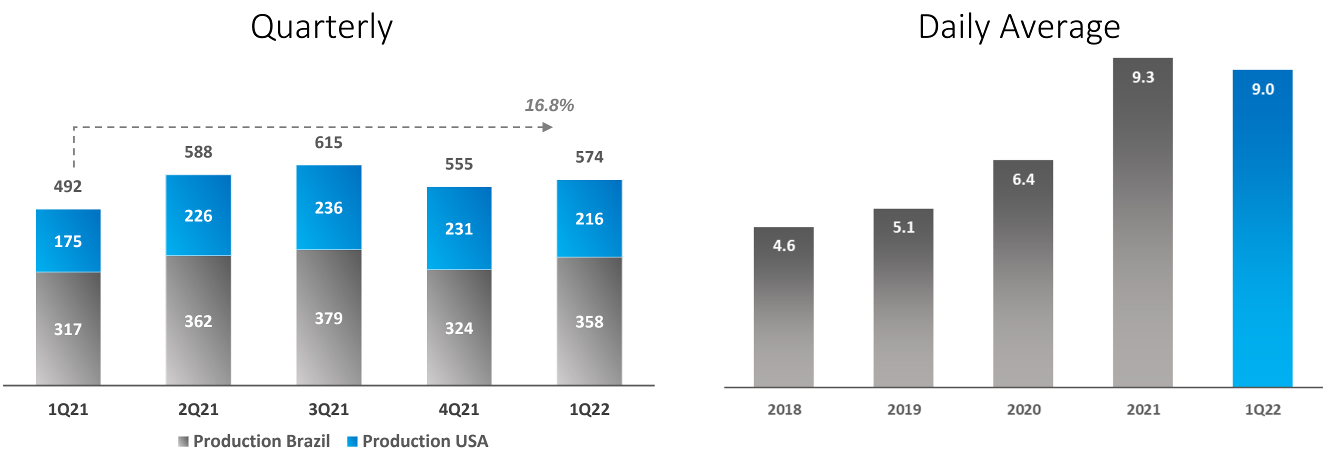
Our strategic planning involves expanding our business, boosting demand and increasing production. Production rose by 16.8% in 1Q22 in relation to 1Q21. The plant in the state of Georgia, USA, was officially opened in December 2019, and its ramp-up period progressed successfully over the last 12 months. Its installed capacity was originally estimated at 800,000 units/year, twice the capacity of the former Taurus factory in that country. However, the North American unit produced 216,000 firearms in 1Q22, up 23.5% year-over-year, and 909,000 in the last 12 months. About 60% of the plant's area remains unused so that its capacity can be increased if new investments are made.

The plant in Brazil also remained in full operation. The renovation of the plant, in addition to scale and productivity gains, contributed to performance, mainly regarding CITE's projects, developed to promote product innovation, as well as make production more efficient and cost-competitive. The Brazilian unit produced 358,000 firearms in 1Q22, up 13.0% from 1Q21.

Daily production—including the plants in Brazil and the US—averaged 9,000 firearms per day in 1Q22, up 15.4% from the year-ago quarter, when it averaged 7,800 units/day, and down 3.2% from our all-time high daily average, recorded in 2021. We usually see a drop in production in Q1 due to the plant's ramp-up period after maintenance downtime and the temporary closedown in December. In addition, operations are not fully resumed in early January since the employees responsible for taking stock at the end of the previous year go on vacation in that month.

Production of Firearms – Taurus

(k units)

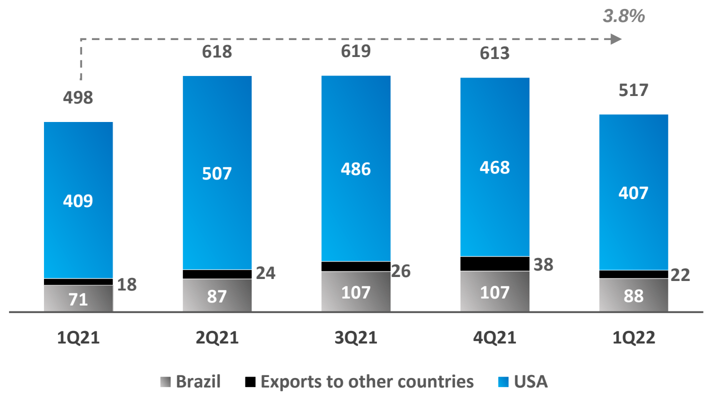


Sales

We sold 517,000 firearms in 1Q22, 3.8% up on 1Q21, reflecting 23.9% and 22.2% higher sales respectively in Brazil and countries other than the USA. In the US market, sales remained practically stable (sliding marginally by 0.5%) in the same period.

At the close of the quarter, we had a backorder of 770,000 firearms to be delivered to both the US and Brazilian markets, corresponding to over 4.5 months of production in both countries.

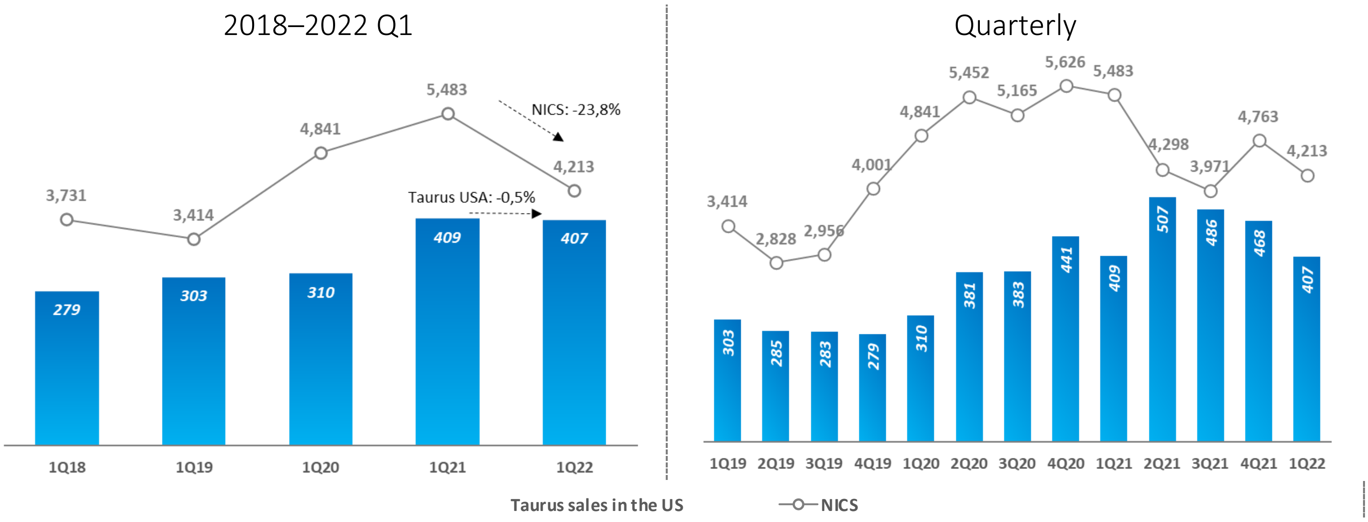
Total Sales - Taurus
(k units)



The National Instant Criminal Background Check System (NICS), which serves as an indicator of the intention to purchase firearms in the US, shows a slowdown as of 2Q21 from the all-time high in 2020, following a sharp rise in demand starting 4Q19. However, data for firearm purchase intent in the US shows that demand remained above the historical average in 2021 and 1Q22.

Sales in the US remain strong despite a drop from the all-time high of 507,000 units sold in 2Q21, as shown in the chart. Our market share is around 10%, and we have ranked first in global sales of small firearms since 2021. Our Q1 sales in the US since 2018 and the rise of the NICS indicator in the same period (see the left chart below) shows the strong presence of our brand in the largest firearm consumer market, unlike the changes in the NICS.

US Market - Taurus Sales and Firearm Purchase Intent (NICS)
(k units)



We are prepared for the incipient changes in the US firearms market. We are adjusting our operational structure to increase the production of revolvers, a segment in which Taurus is the world's largest producer. The revolver is a classic product. The demand for revolvers is more stable and has not risen as sharply as the demand for pistols over the last two years, a period in which demand shot up in the US, but remains strong and is expected to grow in the next few quarters.

We continue developing programs designed to strengthen our brand's distinguishing features in this segment and improve the competitiveness of our current products as part of the Revolver Excellence Project. Accordingly, we have acquired cutting-edge machinery for the revolver production line to boost efficiency.

In addition, we are still pursuing the strategy of expanding our product mix by branching into higher added-value categories, always with a view to seizing opportunities and mitigating risks. We are preparing to launch a new line of tactical firearms. The first launch, in late April, was the .300 AAC Blackout T4 rifle.

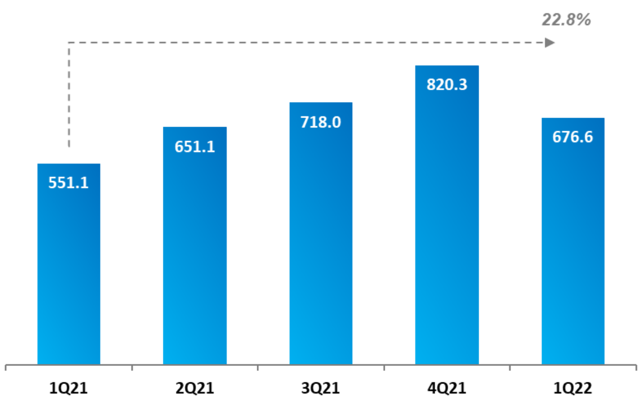
Economic and Financial Performance

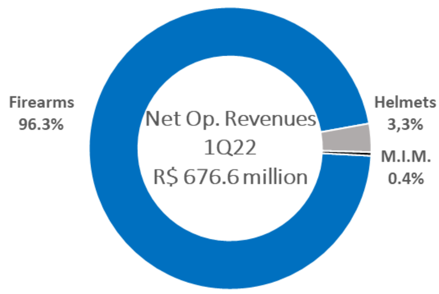
Net Operating Revenue

Our net operating revenue comes from sales of firearms & accessories—our main business segment, accounting for 96.3% of overall revenue in 1Q22—, as well as from sales of M.I.M. (metal injection molding parts) and helmets, which jointly accounted for 3.7% of overall revenue during the quarter. Consolidated net operating revenue rose by 22.8% year-over-year in 1Q22, well above the 3.8% increase in sales recorded in the same period. That performance is explained by the rising share of higher value-added products in our sales mix, in addition to the new firearms price list applied in 2Q21, with prices adjusted for inflation in Brazil and an increase in US dollars. These factors offset the 4.6% rise of the BRL against the USD during the period in comparison to the average rate in 1Q22 and 1Q21, with a negative effect on revenue from international sales when converted into local currency, and the drop in revenue, and lower revenue from the two lesser segments comprising consolidated revenue: helmets, an operation that is for sale, and M.I.M., a segment geared to our internal demand and sales to third parties.

Quarter-over-quarter, the 1Q22 consolidated net revenue was affected by the fall in firearms sales due to the 6.4% drop in the average USD-BRL rate during the period and the downturn in revenue from the other segments in which we operate.

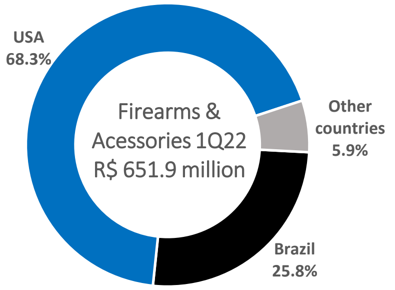
Consolidated Net Operating Revenue
(R$ million)

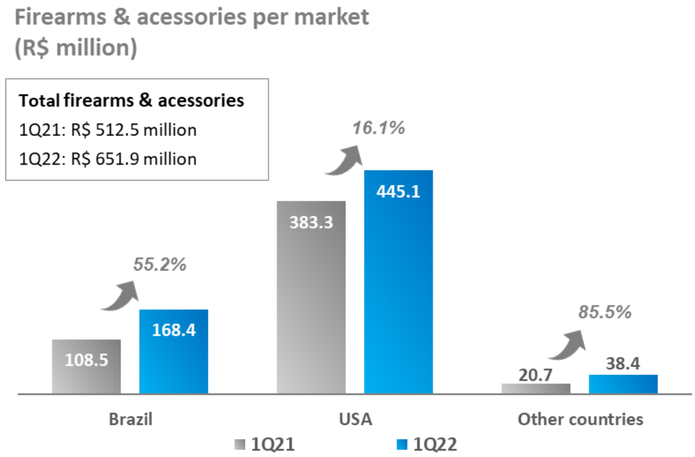




Revenue from the firearms & accessories segment alone came to R$651.9 million in 1Q22, 27.2% up on 1Q21, driven by higher revenue in the three geographic regions in which our sales are broken down: Brazil, the United States and other countries. Our sharp focus on developing new products helped us build a higher added-value sales mix. The products launched over the last two years accounted for 30.9% of overall revenue from firearms & accessories during the quarter.

Net Operating Revenue — Firearms & Accessories (R$ million)

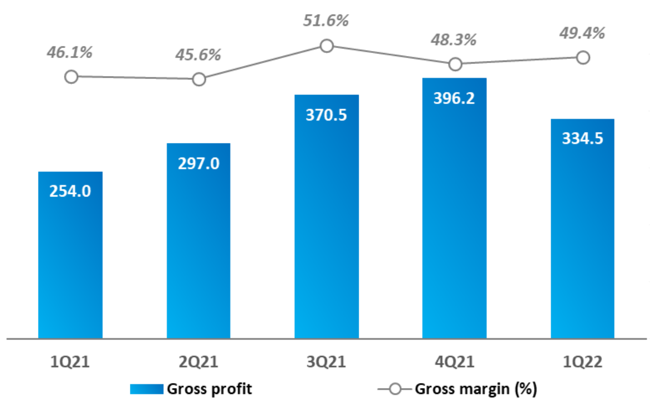




Gross Profit

Gross profit amounted to R$334.5 million in 1Q22, up 31.7% from 1Q21. Gross profit rose more sharply than revenue in the same period. In fact, it increased by 3.4 p.p., with 49.4% margin, in 1Q22 despite the pressure from the appreciation of the BRL against the USD during the quarter. That rise in gross profit in 1Q22 is connected with increased production and productivity, ongoing cost management and a better ratio of operating expenses to operating revenue, factors related to the upgrade of our plants and the adoption of efficient operating processes. Price increases in the US in June and in Brazil in August, combined with the renewal of our portfolio, including the launch of higher added-value products with innovative and low-cost processes developed by CITE, also contributed to performance in the quarter.

Gross Profit (R$ million) and Gross Margin (%)



Operating Expenses

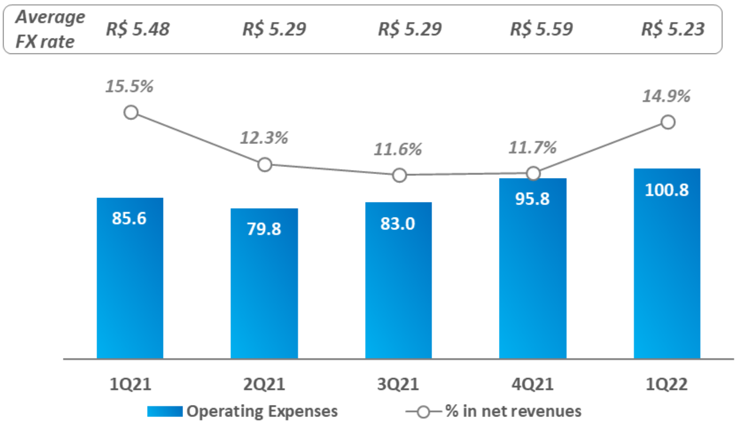
Operating expenses totaled R$100.8 million in 1Q22, including a R$0.2 million loss from equity pick-up, up 17.8% from 1Q21. Expenses tend to rise as business grows due to factors such as the need for investments to increase the administrative and R&D infrastructure, and train staff, as well as higher commissions, freight and insurance expenses. However, operating expenses increased less than net revenue in percentage terms during the period, leading to a drop in the ratio between operating expenses and operating revenue, just as observed in COGS.

Quarter-over-quarter, operating expenses climbed by 5.2% in 1Q22, and the ratio between operating expenses and net revenue also increased, from 11.7% in 4Q21 to 14.9%. This change is mainly explained by R$34.8 million recorded as “other operating revenues” in 4Q21, mainly connected with the recovery of PIS [Programa de Integração Social, or Brazilian Social Integration Program]/COFINS [Contribuição para o Financiamento da Seguridade Social, or Social Security Financing Contribution], IPI [federal excise tax] and ICMS [State VAT] amounts.

	1Q22	1Q21	1Q22x1Q21 % Chg.	4Q21	1Q22x4Q21 % Chg.
Selling expenses	65.4	44.3	*47.6%*	74.6	*-12.3%*
General and administrative expenses	52.6	43.7	*20.4%*	55.7	*-5.6%*
Losses (income) due to non-recoverable assets	0.5	0.4	*25.0%*	0.3	*66.7%*
Other operating (income)/expenses*	-17.7	-2.8	*532.1%*	-34.8	*-49.1%*
Operating expenses (SG&A)	**100.8**	**85.6**	***17.8%***	**95.8**	***5.2%***
Op. expenses / Net Op.Revenues (%)	*14.9%*	*15.5%*	*-0.6 p.p.*	*11.7%*	*3.2 p.p.*
Average Ptax dollar exchange rate (R$)	*5.23*	*5.48*	*-4.6%*	*5.59*	*-7.1%*

**Including equity pick-up: 1Q22: (R$0.2 million); 1Q21: (R$0.01 million) and 4Q21: (0.2 million).*

Operating Expenses (R$ million) and Operating Expenses to Net Revenue Ratio (%)



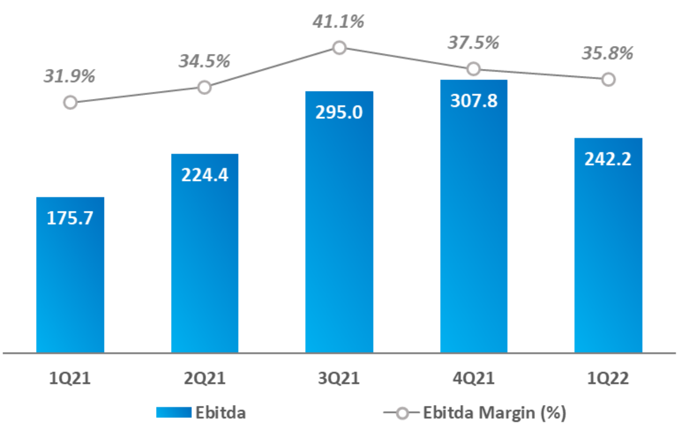
EBITDA

Operating performance over the last 12 months – considering the upturn in revenue resulting from higher sales and our higher added-value product mix, the increasing productivity and operational efficiency, and the ratio between expenses and revenue – is reflected in the 37.8% increase in EBITDA: R$242.2 million in 1Q22 vs. R$175.7 million in 1Q21. Operating performance as shown by EBITDA margin also climbed to 35.38% in 1Q22, up 3.9 p.p. in the same period.

EBITDA Calculation—Conciliation in Accordance with ICVM 527/12

R$ million	1Q22	1Q21	1Q22x1Q21 % Chg.	4Q21	1Q22x4Q21 % Chg.
Net operating revenues	676.6	551.1	*22.8%*	820.3	*-17.5%*
Cost of goods sold	-342.0	-297.1	*15.1%*	-424.1	*-19.4%*
Gross profit	334.5	254.0	*31.7%*	396.2	*-15.6%*
Operating expenses	-100.8	-85.6	*17.8%*	-95.8	*5.2%*
Deduction of the equity from results of subsidiaries	0.2	0.0	-	0.2	*0.0%*
Inclusion of depreciation and amortization	8.3	7.2	*15.3%*	7.2	*15.3%*
EBITDA	**242.2**	**175.7**	***37.8%***	**307.8**	***-21.3%***
EBITDA margin	*35.8%*	*31.9%*	*3.9 p.p.*	*37.5%*	*-1.7 p.p.*
Non-recurring expenses related to Covid-19	0.4	0.7	*-42.9%*	0.4	*0.0%*
Adjusted EBITDA	**242.6**	**176.3**	***37.6%***	**308.2**	***-21.3%***
Adjusted EBITDA margin	*35.9%*	*32.0%*	*3.9 p.p.*	*37.6%*	*-1.7 p.p.*

EBITDA (R$ million) and EBITDA margin (%)



EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is not a financial measurement recognized by the BR GAAP and the International Financial Reporting Standards (IFRS). It should not be considered on its own as an operating performance indicator or an alternative to operating cash flow as a liquidity indicator. It is used for management purposes and meant to provide additional information about operating cash generation.

Financial Result

Foreign exchange income and losses account for most of our interest income and expenses. The depreciation of the local currency is reflected in foreign exchange income from our customer base, as well as from the effect on the North American subsidiary's cash and cash equivalents, and a foreign exchange expense on our debt, mostly denominated in dollars.

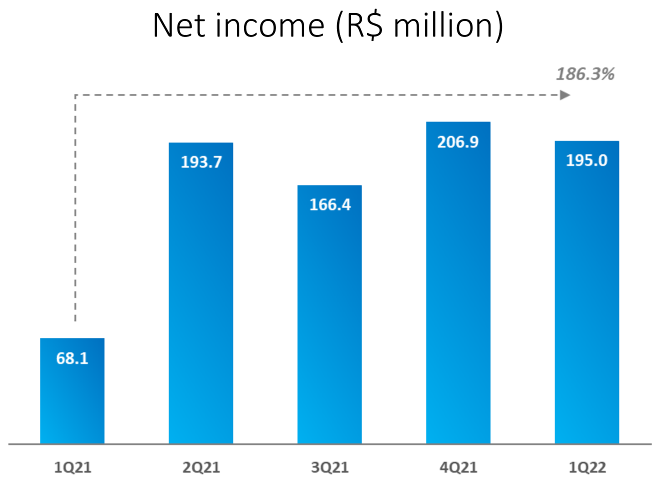
R$ million	1Q22	1Q21	1Q22x1Q21 *% Chg.*	4Q21	1Q22x4Q21 *% Chg.*
(+) Financial income	**155.2**	**15.7**	***888.5%***	**54.8**	***183.2%***
Foreign exchange gains	*152.4*	*15.5*	*880.3%*	*28.5*	*434.7%*
Interest and other income	*2.8*	*0.2*	*1300.0%*	*26.4*	*-89.4%*
(-) Financial expenses	**111.7**	**91.8**	***21.7%***	**57.8**	***93.3%***
Foreign exchange losses	*97.6*	*79.3*	23.1%	*43.6*	123.9%
Interest,IOFand other expenses	*14.1*	*12.6*	11.9%	*14.3*	-1.4%
(+/-) Net financial result	**43.5**	**-76.1**	-	**-3.0**	-
US dollar Ptax rate at the end of period (R$)	**4.74**	**5.70**	*-16.8%*	**5.58**	*-16.1%*

We recorded net interest income of R$43.5 million in 1Q22, mainly connected with foreign exchange income of R$54.8 million. On the one hand, the rise of the BRL against the USD in 1Q22 (16.8%, considering the exchange rate at the end of 1Q22 and 1Q21) had a negative effect on the translation of international sales and the US subsidiary's cash and cash equivalents. On the other hand, it had a positive effect on USD-denominated debt, which totaled R$521.3 million or 97.4% of our total debt on 03/31/2022, offsetting the impact of foreign exchange expenses on revenue.

Net Income

Net income amounted to R$195.0 million—with net operating margin of 28.8%—in 1Q22, up almost threefold (186.4%) from 1Q21, a performance in line with that recorded in recent quarters. It should be noted net income in 1Q22 alone is already greater than adjusted net income of R$194.3 million in FY 2021 and will be distributed as dividends in its entirety.

In addition, we posted net income for the ninth consecutive quarter in 1Q22, reflecting the increasing operational stability we have achieved over the last few years on the back of productivity gains, sound management of costs and expenses, and a sales mix comprised of greater added-value models, with processes developed to improve efficiency and reduce production costs. Net income was also driven by net interest income of R$43.5 million in 1Q22.



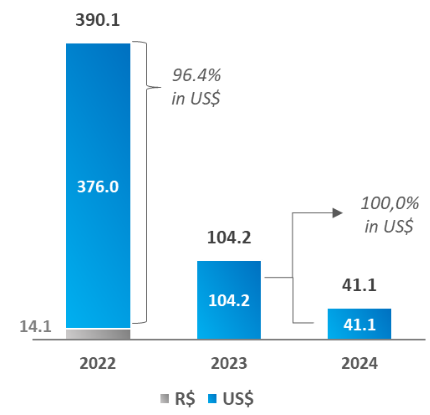
Debt

Gross debt amounted to R$535.4 million at the close of March 2022, 22.8% or R$157.9 million down on the close of FY 2021. Strong cash flow from operating activities has been allowing us to meet our debt payment schedule. Most of our debt—97.4% on 3/31/2022—is denominated in USD; as a result, the 15.1% rise of the BRL against the USD between the close of FY 2021 and the close of 1Q22 also drove a decrease in BRL-denominated debt. USD-denominated debt is naturally hedged by revenue from international sales (71.5% of total sales in 1Q22.) Moreover, cash and cash equivalents increased by R$80.6 million in the quarter, leading to a R$238.5 million drop in net debt in 1Q22.

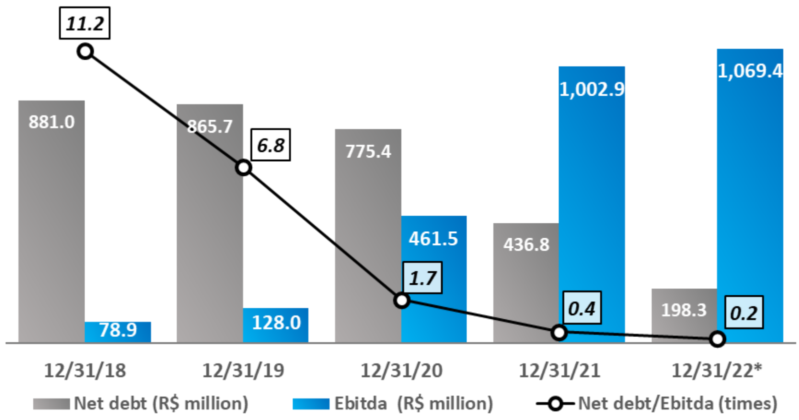
R$ million	**3/31/2022**	**12/31/2021**	**% Chg.**
Loans and financing	227.1	476.0	*-52.3%*
Foreign exchange drafts	163.0	142.9	*14.1%*
Short term	**390.1**	**618.9**	***-37.0%***
Foreign exchange drafts	145.3	74.4	*95.3%*
Long term	**145.3**	**74.4**	***95.3%***
Endividamento bruto	**535.4**	**693.3**	***-22.8%***
Cash and marketable securities	337.1	256.5	*31.4%*
Net debt	**198.3**	**436.8**	***-54.6%***
US dollar Ptax rate at the end of period (R$)	**4.74**	**5.58**	***-15.1%***
Gross debt converted into dollars (US$ million)	**113.0**	**124.2**	***-9.0%***

Total debt—mostly with short-term maturity—is recorded in Taurus do Brasil's balance sheet. Long-term debt, 27.1% of total gross debt, is comprised of new foreign exchange operations (advance on foreign exchange contracts) whose funds were released in November 2021 and late March 2022. We managed to start obtaining bank loans again after strengthening our financial profile and solving our debt issues.

Debt Profile



Financial Leverage—Net Debt/EBITDA



**LTM EBITDA (April 2021–March 2022)*

Debt has been falling whereas cash generation has been rising steadily over the last few years, allowing us to reduce our leverage ratio significantly. Our net debt/EBITDA ratio, considering LTM EBITDA, stood at 0.2 at the close of March 2022, indicating that 20% of our annual cash generation as shown by this indicator would be enough to pay off our total debt.

We can still tap into other sources of funds that, once obtained, will be used to reduce debt even further or may be allocated to investments from our strategic plans. Those sources include assets for sale—our helmet operation and the plot of land where our old plant in Porto Alegre was located, with a book value of R$94.0 million—, in addition to R$55.0 million connected with the subscription warrants to mature.

Capital Expenditures

We continue investing mainly in industrial efficiency and production capacity. The investments planned for FY 2022 are going to be made in a very responsible manner and funded by our own cash generation.

We have ordered state-of-the-art manufacturing equipment for the revolver production line, a segment in which Taurus is the world's largest manufacturer. This equipment is scheduled to be delivered in 2Q22 and will help us reduce costs and boost production efficiency, in line with the "Revolver Excellence" Project, which is reinforcing our distinct features and competitiveness in this segment, in which we already have the lowest production costs worldwide.

Capital Market

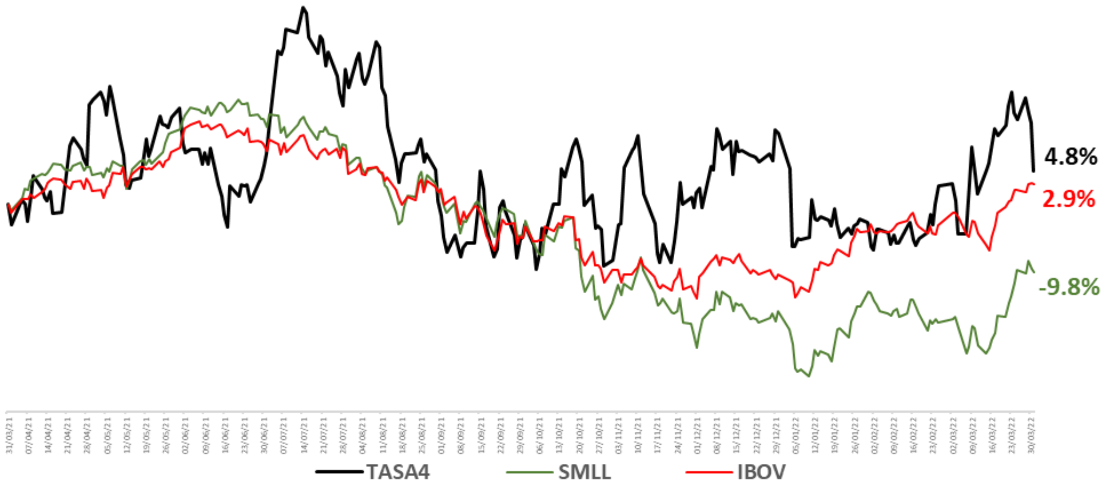
Taurus has common shares (TASA3) and preferred shares (TASA4), which are listed on B3's Level II, a market segment comprised of companies adopting special corporate governance practices voluntarily. Both classes of shares are part of B3's Small Caps Index (SMLL.)

Date	TASA3	TASA4	Market value	EV*
12/30/2021	R$ 24.51	R$ 24.66	R$ 2,880.99	R$ 3,117.71
03/31/2022	R$ 24.90	R$ 25.00	R$ 2,965.83	R$ 3,164.13
% Change	***+ 1.6%***	***+1.4%***	***2.9%***	***1.5%***

**Market capitalization + net debt – non-operating assets (non-current assets for sale)*

LTM Performance of Preferred Shares (TASA4) vs. SMLL B3 and IBOV B3

100 Base: 03/31/2021



Subsequent Event

Payment of Dividends

As approved at the Annual General Meeting held on April 19, the Company paid dividends totaling R$194.3 million—or 100% of adjusted net income for FY 2021—, R$68.0 million of which as mandatory dividends of 35% of adjusted net income and R$126.3 million as additional dividends. The payment was made on 04/29/2022, corresponding to R$1,62436514443 per common and per preferred share equally.

This document may contain statements reflecting future prospects of the Company's business. The projections, results and their impact rely on estimates, information or methods that may be inaccurate and may not materialize. This document may contain statements reflecting future prospects of the Company's business. The projections, results and their impact rely on estimates, information or methods that may be inaccurate and may not materialize. Such estimates are also subject to risks, uncertainties and assumptions including, among others: the overall economic, political and market conditions in Brazil and in the exports markets in which the Company operates, as well as current and future government regulations. Shareholders and potential investors are hereby warned that none of those forecasts and/or expectations is guarantee of future performance since they involve risks and uncertainties. Future earnings results and the prospects of creating shareholder value may differ materially from what is expressed or suggested in forward-looking statements. Many of the factors that will determine those results and amounts are beyond Taurus's control or foresight. The Company does not assume and specifically denies any commitment to update any forecasts, which make sense only on the date on which they were made.

Income Statement

R$ million	1Q22	1Q21	*Var. %*	4Q21	*Var. %*
Net revenues from sales of goods and/or services	**676.6**	**551.1**	***22.8%***	**820.3**	***-17.5%***
Cost of goods and/or services sold	-342.0	-297.1	*15.1%*	-424.1	*-19.4%*
Gross Profit	**334.6**	**254.0**	***31.7%***	**396.2**	***-15.5%***
Operating (expenses)/income	-100.8	-85.6	*17.8%*	-95.8	*5.2%*
Selling expenses	-65.4	-44.3	*47.6%*	-74.6	*-12.3%*
General and administrative expenses	-52.6	-43.7	*20.4%*	-55.7	*-5.6%*
Losses due to non-recoverable assets	-0.5	-0.4	*25.0%*	-0.3	*66.7%*
Other operating income	28.6	5.5	*420.0%*	41.4	*-30.9%*
Other operating expenses	-10.7	-2.6	*311.5%*	-6.4	*67.2%*
Equity from results of subsidiaries and affiliates	-0.2	0.0	-	-0.2	*0.0%*
Profit before financial income (expenses) and taxes	**233.7**	**168.4**	***38.8%***	**300.4**	***-22.2%***
Financial result	43.5	-76.1	*-157.2%*	-3.0	-
Financial income	155.2	15.7	*888.5%*	54.8	*183.2%*
Financial expenses	-111.7	-91.8	*21.7%*	-57.8	*93.3%*
Earnings (loss) before taxes	**277.2**	**92.3**	***200.3%***	**297.5**	***-6.8%***
Income tax and social contribution	-81.9	-24.1	*239.8%*	-90.1	*-9.1%*
Current	-62.6	-22.6	*177.0%*	-62.8	*-0.3%*
Deferred	-19.3	-1.5	*1186.7%*	-27.3	*-29.3%*
Net income (loss) from continued operations	**195.3**	**68.2**	***186.4%***	**207.4**	***-5.8%***
Net income (loss) from discontinued operations	-0.3	-0.1	*200.0%*	-0.4	*-25.0%*
Consolidated net income (loss) for the period	**195.0**	**68.1**	***186.3%***	**206.9**	***-5.8%***
Attributed to controlling shareholders of the Parent Comp	195.0	68.1	*186.3%*	208.2	*-6.3%*
Attributed to non-controlling shareholders					
Earnings per share (R$/share)					
Basic earnings per share	*1.6411*	*0.6798*	*128.6%*	*1.7215*	*-5.9%*
Common shares (ON)	*1.6574*	*0.7344*	*142.9%*	*1.8403*	*-5.6%*
Preferred shares (PN)					
Diluted earnings per share	*1.6411*	*0.6798*	*128.6%*	*1.7215*	*-5.9%*
Common shares (ON)	*1.5410*	*0.5346*	*200.0%*	*1.7217*	*-11.8%*

Assets

R$ million	31/03/2022	31/12/2021	Var. %
Total Assets	**2,083.73**	**2,093.6**	***-0.5%***
Current assets	**1,441.8**	**1,456.0**	***-1.0%***
Cash and cash equivalents	237.7	185.8	*27.9%*
Cash and banks	199.8	171.3	*16.6%*
Highly-liquid short-term investments	37.9	14.5	*161.4%*
Marketable securities	99.4	70.8	*40.4%*
Accounts receivable	409.4	515.2	*-20.5%*
Inventories	517.9	491.9	*5.3%*
Recoverable taxes	67.8	65.3	*3.8%*
Prepaid expenses	18.8	31.0	*-39.4%*
Other current assets	90.7	96.2	*-5.7%*
Non-current assets	**642.0**	**637.6**	***0.7%***
Long-term receivables	132.7	151.8	*-12.6%*
Deferred taxes	101.9	121.4	*-16.1%*
Receivables from related-party	0.0	0.0	-
Other non-current assets	30.8	30.4	*1.3%*
Investments	5.9	4.4	*34.1%*
Stake in jointly-controlled subsidiaries	5.7	4.3	*32.6%*
Other investments	0.2	0.2	*0.0%*
Property, plant and equipment	398.1	379.0	*5.0%*
Fixed assets in operation	293.2	303.0	*-3.2%*
Fixed assets in progress	104.8	76.1	*37.7%*
Intangible assets	105.4	102.4	*2.9%*

Liabilities

R$ million	31/03/2022	31/12/2021	Var. %
Total Liabilities and Equity	**2,083.7**	**2,093.6**	***-0.5%***
Current Liabilities	**914.3**	**1,119.8**	***-18.4%***
Social and labor obligations	71.9	66.9	*7.5%*
Social obligations	6.2	10.1	*-38.6%*
Labor obligations	65.6	56.8	*15.5%*
Suppliers	139.6	143.6	*-2.8%*
Local suppliers	105.6	82.2	*28.5%*
Foreign suppliers	34.1	61.4	*-44.5%*
Taxes payable	106.4	96.6	*10.1%*
Federal Taxes payable	99.4	91.3	*8.9%*
Income tax and social contribution payable	26.6	21.1	*26.1%*
Other taxes	72.8	70.2	*3.7%*
State tax payable	7.0	5.3	*32.1%*
Municipal tax payable	0.1	0.0	-
Loans and financing	390.1	618.9	*-37.0%*
In local currency	14.1	43.6	*-67.7%*
In foreign currency	376.0	575.3	*-34.6%*
Debentures	0.0	0.0	-
Other accounts payable	153.5	140.2	*9.5%*
Dividends and interest on equity payable	68.0	68.0	*0.0%*
Rents	1.9	2.1	*-9.5%*
Advances from customers	48.3	41.2	*17.2%*
Payables from non-current assets for sale	6.2	5.8	*6.9%*
Other payables	29.1	23.0	*26.5%*
Provisions	52.7	53.6	*-1.7%*
Provisions for tax, social security, labor and civil risks	41.8	41.7	*0.2%*
Other provisions	10.9	11.9	*-8.4%*
Noncurrent Liabilities	**283.5**	**216.8**	***30.8%***
Loans and financing	145.3	74.4	*95.3%*
In local currency	0.0	0.0	-
In foreign currency	145.3	74.4	*95.3%*
Debentures	0.0	0.0	-
Other accounts payable	63.1	64.2	*-1.7%*
Related-party liabilities	1.7	1.7	*0.0%*
Taxes payable	21.5	23.6	*-8.9%*
Other payables	34.1	32.2	*5.9%*
Suppliers	0.0	0.0	-
Rents	5.8	6.7	*-13.4%*
Deferred taxes	15.3	16.5	*-7.3%*
Provisions	59.7	61.7	*-3.2%*
Provisions for tax, social security, labor and civil risks	54.2	55.2	*-1.8%*
Other provisions	5.5	6.5	*-15.4%*
Consolidated Shareholders' Equity	**885.9**	**757.0**	***17.0%***
Share Capital	313.2	308.2	*1.6%*
Capital reserves	-26.5	-27.3	*-2.9%*
Disposal of subscription warrants	9.9	9.9	*0.0%*
Stock options granted	7.7	5.4	*42.6%*
Capital transactions	-44.1	-42.6	*3.5%*
Retained earnings	259.3	233.9	*10.9%*
Legal reserve	15.1	15.1	*0.0%*
Tax incentive reserve	117.9	92.6	*27.3%*
Proposed supplementary dividend	126.3	126.3	*0.0%*
Accumulated earnings/losses	169.8	0.0	-
Equity valuation adjustments	45.0	45.2	*-0.4%*
Accumulated translation adjustments	125.1	197.0	*-36.5%*
Minority interest	0.0	0.0	-