

(Convenience Translation into English from the  
Original Previously Issued in Portuguese)

## **Taurus Armas S.A.**

Report on Review of Interim  
Financial Information for the  
Three-month Period Ended  
March 31, 2025

Deloitte Touche Tohmatsu Auditores Independentes Ltda.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and Executive Board of  
Taurus Armas S.A.

### **Introduction**

We have reviewed the accompanying individual and consolidated interim financial information of Taurus Armas S.A. ("Company"), included in the Interim Financial Information Form (ITR) for the quarter ended March 31, 2025, which comprises the balance sheet as at March 31, 2025 and the related statements of profit and loss, of comprehensive income, of changes in equity and of cash flows for the three-month period then ended, including the explanatory notes.

The Executive Board is responsible for the preparation of the individual and consolidated interim financial information in accordance with technical pronouncement CPC 21 (R1) - Interim Financial Reporting and international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as for the presentation of such information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of Interim Financial Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

### **Scope of review**

We conducted our review in accordance with Brazilian and international standards on review of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion on the individual and consolidated interim financial information**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the ITR referred to above was not prepared, in all material respects, in accordance with technical pronouncement CPC 21 (R1) and international standard IAS 34, applicable to the preparation of Interim Financial Information (ITR), and presented in accordance with the standards issued by the CVM.

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## Other matters

### *Statements of value added*

The aforementioned interim financial information includes the individual and consolidated statements of value added (DVA) for the three-month period ended March 31, 2025, prepared under the responsibility of the Company's Executive Board and disclosed as supplementary information for the purposes of international standard IAS 34. These statements have been subject to review procedures performed in conjunction with the review of the ITR to reach a conclusion on whether they are reconciled with the interim financial information and the accounting records, as applicable, and if their form and content are in accordance with the criteria defined in technical pronouncement CPC 09 (R1) - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not prepared, in all material respects, in accordance with the criteria set out in such technical pronouncement and consistently with respect to the individual and consolidated interim financial information taken as a whole.

### *Convenience translation*

The accompanying individual and consolidated interim financial information has been translated into English for the convenience of readers outside Brazil.

Porto Alegre, May 9, 2025

  
DELOITTE TOUCHE TOHMATSU  
Auditores Independentes Ltda.

  
Otávio Ramos Pereira  
Engagement Partner

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Company Data/Capital Breakdown	
Number of shares (units)	Current Quarter 03/31/2025
Common - Paid-in capital	46,445,314
Preferred - Paid-in capital	80,189,120
Total - Paid-in Capital	126,634,434
Common - Held in treasury	-
Preferred - Held in treasury	248,700
Total - Held in treasury	248,700

**Individual FS / Balance Sheet - Assets**

(In thousands of Brazilian reais)

Line Item	Description	Current Quarter 03/31/2025	Prior Year 12/31/2024
1	Total assets	2,188,969	2,312,558
1.01	Current assets	712,148	781,998
1.01.01	Cash and cash equivalents	56,540	102,739
1.01.01.01	Cash and banks	9,342	45,079
1.01.01.02	Highly liquid short-term investments	47,198	57,660
1.01.02	Short-term investments	107,011	136,794
1.01.02.03	Short-term investments at evaluated at amortized cost	107,011	136,794
1.01.03	Accounts receivable	141,172	164,704
1.01.03.01	Trade receivables	141,172	164,704
1.01.04	Inventories	289,808	259,814
1.01.06	Recoverable taxes	90,500	86,883
1.01.06.01	Recoverable current taxes	90,500	86,883
1.01.07	Prepaid expenses	5,754	5,495
1.01.08	Other current assets	21,363	25,569
1.01.08.03	Other	21,363	25,569
1.01.08.03.03	Related parties - financial loan	10,600	9,255
1.01.08.03.04	Other receivables	10,763	16,314
1.02	Noncurrent assets	1,476,821	1,530,560
1.02.01	Long-term receivables	173,293	166,567
1.02.01.07	Deferred taxes	42,206	39,327
1.02.01.07.01	Deferred income tax and social contribution	42,206	39,327
1.02.01.09	Due from related parties	48,528	45,284
1.02.01.09.02	Receivables from subsidiaries	48,528	45,284
1.02.01.10	Other noncurrent assets	82,559	81,956
1.02.01.10.03	Recoverable taxes	21,364	20,708
1.02.01.10.04	Other	61,195	61,248
1.02.02	Investments	839,644	903,206
1.02.02.01	Equity interests	839,644	903,206
1.02.02.01.02	Equity interests in subsidiaries	839,644	903,206
1.02.03	Property, plant and equipment	383,164	386,017
1.02.03.01	Fixed assets in use	211,571	216,161
1.02.03.03	Construction in progress	171,593	169,856
1.02.04	Intangible assets	80,720	74,770
1.02.04.01	Intangible assets	80,720	74,770
1.02.04.01.02	Intangible assets	80,720	74,770

**Individual FS / Balance Sheet - Liabilities**

(In thousands of Brazilian reais)

Line Item	Description	Current Quarter	Prior Year
		03/31/2025	12/31/2024
2	Total liabilities and equity	2,188,969	2,312,558
2.01	Current liabilities	705,291	803,753
2.01.01	Payroll, benefits and taxes thereon	36,381	34,438
2.01.01.01	Payroll and related taxes	6,280	7,243
2.01.01.02	Payroll and related taxes	30,101	27,195
2.01.02	Trade payables	64,350	76,415
2.01.02.01	Local suppliers	53,982	64,999
2.01.02.02	Foreign suppliers	10,368	11,416
2.01.03	Taxes payable	15,255	29,578
2.01.03.01	Federal tax liabilities	14,944	28,815
2.01.03.01.01	Income tax and social contribution payable	3,761	10,189
2.01.03.01.02	Other taxes	11,183	18,626
2.01.03.02	State tax liabilities	290	727
2.01.03.03	Municipal tax liabilities	21	36
2.01.04	Borrowings and financing	465,459	554,318
2.01.04.01	Borrowings and financing	465,459	554,318
2.01.04.01.01	In local currency	799	367
2.01.04.01.02	In foreign currency	464,660	553,951
2.01.05	Other payables	64,523	49,350
2.01.05.02	Other	64,523	49,350
2.01.05.02.02	Dividends payable	25,744	25,744
2.01.05.02.08	Advances from customers	24,482	13,548
2.01.05.02.09	Other payables	14,297	10,058
2.01.06	Provisions	59,323	59,654
2.01.06.01	Tax, social security, labor and civil provisions	54,318	54,649
2.01.06.01.01	Tax provisions	48,894	49,930
2.01.06.01.02	Social security and labor provisions	3,286	3,326
2.01.06.01.04	Civil provisions	2,138	1,393
2.01.06.02	Other provisions	5,005	5,005
2.01.06.02.01	Provision for warranties	5,005	5,005
2.02	Noncurrent liabilities	215,499	214,444
2.02.01	Borrowings and financing	152,651	154,456
2.02.01.01	Borrowings and financing	152,651	154,456
2.02.01.01.01	In local currency	152,651	154,456
2.02.01.01.02	In foreign currency	-	-
2.02.02	Other payables	14,917	15,797
2.02.02.01	Due to related parties	2,204	2,154
2.02.02.01.04	Due to other related parties	2,204	2,154
2.02.02.02	Other	12,713	13,643
2.02.02.02.03	Taxes payable	81	81
2.02.02.02.04	Provision for negative equity	421	385
2.02.02.02.06	Trade payables	4,211	5,177
2.02.02.02.09	Other payables	8,000	8,000
2.02.03	Deferred taxes	-	-
2.02.03.01	Deferred income tax and social contribution	-	-
2.02.04	Provisions	47,931	44,191
2.02.04.01	Tax, social security, labor and civil provisions	47,931	44,191
2.02.04.01.01	Tax provisions	8	8

2.02.04.01.02	Social security and labor provisions	32,843	28,615
2.02.04.01.04	Civil provisions	15,080	15,568
2.03	Equity	1,268,179	1,294,361
2.03.01	Issued capital	448,101	448,101
2.03.02	Capital reserves	(5,682)	(8,276)
2.03.02.03	Disposal of subscription warrants	9,880	9,880
2.03.02.04	Stock options granted	33,856	32,358
2.03.02.05	Treasury shares	(3,671)	(4,767)
2.03.02.09	Capital Transactions	(45,747)	(45,747)
2.03.04	Profit reserve	536,733	536,741
2.03.04.01	Legal reserve	52,534	52,534
2.03.04.02	Statutory reserve	365,709	365,717
2.03.04.07	Tax incentive reserve	118,490	118,490
2.03.05	Retained earnings/accumulated losses	18,744	-
2.03.06	Valuation adjustments to equity	43,372	43,490
2.03.08	Cumulative translation adjustments	226,911	274,305
2.03.08.01	Cumulative translation adjustments	226,911	274,305



**Individual FS / Statement of Profit or Loss**

(In thousands of Brazilian reais)

Line Item	Description	Current YTD 01/01/2025 to 03/31/2025	Prior YTD 01/01/2024 to 03/31/2024
3.01	Net operating revenue	160,079	166,274
3.02	Cost of sales	(102,255)	(111,551)
3.03	Gross profit	57,824	54,723
3.04	Operating (expenses) income	(65,400)	(7,616)
3.04.01	Selling expenses	(10,697)	(10,545)
3.04.02	General and administrative expenses	(37,886)	(18,979)
3.04.03	Impairment losses	(730)	(1,200)
3.04.04	Other operating income	2,016	6,263
3.04.05	Other operating expenses	(1,898)	(2,591)
3.04.06	Equity in earnings (losses)	(16,205)	19,436
3.05	Profit before finance income (costs) and taxes	(7,576)	47,107
3.06	FINANCE INCOME (COSTS)	21,797	(25,765)
3.06.01	Finance income	58,108	11,462
3.06.02	Finance costs	(36,311)	(37,227)
3.07	Pretax income	14,221	21,342
3.08	Income tax and social contribution	4,406	(2,399)
3.08.01	Current	1,525	-
3.08.02	Deferred	2,881	(2,399)
3.09	Profit (loss) from continuing operations	18,627	18,943
3.11	profit (loss) for the period	18,627	18,943
3.99	Earnings per share (R\$/share)	-	-
3.99.01	Basic earnings per share	-	-
3.99.01.01	Common shares (ON)	0.14738	0.15041
3.99.01.02	Preferred shares (PN)	0.14752	0.15012
3.99.02	Diluted earnings per share	-	-
3.99.02.01	Common shares (ON)	0.14738	0.15041
3.99.02.02	Preferred shares (PN)	0.14713	0.15012

**Individual FS / Statement of Comprehensive Income**

(In thousands of Brazilian reais)

Line Item	Description	Current YTD 01/01/2025 to 03/31/2025	Prior YTD 01/01/2024 to 03/31/2024
4.01	Profit for the period	18,627	18,943
4.02	Other comprehensive income	(47,395)	16,407
4.02.01	Translation adjustments for the period	(47,395)	16,407
4.02.02	Realization of valuation adjustments to equity, net of taxes	-	-
4.03	Comprehensive income for the period	(28,768)	35,350

**Individual FS / Statement of Cash Flows - Indirect Method**

(In thousands of Brazilian reais)

Line Item	Description	Current YTD 01/01/2025 to 03/31/2025	Prior YTD 01/01/2024 to 03/31/2024
6.01	Net cash from operating activities	5,169	24,736
6.01.01	Cash generated by operating activities	21,958	26,288
6.01.01.01	Profit (loss) before income tax and social contribution	14,221	21,342
6.01.01.02	Depreciation and amortization	6,616	5,910
6.01.01.03	Cost of capital assets written off	727	180
6.01.01.04	Allowance for doubtful debts	730	1,200
6.01.01.05	Share of results of investees	16,205	(19,436)
6.01.01.08	Accrued interest on borrowings and intragroup borrowings	13,186	11,889
6.01.01.09	Shared based payment plan	2,586	3,974
6.01.01.10	Allowance for inventory losses	1,279	(27)
6.01.01.11	Provision for warranties	-	-
6.01.01.12	Provision for civil, labor and tax risks	5,510	(14,610)
6.01.01.13	Exchange differences on borrowings and other items	(39,102)	15,866
6.01.02	Changes in assets and liabilities	103	(1,552)
6.01.02.01	(Increase) decrease in trade receivables	22,802	(12,202)
6.01.02.02	Decrease (increase) in inventories	(31,273)	1,906
6.01.02.03	Decrease (increase) in other receivables	2,548	9,986
6.01.02.04	(Decrease) increase in trade payables	(13,031)	531
6.01.02.05	Increase (decrease) in accounts payable	19,057	(1,773)
6.01.03	Other	(16,892)	-
6.01.03.02	Income tax and social contribution paid	(16,892)	-
6.02	Net cash from investing activities	13,280	(6,289)
6.02.01	Due from related parties	(6,063)	(11,519)
6.02.03	In investments	-	-
6.02.04	In property, plant and equipment	(3,095)	(6,310)
6.02.05	In intangible assets	(7,345)	(2,044)
6.02.06	Financial investments	29,783	13,584
6.03	Net cash from financing activities	(64,648)	(11,869)
6.03.01	Payment of interest on equity and dividends	-	-
6.03.02	Borrowings and intragroup borrowings	94,862	81,228
6.03.03	Repayment of borrowings	(144,917)	(78,339)
6.03.05	Capital increase	-	(3,124)
6.03.07	Payment of interest on borrowings and intragroup borrowings	(14,643)	(11,674)
6.03.10	Due to related parties	50	40
6.05	Increase (decrease) in cash and cash equivalents	(46,199)	6,578
6.05.01	Cash and cash equivalents at the beginning of the year	102,739	74,014
6.05.02	Cash and cash equivalents at the end of the year	56,540	80,592

**Individual FS / Statements of Changes in Equity / SCE - 01/01/2025 to 03/31/2025**

(In thousands of Brazilian reais)

Line Item	Description	Paid-in capital	Capital reserves, stock options granted and treasury shares	Earnings reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity
5.01	Opening balances	448,101	(8,276)	536,741	-	317,795	1,294,361
5.03	Adjusted opening balances	448,101	(8,276)	536,741	-	317,795	1,294,361
5.04	Shareholders' capital transactions	-	2,594	(8)	-	-	2,586
5.04.01	Capital Increases	-	-	-	-	-	-
5.04.03	Recognized stock options granted	-	1,499	-	-	-	1,499
5.04.04	Treasury shares acquired	-	-	-	-	-	-
5.04.05	Treasury shares sold	-	1,095	(8)	-	-	1,087
5.05	Total comprehensive income	-	-	-	18,627	(47,395)	(28,768)
5.05.01	Profit for the period	-	-	-	18,627	-	18,627
5.05.02	Other comprehensive income	-	-	-	-	(47,395)	(47,395)
5.05.02.04	Translation adjustments for the period	-	-	-	-	(47,395)	(47,395)
5.06	Internal changes in equity	-	-	-	117	(117)	-
5.06.02	Realization of revaluation reserve	-	-	-	117	(117)	-
5.07	Closing balances	448,101	(5,682)	536,733	18,744	270,283	1,268,179

**Individual FS / Statements of Changes in Equity / SCE - 01/01/2024 to 03/31/2024**

(In thousands of Brazilian reais)

Line Item	Description	Paid-in capital	Capital reserves, stock options granted and treasury shares	Earnings reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity
5.01	Prior-year adjustments	367,936	(17,095)	566,592	-	174,372	1,091,805
5.03	Shareholders' capital transactions	367,936	(17,095)	566,592	-	174,372	1,091,805
5.04	Capital increases	-	850	-	-	-	850
5.04.03	Recognized Granted Options	-	3,974	-	-	-	3,974
5.04.04	Treasury shares acquired	-	(3,124)	-	-	-	(3,124)
5.04.06	Dividends	-	-	-	-	-	-
5.04.08	Total comprehensive income	-	-	-	-	-	-
5.05	Net income for the period	-	-	-	18,943	16,407	35,350
5.05.01	Other comprehensive income	-	-	-	18,943	-	18,943
5.05.02	Adjustments to financial instruments	-	-	-	-	16,407	16,407
5.05.02.04	Taxes on translation adjustments for the period	-	-	-	-	16,407	16,407
5.06	Recognition of reserves	-	-	-	126	(126)	-
5.06.02	Taxes on realization of revaluation reserve	-	-	-	126	(126)	-
5.07	Closing balances	367,936	(16,245)	566,592	19,069	190,653	1,128,005

**Consolidated FS / Balance Sheet - Assets**

(In thousands of Brazilian reais)

Line Item	Description	Current Quarter 03/31/2025	Prior Year 12/31/2024
1	Total assets	2,537,349	2,628,647
1.01	Current assets	1,463,280	1,551,087
1.01.01	Cash and cash equivalents	59,042	112,614
1.01.01.01	Cash and banks	9,265	47,130
1.01.01.02	Highly liquid short-term investments	49,777	65,484
1.01.02	Short-term investments	151,352	177,237
1.01.02.03	Short-term investments at evaluated at amortized cost	151,352	177,237
1.01.03	Accounts receivable	337,475	297,108
1.01.03.01	Trade receivables	337,475	297,108
1.01.04	Inventories	751,112	779,281
1.01.06	Recoverable taxes	110,707	104,480
1.01.06.01	Recoverable current taxes	110,707	104,480
1.01.07	Prepaid expenses	21,013	45,629
1.01.08	Other current assets	32,579	34,738
1.01.08.01	Noncurrent assets for sale	7,000	7,000
1.01.08.03	Other	25,579	27,738
1.01.08.03.02	Others account receivables	25,579	27,738
1.02	Noncurrent assets	1,074,069	1,077,560
1.02.01	Long-term receivables	186,665	186,824
1.02.01.07	Deferred taxes	84,777	84,503
1.02.01.07.01	Deferred income tax and social contribution	84,777	84,503
1.02.01.09	Credits with related parties	16,386	17,210
1.02.01.09.04	Credits with others related parties	16,386	17,210
1.02.01.10	Other noncurrent assets	85,502	85,111
1.02.01.10.03	Other	22,057	21,340
1.02.01.10.04	Recoverable taxes	63,445	63,771
1.02.02	Investments	68,421	67,933
1.02.02.01	Equity interests	12,022	11,534
1.02.02.01.04	Investments in joint ventures	12,020	11,532
1.02.02.01.05	Other investments	2	2
1.02.02.02	Investment property	56,399	56,399
1.02.03	Property, plant and equipment	630,749	636,535
1.02.03.01	Fixed assets in use	394,648	407,040
1.02.03.03	Construction in progress	236,101	229,495
1.02.04	Intangible assets	188,234	186,268
1.02.04.01	Intangible	188,234	186,268
1.02.04.01.02	Intangible	188,234	186,268

**Consolidated FS / Balance Sheet - Liabilities**

(In thousands of Brazilian reais)

Line Item	Description	Current Quarter 03/31/2025	Prior Year 12/31/2024
2	Total liabilities and equity	2,537,349	2,628,647
2.01	Current liabilities	860,883	1,016,957
2.01.01	Payroll, benefits and taxes thereon	60,976	54,535
2.01.01.01	Payroll and related taxes	7,012	8,135
2.01.01.02	Payroll and related taxes	53,964	46,400
2.01.02	Trade payables	119,652	156,253
2.01.02.01	Local suppliers	71,617	83,207
2.01.02.02	Foreign suppliers	48,035	73,046
2.01.03	Taxes payable	46,809	71,549
2.01.03.01	Federal tax liabilities	46,196	70,153
2.01.03.01.01	Income tax and social contribution payable	4,198	10,420
2.01.03.01.02	Other taxes	41,998	59,733
2.01.03.02	State tax liabilities	548	1,301
2.01.03.03	Municipal tax liabilities	65	95
2.01.04	Borrowings and Financing	465,459	554,318
2.01.04.01	Borrowings and Financing	465,459	554,318
2.01.04.01.01	In local currency	799	367
2.01.04.01.02	In foreign currency	464,660	553,951
2.01.05	Other payables	96,366	106,233
2.01.05.02	Other	96,366	106,233
2.01.05.02.02	Dividends payable	25,744	25,744
2.01.05.02.09	Other payables	26,140	24,812
2.01.05.02.11	Other payables	44,482	55,677
2.01.06	Provisions	71,621	74,069
2.01.06.01	Tax, social security, labor and civil provisions	62,830	65,053
2.01.06.01.01	Tax provisions	49,315	50,371
2.01.06.01.02	Social security and labor provisions	3,773	3,812
2.01.06.01.04	Civil provisions	9,742	10,870
2.01.06.02	Other allowances, provisions and accruals	8,791	9,016
2.01.06.02.01	Provision for warranties	8,791	9,016
2.02	Noncurrent liabilities	408,287	317,329
2.02.01	Borrowings and financing	280,817	193,220
2.02.01.01	Borrowings and financing	280,817	193,220
2.02.01.01.01	In local currency	152,651	154,456
2.02.01.01.02	In foreign currency	128,166	38,764
2.02.02	Other payables	62,117	62,133
2.02.02.01	Due to related parties	2,204	2,154
2.02.02.01.04	Due to other related parties	2,204	2,154
2.02.02.02	Other	59,913	59,979
2.02.02.02.04	Other Payables	3,546	4,154
2.02.02.02.06	Trade payables	4,211	5,177
2.02.02.02.09	Other Payables	52,156	50,648
2.02.03	Deferred taxes	11,118	11,185
2.02.03.01	Deferred income tax and social contribution	11,118	11,185
2.02.04	Provisions	54,235	50,791

2.02.04.01	Tax, social security, labor and civil provisions	50,303	46,550
2.02.04.01.01	Tax provisions	1,402	1,402
2.02.04.01.02	Social security and labor provisions	33,683	29,442
2.02.04.01.04	Civil provisions	15,218	15,706
2.02.04.02	Other allowances, provisions and accruals	3,932	4,241
2.02.04.02.01	Provision for warranties	3,932	4,241
2.03	Consolidated equity	1,268,179	1,294,361
2.03.01	Issued capital	448,101	448,101
2.03.02	Capital reserves	(5,682)	(8,276)
2.03.02.03	Disposal of subscription warrants	9,880	9,880
2.03.02.04	Stock options granted	33,856	32,358
2.03.02.05	Treasury shares	(3,671)	(4,767)
2.03.02.09	Capital Transactions	(45,747)	(45,747)
2.03.04	Profit reserve	536,733	536,741
2.03.04.01	Legal reserve	52,534	52,534
2.03.04.02	Statutory reserve	365,709	365,717
2.03.04.07	Tax incentive reserve	118,490	118,490
2.03.05	Retained earnings/accumulated losses	18,744	-
2.03.06	Valuation adjustments to equity	43,372	43,490
2.03.08	Cumulative translation adjustments	226,911	274,305
2.03.08.01	Cumulative translation adjustments	226,911	274,305



**Consolidated FS / Statement of Profit or Loss**

(In thousands of Brazilian reais)

Line Item	Description	Current YTD 01/01/2024 to 03/31/2025	Prior YTD 01/01/2024 to 03/31/2024
3.01	Net operating revenue	349,094	448,866
3.02	Cost of sales	(236,187)	(303,454)
3.03	Gross profit	112,907	145,412
3.04	Operating (expenses) income	(117,428)	(89,954)
3.04.01	Selling expenses	(51,191)	(53,525)
3.04.02	General and administrative expenses	(68,382)	(41,031)
3.04.03	Impairment losses	(1,453)	(1,497)
3.04.04	Other operating income	3,421	7,687
3.04.05	Other operating expenses	(860)	(1,402)
3.04.06	Equity in earnings (losses)	1,037	(186)
3.05	Profit before finance income (costs) and taxes	(4,521)	55,458
3.06	FINANCE INCOME (COSTS)	20,608	(26,045)
3.06.01	Finance income	59,208	12,508
3.06.02	Finance costs	(38,600)	(38,553)
3.07	Pretax income	16,087	29,413
3.08	Income tax and social contribution	2,540	(10,470)
3.08.01	Current	2,266	(3,582)
3.08.02	Deferred	274	(6,888)
3.09	Profit (loss) from continuing operations	18,627	18,943
3.11	Consolidated profit (loss) for the period	18,627	18,943
3.11.01	Attributable to owners of the Company	18,627	18,943
3.99	Earnings per share (R\$/share)	-	-
3.99.01	Basic earnings per share	-	-
3.99.01.01	Common shares (ON)	0.14738	0.15041
3.99.01.02	Preferred shares (PN)	0.14752	0.15012
3.99.02	Diluted earnings per share	-	-
3.99.02.01	Common shares (ON)	0.14738	0.15041
3.99.02.02	Preferred shares (PN)	0.14713	0.15012

**Consolidated FS / Statement of Comprehensive Income**

(In thousands of Brazilian reais)

Line Item	Description	Current YTD 01/01/2024 to 03/31/2025	Prior YTD 01/01/2024 to 03/31/2024
4.01	Consolidated profit for the period	18,627	18,943
4.02	Other comprehensive income	(47,395)	16,407
4.02.01	Translation adjustment for the period	(47,395)	16,407
4.03	Consolidated comprehensive income for the period	(28,768)	35,350
4.03.01	Attributable to owners of the Company	(28,768)	35,350

**Consolidated FS / Statement of Cash Flows - Indirect Method**

(In thousands of Brazilian reais)

Line Item	Description	Current YTD 01/01/2024 to 03/31/2025	Prior YTD 01/01/2024 to 03/31/2024
6.01	Net cash from operating activities	(82,577)	99,410
6.01.01	Cash generated by operating activities	16,427	91,833
6.01.01.01	Profit (loss) before income tax and social contribution	16,087	29,413
6.01.01.02	Depreciation and amortization	11,512	9,140
6.01.01.03	Cost of capital assets written off	740	390
6.01.01.04	Other items that do not affect cash included in profit	-	-
6.01.01.05	Share of results of investees	(1,037)	186
6.01.01.07	Allowance for doubtful debts	1,453	1,497
6.01.01.08	Allowance for inventory losses	1,593	(409)
6.01.01.09	Shared based payment plan	2,586	3,974
6.01.01.10	Accrued interest on borrowings and intragroup loans	14,283	11,993
6.01.01.14	Other items that do not affect cash included in profit	5,056	31,942
6.01.01.17	Provision for warranties	(534)	1,103
6.01.01.18	Exchange differences on translating borrowings and financing	(39,102)	16,403
6.01.01.19	Provision for civil, labor and tax risks	3,790	(13,799)
6.01.02	Changes in assets and liabilities	(80,594)	10,558
6.01.02.01	(Increase) decrease in trade receivables	(53,695)	(50,920)
6.01.02.02	(Increase) decrease in inventories	(15,773)	38,640
6.01.02.03	(Increase) in other receivables	17,493	12,356
6.01.02.04	Increase in trade payables	(29,522)	2,274
6.01.02.05	Increase in accounts payable	903	8,208
6.01.03	Other	(18,410)	(2,981)
6.01.03.04	Income tax and social contribution paid	(18,410)	(2,981)
6.02	Net cash from investing activities	5,356	(15,985)
6.02.01	Due from related parties	(377)	(122)
6.02.03	In investments	-	-
6.02.04	In property, plant and equipment	(11,124)	(20,174)
6.02.05	In intangible assets	(9,028)	(2,044)
6.02.06	Financial investments	25,885	6,355
6.03	Net cash from financing activities	23,572	(35,729)
6.03.01	Payment of interest on equity and dividends	-	-
6.03.02	Borrowings and intragroup borrowings	401,949	431,940
6.03.03	Repayment of borrowings	(362,602)	(452,729)
6.03.05	Capital increase	-	(3,124)
6.03.09	Due to related parties	15	2
6.03.10	Payment of interest on borrowings and intragroup borrowings	(15,790)	(11,818)
6.04	Exchange differences on translating cash and cash equivalents	77	45
6.05	Increase (decrease) in cash and cash equivalents	(53,572)	47,741
6.05.01	Cash and cash equivalents at the beginning of the year	112,614	83,362
6.05.02	Cash and cash equivalents at the end of the year	59,042	131,103

**Consolidated FS / Statements of Changes in Equity / SCE -- 01/01/2025 to 03/31/2025**

(In thousands of Brazilian reais)

Line Item	Description	Paid-in capital	Capital reserves, stock options granted and treasury shares	Earnings reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity
5.01	Opening balances	448,101	(8,276)	536,741	-	317,795	1,294,361
5.03	Adjusted opening balances	448,101	(8,276)	536,741	-	317,795	1,294,361
5.04	Shareholders' capital transactions	-	2,594	(8)	-	-	2,586
5.04.01	Capital Increases	-	-	-	-	-	-
5.04.03	Recognized stock options granted	-	1,499	-	-	-	1,499
5.04.04	Treasury shares acquired	-	-	-	-	-	-
5.04.05	Treasury shares sold	-	1,095	(8)	-	-	1,087
5.05	Total comprehensive income	-	-	-	18,627	(47,395)	(28,768)
5.05.01	Net income for the period	-	-	-	18,627	-	18,627
5.05.02	Other comprehensive income	-	-	-	-	(47,395)	(47,395)
5.05.02.04	Translation adjustments for the period	-	-	-	-	(47,395)	(47,395)
5.06	Internal changes in equity	-	-	-	117	(117)	-
5.06.02	Realization of revaluation reserve	-	-	-	117	(117)	-
5.07	Closing balances	448,101	(5,682)	536,733	18,744	270,283	1,268,179

**Consolidated FS / Statements of Changes in Equity / SCE -- 01/01/2024 to 03/31/2024**

(In thousands of Brazilian reais)

Line Item	Description	Paid-in capital	Capital reserves, stock options granted and treasury shares	Earnings reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity
5.01	Opening balances	367,936	(17,095)	566,592	-	174,372	1,091,805
5.03	Adjusted opening balances	367,936	(17,095)	566,592	-	174,372	1,091,805
5.04	Shareholders' capital transactions	-	850	-	-	-	850
5.04.03	Recognized Granted Options	-	3,974	-	-	-	3,974
5.04.04	Treasury shares acquired	-	(3,124)	-	-	-	(3,124)
5.04.06	Dividends	-	-	-	-	-	-
5.04.08	Others transactions	-	-	-	-	-	-
5.05	Total comprehensive income	-	-	-	18,943	16,407	35,350
5.05.01	Net income for the period	-	-	-	18,943	-	18,943
5.05.02	Other comprehensive income	-	-	-	-	16,407	16,407
5.05.02.04	Translation adjustments for the period	-	-	-	-	16,407	16,407
5.06	Internal changes in equity	-	-	-	126	(126)	-
5.06.02	Realization of revaluation reserve	-	-	-	126	(126)	-
5.07	Closing balances	367,936	(16,245)	566,592	19,069	190,653	1,128,005

**Consolidated FS / Statement of Value Added**

(In thousands of Brazilian reais)

Line Item	Description	Current YTD 01/01/2024 to 03/31/2025	Prior YTD 01/01/2024 to 03/31/2024
7.01	Revenue	405,148	482,222
7.01.01	Sales of goods and services	403,180	476,032
7.01.02	Other income	3,421	7,687
7.01.04	Allowance for (reversal of) doubtful debts	(1,453)	(1,497)
7.02	Inputs purchased from third parties	(281,544)	(326,371)
7.02.01	Cost of products, goods and services sold	(164,467)	(237,039)
7.02.02	Supplies, power, outside services and other inputs	(117,077)	(89,332)
7.03	Gross value added	123,604	155,851
7.04	Withholdings	(11,512)	(9,140)
7.04.01	Depreciation, amortization and depletion	(11,512)	(9,140)
7.05	Wealth created	112,092	146,711
7.06	Wealth received in transfer	60,245	12,322
7.06.01	Equity in earnings (losses)	1,037	(186)
7.06.02	Finance income	59,208	12,508
7.07	Wealth for distribution	172,337	159,033
7.08	Wealth distributed	172,337	159,033
7.08.01	Personnel expenses	50,863	52,197
7.08.01.01	Wages	37,309	35,633
7.08.01.02	Benefits	11,010	14,123
7.08.01.03	Severance Pay Fund (FGTS)	2,544	2,441
7.08.02	Taxes, fees and contributions	62,957	48,187
7.08.02.01	Federal	52,295	39,569
7.08.02.02	State	10,425	8,390
7.08.02.03	Municipal	237	228
7.08.03	Lenders and lessors	39,890	39,706
7.08.03.01	Interest	38,600	38,552
7.08.03.02	Rentals	1,290	1,154
7.08.04	Remuneration of Equity	18,627	18,943
7.08.04.03	Accumulated losses, net of valuation adjustments to equity - Continuing operation	18,627	18,943
7.08.05.03	Dividends	-	-

São Leopoldo, May 13, 2025 – Taurus Armas S.A. (“Taurus” or “Company”) (B3:TASA3; TASA4), listed on B3’s Level 2 of Corporate Governance, being the company that has created the 3rd generation of pistols, and the world’s largest manufacturer of light firearms, hereby announces its results for the first quarter of 2025 (1Q25). The financial and operational information contained herein, except when indicated otherwise, is presented in Brazilian Reais (R\$), and complies with the International Financial Reporting Standards (IFRS), coupled with the Brazilian accounting principles. All comparisons contained herein refer to the same period of 2024, except where indicated otherwise.



## 1Q25 • RESULTS

Taurus registered revenues of R\$349.1 million in 1Q25,  
with gross margin of 32.3%

### Highlights for 1Q25

**NET  
REVENUES:**



R\$349.1 million

**GROSS  
PROFIT:**



R\$112.9 million  
Gross margin 32.3%

**EBITDA:**



R\$7.0 million  
Adjusted EBITDA margin 2.0%

**NET  
INCOME:**



R\$18.6 million



## Main Indicators

<i>R\$ million</i>	1Q25	1Q24	1Q25x1Q24 % Chg.	4Q24	1Q25x4Q24 % Chg.
Net operating revenues	349.1	448.9	-22.2%	455.2	-23.3%
Domestic market	66.0	55.9	18.1%	76.8	-14.1%
Exports market	283.1	393.0	-28.0%	378.4	-25.2%
COGS	-236.2	-303.5	-22.2%	-290.4	-18.7%
Gross profit	112.9	145.4	-22.4%	164.8	-31.5%
Gross margin (%)	32.3%	32.4%	-0.1 p.p.	36.2%	-3.9 p.p.
Operating expenses (SG&A)	-117.4	-90.0	30.4%	-86.2	36.2%
Earnings before financial result and income tax (EBIT)	-4.5	55.5	-	78.6	-
Net financial income (expenses)	20.6	-26.0	-	-45.6	-
Income tax and social contribution	2.5	-10.5	-	7.5	-66.7%
Net income (loss) from continued operations	18.6	18.9	-1.6%	40.5	-54.1%
Net income (loss) from discontinued operations	0.0	0.0	-	0.0	-
<b>Net income (loss)</b>	<b>18.6</b>	<b>18.9</b>	<b>-1.6%</b>	<b>40.5</b>	<b>-54.1%</b>
EBITDA*	7.0	64.6	-89.2%	57.6	-87.8%
EBITDA Margin*	2.0%	14.4%	-12.4 p.p.	12.6%	-10.6 p.p.
Net debt (end of period)	535.9	279.0	92.1%	457.7	17.1%

\* **EBITDA** This indicator is not used in accounting practices. Its calculation is presented under "EBITDA" in this report.





## Message from Management

We, at Taurus, have started 2025 by taking a major step forward towards modernization and streamlining management processes at our plant in the USA, with the “go live” of the SAP system. The implementation of this system, integrated with the one we use here at the headquarters in Brazil, provides a number of benefits, enabling the optimization of management processes, enhanced accuracy in logistics operations, and further strategic integration between the sales and production areas. As is typical of such large-scale projects, we decided to make a programmed stoppage in the North American operation, granting this plant a 30-day collective vacation for the first time. The adjustments needed to get the integrated system fully up and running lasted up until the middle of February, so that the US operation ran with restraints for about 40 days, which also affected both sales and billing activities.

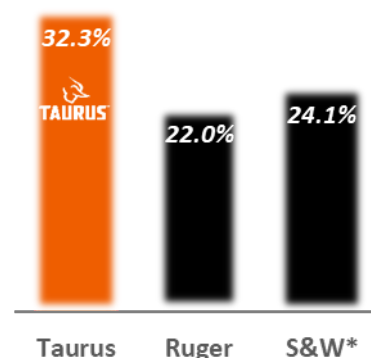
As most of our revenues originate from the North American market, Taurus' consolidated production and sales in 1Q25 were affected. The lower sales volume led to a reduction in the Company's revenues for the period, which amounted to R\$349.1 million. This was an expected and necessary situation, to ensure the SAP system was up and running, with the advantages it offers us in terms of integrated management. Operations in the USA were fully normalized as of March, and the sales that have not been attained at the beginning of the year should be offset in the coming months.

Nevertheless, in view of the preparation we carried out for this period of SAP adjustments, coupled with our remarkably competitive cost structure, we managed to record a 32.3% gross margin in 1Q25, basically in line with the figure posted in 1Q24. Once again, we ranked ahead of North American players in the sector, in terms of gross profitability, since Ruger reported a gross margin of 22.0% for the quarter and Smith & Wesson, 24.1% for the period from November 2024 to January 2025, the last quarter reported by this company, which includes the period of greatest market heat at the close of the year.

The North American market was somewhat slower in 1Q25, partly due to uncertainties over the country's economic outlook. With regard to the “trade war” sparked by the announcement of higher import tariffs in the US, we are keeping a close eye on the situation and awaiting definitions.

The launch of new products in the market, keeping the Taurus brand in the spotlight of the sector, has not been interrupted. In January, as we traditionally do every year, we took part in the world's largest trade fair for the sector: the SHOT Show 2025, in Las Vegas. The Taurus booth, featuring our extensive product portfolio, occupied an exclusive 370 sqm space. Among the launches we exhibited, I would highlight the following pistols: (i) GX2, in a variety of finishes, which we made available in stores both in Brazil and in the USA on the first day of January, to great acclaim from consumers; (ii) TUC 22 micro-compact, also launched at the Shot Show; and (iii) GX4 Carry, in 9mm caliber and .38 TPC, the first caliber developed in Brazil, which is already a success, accounting for more than 50% of the firearms sold, and registered with SINARM - the Federal Police.

Gross margin (%): Taurus and peers - 1Q25



\* S&W: November/24 to January/25



At the beginning of April, we took part in LAAD Defense & Security 2025 in Rio de Janeiro (photos below). This is the largest defense and security fair in Latin America, and this year it was attended by the Minister of Defense and the Minister of Science and Technology, more than 400 public security authorities, 160 official delegations and almost 40,000 qualified visitors. In addition to the entire range of revolvers, pistols, tactical firearms and suppressors, which were exclusively exhibited at our booth, there were prototypes of new products that will comprise the Taurus portfolio, with firearms of up to .50 BMG caliber, including the innovative TAS - Tactical Air Soldier, a project in development for a drone equipped with tactical weaponry. The presentation of the new military portfolio took place at the opening of LAAD, in conjunction with the closing, on April 1, of a Memorandum of Understanding (MoU) with the Turkish company MertSav. The operation under negotiation with MertSav is expected to be completed by late July 2025.



The closing of this MoU represents the transition from project to fact. We have spent the last two years researching the segment and the possibility of entering the military industry, and now the decision has been made. We have chosen to follow this path by means of an M&A. Should it be accomplished, the acquisition of MertSav in Turkey will reduce by up to eight years the time needed to develop these products for the military segment.

For Taurus, this represents a major step towards our strategy, as it means that we will become one of the only companies in the world to have a comprehensive portfolio in both the civilian and military segments. The global firearms market moved more than US\$ 41 billion in 2023, and is poised to reach the amount of US\$ 71.5 billion by the year 2032. Taurus' objective is to consolidate its position as a supplier in this large segment, by capturing a share of this market within a few years, thereby boosting its competitiveness and revenues.

We have another initiative underway, which has already been disclosed, to expand the Company's internationalization, and which also involves operations in the military firearms segment, which involves the prospect of creating a JV with Scopa Military Industries, which operates in Saudi Arabia. We are still awaiting a formal position on this negotiation from the Saudi government, after having presented the project to the country's government authorities.

In India, JD Taurus has continued to carry out its activities, which have made a positive contribution to the Company's results. We are focusing on the civilian market in that country, which boasts a tremendous potential, primarily on the defense market, where we have taken part in several bidding processes. As we have always mentioned, the Company's main business in India consists of sales to the military field, which is expected to bring a very positive impact to our business. In this sense, we remain confident that the result of the mega-bid for 425,000 rifles will be announced before the close of the next quarter.





We endeavor to achieve a sustainable business growth, creating an ever-stronger company. We enjoy a history of success, based on all the changes we have made since 2018, which have led to the turnaround of the Company, along with the consolidation of the current solid and resilient operational and financial structure. Our support for research and the development of innovative technologies are the fundamental pillars of our strategy, which provide tangible benefits for both the Company and Brazil, emphasizing the country as a generator of both technology and innovation. We seek to maximize the return for Taurus' shareholders and, to this end, our Bylaws establish the payment of minimum dividends at 35% of the adjusted net income. Moreover, we presented the proposal that was approved at the GSM held on April 29, 2025, to distribute a **10% bonus** in the form of new shares to all shareholders, in addition to the pay-out in the form of dividends for 2024, in the total amount of R\$25.5 million, which was also approved at the GSM. The creation of the Statutory Reserve has enabled us, using part of its balance, to increase the Company's share capital by R\$100 million, while issuing new shares in the proportion of 1 (one) for every 10 (ten) shares of the same type held by the shareholder as of May 7, 2025. These shares have already been credited to all shareholders yesterday, May 12, 2025, with the cost attributed to the bonus shares of R\$7.8967466 per share, generating a tax benefit for the shareholder. Further information can be found in the [Notice to Shareholders](#) section, available at this link. We are therefore remunerating shareholders in two different forms: in cash and in new shares. Moreover, on March 25, 2025, the Board of Directors approved the new share buyback program, under which up to 300,000 common shares and 3.03 million preferred shares can be acquired. All the measures taken are aimed at benefiting shareholders in different ways, although always creating value.

We would like to thank our shareholders for their confidence, the support and guidance from our Board members, the dedication of all our employees, and the partnership of our clients and suppliers. We rely on all our stakeholders to continue writing Taurus' history, while bringing positive news regarding the Company's performance in the coming quarters.

**Salésio Nuhs**  
**CEO Global**

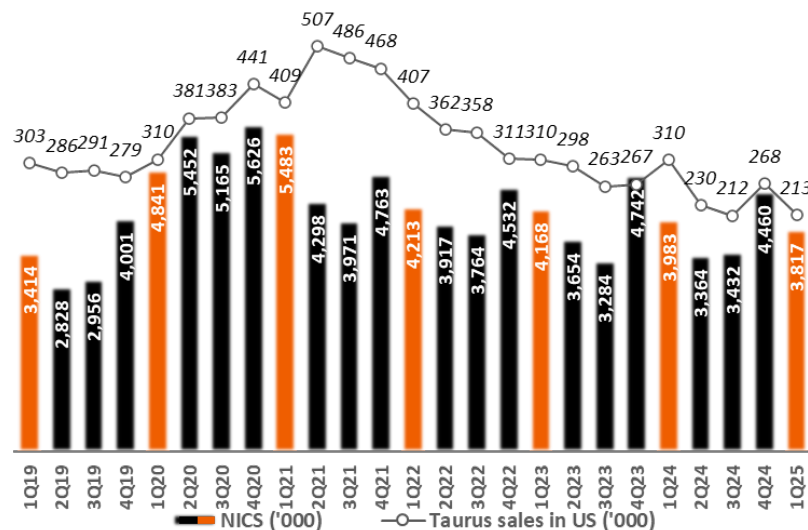


## Operational Performance

### Market

In line with the typical seasonal pattern of the firearms sector, demand in the North American market in 1Q25 showed a decline when compared with 4Q24, in view of the fact that in the last quarter of each year, sales are boosted by the start of the hunting season, Christmas and Black Friday. But even considering this normal adjustment at the beginning of the year, in 1Q25, sales in the firearms segment were more subdued. Based on the Adjusted NICS (National Instant Criminal Background System), an indicator that represents the number of people who intend to acquire firearms during the period in that country, the number of inquiries in 1Q25 stood at 3.8 million, a performance 4.3% lower than that recorded in 1Q24, which may be reflecting the uncertainty regarding the economic outlook in the US.

Adjusted NICS - Intentions to acquire firearms  
in the US ('000 queries)



The domestic market has remained stagnant, showing no signs of recovery since the beginning of 2023, when sales came to a virtual standstill, triggered by the change in the sector's rules.

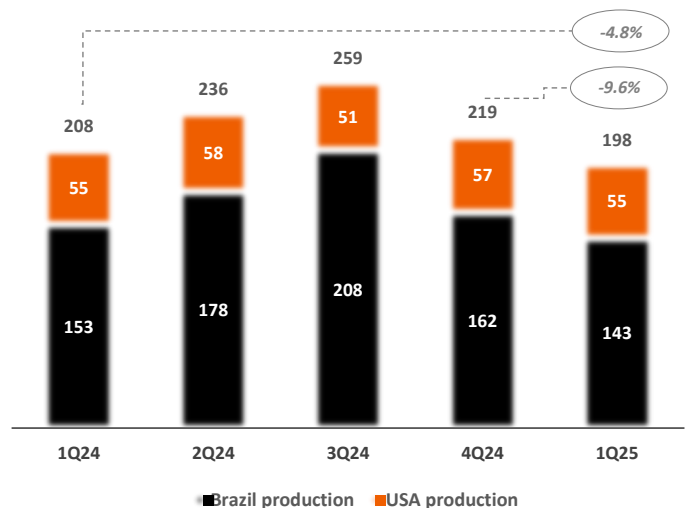
### Production and sales

Taurus produced 198,000 firearms in 1Q25, of which 72.2% were produced at the Brazilian plant in Rio Grande do Sul. An average of 3,800 units per day were produced.

The Company has maintained its strategy of working with reduced inventories of products, which is also seen in the sales chain, which has been operating with a higher inventory turnover.

For the first time, the Taurus plant in the USA has granted collective vacations at the beginning of 2025, for a period of 30 days. The stoppage was due to the installation of the new management system.

Production of firearms – Taurus ('000 units)





Throughout January and part of February, Taurus USA's activities were impacted by the “go-live” of the SAP system in this plant. Activating the system requires a period of adaptation, when adjustments are required, which have an impact on all the Company's activities. As of March, the situation was back to normal, with the new tool providing optimization of management processes, greater precision in logistics operations and better integration between the production and sales areas.

In terms of sales volume, the Company sold 236,000 units in 1Q25, with 90.3% of this total represented by sales made in the USA, the main market for Taurus firearms. As most of the Company's sales are concentrated in the North American market, the collective vacations and the period of adjustment to the use of the new management system adopted by the plant in the USA had a considerable impact on the consolidated commercial performance for the quarter.

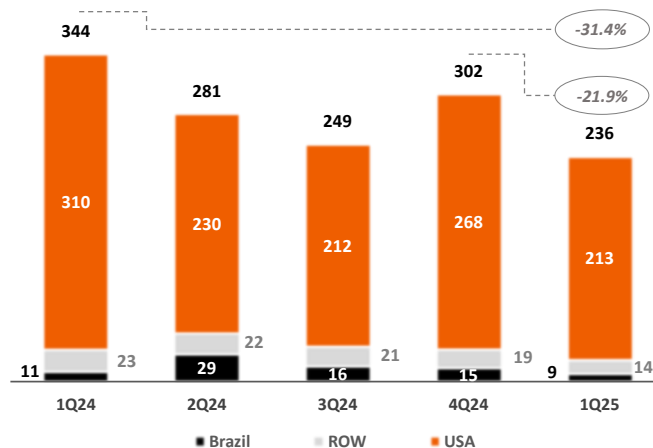
In Brazil, with demand still dormant, sales in 1Q25 amounted to 9,000 units, or 3.8% of the total for the period. In addition to the domestic civilian market, Taurus also supplies police and military forces in Brazil through tenders. One example is the international bidding process by the National Public Security Secretariat (SENASP) for 37,000 TS9 pistols, in which Taurus submitted the best price. After the SENASP Standard test certificate was approved at the end of December.24, the process is at the stage of signing the Price Registration Minutes.

The launch of the new GX2 pistol, which took place simultaneously both in Brazil and in the USA on January 2, 2025, was very well received by consumers. Taurus' sales to distributors and retailers were brought forward in the last quarter of 2024, so that the pistol was available on the market on the first day of the year and, therefore, these sales are not reflected in the 1Q25 performance.

Exports to other countries performed somewhat lower in terms of volume in 1Q25 than in previous quarters. These sales are mainly made through international tenders to military and security forces, all of which are previously authorized by the Brazilian Ministries of Defense and Foreign Affairs. The main sales destinations in the quarter were South Africa, Guatemala and Ecuador.

In India, with regard to the mega-bid for 425,000 rifles, having successfully carried out the last stage of performance tests, Taurus is awaiting the release of the final test report within the next few months, when the commercial phase of the process will begin. The Indian market in the military sector offers other business opportunities, which the Company has been continually evaluating. Taurus is taking part in other tenders in the country, which are due to be completed during the course of 2025, and represent potential sales of 9,000 pistols and 4,000 rifles/long firearms.

Sales of Taurus firearms ('000 units)



## Economic and Financial Performance

### Net Operating Revenues

Taurus' consolidated revenues include, in addition to the sale of firearms & accessories, revenues from helmets, M.I.M. (Metal Injection Molding) and others, such as AMTT Taurus stores. It should be noted that revenues from the JD Taurus joint venture in India are not consolidated in the Company's overall revenues, since Taurus holds 49% of its capital. As such, the results of JD Taurus are presented in the caption “Result from Equity Investments in Affiliates” in the Company's Income Statements.

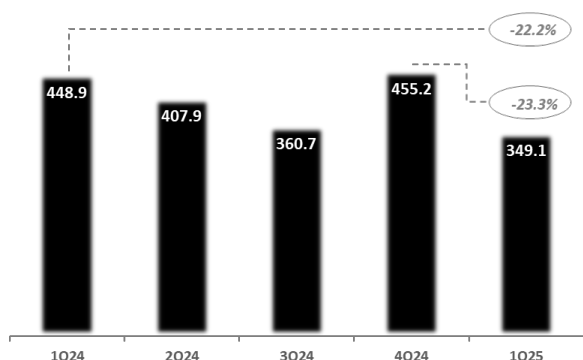


The firearms and accessories segment, the Company's core business, accounted for 89.1% of overall revenues in 1Q25, and is therefore the main driver of consolidated performance. Consolidated net revenues in 1Q25 totaled R\$349.1 million, showing a decrease when compared to the same quarter of the previous year in the firearms & accessories and M.I.M. segments, and an increase in revenues from the sale of helmets.

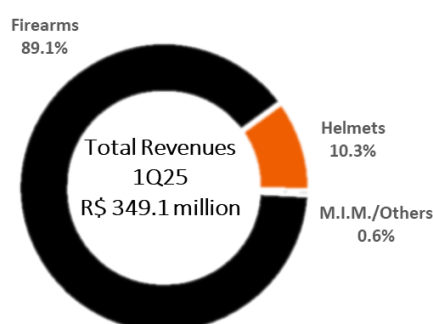
Revenues from the sale of **helmets** came to R\$35.9 million in 1Q25, up by 33.5% from 1Q24. Revenues from **M.I.M. and others**, which account for less than 1% of the Company's consolidated revenues, amounted to R\$2.0 million in the same period.

### Consolidated Net Operating Revenues - Firearms & Accessories (R\$ million)

#### Quarterly performance

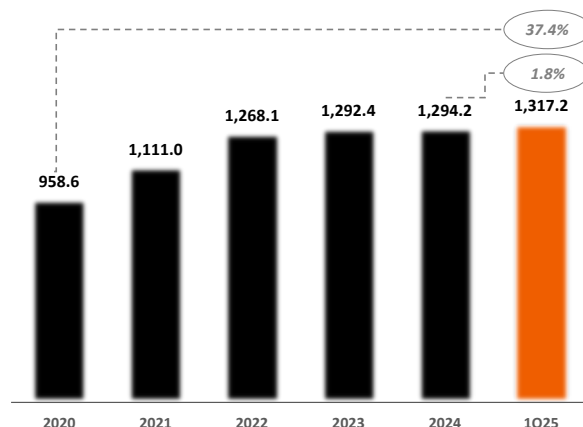


#### By segment



Sales exclusively of **firearms & accessories**, the Company's core segment, generated net revenues of R\$311.2 million in 1Q25, down by 25.6% from 1Q24, as a result of the drop in sales performed in the US, as well as exports to other countries, especially due to the lower volume sold. As previously mentioned, the sales performance in the USA, the largest market for Taurus firearms, was impacted by the programmed stoppage at the North American plant, involving the granting of collective vacations for the installation of the SAP system, which further affected operations until the system was fully normalized. At the same time, in Brazil, the segment's revenues rose by 12.0, due to the sales mix with a higher average price, despite the fact that the volume sold was also lower in this market. As the share of sales of firearms & accessories in the local market is relatively modest, this positive performance had a subdued effect on overall revenues.

#### Taurus' average selling prices Firearms & accessories (R\$)



Taurus remains focused on research & development of processes, use of materials and innovative products, and keeps in line with consumer demand, by presenting new products to the market on an ongoing basis. In 1Q25, sales of new products accounted for 21.3% of the revenues from the firearms & accessories segment.

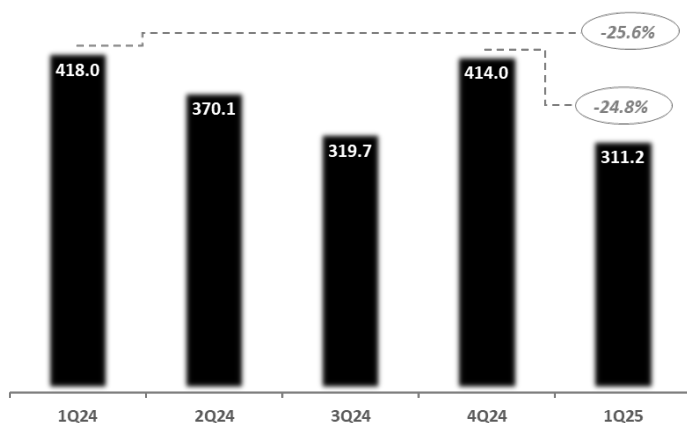




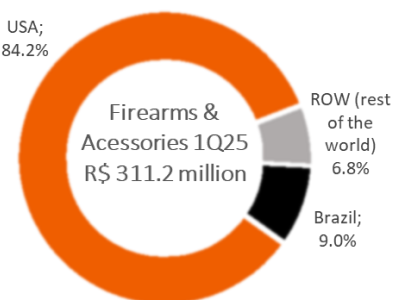
The average price in 1Q25 stood at R\$1,317.2/firearm, up by 37.4% versus 1Q24. In addition to the effect from the 18.2% devaluation of the Brazilian currency against the US dollar in the period (considering the average dollar rate for the two quarters in question), which is positively reflected in Taurus' revenues from sales abroad, the improvement in the average price is related to the sales mix, with the continuous launch of products that incorporate innovation and technology, a fundamental feature of the Company's strategy.

### Net Operating Revenues - Firearms & Accessories (R\$ million)

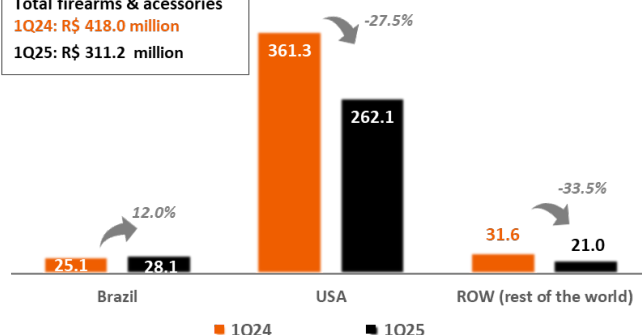
Quarter



By market



Total firearms & accessories  
1Q24: R\$ 418.0 million  
1Q25: R\$ 311.2 million



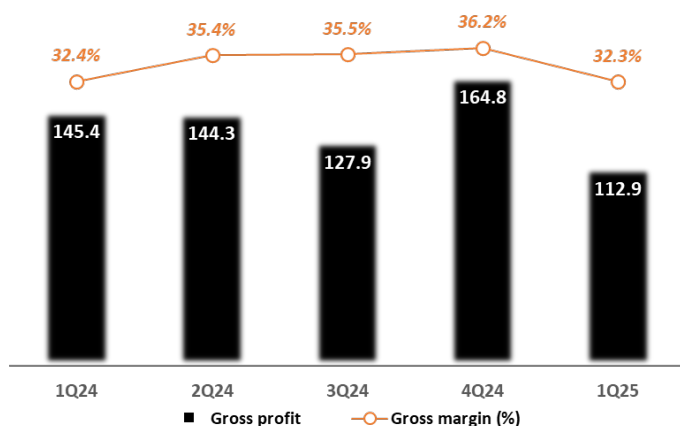
### Gross profit

The Company has been successful in its efforts towards cost control. The cost of goods sold (COGS) in 1Q25 stood at R\$236.2 million, down by 22.2% versus 1Q24, despite the pressure posed by inflation and fixed costs, which do not depend on production volume. Based on the net operating revenues for the quarter, impacted by the lower sales volume, gross profit in 1Q25 amounted to R\$112.9 million, down by 22.4% from the same quarter in 2024.

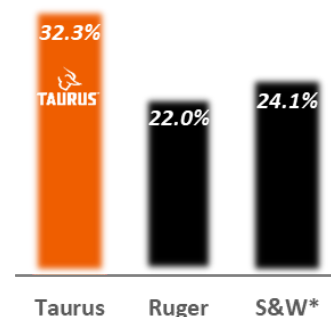


The reduction in COGS was proportional to the decrease in revenues for the period, and therefore the gross margin remained stable: 32.3% in 1Q25, compared to 32.4% in 1Q24. The Company's modern production processes and well-aligned operational structure mean that its costs can be fairly competitive in relation to its global peers. Compared to North American companies in the sector, which are listed on the stock exchange and are required to disclose their results, Taurus maintains a prominent position in terms of gross profitability. The Company's gross margin of 32.3% in 1Q25 is 10.3 p.p. higher than the margin of 22.0% reported by Ruger in the same period, and 8.2 p.p. higher than the 24.1% posted by Smith & Wesson in the last quarter reported by that company (November/24 to January/25), even considering that in the latter case, the months of November and December 2024 are included, which is a period of greater acceleration in demand for firearms in the USA.

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



Gross margin (%) Taurus and peers 1Q25



\* S&W: November/24 to January/25

## Operating expenses

Total operating expenses in 1Q25, including losses due to the impairment of assets, plus the result from equity investments in affiliates, amounted to R\$117.4 million. Compared to 1Q24, there was a 30.4% rise, mainly due to the increase in general and administrative expenses, which rose by R\$27.4 million (up by 66.8%) in the period, which can be explained by the fact that, in 1Q24, this account had been reduced by the reversal of labor provisions made at that time. Compared to the last quarter of 2024, general and administrative expenses fell by 2.7% in the quarter.

Selling expenses, which amounted to R\$51.2 million in 1Q25, fell by 4.3% when compared to the same quarter of the previous year, as a result of the efforts being made towards the management of these expenses and the lower volume of sales. The recording of R\$1.0 million in net income from the equity investments in affiliates, which reversed the negative balance of R\$0.2 million in 1Q24, also contributed to reducing the impact from the increase in other accounts that make up the overall amount of operating expenses.

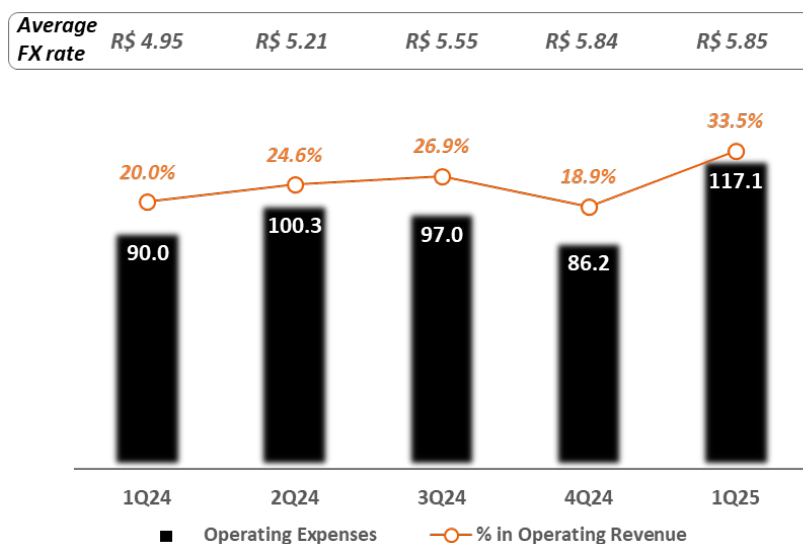
In 1Q25, the balance of other operating expenses/income was a net income of R\$2.6 million, thus reducing overall operating expenses for the quarter, although by a smaller amount than that recorded in 1Q24, when this account had a net income balance of R\$6.3 million. The result of other operating income/expenses is mainly related to credits from recoverable taxes.





	1Q25	1Q24	1Q25x1Q24 % Chg.	4Q24	1Q25x4Q24 % Chg.
Selling expenses	51.2	53.5	-4.3%	47.7	7.3%
General and administrative expenses	68.4	41.0	66.8%	70.3	-2.7%
Losses (income) due to non-recoverable assets	1.5	1.5	0.0%	1.7	-11.8%
Other operating (income)/expenses	-2.6	-6.3	-58.7%	-33.0	-92.1%
Equity pick-up	-1.0	0.2	-	-0.4	150.0%
<b>Operating expenses (SG&amp;A)</b>	<b>117.4</b>	<b>90.0</b>	<b>30.4%</b>	<b>86.2</b>	<b>36.2%</b>
<i>Op. expenses / Net Op.Revenues (%)</i>	<i>33.6%</i>	<i>20.0%</i>	<i>13.6 p.p.</i>	<i>18.9%</i>	<i>-2.6 p.p.</i>
<i>Average Ptax dollar exchange rate (R\$)</i>	<i>5.85</i>	<i>4.95</i>	<i>18.2%</i>	<i>5.84</i>	<i>17.8%</i>

### Operating Expenses (R\$ million) and their share over Net Revenues (%)



## EBITDA

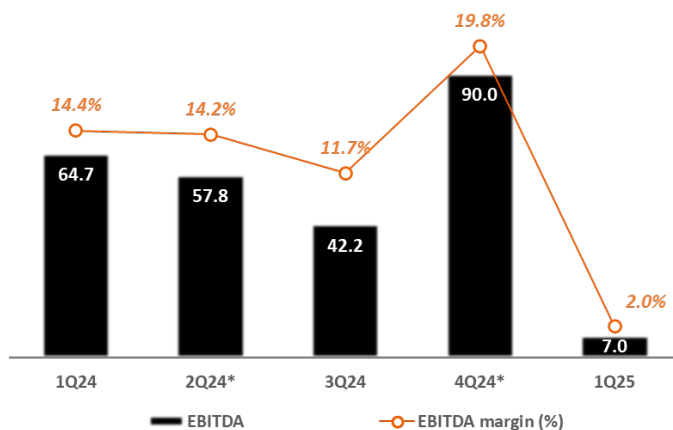
EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is not a financial metric recognized by the BR GAAP and the International Financial Reporting Standards (IFRS). It should not be considered separately as an operating performance indicator, or an alternative to operating cash flow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



We have no longer presented the adjusted EBITDA, which disregarded the result from the equity investments in affiliates, since this account incorporates the result from the company's joint ventures - JD Taurus, in India, plus the operation related to magazines - which are directly related to Taurus' operating activities.

EBITDA performance in 1Q25 was impacted by lower sales, particularly in the USA, which were affected by the collective vacation period, in addition to the process of adjustment to the SAP system at Taurus' North American plant. At the same time, the Company recorded a lower net balance of income under the caption "other operating expenses/income", particularly when compared to 4Q24, and higher general & administrative expenses when compared to 1Q24, when labor provisions were reversed. As a result, EBITDA for 1Q25 amounted to R\$7.0 million, with a 2.0% margin over net revenues.

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



\* Excluding social expenses relating to the support provided for the floods in the state of Rio Grande do Sul (2Q24: R\$ 1.6 million; 4Q24: R\$ 0.3 million).

## Calculation of adjusted EBITDA – Conciliation pursuant to ICVM 156/22

R\$ million	1Q25	1Q24	1Q25x1Q24 % Chg.	4Q24	1Q25x4Q24 % Chg.
Net income/(loss)	18.6	18.9	-1.6%	40.5	-54.1%
Taxes	-2.5	10.5	-	-7.5	-66.7%
Net financial result	-20.6	26.0	-	45.6	-
Depreciation and amortization	11.5	9.1	26.4%	11.0	4.5%
<b>EBITDA</b>	<b>7.0</b>	<b>64.5</b>	<b>-89.1%</b>	<b>89.7</b>	<b>-92.2%</b>
<b>EBITDA margin</b>	<b>2.0%</b>	<b>14.4%</b>	<b>-12.4 p.p.</b>	<b>19.7%</b>	<b>-17.7 p.p.</b>
Expenses with social support (floods)			-	0.3	
<b>Adjusted EBITDA</b>	<b>7.0</b>	<b>64.5</b>	<b>-89.1%</b>	<b>90.0</b>	<b>-92.2%</b>
<b>Adjusted EBITDA margin</b>	<b>2.0%</b>	<b>14.4%</b>	<b>-12.4 p.p.</b>	<b>19.8%</b>	<b>-17.8 p.p.</b>

## Financial result

In 1Q25, the Company posted a net financial income of R\$20.6 million, reversing the net financial expense of R\$26.0 million recorded in the same quarter of the previous year, primarily as a result of the devaluation of the Brazilian Real against the US dollar in the period. This performance is the result of the sharp increase (up by 373.6%) in the financial income in the period, which totaled R\$59.2 million in 1Q25, versus R\$12.5 million in 1Q24, while financial expenses remained practically unchanged (R\$38.6 million in 1Q25 and R\$38.5 million in 1Q24).



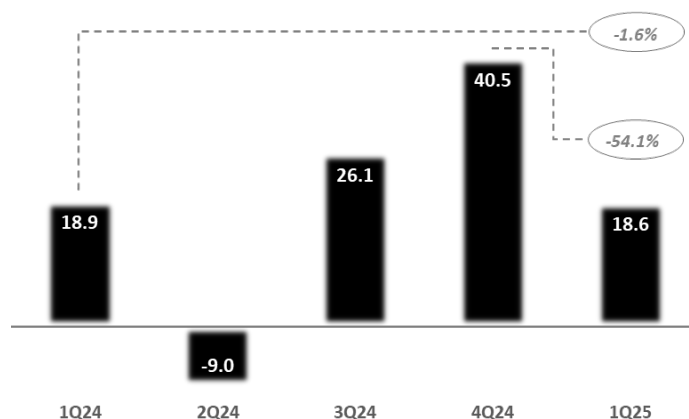
Since a major portion of Taurus' consolidated revenues originate from sales abroad (81.1% in 1Q25) and, therefore, denominated in dollars, as well as most of its bank debt being recorded in this currency (79.4% on 03/31/2025), the exchange rate variation has a relevant influence on the Company's performance. The devaluation of the Brazilian Real against the dollar has a positive impact when sales made in foreign currency are converted into the Brazilian currency. At the same time, it exerts pressure on the costs and expenses of the Company's operations in the US, as well as on the financial obligations relating to the bank debt denominated in dollars. **Unrealized exchange rate variations, however, are accounting records with no cash effect**, and have an impact on balance sheet accounts, calculated on the closing date of the period, so that this accounting record considers the exchange rate on that date, and not the average exchange rate for the period.

On March 31, 2025, the Company's asset base denominated in foreign currency led to the recording of income from exchange rate variations (income) in the amount of R\$47.8 million in the quarter, a result about 6.4 times higher (up by 540.8%) than in 1Q24. At the same time, liability exchange rate variations represented an expense of R\$19.6 million, down by 8.0% over the same period of comparison. As a result, the balance of exchange rate variations was the main reason for the positive financial performance in 1Q25, recording a net financial income of R\$28.2 million, compared to a net expense from an exchange rate variation of R\$13.8 million in 1Q24. Also contributing to the performance was the increase in financial income from interest and others, which was partially offset by the rise in interest and other expenses.

<i>R\$ million</i>	1Q25	1Q24	1Q25x1Q24 % Chg.	4Q24	1Q25x4Q24 % Chg.
<b>(+) Financial income</b>	<b>59.2</b>	<b>12.5</b>	<b>373.6%</b>	<b>48.5</b>	<b>22.1%</b>
Foreign exchange gains	47.8	7.5	540.8%	24.4	95.9%
Interest and other income	11.4	5.0	128.0%	24.1	-52.7%
<b>(-) Financial expenses</b>	<b>38.6</b>	<b>38.5</b>	<b>0.3%</b>	<b>94.0</b>	<b>-58.9%</b>
Foreign exchange losses	19.6	21.3	-8.0%	73.4	-73.3%
Interest, IOF and other expenses	19.0	17.2	10.5%	20.6	-7.8%
<b>(+/-) Net financial result</b>	<b>20.6</b>	<b>-26.0</b>	<b>-</b>	<b>-45.5</b>	<b>-</b>
<b>US dollar Ptax rate at the end of period (R\$)</b>	<b>5.74</b>	<b>5.00</b>	<b>14.8%</b>	<b>6.19</b>	<b>-7.3%</b>

## Net income

As opposed to what had been observed in 1Q24, in particular for the last quarter of 2024, Taurus' net income in 1Q25 was positively influenced by the net financial result, which amounted to a net financial income of R\$20.6 million, compared to a net financial expense of R\$45.5 million in 4Q24, and R\$26.0 million in 1Q24. In operational terms, the quarterly performance was influenced by the following factors: (i) revenues pressured by lower sales which, in addition to market conditions, were influenced by the period of adjustments necessary for the implementation and full operation of the SAP management system in the North American operation; (ii) cost control, which contributed to COGS in 1Q25 being lower than in the same period of the previous year; and (iii) operating expenses under control, although they were higher in the quarter compared to 1Q24, when a labor provision was reversed. As a result, the Company recorded a net profit of R\$18.6 million in 1Q25.





## Debt

On March 31, 2025, Taurus recorded gross bank debt in the amount of R\$746.3 million, represented by foreign exchange operations (Advances on Foreign Exchange Contracts - ACC), financing contracted with FINEP for investment in innovation, and a loan taken out by the Company's North American subsidiary in the USA. Compared to the position at the end of 2024, there was a lengthening of debt maturities, with a reduction in the short-term debt in the amount of R\$88.9 million, and a simultaneous increase in the long-term debt in the amount of R\$87.6 million. Overall, gross bank debt remained practically flat in the period (reduction of 0.2%).

<i>R\$ million</i>	<b>03/31/2025</b>	<b>12/31/2024</b>	<b>% Chg.</b>
Loans and financing	0.8	0.3	166.7%
Foreign exchange drafts	464.7	554.0	-16.1%
<b>Short term</b>	<b>465.5</b>	<b>554.3</b>	<b>-16.0%</b>
Foreign exchange drafts + Loans and financing	280.8	193.2	45.3%
<b>Long term</b>	<b>280.8</b>	<b>193.2</b>	<b>45.3%</b>
<b>Gross debt</b>	<b>746.3</b>	<b>747.5</b>	<b>-0.2%</b>
Cash and marketable securities	210.4	289.9	-27.4%
<b>Net debt</b>	<b>535.9</b>	<b>457.7</b>	<b>17.1%</b>
<b>US dollar Ptax rate at the end of period (R\$)</b>	<b>5.74</b>	<b>6.19</b>	<b>-7.3%</b>
<b>Gross debt converted into dollars (US\$ million)</b>	<b>130.0</b>	<b>120.7</b>	<b>7.7%</b>
<b>Net debt converted into dollars (US\$ million)</b>	<b>93.3</b>	<b>73.9</b>	<b>26.3%</b>

From the total gross bank debt at the close of 1Q25, R\$465.5 million (60.9%) matured in the short term, and almost all of this amount (99.8% or R\$464.7 million) was represented by foreign exchange draft operations (ACC) which can be renewed at each maturity. Thus, on March 31, 2025, the gross bank debt that effectively matured in the short term was represented by only R\$0.8 million.

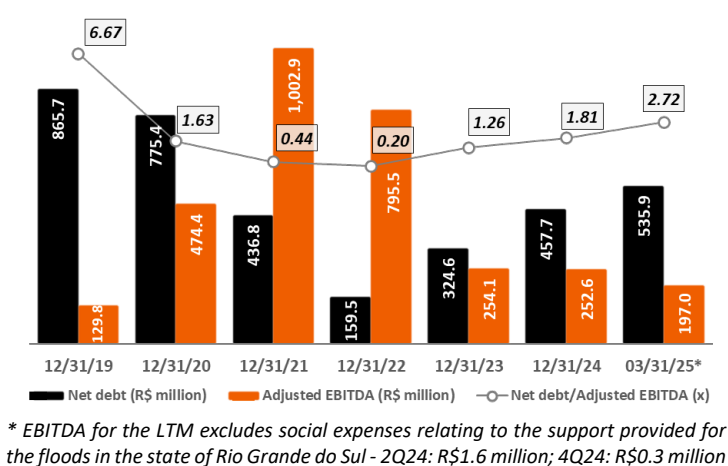
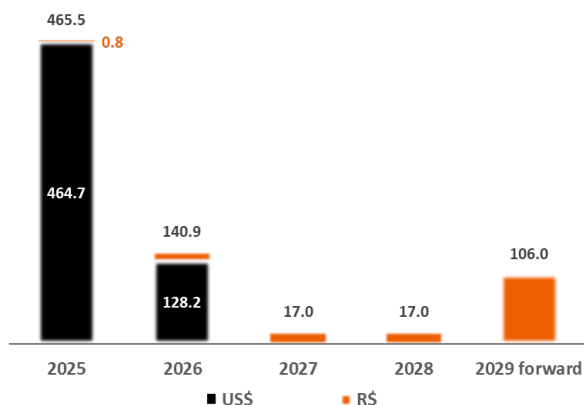
Considering the balance of cash and financial investments of R\$210.4 million on that date, net debt at the end of 1Q25 stood at R\$535.9 million, which represents a 17.1% hike compared to the position posted at the end of 2024.

At the end of the quarter, the financial leverage measured by the net debt/ EBITDA ratio, considering the EBITDA achieved over the last 12 months, was 2.72 times at the close of 1Q25. Operating cash generation, together with ACC operations, are sufficient for the Company's maintenance and operating activities. New investments are being financed by FINEP's credit line.

Bank debt profile  
(maturity and currency) - (R\$ million)

Level of financial leverage  
Net debt/Adjusted EBITDA



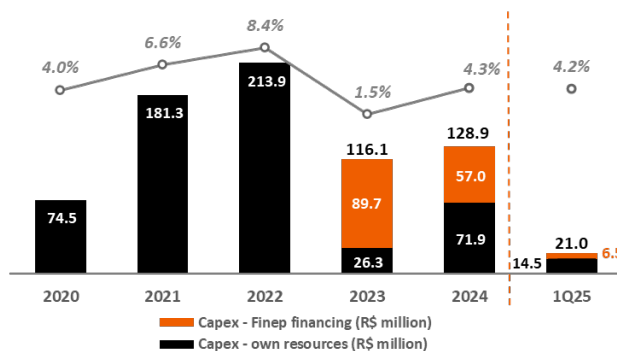


## Capital Expenditures

The Company has been using its credit line with FINEP as the main source of funding for its investments. This credit line is intended to finance 90% of Taurus' "Strategic Innovation Plan for Competitiveness", mainly linked to the construction of an exclusive space for the Integrated Technology and Engineering Center - CITE.

In 1Q25, a total of R\$21.0 million was invested, mainly for the acquisition of machinery, equipment and tools, together with the development of new products. Of this total, 31.0% was financed by FINEP's\* innovation credit line, with the remaining 69.0% being financed from the Company's own cash generation. Thus, as can be seen in the chart below, Capex funded with own capital is equivalent to 4.2% of net revenues in 1Q25.

Capex (R\$ million) and share of Capex funded with own generation over net revenues



\*The portion of Capex for 1Q25 financed with FINEP funds is still preliminary, since the disbursement receipts for September, October, November and December 2024 have not yet been submitted to FINEP for analysis.

## Capital Markets

Taurus holds common shares (TASA3) and preferred shares (TASA4), which are listed on B3's Level II of Corporate Governance, a market segment that comprises those companies that have voluntarily adopted distinct corporate governance practices. Both classes of shares take part in the IGCX portfolio (Differentiated Corporate Governance Stock Index), and ITAG (Differentiated Tag-Along Stock Index), and its preferred shares also take part in IBRA (Broad Brazil Index), IGCT (Corporate Governance Trade Index), INDX (Industrial Sector Index), and SMLL (Small Cap Index) of B3.



At the close of 1Q25, the number of Company's shareholders totaled 100 million.

Data	TASA3*		TASA4*		TASA	TASA4 Treasury	Market capitalization** (R\$ million)	EV*** (R\$ million)
	(R\$/share)	(No. of shares)	(R\$/share)	(No. of shares)	(No. of shares)	(No. of shares)		
12/31/2024	R\$8.78	46,445,314	R\$8.25	80,189,120	126,634,434	323,100	R\$1,069.35	R\$1,598.25
03/31/2025	R\$8.20	46,445,314	R\$8.14	80,189,120	126,634,434	248,700	R\$1,033.59	R\$1,562.49
% Chg.	-6.6%	-	-1.3%	-	-	-	-3.3%	-2.2%

\* Share prices ON (TASA3) and PN (TASA4) are adjusted for dividends paid as of March 31, 2025.

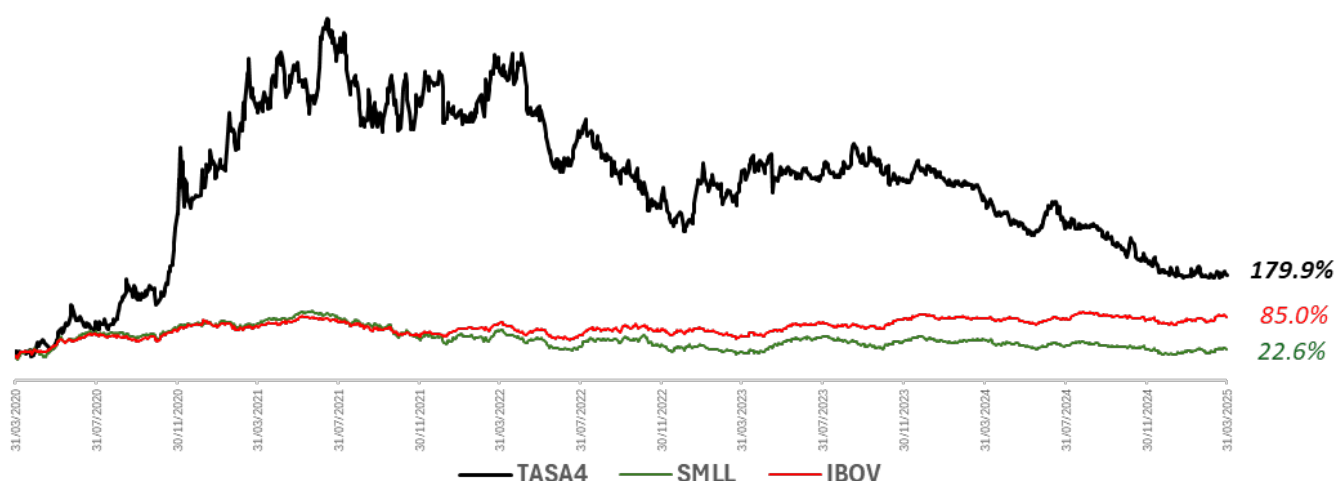
\*\* Market capitalization does not include treasury shares on the date.

\*\*\* Market cap + net debt - non-operating assets (non-current assets for sale).

**IGCX B3 ITAG B3 IGCT B3 SMLL B3 IDIV B3 IBRA B3**

Performance of preferred shares (TASA4) versus SMLL B3 and IBOV B3

2024 – Base 100: closing date of 03/31/2020



## Share buyback Program

On March 21, 2025, the Board of Directors approved the introduction of a new share buyback program for the Company, effective until September 20, 2026 (total term of 18 months). Under the scope of this Program, up to 300,000.00 (three hundred thousand) common shares may be acquired, equivalent to 3.9% (three point nine percent) of the outstanding common shares, and 3,033,333 (three million thirty-three thousand three hundred and thirty-three) preferred shares, equivalent to 4.5% (four point five percent) of the Company's outstanding preferred shares, on the date of its approval.

The Repurchase Program aims to acquire shares issued by the Company for (a) holding in treasury, cancellation or subsequent sale of the shares, in order to efficiently manage the capital structure and maximize the creation of value for the shareholder; and (b) holding in treasury in order to meet the Company's obligations stemming from the Stock Grant Plan for managers, officers or other occupants of strategic positions in the Company or its Subsidiaries who are currently or will be appointed to one of these [positions](#).



## SUBSEQUENT EVENTS

### Payment of dividends

The Annual General Shareholders' Meeting (GSM) held on April 29, 2024 approved the payment of dividends for the FY 2024, representing 35% of the adjusted net income for the year, as determined as a minimum payment by the Company's Bylaws. Dividends of R\$0.20268361310 will be paid, equally per both common and preferred share, to shareholders holding shares on the base date of April 29, 2025. The payment will be made in cash, by the end of the current fiscal year, and may be paid in installments, as approved by the Board of Directors, on dates to be subsequently informed to shareholders.

Detailed information can be found in the Notice to Shareholders released on April 29, 2025, by [clicking here](#).

### Capital increase through the issue of new bonus shares

The Extraordinary General Shareholders' Meeting (EGM) held on April 29, 2025 approved an increase in share capital by capitalizing part of the balance of the Statutory Reserve, amounting to R\$100,000,000.00 (one hundred million reais). As the balance of the Statutory Reserve was close to reaching its limit, the Company opted to allocate part of this amount to share capital, reverting the benefit to its shareholders through a capital increase with the issue of new shares to be granted to shareholders in the proportion of 1 (one) for every 10 (ten) shares of the same type held on May 7, 2025.

Detailed information can be found in the Notice to Shareholders published on April 29, 2025, by [clicking here](#).

*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 and prospects of creating shareholder value may differ materially from those 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 refutes, any commitment to update any forecasts, which make sense only on the date on which they were made.*



## Income Statement

<i>R\$ million</i>	1Q25	1Q24	% Chg.	4Q24	Var. %
<b>Net revenues from sales of goods and/or services</b>	<b>349.1</b>	<b>448.9</b>	<b>-22.2%</b>	<b>455.2</b>	<b>-23.3%</b>
Cost of goods and/or services sold	-236.2	-303.5	-22.2%	-290.4	-18.7%
<b>Gross Profit</b>	<b>112.9</b>	<b>145.4</b>	<b>-22.4%</b>	<b>164.8</b>	<b>-31.5%</b>
Operating (expenses)/income	-117.4	-90.0	30.4%	-86.2	36.2%
Selling expenses	-51.2	-53.5	-4.3%	-47.7	7.3%
General and administrative expenses	-68.4	-41.0	66.8%	-70.3	-2.7%
Losses due to non-recoverable assets	-1.5	-1.5	0.0%	-1.7	-11.8%
Other operating income	3.4	7.7	-55.8%	49.5	-93.1%
Other operating expenses	-0.9	-1.4	-35.7%	-16.5	-94.5%
Equity from results of subsidiaries and affiliates	1.0	-0.2	-	0.4	150.0%
<b>Profit before financial income (expenses) and taxes</b>	<b>-4.5</b>	<b>55.5</b>	<b>-</b>	<b>78.6</b>	<b>-</b>
Financial result	20.6	-26.0	-	-45.6	-
Financial income	59.2	12.5	373.6%	48.5	22.1%
Financial expenses	-38.6	-38.6	0.0%	-94.1	-59.0%
<b>Earnings (loss) before taxes</b>	<b>16.1</b>	<b>29.4</b>	<b>-45.2%</b>	<b>33.0</b>	<b>-51.2%</b>
Income tax and social contribution	2.5	-10.5	-	7.5	-66.7%
Current	2.3	-3.6	-	1.9	21.1%
Deferred	0.3	-6.9	-	5.5	-94.5%
<b>Net income (loss) from continued operations</b>	<b>18.6</b>	<b>18.9</b>	<b>-1.6%</b>	<b>40.5</b>	<b>-54.1%</b>
Net income (loss) from discontinued operations	0.0	0.0	-	0.0	-
<b>Consolidated net income (loss) for the period</b>	<b>18.6</b>	<b>18.9</b>	<b>-1.6%</b>	<b>40.5</b>	<b>-54.1%</b>
Attributed to shareholders of the parent company	18.6	18.9	-1.6%	40.5	-54.1%
<i>Earnings per share (R\$/share)</i>				0.0	0.0%
<i>Basic earnings per share</i>				0	0.0%
Common shares (ON)	0.1474	0.1504	98.0%	0.3206	46.0%
Preferred shares (PN)	0.1475	0.1501	98.3%	0.3209	46.0%
<i>Diluted earnings per share</i>				0.0000	0.0%
Common shares (ON)	0.1474	0.1504	98.0%	0.3206	46.0%
Preferred shares (PN)	0.1471	0.1501	98.0%	0.3208	45.9%





## Assets

<i>R\$ million</i>	03/31/25	12/31/24	% Chg.
<b>Total Assets</b>	<b>2,537.3</b>	<b>2,628.6</b>	<b>-3.5%</b>
<b>Current assets</b>	<b>1,463.3</b>	<b>1,551.1</b>	<b>-5.7%</b>
Cash and cash equivalents	59.0	112.6	-47.6%
Cash and banks	9.3	47.1	-80.3%
Highly-liquid short-term investments	49.8	65.5	-24.0%
Marketable securities	151.4	177.2	-14.6%
Accounts receivable	337.5	297.1	13.6%
Inventories	751.1	779.3	-3.6%
Recoverable taxes	110.7	104.5	5.9%
Prepaid expenses	21.0	45.6	-53.9%
Other current assets	32.6	34.7	-6.1%
<b>Non-current assets</b>	<b>1,074.1</b>	<b>1,077.6</b>	<b>-0.3%</b>
Long-term receivables	186.7	186.8	-0.1%
Financial investments at amortized cost	0.0	0.0	-
Deferred taxes	84.8	84.5	0.4%
Receivables from related-party	16.4	17.2	-
Other non-current assets	85.5	85.1	0.5%
Investments	68.4	67.9	0.7%
Stake in jointly-controlled subsidiaries	12.0	11.5	4.3%
Other investments	0.0	0.0	-
Properties for investments	56.4	56.4	0.0%
Property, plant and equipment	630.7	636.5	-0.9%
Fixed assets in operation	394.6	407.0	-3.0%
Fixed assets in progress	236.1	229.5	2.9%
Intangible assets	188.2	186.3	1.0%



## Liabilities

<i>R\$ million</i>	03/31/25	12/31/24	% Chg.
<b>Total Liabilities and Equity</b>	<b>2,537.3</b>	<b>2,628.6</b>	<b>-3.5%</b>
<b>Current Liabilities</b>	<b>860.9</b>	<b>1,017.0</b>	<b>-15.3%</b>
Social and labor obligations	61.0	54.5	11.9%
Social obligations	7.0	8.1	-13.6%
Labor obligations	54.0	46.4	16.4%
Suppliers	119.7	156.3	-23.4%
Local suppliers	71.6	83.2	-13.9%
Foreign suppliers	48.0	73.0	-34.2%
Taxes payable	46.8	71.5	-34.5%
Federal Taxes payable	46.2	70.2	-34.2%
Income tax and social contribution payable	4.2	10.4	-59.6%
Other taxes	42.0	59.7	-29.6%
State tax payable	0.5	1.3	-61.5%
Municipal tax payable	0.1	0.1	0.0%
Loans and financing	465.5	554.3	-16.0%
In local currency	0.8	0.4	100.0%
In foreign currency	464.7	554.0	-16.1%
Debentures	0.0	0.0	-
Other accounts payable	96.4	106.2	-9.2%
Dividends and interest on equity payable	25.7	25.7	0.0%
Derivative financial instruments	0.0	0.0	-
Advances from customers	26.1	24.8	5.2%
Legal settlements to be paid	0.0	0.0	-
Other payables	44.5	55.7	-20.1%
Provisions	71.6	74.1	-3.4%
Provisions for tax, social security, labor and civil risks	62.8	65.1	-3.5%
Other provisions	8.8	9.0	-2.2%
Liabilities on assets of discontinued operations	0.0	0.0	-
<b>Noncurrent Liabilities</b>	<b>408.3</b>	<b>317.3</b>	<b>28.7%</b>
Loans and financing	280.8	193.2	45.3%
In local currency	152.7	154.5	-1.2%
In foreign currency	128.2	38.8	230.4%
Debentures	0.0	0.0	-
Other accounts payable	62.1	62.1	0.0%
Related-party liabilities	2.2	2.2	0.0%
Provision for uncovered liabilities	0.0	0.0	-
Taxes payable	3.5	4.2	-16.7%
Suppliers	4.2	5.2	-19.2%
Rents	0.0	0.0	-
Other accounts payable	52.2	50.6	3.2%
Deferred taxes	11.1	11.2	-0.9%
Provisions	54.2	50.8	6.7%
Provisions for tax, social security, labor and civil risks	50.3	46.6	7.9%
Other provisions	3.9	4.2	-7.1%
Liabilities on assets of discontinued operations	0.0	0.0	-
<b>Consolidated Shareholders' Equity</b>	<b>1,268.2</b>	<b>1,294.4</b>	<b>-2.0%</b>
Share Capital	448.1	448.1	0.0%
Capital reserves	-5.7	-8.3	-31.3%
Disposal of subscription warrants	9.9	9.9	0.0%
Stock options granted	33.9	32.4	4.6%
Treasury shares	-3.7	-4.8	-22.9%
Capital transactions	-45.7	-45.7	0.0%
Retained earnings	536.7	536.7	0.0%
Legal reserve	52.5	52.5	0.0%
Statutory reserve	365.7	365.7	0.0%
Retained earnings reserve	0.0	0.0	-
Tax incentive reserve	118.5	118.5	0.0%
Proposed supplementary dividend	0.0	0.0	-
Accumulated earnings/losses	18.7	0.0	-
Equity valuation adjustments	43.4	43.5	-0.2%
Accumulated translation adjustments	226.9	274.3	-17.3%

## **1. General information**

Taurus Armas S.A. ("Company"), with registered head office at Avenida São Borja, 2181, São Leopoldo, RS, was incorporated on November 17, 1939. Taurus is a Brazilian listed company since 1982 and since 2011 it is listed on Level 2 of Corporate Governance of B3 - Brasil, Bolsa, Balcão (ticker symbols TASA3, TASA4). Its parent company and holding company is BYK Participações S.A., which in turn is a subsidiary of CBC AMMO LLC, a company based in Delaware, United States of America.

The Company operates in the Firearms and Accessories, Helmets and Accessories, and M.I.M. (Metal Injection Molding) segments. The Company has three manufacturing plants, two in Brazil, located in the States of Rio Grande do Sul and Paraná, and another in Bainbridge, Georgia, United States.

Taurus is accredited as a Strategic Defense Company (EED) and is thus qualified to supply products to the Brazilian Armed Forces. In Brazil, sales are aimed at state, federal, civil and military police, in addition to the civilian market.

Abroad, in addition to distributing TAURUS and ROSSI brand products manufactured in Brazil, the Bainbridge unit manufactures TAURUS pistol models and HERITAGE revolvers. Sales to the United States mainly serve the American civilian market and government agencies in other regions.

## **2. Presentation of interim financial information**

### **2.1. Basis of preparation**

#### **a) Statement of compliance**

The Company presents its individual and consolidated interim financial information, included in the Interim Financial Information Form (ITR), concurrently prepared in accordance with technical pronouncement CPC 21 and international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) and, also, in accordance with accounting practices adopted in Brazil (BR GAAP), considering the pronouncements, guidelines and interpretations issued by the Accounting Pronouncements Committee (CPC), approved by the Brazilian Securities and Exchange Commission (CVM) and the provisions set out in the Brazilian Corporate Law, and identified as "Parent" and "Consolidated", respectively.

The preparation of individual and consolidated interim financial information in accordance with technical pronouncement CPC 21 and international standard IAS 34 requires the Company's Management to use certain accounting estimates.

The interim financial information for the period ended March 31, 2025 has been prepared based on the historical cost, except for the revaluation of certain investment properties, as described in the accounting policies below. The historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market players at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. The fair value for measurement and/or disclosure purposes in this individual and consolidated interim financial information is determined on this basis, except as otherwise required by another accounting pronouncement.

The individual and consolidated interim financial information for the period ended March 31, 2025 has been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business.

The financial statements for the year ended December 31, 2024 were reviewed by the Audit Committee, and approved by the Company's Board of Directors on March 21, 2025, which are being presented herein as the comparative period.

b) Management statement

The Company's Management asserts that all relevant information for the interim financial information as at March 31, 2025, and only this information, is disclosed and that it corresponds to the information used in managing the Company.

This interim financial information was approved by the Company's Board of Directors and authorized for issue on May 9, 2025.

**2.2. Basis of consolidation**

The consolidated interim financial information includes the interim financial information of the Company and the entities controlled by the Company (its subsidiaries) prepared up to March 31, 2025 and the respective comparative periods. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether it retains the control of an investee or not if facts and circumstances indicate the occurrence of changes in one or more than one of the three components of control described above.

The consolidation of a subsidiary begins when the Company acquires control over the subsidiary and ends when such control ceases to exist. Specifically, revenue and expenses of a subsidiary acquired or sold during the year are included in profit or loss as from the date the Company acquires control through the date the Company ceases to control the subsidiary.

When the Company loses control over a subsidiary, the gain or loss on disposal is calculated by the difference between: (i) the sum of the fair value of consideration received and the fair value of the residual interest; and (ii) the previous carrying amount of the assets (including goodwill), less the subsidiary's liabilities and noncontrolling interests.

The table below lists the subsidiaries included in the consolidated interim financial information:

Company	Country	Equity interest	
		2025	2024
<b>Taurus Armas S.A.</b>	<b>Brazil</b>		
Taurus Holdings, Inc. (**)	United States	100.00%	100.00%
Taurus Máquinas-Ferramenta Ltda.	Brazil	100.00%	100.00%
T. Investments Co. Inc.	Panama	100.00%	100.00%
AMTT Taurus Comercio Varejista Ltda.	Brazil	100.00%	100.00%
<b>Polimetal Metalurgia e Plásticos Ltda.</b>	<b>Brazil</b>	100.00%	100.00%
Taurus Helmets Indústria de Capacetes Ltda. (*)	Brazil	100.00%	100.00%
Taurus Investimentos Imobiliários Ltda. (*)	Brazil	100.00%	100.00%

(\*) The equity interests above represent the percentage rate held by the Company, both directly and indirectly, in the subsidiaries' capital.

(\*\*) Taurus Holdings, Inc. holds a 100% interest in the subsidiaries Taurus International Manufacturing, Inc, Heritage Manufacturing, Inc. and Braztech International, L.C., Inc.

All intragroup transactions, balances, revenue and expenses, and cash flows are eliminated on consolidation. The consolidation of balance sheet and statement of profit or loss line items is based on their nature, supplemented by the elimination of the following:

- Parent's interests in intragroup capital, reserves, and retained earnings (accumulated losses);
- Intragroup balances of assets and liabilities;
- Balances of revenues and expense, and cash flows arising from intragroup transactions; and
- Unrealized gains arising from transactions with investees recognized by the equity method proportionally to the Company's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment of the asset.

**2.3. Investments in joint ventures**

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The profit or loss, assets and liabilities of joint ventures are reported in this interim financial information under the equity method of accounting.

**2.4. Functional and presentation currency**

The interim financial information is stated in Brazilian reais (R\$), which is the functional and presentation currency of the Company and its subsidiaries headquartered in Brazil, as it is the currency of the main economic environment in which the Company operates and which generates cash inflows and outflows. The functional currency of subsidiary Taurus Holdings, Inc., headquartered in the United States of America, and of subsidiary T. Investments Co. Inc., headquartered in Panama, is the US dollar, and their assets and liabilities are translated into Brazilian reais based on the exchange rate at the balance sheet date and their profit or loss are translated based on the monthly average exchange rate, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates on the transaction date are used. Exchange differences arising from the translation process of the foreign subsidiary are recognized in other comprehensive income and recognized in equity.

Foreign currency-denominated transactions are translated into the Company's functional currency at the exchange rates prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting periods are retranslated into the functional currency at the rates prevailing on that date. All differences are recognized in the statement of profit or loss. Nonmonetary items measured at historical cost in a foreign currency are not retranslated.

**3. Critical accounting judgments and key sources of estimation uncertainty**

The preparation of the Company's individual and consolidated interim financial information requires Management to make judgments, use estimates and adopt assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, including contingent liabilities. Uncertainty relating to these judgments, assumptions and estimates could lead to results that require a significant adjustment to the carrying amount of certain assets and liabilities in future periods.

Such judgments, estimates and assumptions are reviewed at each reporting period.

There was no change in relation to these calculation methods when compared to the previous reporting period. In view of this, as permitted by IAS 34/CPC 21 (R1) – Interim Financial Reporting, Management elected not to disclose again in detail the critical accounting judgments, estimates and assumptions adopted by the Company. Therefore, this individual and consolidated interim financial information should be read in conjunction with the individual and consolidated annual financial statements for the year ended December 31, 2024.

**4. Significant accounting policies**

The interim financial information aims to provide an update based on the latest full annual financial statements previously disclosed to the market. Therefore, it focuses on new activities, events and circumstances and does not duplicate previously disclosed information, except when Management deems it relevant to maintain certain information.

The accounting policies and calculation methods adopted to prepare this interim financial information are consistent with the accounting policies and calculation methods adopted to prepare the annual financial statements for the year ended December 31, 2024 (note 3).

As permitted by IAS 34/CPC 21 (R1) – Interim Financial Reporting, Management elected not to disclose again in detail the accounting policies adopted by the Company. Therefore, this interim financial information should be read in conjunction with the annual financial statements for the year ended December 31, 2024, in order to allow users a better understanding of the Company's financial and liquidity conditions and its ability to generate profits and cash flows.

The relevant standards and interpretations issued by the IASB that became effective on January 1, 2025, presented in the financial statements for the year ended December 31, 2024, did not impact this interim financial information. The other revisions of standards and interpretations issued by the IASB are being monitored by the Company.

## **5. Financial risk management**

The Company's risk management policies are set out to identify and analyze the risks faced by the Company, set limits and appropriate controls, and monitor risks and compliance with limits. The risk management policies and systems are regularly reviewed to reflect changes in the market conditions and the Company's activities. The Company is exposed to the following risks arising from the use of financial instruments:

### **5.1 Credit risk**

Credit risk is the risk of the Company incurring financial losses if a customer or a counterparty to a financial instrument fails to perform its contractual obligations, which arises mainly from trade receivables and investment securities. With respect to financial institutions, the Company and its subsidiaries only conduct transactions with financial institutions approved by Management.

#### **Trade and other receivables**

The Company and its subsidiaries adopt the procedure of analyzing the financial position of its counterparties, set credit limits, and constantly monitor the outstanding positions. In respect of the Company's revenue, sales are concentrated on related parties Taurus International and Companhia Brasileira de Cartuchos – CBC, and there is no credit risk concentration on other customers.

Credit approvals are individually analyzed before customary payment and delivery terms and conditions are offered. Such analysis includes external assessments and, in certain cases, bank references. Purchase limits are set for each customer, which represent the maximum outstanding amount without requiring credit approval; these limits are periodically reviewed. Customers that failed to comply with the credit limit set by the Company can only operate if receivables are settled. For public bodies, the Company's Management individually assesses the payment capacity and bidding requirements for making a sale. The Company does not have any customer that individually represents more than 5% of Company sales, except with its related parties.

In monitoring the credit risk, customers are grouped according to their credit characteristics, including whether they are individuals or legal entities, retailers or public bodies, based on their geographic location, industry, and previous financial problems.

With regard to sales to individuals, the Company is able to receive in advance part of the sales amount upon purchase intention, and the product is only billed and delivered if there is no default.

### **Exposure to credit risks**

As at March 31, 2025, the maximum credit risk exposure was as follows:

	<b>03-31-2025</b>	<b>Consolidated 12-31-2024</b>	<b>03-31-2025</b>	<b>Parent 12-31-2024</b>
<b>Amortized cost</b>				
Cash and cash equivalents	<b>59,042</b>	112,614	<b>56,540</b>	102,739
Trade receivables	<b>337,475</b>	297,108	<b>141,172</b>	164,704
Short-term investments and restricted account	<b>151,352</b>	177,237	<b>107,011</b>	136,794
Other receivables	<b>19,647</b>	20,941	<b>59,649</b>	55,368
<b>Total</b>	<b>567,516</b>	607,900	<b>364,372</b>	459,605

The balances of trade receivables above are disclosed taking into account the expected credit losses (see note 9).

The maximum credit risk exposure for trade receivables per geographic region was as follows:

	<b>03-31-2025</b>	<b>Consolidated 12-31-2024</b>	<b>03-31-2025</b>	<b>Parent 12-31-2024</b>
Domestic – trade receivables	<b>94,658</b>	108,334	<b>71,025</b>	83,050
United States – trade receivables	<b>235,351</b>	178,295	<b>52,510</b>	61,595
Other	<b>32,162</b>	34,523	<b>31,537</b>	33,898
<b>Total</b>	<b>362,171</b>	321,152	<b>155,072</b>	178,543

The maximum credit risk exposure on the balance sheet date per type of counterparty was as follows:

	<b>03-31-2025</b>	<b>Consolidated 12-31-2024</b>	<b>03-31-2025</b>	<b>Parent 12-31-2024</b>
Trade receivables – public bodies	<b>10,272</b>	13,801	<b>10,199</b>	13,801
Trade receivables – distributors	<b>266,294</b>	214,936	<b>83,570</b>	98,408
Final customers	<b>85,605</b>	92,415	<b>61,303</b>	66,334
<b>Total</b>	<b>362,171</b>	321,152	<b>155,072</b>	178,543

The balances of trade receivables above are disclosed without taking into account the expected credit losses (see note 9).

### **Allowance for expected credit losses**

In conformity with technical pronouncement CPC 48/IFRS 9 - Financial Instruments, the allowance for expected credit losses takes into consideration an internal risk rating indicator, which observes the customer behavior and the macroeconomic context uncertainties.

As at March 31, 2025, the aging list of trade receivables and the allowance for expected credit losses are as follows:

	03-31-2025			Consolidated 12-31-2024		
	Portfolio	Allowance	Coverage	Portfolio	Allowance	Coverage
Current	278,146	(4,965)	1.8%	210,153	(4,211)	2.0%
0-30 days past due	14,137	(668)	4.7%	33,023	(920)	2.8%
31-60 days past due	6,190	(380)	6.1%	31,330	(1,133)	3.6%
61-90 days past due	6,007	(182)	3.0%	17,648	(216)	1.2%
91-180 days past due	32,638	(1,520)	4.7%	3,120	(388)	12.4%
181-360 days past due	3,629	(631)	17.4%	3,939	(895)	22.7%
Over one year past due	21,424	(16,350)	76.3%	21,940	(16,281)	74.2%
Total	362,171	(24,696)		321,152	(24,044)	

	03-31-2025			Parent 12-31-2024		
	Portfolio	Allowance	Coverage	Portfolio	Allowance	Coverage
Current	56,356	(2,856)	5.1%	68,710	(2,898)	4.2%
0-30 days past due	52,205	(570)	1.1%	64,868	(754)	1.2%
31-60 days past due	2,988	(337)	11.3%	13,785	(945)	6.9%
61-90 days past due	2,389	(143)	6.0%	15,235	(183)	1.2%
91-180 days past due	27,993	(1,459)	5.2%	1,665	(357)	21.4%
181-360 days past due	2,139	(597)	27.9%	2,879	(884)	30.7%
Over one year past due	11,002	(7,938)	72.2%	11,401	(7,818)	68.6%
Total	155,072	(13,900)		178,543	(13,839)	

## 5.2 Liquidity risk

Liquidity risk is the risk related to the Company's difficulty to perform its obligations associated with its financial liabilities, which are settled in cash or using another financial asset.

Contractual maturities of financial liabilities, including payment of estimated interest, are as follows:

	Consolidated 03-31-2025					
	Carrying amount	Contractual cash flow	Up to 1 year	1-2 years	2-5 years	Over 5 years
<b>Non-derivative financial liabilities</b>						
Trade payables	123,863	128,754	119,862	4,681	4,211	-
Borrowings and financing	281,616	359,400	18,228	170,430	62,515	108,227
Foreign currency advances	464,660	504,728	504,728	-	-	-
	<b>870,139</b>	<b>992,882</b>	<b>642,818</b>	<b>175,111</b>	<b>66,726</b>	<b>108,227</b>

	Parent 03-31-2025					
	Carrying amount	Contractual cash flow	Up to 1 year	1-2 years	2-5 years	Over 5 years
<b>Non-derivative financial liabilities</b>						
Trade payables	68,561	73,452	64,560	4,681	4,211	-
Borrowings and financing	153,450	217,084	10,009	36,333	62,515	108,227
Foreign currency advances	464,660	504,728	504,728	-	-	-
	<b>686,671</b>	<b>795,264</b>	<b>579,297</b>	<b>41,014</b>	<b>66,726</b>	<b>108,227</b>



### 5.3 Market risk

Market risk is the risk that changes in market prices, such as exchange and interest rates, impact the Company's and its subsidiaries' profit or loss or the amount of their shares in financial instruments. The purpose of market risk management is to manage and control market risk exposures, within acceptable parameters, while maximizing return.

The Company and its subsidiaries manage market risks in accordance with guidelines established by Management.

#### (i) Currency (foreign exchange) risk

The Company and its subsidiaries are subject to currency risk on sales, purchases and borrowings denominated in a currency other than the respective functional currencies of the Company's entities.

#### Sensitivity analysis of exchange rates

As at March 31, 2025, the Company is mainly exposed to fluctuations between the Brazilian real and the US dollar. The net exposure and sensitivity analysis related to the monetary items recorded in foreign currency are shown below.

This analysis considers a 25% and 50% variation in the projected future quotation of the currencies on the maturity date of the instruments, as disclosed by the Focus bulletin from the Central Bank. Such variations represent Management's assessment of the reasonably possible change in the projected exchange rate.

Currencies and indices		Projected rate	Variation by +/- 25%	Variation by +/- 50%
US dollar	Decrease	5.9200	4.4400	2.9600
US dollar	Increase	5.9200	7.4000	8.8800

		Consolidated	
		Variation by	Variation by
		+/- 25% - in R\$	+/- 50% - in R\$
<b>Asset – US dollar depreciation</b>			
Trade receivables	US dollar - US\$	46,587	(68,949)
			(137,898)
<b>Liability – US dollar appreciation -</b>			
Borrowings and financing	US dollar - US\$	(22,320)	(33,034)
Trade payables	US dollar -US\$	(8,365)	(12,381)
Foreign currency advances	US dollar -US\$	(80,920)	(119,762)
			(239,524)
Liability net exposure (R\$)	<b>US dollar - US\$</b>	<b>(65,018)</b>	<b>(96,227)</b>
			<b>(192,454)</b>

		Parent	
		Variation by	Variation by
		+/- 25% - in R\$	+/- 50% - in R\$
<b>Asset – US dollar depreciation</b>			
Trade receivables	US dollar - US\$	14,637	(21,662)
			(43,325)
<b>Liability – US dollar appreciation</b>			
Borrowings and financing	US dollar - US\$	-	-
Trade payables	US dollar -US\$	(1,806)	(2,672)
Foreign currency advances	US dollar -US\$	(80,920)	(119,762)
			(239,524)
Liability net exposure (R\$)	<b>US dollar -US\$</b>	<b>(68,089)</b>	<b>(100,772)</b>
			<b>(201,544)</b>

The Company does not have outstanding derivative transactions as at March 31, 2025.

(ii) Interest rate risk

The Company is subject to the interest rate risk, which refers to the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to the risk of fluctuations in market interest rates mainly arises from its short- and long-term payables subject to floating interest rates, mainly the CDI.

Sensitivity analysis of interest rate

The Company's profit or loss is susceptible to changes in the interest rates levied on short-term investments, borrowings and financing at floating interest rates, mainly pegged to CDI rate.

The sensitivity analysis related to the financial items subject to variable interest as at March 31, 2025 is shown below. This analysis considers a 25% and 50% variation in the interest rate prevailing at the end of the period. Such variations represent Management's assessment of the reasonably possible change in the interest rate.

Index	Index as at 03-31-2025	Variation by +/- 25%	Variation by +/- 50%
CDI - decrease	14.15%	10.61%	7.08%
CDI - increase	14.15%	17.69%	21.23%
TJLP - increase	7.97%	9.96%	11.96%
SOFR day - increase	4.42%	5.52%	6.62%
6-month SOFR – decrease	4.98%	3.73%	2.49%
SELIC - increase	14.25%	17.81%	21.38%

		Consolidated Gain (loss)		
Index	Balance 03-31-2025	Variation by +/- 25%	Variation by +/- 50%	
Assets				
Short-term investments	CDI - decrease	201,129	(7,120)	(14,220)
Liabilities				
Borrowings	TJLP - increase	(153,450)	(3,054)	(6,123)
Borrowings	SOFR day - increase	(128,166)	(1,414)	(2,824)

		Parent Gain (loss)		
Index	Balance 03-31-2025	Variation by +/- 25%	Variation by +/- 50%	
Assets				
Short-term investments	CDI - decrease	154,209	(5,459)	(10,903)
Intragroup loans	CDI - decrease	32,142	(1,138)	(2,272)
Intragroup loans - abroad	6-month SOFR – decrease	16,386	(204)	(407)
Liabilities				
Intragroup borrowings	CDI - increase	(2,204)	(78)	(156)
Borrowings	TJLP - increase	(153,450)	(3,054)	(6,123)

(iii) Capital management

The Company's Management policy is to maintain a capital base by monitoring the returns on capital, according to the position below:

	Consolidated	
	03-31-2025	12-31-2024
Total borrowings and financing	746,276	747,538
Less: Cash and cash equivalents and short-term investments	(210,394)	(289,851)
Net debt (A)	535,882	457,687
Total equity (B)	1,268,179	1,294,361
Net debt-to-equity ratio as at March 31, 2025 and December 31, 2024 (A/B)	0.42	0.35

## 6. Operating segments

The information reported to the Company's CEO (the chief operating decision maker) to allocate resources and assess the performance of the operating segments focuses on the Company's product category. The Company has three segments. Two of the segments are reportable, represented by strategic business units managed separately, as they differ based on the offer of products and services, technologies and marketing strategies. The other operations are aggregated in segment "Other", as they are not classified within the quantity limits for separate reporting, as prescribed by IFRS 8/CPC 22 - Operating Segments. The operations in each one of the Company's reportable segments can be summarized as follows:

**Firearms & Accessories** – The firearm production process, as it refers to a predominantly metallurgy industry, uses the following basic stages: machining (using premolds machined and shaped through machining centers, millers, drills and broaching machines, as the entire shaping process and some machining operations are outsourced), MIM - Metal Injection Molding (metal injected parts), finishing (basically polishing), thermal treatment, surface treatment, final assembly, functional test, engraving and packaging; these operations are conducted by Taurus Armas S.A., Taurus Holdings, Inc. and their subsidiaries. The Taurus JM joint venture (former Taurus Plásticos Ltda.) was established to manufacture magazines for the firearms manufactured by the Company.

**Helmets** – The helmet production process uses the following stages: injection (using ABS - Acrylonitrile Butadiene Styrene), coating and finishing (using injected parts, through manual and automated coating process), sewing (using fabrics, foam and polycarbonate sheets, through cutting, sewing and button sewing machines), and final assembly; these operations are conducted by Taurus Helmets Ltda. (former Taurus Blindagens Ltda.).

**Other** – Metal injected parts resulting from the MIM (Metal Injection Molding) segment for third parties (Polimetallurgia e Plásticos Ltda.). It also includes expenses on technical support and finance costs on the machinery operation, which was discontinued in June 2012, and other operations such as manufacturing and sale of glasses and provision of services. These operations were aggregated as they are not classified within the quantity limits for separate reporting as reportable segment.

Each segment performance is assessed on a quarterly basis based on the segment profit before income tax and social contribution, as included in internal reports, since the Company's Management believes that such information is more significant in assessing the profit or loss from certain segments related to other entities that operate in these industries.

The reconciliation of revenue, profit and loss, assets and liabilities and other material components of reportable segments is disclosed below:

# Taurus Armas S.A.

Interim Financial Information as at March 31, 2025

	Firearms & Accessories		Helmets		Other		Total	
	03-31-2025	03-31-2024	03-31-2025	03-31-2024	03-31-2025	03-31-2024	03-31-2025	03-31-2024
Foreign revenue	311,216	417,997	35,848	26,877	2,030	3,992	349,094	448,866
Cost of sales	(211,170)	(283,767)	(22,103)	(16,594)	(2,914)	(3,093)	(236,187)	(303,454)
Gross profit (loss)	100,046	134,230	13,745	10,283	(884)	899	112,907	145,412
Selling expenses	(45,032)	(48,756)	(7,073)	(5,680)	(433)	(489)	(52,538)	(54,925)
General and administrative expenses	(57,086)	(33,685)	(3,915)	(1,921)	(1,083)	(621)	(62,084)	(36,227)
Depreciation and amortization	(5,451)	(3,977)	(121)	(106)	(832)	(818)	(6,404)	(4,901)
Other operating income (expenses), net	2,708	6,121	(846)	(582)	699	746	2,561	6,285
Equity in earnings (losses)	656	(181)	-	-	381	(5)	1,037	(186)
	(104,205)	(80,478)	(11,955)	(8,289)	(1,268)	(1,187)	(117,428)	(89,954)
Operating profit (loss)	(4,159)	53,752	1,790	1,994	(2,152)	(288)	(4,521)	55,458
Finance income	57,224	11,168	1,854	1,245	130	95	59,208	12,508
Finance costs	(38,097)	(37,951)	(146)	(266)	(357)	(336)	(38,600)	(38,553)
Finance income (costs), net	19,127	(26,783)	1,708	979	(227)	(241)	20,608	(26,045)
Profit (loss) from the reportable segment before income tax and social contribution	14,968	26,969	3,498	2,973	(2,379)	(529)	16,087	29,413
Income tax and social contribution	3,676	(9,636)	(853)	(525)	(283)	(309)	2,540	(10,470)
Profit (loss) for the period	18,644	17,333	2,645	2,448	(2,662)	(838)	18,627	18,943
Assets from reportable segments	2,134,139	1,811,768	116,829	100,370	286,381	264,050	2,537,349	2,176,188
Liabilities from reportable segments	1,213,593	997,980	27,642	23,151	27,935	27,052	1,269,170	1,048,183

Geographic information

The information on net revenue below is based on the customer geographic location.

	Firearms & Accessories		Helmets	
	03-31-2025	03-31-2024	03-31-2025	03-31-2024
<b>Domestic market</b>				
Southeast Region	10,811	19,685	10,964	9,060
South Region	11,794	2,074	2,939	1,348
Northeast Region	3,042	2,577	11,188	7,099
Midwest Region	1,662	196	6,022	5,682
North Region	823	511	4,735	3,688
	<b>28,132</b>	<b>25,043</b>	<b>35,848</b>	<b>26,877</b>
<b>Foreign market</b>				
United States	262,146	361,334	-	-
South Africa	5,596	2,688	-	-
Germany	365	-	-	-
Saudi Arabia	1,259	378	-	-
Argentina	1,727	587	-	-
Chad	900	-	-	-
El Salvador	-	268	-	-
Ecuador	2,374	783	-	-
Philippines	-	2,797	-	-
Ghana	-	2,317	-	-
Guatemala	5,327	3,332	-	-
Haiti	-	3,898	-	-
Honduras	-	4,473	-	-
India	168	673	-	-
Israel	-	661	-	-
Jordan	196	-	-	-
North Macedonia	287	-	-	-
Mexico	-	3,484	-	-
Netherlands	194	-	-	-
Pakistan	712	2,528	-	-
Peru	1,227	1,853	-	-
Czech Republic	278	-	-	-
Uruguay	-	511	-	-
Other countries	328	389	-	-
	<b>283,084</b>	<b>392,954</b>	<b>-</b>	<b>-</b>
<b>Total net revenue</b>	<b>311,216</b>	<b>417,997</b>	<b>35,848</b>	<b>26,877</b>

The sales of the Company's other segments are concentrated on the domestic market and spread throughout all Brazilian regions. The Company's and its subsidiaries' sales do not show high level of concentration that can characterize significant dependence on governmental bodies or any other customer, except for the Related Parties, as described in note 25. As at March 31, 2025, approximately 84.23% of consolidated revenues of the firearms segment derive from the US civilian market (86.44% as at March 31, 2024) and are subject to US regulations.

## 7. Cash and cash equivalents

Cash and cash equivalents comprise cash and highly liquid short-term investments, that is, redeemable within up to three months from the investment date, without any penalties for the Company, and subject to an insignificant risk of change in market value.

	Consolidated		Parent	
	03-31-2025	12-31-2024	03-31-2025	12-31-2024
Cash	67	73	41	58
Unsettled exchange bills (*)	8,024	37,977	7,987	37,940
Demand deposits	1,174	9,080	1,314	7,081
Short-term investments	49,777	65,484	47,198	57,660
<b>Cash and cash equivalents</b>	<b>59,042</b>	<b>112,614</b>	<b>56,540</b>	<b>102,739</b>

(\*) The Company receives, as settlement for foreign currency-denominated trade receivables, payment orders for which it can, according to its cash requirement and for purposes of better use of the exchange rate, carry out the foreign exchange closing and receive Brazilian reais in its cash.

Highly liquid short-term investments refer to automatic investments yielding interest ranging between 88.5% and 97% of CDI.

## 8. Short-term investments

Non-liquid short-term investments refer to investments in Bank Certificates of Deposit (CDBs) that are not readily convertible into cash, considering the transaction date. The classification of short-term investments depends on the purpose for which the investment was acquired and are measured at amortized cost, according to their category. When applicable, costs directly attributable to the acquisition of a financial asset are added to the originally recognized amount.

	Interest rate	Consolidated		Parent	
		03-31-2025	12-31-2024	03-31-2025	12-31-2024
Bank certificates of deposit (CDBs)	99% to 106% of CDI	151,352	177,237	107,011	136,794
<b>Total</b>		<b>151,352</b>	<b>177,237</b>	<b>107,011</b>	<b>136,794</b>
Current		151,352	177,237	107,011	136,794

## 9. Trade receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost less estimated expected losses.

The allowance for expected credit loss was recognized in an amount considered sufficient by Management to cover probable losses on the realization of receivables.

	Consolidated		Parent	
	03-31-2025	12-31-2024	03-31-2025	12-31-2024
Domestic customers	94,657	108,333	71,024	83,049
Foreign customers	267,514	212,819	84,048	95,494
	<b>362,171</b>	<b>321,152</b>	<b>155,072</b>	<b>178,543</b>
Allowance for expected credit loss – domestic receivables	(10,105)	(9,921)	(2,362)	(2,199)
Allowance for expected credit loss – foreign receivables	(14,591)	(14,123)	(11,538)	(11,640)
	<b>(24,696)</b>	<b>(24,044)</b>	<b>(13,900)</b>	<b>(13,839)</b>
	<b>337,475</b>	<b>297,108</b>	<b>141,172</b>	<b>164,704</b>

The Company's exposure to credit and currency risks and impairment losses related to trade and other receivables, including the aging list of trade receivables, are disclosed in note 5. The variations in the allowance for expected credit losses are as follows:

	<b>Consolidated</b>	<b>Parent</b>
<b>Balance as at December 31, 2024</b>	<b>(24,044)</b>	<b>(13,839)</b>
Additions	(2,833)	(1,082)
Reversal of allowance for expected credit losses	1,380	352
Exchange rate changes	801	669
<b>Balance as at March 31, 2025</b>	<b>(24,696)</b>	<b>(13,900)</b>

## 10. Inventories

Inventories are stated at the lower of cost and net realizable value. The cost of inventories is based on the weighted average principle and includes expenses incurred on the acquisition of inventories, production and transformation costs (based on regular operational capacity) and other costs incurred to bring them to their locations and existing conditions.

The allowance for inventory losses is recorded for slow-moving products and for products which sales price is below production cost.

	<b>Consolidated</b>		<b>Parent</b>	
	<b>03-31-2025</b>	<b>12-31-2024</b>	<b>03-31-2025</b>	<b>12-31-2024</b>
Finished products	475,187	500,697	66,906	43,749
Raw material	269,741	272,023	208,945	203,187
Work in process	-	1,752	-	-
Inventory advances	18,333	15,941	17,975	15,617
Allowance for inventory losses	(12,149)	(11,132)	(4,018)	(2,739)
	<b>751,112</b>	<b>779,281</b>	<b>289,808</b>	<b>259,814</b>

### Variation in the allowance for inventory losses

	<b>Consolidated</b>	<b>Parent</b>
Balance as at December 31, 2024	(11,132)	(2,739)
Addition	(1,593)	(1,279)
Exchange rate changes	576	-
Balance as at March 31, 2025	<b>(12,149)</b>	<b>(4,018)</b>

## 11. Recoverable taxes

	<b>Consolidated</b>		<b>Parent</b>	
	<b>03-31-2025</b>	<b>12-31-2024</b>	<b>03-31-2025</b>	<b>12-31-2024</b>
State VAT (ICMS)	38,246	36,433	37,046	35,203
Federal VAT (IPI)	58,183	56,654	57,518	56,037
Tax on revenue (PIS)	2,474	2,015	2,217	1,806
Tax on revenue (COFINS)	10,561	8,562	9,387	7,605
Income tax and social contribution	22,296	21,154	5,357	6,600
Other	1,004	1,002	339	340
<b>Total</b>	<b>132,764</b>	<b>125,820</b>	<b>111,864</b>	<b>107,591</b>
Current	110,707	104,480	90,500	86,883
Noncurrent	22,057	21,340	21,364	20,708

In 2024, the Company recognized IPI credits in the amount of R\$55 million, of which R\$41 million related to principal and R\$14 million to inflation adjustment. The credit is derived from IPI on freight expenses not highlighted in the invoice paid during the period from 2018 to 2024, which were recorded after the request for authorization of credit was granted based on the final court decision in 2024.

## 12. Other assets

	Consolidated		Parent	
	03-31-2025	12-31-2024	03-31-2025	12-31-2024
Advances to suppliers	12,101	9,975	2,085	3,076
Advances to employees	2,296	5,500	1,174	4,831
Advances for foreign bids	5,518	5,518	5,518	5,518
Escrow deposits (note 22)	62,269	62,451	61,098	61,175
Intragroup loans	19,126	20,112	59,128	54,539
Other receivables	4,100	5,163	2,083	2,962
<b>Total</b>	<b>105,410</b>	<b>108,719</b>	<b>131,086</b>	<b>132,101</b>
Current	25,579	27,738	21,363	25,569
Noncurrent	79,831	80,981	109,723	106,532

Breakdown current and noncurrent	Consolidated		Parent	
	03-31-2025	12-31-2024	03-31-2025	12-31-2024
Due from other related parties - current	-	-	10,600	9,255
Other receivables - current	25,579	27,738	10,763	16,314
Due from other related parties - noncurrent	16,386	17,210	48,528	45,284
Other receivables - noncurrent	63,445	63,771	61,195	61,248
<b>Total</b>	<b>105,410</b>	<b>108,719</b>	<b>131,086</b>	<b>132,101</b>

## 13. Current and deferred income tax and social contribution

Current and deferred income tax and social contribution for the year are calculated at the statutory rate of 34%, of which 15%, plus a 10% surtax on taxable income exceeding R\$240 for income tax, and 9% on taxable income for social contribution. The limit of income tax loss and social contribution loss is 30% of annual taxable income.

For companies calculating income tax and social contribution based on deemed income, the same rates above are used, but assuming a gross revenue at 32%. The foreign subsidiaries are subject to an income tax rate of 21% in the United States and 25% in Panama, levied on taxable income, pursuant to the tax laws prevailing in each country.

Deferred income tax and social contribution were fully recognized, considering the permissions and requirements of technical pronouncement CPC 32 - Income Taxes (IAS 12) on the differences between assets and liabilities recognized for tax purposes and their corresponding amounts recognized in the individual and consolidated interim financial information. Deferred income tax and social contribution are determined based on the tax rates and tax laws in effect at the date the interim financial information is prepared.



## a) Breakdown of impacts on deferred tax assets and liabilities

	Consolidated		Parent	
	03-31-2025	12-31-2024	03-31-2025	12-31-2024
<b>On income tax and social contribution losses</b>				
Income tax loss	8,434	8,434	-	-
Social contribution loss	3,036	3,036	-	-
<b>On temporary differences - assets</b>				
Impairment of fixed asset	771	771	-	-
Other allowances, provisions and accruals	21,357	21,909	1,899	912
Realization of revaluation reserve	1,911	1,910	614	613
Allowance for inventory losses	2,947	2,624	1,366	931
Accrued profit sharing	8,434	7,305	5,424	4,103
Accrued commissions	1,880	1,686	1,590	1,381
Provision for civil, labor and tax risks	17,512	17,157	16,896	16,629
Provision for warranty	2,041	2,067	1,702	1,702
Provision for uncollectible receivables	6,211	6,243	5,823	5,837
Financial provisions	905	905	905	905
Tax provisions	7,045	7,371	5,987	6,314
Unrealized profit with related parties	26,668	29,370	-	-
<b>Total deferred assets</b>	<b>109,152</b>	<b>110,788</b>	<b>42,206</b>	<b>39,327</b>
<b>On temporary differences - liabilities</b>				
Goodwill on expected future earnings	(15,036)	(16,214)	-	-
Fair value of investment property	(10,263)	(10,263)	-	-
Other allowances, provisions and accruals	(10,194)	(10,993)	-	-
<b>Total deferred liabilities</b>	<b>(35,493)</b>	<b>(37,470)</b>	<b>-</b>	<b>-</b>
<b>Deferred assets, net</b>	<b>73,659</b>	<b>73,318</b>	<b>42,206</b>	<b>39,327</b>
<b>Deferred asset balances</b>	<b>84,777</b>	<b>84,503</b>	<b>42,206</b>	<b>39,327</b>
<b>Deferred liability balances</b>	<b>(11,118)</b>	<b>(11,185)</b>	<b>-</b>	<b>-</b>
<b>Deferred assets, net</b>	<b>73,659</b>	<b>73,318</b>	<b>42,206</b>	<b>39,327</b>

Current and deferred taxes are recognized in profit or loss unless they are related to business combination, items recognized directly in equity or in other comprehensive income.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for accounting purposes and the corresponding tax bases used for taxation purposes. A deferred income tax and social contribution asset is recognized by unutilized tax losses, tax credits and deductible temporary difference when it is probable that future income subject to taxation will be available and against which they will be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes imposed by the same tax authority on the same entity subject to taxation.

Deferred income tax and social contribution assets are reviewed at the end of each reporting period and reduced to the extent that their realization is no longer probable or, otherwise recognized to the extent their realization is probable.

## b) Variation in deferred taxes

	Consolidated	Parent
Opening balance of deferred taxes, net	73,318	39,327
Allocated to profit or loss	274	2,879
Translation adjustments into the presentation currency	67	-
<b>Closing balance of deferred taxes, net</b>	<b>73,659</b>	<b>42,206</b>

The amount of income tax and social contribution losses on which no deferred taxes are recognized total R\$279.7 million in consolidated, which correspond to the portion of these amounts in the Company's subsidiaries for which it is not probable that future taxable income will be available for offset (Polimetal e Taurus Máquinas).

With respect to the constitution of tax credits on income tax and social contribution losses, projections that demonstrate the realization of the tax credit on the tax loss bases generated by the Company have been prepared by a specialized consulting company and supported by the best understanding based on Management's expectations.

The projections of future taxable income include estimates related to the performance of the economy and the Brazilian and foreign markets, selection of exchange rates, sales volume, sales price, tax rates, among others, which may differ from actual data and amounts. As the income tax and social contribution income (expenses) derives not only from taxable income, but also from the tax and corporate structure of the Company and its subsidiaries in Brazil and abroad, the expected realization of temporarily non-deductible differences, the existence of non-taxable income, non-deductible expenses and several other variables, there is no direct correlation between the Company's and its subsidiaries' profit and the income tax and social contribution income (expenses).

As at March 31, 2025, the expected tax loss realization for deferred income tax and social contribution, recorded in noncurrent assets in the consolidated (the balance of income tax and social contribution loss was fully utilized), is as follows:

	Income tax loss	Social contribution loss	Deferred income tax	Deferred social contribution	Consolidated Total deferred taxes
Balance recognized as at 03/31/2024	33,738	33,738	8,434	3,036	11,470
in 2025	-	-	-	-	-
in 2026	-	-	-	-	-
in 2027	(2,193)	(2,193)	(548)	(197)	(745)
in 2028	(4,061)	(4,061)	(1,015)	(365)	(1,380)
in 2029	(4,196)	(4,196)	(1,049)	(378)	(1,427)
From 2030 to 2034	(23,288)	(23,288)	(5,822)	(2,096)	(7,918)

The main balances of income tax and social contribution losses are recognized in subsidiaries Polimetal, Taurus International Manufacturing and Taurus Helmets.

## c) Reconciliation of the effective rate of income tax and social contribution

	Consolidated		Parent	
	03-31-2025	03-31-2024	03-31-2025	03-31-2024
<b>Pretax profit</b>	16,087	29,413	14,221	21,342
Income tax and social contribution at combined tax rates	(5,470)	(10,000)	(4,835)	(7,256)
<b>Permanent additions</b>				
Non-deductible expenses	(948)	(1,404)	(946)	(1,402)
Insurance – Statutory and CLT officers	(6)	-	(6)	-
Share of profit (loss) of subsidiaries	353	(63)	(11,216)	(1,197)
Donations/sponsorship	(151)	(96)	(134)	(84)
<b>Permanent deductions</b>				
Reintegra	42	40	42	40
Interest on tax unduly paid	1,681	138	1,673	138
Share of profit (loss) of subsidiaries	-	-	5,706	7,805
Share-based payment plan	370	-	370	-
Deferred - Corporate restructuring	-	22	-	(443)
Deferred tax not constituted on tax loss and negative CSLL basis	-	(11,050)	-	-
Difference of tax rate of subsidiaries	(6,371)	1,236	-	-
Current and deferred income tax and social contribution from prior years	13,529	-	13,529	-
Other (additions)/deductions	(489)	13	223	-
<b>Income tax and social contribution in profit or loss for the period</b>	<b>2,540</b>	<b>(10,470)</b>	<b>4,406</b>	<b>(2,399)</b>
Current	2,266	(3,582)	1,525	-
Deferred	274	(6,888)	2,881	(2,399)
	<b>2,540</b>	<b>(10,470)</b>	<b>4,406</b>	<b>(2,399)</b>
Effective rate	-16%	36%	-31%	11%

The unrecognized portion of amounts of deferred tax assets is represented by tax losses and temporary differences not supported by expected future taxable income generation, as described below.

	<b>03-31-2025</b>				<b>Consolidated 03-31-2024</b>			
	<b>Basis</b>	<b>IRPJ - 25%</b>	<b>CSLL - 9%</b>	<b>Total</b>	<b>Basis</b>	<b>IRPJ - 25%</b>	<b>CSLL - 9%</b>	<b>Total</b>
<b>Temporary differences</b>								
Other allowances, provisions and accruals	-	-	-	-	30	8	3	11
Provision for uncollectible receivables	7,580	1,895	682	2,577	7,580	1,895	682	2,577
Allowance for loss on agreements receivable	69,849	17,462	6,286	23,748	69,849	17,462	6,286	23,748
Provision for civil, labor and tax risks	-	-	-	-	-	-	-	-
Provision for warranty	919	230	83	313	919	230	83	313
Loss on other receivables	5,114	1,279	460	1,739	5,114	1,279	460	1,739
<b>On income tax and social contribution losses</b>								
Income tax and social contribution losses	279,741	69,935	25,177	95,112	291,486	72,871	26,234	99,105
	<b>363,203</b>	<b>90,801</b>	<b>32,688</b>	<b>123,489</b>	<b>374,978</b>	<b>93,745</b>	<b>33,748</b>	<b>127,493</b>

## 14. Assets held for sale

Noncurrent assets or groups of noncurrent assets (including liabilities) held for sale are classified as “held for sale” if it is highly probable that they will be primarily recovered through sale instead of their continuing use. Such condition is considered met only when the sale is highly probable and the asset (or disposal group) are available for immediate sale “as is”. Management must be committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. The assets or group of assets held for sale are measured at the lower of their carrying amount recognized until then or fair value less selling expenses.

Any impairment loss of a group of assets held for sale is initially allocated to goodwill and then for the remaining assets and liabilities on a *pro rata* basis, except that no loss should be allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property, and biological assets, which continue to be measured pursuant to other Company accounting policies. Impairment losses determined on initial classification as held for sale or for distribution, and gains and losses from subsequent remeasurements are recognized in profit or loss.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortized or depreciated.

### Carrying amount reconciliation

<i>In thousands of reais</i>	<b>Consolidated</b>	
	<b>03-31-2025</b>	<b>12-31-2024</b>
Buildings, land and improvements – Taurus Blindagens Nordeste	7,000	7,000
<b>Total held-for-sale noncurrent assets</b>	<b>7,000</b>	<b>7,000</b>

### Held-for-sale asset – Helmets operation

On March 27, 2018, the Board of Directors unanimously authorized the offering of the Helmets business - consisting of the companies Taurus Helmets Indústria de Capacetes Ltda. (former Taurus Blindagens Ltda.) and Taurus Blindagens Nordeste Ltda.- to the market.

The Company continues to pursue the sale of its helmet operation located in Mandirituba, PR, Taurus Helmets Indústria de Helmets Ltda. Since the Company aims to obtain the return of the actual value of the business and this business remains in operation, the Company decided to return the consolidation of this operation as a going concern in its interim financial information since the first quarter of 2021. The Company’s Management decided that Taurus Helmets Indústria de Capacetes Ltda no longer meets the classification criteria in CPC 31 - Non-current Assets Held for Sale and Discontinued Operations (IFRS 5).

On November 30, 2023, Taurus Blindagens Nordeste Ltda. was merged into its direct parent, Taurus Helmets Indústria de Capacetes Ltda, as part of the internal restructuring conducted by the Company. As a result of this merger, part of the assets and liabilities previously held for sale in Taurus Blindagens Nordeste Ltda. started to be used in the operation of Taurus Helmets Indústria de Capacetes Ltda., and was no longer classified as held for sale.

As at March 31, 2025, the assets held for sale related to the helmet operation of Taurus Helmets Indústria de Capacetes Ltda. were presented as shown in the table and comprised the following amounts:

Property, plant and equipment/intangible assets	8,643
Impairment	(1,643)
<b>Assets held for sale</b>	<b>7,000</b>

## 15. Investments

								Parent	
	Jindal Defence Systems Private Limited	Taurus Holdings, Inc.	T. Investments Co. Inc.	CBC Taurus Arabia Holding, LLC.	Polimetal Metalurgia e Plásticos Ltda.	AMTT Taurus Comercio Varejista Ltda.	Taurus Máquinas-Ferramenta Ltda. (1)	03-31-2025	12-31-2024
Current assets	11,303	774,169	-	4,712	15,668	5,724	210		
Noncurrent assets	35,741	149,418	-	211	305,806	2,678	492		
Current liabilities	8,131	171,109	-	-	10,055	6,236	918		
Noncurrent liabilities	27,432	172,608	-	210	9,961	17	205		
Capital	6,620	1,865	63,164	7,941	291,956	4,896	293,638		
Equity	11,480	579,870	-	4,713	301,458	2,149	(421)		
Net revenue	4,212	262,146	-	959	995	884	-		
Profit (loss) for the period	1,157	(22,330)	-	181	682	(422)	(36)		
Number of shares	350,000	302,505	11,000,000	10,535	304,779,838	1,300,000	185,007,117		
Direct interest percentage (%)	49.00%	100.00%	100.00%	49.00%	100.00%	100.00%	100.00%		
Opening balances	5,439	593,231	-	2,387	300,777	1,372	-	903,206	756,996
Capital increase	-	-	-	-	-	-	-	-	3,596
Capital decrease	-	-	-	-	-	-	-	-	(2,197)
Share of profit (loss) of subsidiaries	567	(22,330)	-	89	682	(422)	(36)	(21,450)	9,884
Exchange rate variation on investments	(383)	(46,845)	-	(166)	-	-	-	(47,394)	143,933
Unrealized profit on inventories	-	5,274	-	-	-	(29)	-	5,245	(12,128)
Valuation adjustments to equity	-	-	-	-	-	-	-	-	5,304
Reclassified to provision for negative equity (1)	-	-	-	-	-	-	36	36	(2,182)
Closing balances	5,623	529,330	-	2,310	301,459	921	-	839,643	903,206

(1) The balance of investment of subsidiary Taurus Máquinas-Ferramenta Ltda. (R\$ 421) is presented in line item "Provision for negative equity" in noncurrent liabilities.

	Parent		Consolidated	
	Companhia Brasileira de Cartuchos Taurus Arábia Saudita, LLC.	Jindal Defense Systems Private Limited	Taurus JM Indústria de Peças	Total
Equity	4,713	11,480	8,011	
Interest percentage	49%	49%	51%	
Investment under the equity method	2,309	5,625	4,086	12,020
Profit for the period	181	1,157	747	
Share of profit (loss) of subsidiaries	89	567	381	1,037
<b>Variations</b>				
December 31, 2024	2,388	5,439	3,705	11,532
Share of profit (loss) of subsidiaries	89	567	381	1,037
Exchange rate variation on investments	(168)	(381)	-	(549)
<b>March 31, 2025</b>	<b>2,309</b>	<b>5,625</b>	<b>4,086</b>	<b>12,020</b>

Indirect interests in jointly-controlled entities classified as joint venture: share of profit (loss) of subsidiaries

**Taurus JM Indústria de Peças Ltda.**

The Company has within its structure a subsidiary called Polimetal Metalurgia e Plásticos Ltda., which in turn was the sole parent company of a dormant company called Taurus Plásticos Ltda.

Under the memorandum of understanding (MoU) dated May 28, 2020, the Company entered into a partnership with an automotive industry company to form a joint venture.

In order to establish this joint venture and streamline its operations, the Company, in an agreement with partner Joalmi Indústria Metalúrgica Ltda, decided to incorporate the operations of the joint venture into the corporate structure of Taurus Plásticos Ltda. The shares were valued considering the balance of the subscribed Capital as at November 30, 2020, divided by the number of shares resulting in a total of approximately R\$0.37 per share.

As a result, on March 11, 2021, the name of Taurus Plásticos Ltda was changed to Taurus JM Indústria de Peças Ltda. and the manufacture of parts for firearms was added to its core business description.

In this same transaction, Sicura Comércio e Produtos de Metal Ltda., which belongs to the group of partner Joalmi, entered in the company by paying in capital in the form of fixed capital valued at R\$2.2 million represented by the issue of 6,130,416 new shares with par value of approximately R\$0.37 per share, equivalent to 49% of the equity of Taurus JM Indústria de Peças Ltda.

Polimetal Metalurgia e Plásticos Ltda. kept a stake of 51%, represented by 6,355,413 shares with par value of approximately R\$0.37, paying in R\$2.4 million, thus establishing the joint venture that will manufacture gun chargers.

The former Taurus Plásticos Ltda., now called Taurus JM Indústria de Peças Ltda., is no longer consolidated in the Company's interim financial information since once designated as a joint venture, its profit or loss start to be recognized by the Company under the equity method of accounting, at a 51% proportion, as required by CPC 19 (R2)/IFRS 11 - Joint Arrangements.

The tables below show the balances of Taurus JM Indústria de Peças Ltda. as at March 31, 2025:

**TAURUS JM INDÚSTRIA DE PEÇAS LTDA.**  
**BALANCE SHEET AS AT MARCH 31, 2025**  
In thousands of reais

<b>Assets</b>		<b>Liabilities</b>	
<b>Current</b>		<b>Current</b>	
Cash and cash equivalents	83	Trade payables	15,310
Trade receivables	9,801	Payroll and related taxes	736
Inventories	1,281	Taxes, fees and contributions	5,231
Recoverable taxes	2,734	Related parties	1,810
Other receivables	2,038	Other payables	1,192
	<u>15,937</u>		<u>24,279</u>
		<b>Noncurrent</b>	
<b>Noncurrent</b>		Deferred tax liabilities	27
Deferred tax assets	1,802	Related parties – Financial borrowing	3,024
Related parties – Financial loan	2,204		<u>3,051</u>
Other receivables	20	<b>Total liabilities</b>	<u>27,330</u>
	<u>4,026</u>		
		<b>Equity</b>	
Property, plant and equipment	15,378	Capital	4,629
<b>Total assets</b>	<u><u>35,341</u></u>	Advance for future capital increase	7,296
		Accumulated losses	(3,914)
		<b>Total equity</b>	<u>8,011</u>
		<b>Total liabilities and equity</b>	<u><u>35,341</u></u>

**TAURUS JM INDÚSTRIA DE PEÇAS LTDA.**  
**STATEMENT OF PROFIT OR LOSS AS AT MARCH 31, 2025**  
In thousands of reais

Revenue from sales and/or services	4,369
Cost of sales and/or services	(2,801)
General and administrative expenses	(358)
Other operating (expenses) income, net	(46)
<b>Profit before finance income (costs), net, share of profit (loss) of subsidiaries and taxes</b>	<u><b>1,164</b></u>
Finance income	64
Finance costs	(104)
<b>Finance income (costs), net</b>	<u><b>(40)</b></u>
<b>Operating income before taxes</b>	<u><b>1,124</b></u>
Income tax and social contribution	(273)
Income tax and social contribution - deferred	(104)
<b>Profit for the period</b>	<u><b>747</b></u>

**Companhia Brasileira de Cartuchos Taurus Arábia Saudita, LLC.**

On December 30, 2021, Taurus Armas S/A, together with its related party Companhia Brasileira de Cartuchos (CBC), has signed a memorandum of understanding (MoU) for the establishment of a joint venture as part of the strategies to internationalize its activities to promote business opportunities in Saudi Arabia.

The main purpose is to enable the more efficient search for and prospection of business opportunities in this relevant market, particularly considering the government plans of establishing an industrial local defense base, within the scope of the strategy called “Visão 2030”.

On August 30, 2022, CBC has paid in capital in Companhia Brasileira de Cartuchos Taurus Arábia Holding, LLC. at the proportion of 51% of the capital, represented by 10,965 shares with par value of SAR1.00 with the respective paid-in amount of SAR1.1 million (R\$1.6 million on the payment date).



On the same date, Taurus Armas has paid in capital in Companhia Brasileira de Cartuchos Taurus Arábia Holding, LLC. at the proportion of 49% of the capital, represented by 10,535 shares with par value of SAR1.00 with the respective paid-in amount of SAR1.1 million (R\$1.5 million on the payment date).

In August 2023, Taurus took part in a capital increase at Companhia Brasileira de Cartuchos Taurus Arábia Holding, LLC. The capital increase amounted to SAR 3 million (R\$ 4 million on the payment date), of which SAR 1.5 million (R\$ 1.9 million on the payment date) was paid in by Taurus Armas S/A, in proportion to its equity interest.

As Companhia Brasileira de Cartuchos Taurus Arábia Holding, LLC is considered a joint venture, its net results started to be recognized by the Company under the equity method at the proportion of 49%, pursuant to CPC 19 (R2)/IFRS 11 – Joint Arrangements.

**Companhia Brasileira de Cartuchos Taurus Arábia Saudita, LLC.  
BALANCE SHEET AS AT MARCH 31, 2025**

In thousands of reais

<b>Assets</b>		<b>Liabilities</b>	
<b>Current</b>		<b>Current</b>	
Cash and cash equivalents	3,247	Payroll and related taxes	210
Trade receivables	958		210
Prepaid expenses	507		
	<u>4,712</u>		
<b>Noncurrent</b>		<b>Equity</b>	
Other receivables	96	Capital	7,941
	<u>96</u>	Accumulated losses	(3,228)
Property, plant and equipment	115	<b>Total equity</b>	<u>4,713</u>
<b>Total assets</b>	<u><b>4,923</b></u>	<b>Total liabilities and equity</b>	<u><b>4,923</b></u>

**Companhia Brasileira de Cartuchos Taurus Arábia Saudita, LLC.  
STATEMENT OF PROFIT OR LOSS AS AT MARCH 31, 2025**

In thousands of reais

Revenue from sales and/or services	959
General and administrative expenses	(779)
<b>Profit before finance income (costs), net, share of profit (loss) of subsidiaries and taxes</b>	<b>180</b>
Finance costs	1
<b>Finance income (costs), net</b>	<b>1</b>
<b>Operating expenses before taxes</b>	<b>(180)</b>
<b>Profit for the period</b>	<b>181</b>

**Jindal Defence Systems Private Limited**

As mentioned in the Memorandum of Understanding (MoU) of February 18, 2019, the Company entered into a partnership agreement with Indian company Jindal Defence Trading Private Limited for the establishment of a Joint Venture called Jindal Defence Systems Private Limited.

Jindal Defence Systems Private Limited operates in the defense and security area. It is mainly engaged in developing, manufacturing and providing high-quality defense solutions to the Indian Armed Forces and international customers. The infrastructure of the new plant is finished and ready to operate. After receiving all necessary licenses, the operation of the new industrial unit in India began in March 2023 with the manufacturing of pilot batches of firearms, accompanied by a team of Brazilian professionals of Taurus Armas.

On March 17, 2023, Taurus Armas has paid in capital in Jindal Defence Systems Private Limited at the proportion of 49% of the capital, represented by 171,500 shares with par value of INR1.00 with the respective paid-in amount of INR1.7 million (R\$109 thousand on the payment date).

In October 2023, Taurus took part in a capital increase at Jindal Defence Systems Private Limited. The capital increase amounted to INR 95 million (R\$ 5.8 million on the payment date), of which INR 46.6 million (R\$ 2.8 million on the payment date) were paid in by Taurus Armas S/A, in proportion to its equity interest. Such contribution aims to strengthen the Jindal Defence Systems Private Limited capital structure, also aiming to support their operations' expansion and meet working capital needs and foreseen investments in their strategic plan.

As Jindal Defence Systems Private Limited is designated as a joint venture, its profit or loss started to be recognized by the Company under the equity method of accounting, at a 49% proportion, as required by CPC 19 (R2)/IFRS 11 – Joint Arrangements.

**Jindal Defence Systems Private Limited**  
**BALANCE SHEET AS AT MARCH 31, 2025**

In thousands of reais

<b>Assets</b>		<b>Liabilities</b>	
<b>Current</b>		<b>Current</b>	
Cash and cash equivalents	644	Trade payables	5,384
Trade receivables	3,013	Payroll and related taxes	81
Inventories	4,424	Taxes, fees and contributions	2,667
Advances to suppliers	3,222		8,132
	11,303	<b>Noncurrent</b>	
		Borrowings	27,432
<b>Noncurrent</b>			27,432
Recoverable taxes	2,262	<b>Total liabilities</b>	35,564
Deferred tax assets	491	<b>Equity</b>	
	2,753	Capital	6,620
		Retained earnings	4,860
Property, plant and equipment	32,988	<b>Total equity</b>	11,480
<b>Total assets</b>	<b>47,044</b>	<b>Total liabilities and equity</b>	<b>47,044</b>

**Jindal Defence Systems Private Limited**  
**STATEMENT OF PROFIT OR LOSS AS AT MARCH 31, 2025**

In thousands of reais

Revenue from sales and/or services	4,212
Costs of sales and/or services	(1,799)
General and administrative expenses	(645)
<b>Profit before finance income (costs), net, and taxes</b>	<b>1,768</b>
Finance income	252
Finance costs	(456)
<b>Finance income (costs), net</b>	<b>(204)</b>
<b>Operating income before taxes</b>	<b>1,564</b>
Income tax and social contribution	(407)
<b>Profit for the period</b>	<b>1,157</b>

## 16. Investment property

Investment properties are held to earn income through capital appreciation. Investment properties are initially measured at cost, including transaction costs. After initial recognition, investment properties are measured at fair value. All income deriving from the operating lease of assets to earn rental income or capital appreciation is recorded as investment properties and measured using the fair value model. Gains and losses arising from changes in the fair value of an investment property are recognized in profit or loss for the period in which they are earned or incurred. An investment property is derecognized after disposal or when it is permanently removed from use and there are no future economic benefits arising from the disposal. Any gain or loss resulting from the derecognition of a property (calculated as the difference between net disposal revenue and the asset's carrying amount) is recognized in profit or loss for the period the property is derecognized.

	<b>03-31-2025</b>	<b>Consolidated 12-31-2024</b>
Land	54,695	54,695
Buildings	1,704	1,704
	<b>56,399</b>	<b>56,399</b>

The investment properties recorded as at March 31, 2025 refer to the Company's former industrial complex, which is currently not occupied, with 18,600.00 square meter of built area on urban land with 29,900.00 square meter of area, located at Avenida do Forte, nº 511 - Porto Alegre (RS).

The fair value of the Company's investment property was calculated based on a valuation conducted as at December 31, 2024 by independent external real estate appraisers with no relationship with the Company and which have appropriate professional qualification and recent experience in the location and category of the property appraised. The valuation was conducted in accordance with International Valuation Standards. The fair value of the land was determined based on the comparative market data method, which reflects the price of recent transactions for similar properties. As for buildings and improvements, the Improvement Cost Quantification method was used.

When estimating the fair value of properties, the highest and best use of the properties is their current use. The gain or loss resulting from the changes in the fair value was recorded in profit or loss in line item "Other Operating Income/Expenses".

## 17. Property, plant and equipment

Property, plant and equipment items are measured at the historical acquisition or construction cost, less accumulated depreciation and accumulated impairment losses.

The Company elected to measure its property, plant and equipment items at the deemed cost at the opening of 2009. The net effects of deemed cost increased property, plant and equipment and had as a contra entry equity, less taxes.

Cost includes expenditures directly attributable to the purchase of an asset. The cost of assets built by the entity itself includes costs of materials and labor, and any other costs for bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management, the costs of dismantling the item and restoring the site where it is located.

Any gains or losses arising on the disposal of a property, plant and equipment item are determined as the difference between the sales proceeds and the carrying amount of the asset and are recognized at their net amounts as 'Other income' in profit or loss.

Depreciation is recognized on a straight-line basis in profit or loss based on the estimated useful life of each property, plant and equipment item. The approximated estimated useful lives for current and comparative periods are as follows:

Group	Useful life
Buildings	25 to 50 years
Machinery and equipment	3 to 20 years
Dies and tools	5 to 19 years
Furniture	7 to 15 years
Other components (IT)	3 to 8 years

**Taurus Armas S.A.**  
Interim Financial Information as at March 31, 2025

	Consolidated									
Cost or deemed cost	Land	Buildings	Machinery and facilities	Furniture and computers	Vehicles	Other	PP&E in progress	Advances to suppliers	Leases / right of use	Total
Balance as at December 31, 2023	27,700	179,116	346,587	37,872	939	698	172,406	30,465	38,680	834,463
Additions	-	444	6,052	598	218	-	91,222	1,341	-	99,875
Write-offs	-	-	(38,379)	(3,980)	(450)	-	-	-	(1,932)	(44,741)
Transfers	-	1,469	35,181	2,080	-	-	(36,853)	(25,961)	5,001	(19,083)
Effect of changes in exchange rates	851	7,498	15,380	5,135	118	-	2,725	-	10,687	42,394
Balance as at December 31, 2024	28,551	188,527	364,821	41,705	825	698	229,500	5,845	52,436	912,908
Additions	-	21	1,085	45	-	-	9,572	297	104	11,124
Write-offs	-	-	(2,185)	(120)	(19)	-	-	-	-	(2,324)
Transfers	-	(366)	2,939	632	-	-	(2,717)	(488)	-	-
Effect of changes in exchange rates	(283)	(2,498)	(2,999)	(1,762)	(13)	-	(254)	-	(3,784)	(11,593)
Balance as at March 31, 2025	28,268	185,684	363,661	40,500	793	698	236,101	5,654	48,756	910,115
Depreciation										
Balance as at December 31, 2023	-	(54,676)	(172,141)	(22,275)	(753)	(381)	-	-	(9,025)	(259,251)
Depreciation in the period	-	(7,706)	(20,055)	(3,049)	(67)	(140)	-	-	(5,838)	(36,855)
Write-offs	-	-	34,799	3,940	430	-	-	-	1,690	40,859
Effect of changes in exchange rates	-	(2,159)	(11,225)	(4,109)	(108)	-	-	-	(3,525)	(21,126)
Balance as at December 31, 2024	-	(64,541)	(168,622)	(25,493)	(498)	(521)	-	-	(16,698)	(276,373)
Depreciation in the period	-	(1,910)	(5,858)	(826)	(24)	(34)	-	-	(1,359)	(10,011)
Write-offs	-	-	1,516	49	19	-	-	-	-	1,584
Effect of changes in exchange rates	-	793	2,330	1,127	10	-	-	-	1,174	5,434
Balance as at March 31, 2025	-	(65,658)	(170,634)	(25,143)	(493)	(555)	-	-	(16,883)	(279,366)
Carrying amount										
December 2024	28,551	123,986	196,199	16,212	327	177	229,500	5,845	35,738	636,535
March 2025	28,268	120,026	193,027	15,357	300	143	236,101	5,654	31,873	630,749

(i) In connection with the change of the head office of subsidiary Taurus Holdings Inc. ("TUSA") from Miami-Florida/USA to Bainbridge-Georgia/USA, in 2019, TUSA has entered into an agreement with the Decatur County, Bainbridge, Georgia, USA ("Georgia Authority/USA"), whereby it was required to make investments in fixed capital in the amount of US\$10 million and to create at least 300 jobs in the city until 2024 ("Investment Agreement").

In June 2019, in connection with this agreement, TUSA has entered into an agreement with the Georgia Authority to acquire a bond issued by the Decatur County Development Authority, Bainbridge/GA, in the total amount of US\$13 million, subject to annual interest of 6% p.a. and principal payable in five annual installments, beginning on December 1, 2034. The bond is acquired through the acquisition of fixed assets by TUSA, which are concurrently assigned to the Georgia Authority.

On the same date, the parties entered into a lease agreement, whereby the Georgia Authority leases the same fixed assets back to TUSA, and this sale and leaseback transaction is recorded by TUSA as lease, in accordance with CPC 06 / IFRS 16, which then started to recognize the right of use and lease liability related to these assets. As the lease price set forth in the agreement is the same as the amounts receivable for the bond, there is no effective disbursement or receipt by any of the parties.

As at March 31, 2025, the amount receivable for the bond and the lease liability is R\$47.9 million, and are being presented net in the consolidated interim financial information, in conformity with CPC 39 / IAS 32. The amount of the right of use as at March 31, 2025 related to this transaction is R\$31.7 million.

Cost or deemed cost								Parent
	Buildings	Machinery and facilities	Furniture and computers	Vehicles	Other	PP&E in progress	Advances to suppliers	Leases / right of use Total
Balance as at December 31, 2023	60,939	252,277	15,988	52	698	135,981	29,777	380 496,092
Additions	1	881	204	-	-	50,292	-	- 51,378
Write-offs	-	(13,957)	(246)	-	-	-	-	- (14,203)
Transfers	1,264	39,412	1,702	-	-	(16,417)	(25,961)	- -
Balance as at December 31, 2024	<b>62,204</b>	<b>278,613</b>	<b>17,648</b>	<b>52</b>	<b>698</b>	<b>169,856</b>	<b>3,816</b>	<b>380</b> <b>533,267</b>
Additions	-	-	4	-	-	3,091	-	- 3,095
Write-offs	-	(1,297)	(115)	(19)	-	-	-	- (1,431)
Transfers	-	1,491	351	-	-	(1,354)	(488)	- -
Balance as at March 31, 2025	<b>62,204</b>	<b>278,807</b>	<b>17,888</b>	<b>33</b>	<b>698</b>	<b>171,593</b>	<b>3,328</b>	<b>380</b> <b>534,931</b>
<b>Depreciation</b>								
Balance as at December 31, 2023	(23,123)	(110,933)	(6,792)	(52)	(381)	-	-	(139) (141,420)
Depreciation in the period	(2,394)	(15,009)	(1,376)	-	(140)	-	-	(76) (18,995)
Write-offs	-	13,036	129	-	-	-	-	- 13,165
Balance as at December 31, 2024	<b>(25,517)</b>	<b>(112,906)</b>	<b>(8,039)</b>	<b>(52)</b>	<b>(521)</b>	<b>-</b>	<b>-</b>	<b>(215)</b> <b>(147,250)</b>
Depreciation in the period	(605)	(4,176)	(387)	-	(34)	-	-	(19) (5,221)
Write-offs	-	641	44	19	-	-	-	- 704
Balance as at March 31, 2025	<b>(26,122)</b>	<b>(116,441)</b>	<b>(8,382)</b>	<b>(33)</b>	<b>(555)</b>	<b>-</b>	<b>-</b>	<b>(234)</b> <b>(151,767)</b>
<b>Carrying amount</b>								
December 2024	36,687	165,707	9,609	-	177	169,856	3,816	165 386,017
March 2025	<b>36,082</b>	<b>162,366</b>	<b>9,506</b>	<b>-</b>	<b>143</b>	<b>171,593</b>	<b>3,328</b>	<b>146</b> <b>383,164</b>

#### PP&E in progress

The balance of construction in progress refers to machinery and equipment still in the implementation stage and current construction works. Part of these assets should come into operation during 2025.

## **18. Intangible assets**

### Goodwill

Goodwill arising on the acquisition of investments, after appropriately allocated, is added to intangible assets. In the Parent's interim financial information goodwill is allocated to investments.

Goodwill arising on business combinations are classified as intangible assets and was determined in accordance with accounting practices in force at the time of each business combination, adjusted for the reclassification of certain intangible assets. Goodwill is measured at cost, less impairment losses.

### Other intangibles

Separately acquired intangible assets are measured at cost on initial recognition, while the cost of intangible assets acquired in a business combination corresponds to their fair value at the acquisition date. The stated balances are net of accumulated amortization and impairment losses.

Development expenditures that involve a plan or project aiming at the production of new products or substantially enhanced products are only capitalized if development costs can be measured reliably, if the product or process is technically and commercially feasible, if the future economic benefits are probable, and if the Company has the intention and sufficient funds to complete the development process and use or sell the asset.

The amortization of intangible assets, other than goodwill and trademarks and patents classified as indefinite useful life, is based on their estimated useful lives and is recognized in profit or loss on a straight-line basis. The estimated useful lives for the current and comparative periods are approximately 5 years for system development and implementation costs.

We also clarify that the recovery of the carrying amount of goodwill and intangible assets with indefinite useful life is tested for impairment at the end of the year or when there are indications that they might be impaired, using the "value in use" concept through discounted cash flow models of the cash-generating units.

**Taurus Armas S.A.**  
Interim Financial Information as at March 31, 2025

	Consolidated						
	Software	Trademarks and patents	Customer relationship	Goodwill	Product development	Intangible assets in progress	Total
<b>Cost</b>							
Balance as at December 31, 2023	40,034	26,606	21,036	47,562	7,847	45,925	189,010
Acquisitions	23	-	-	-	-	28,342	28,365
Transfers	3,919	-	-	-	137	15,027	19,083
Effect of changes in exchange rates	2,474	4,266	5,719	4,169	1,481	-	18,109
Balance as at December 31, 2024	<b>46,450</b>	<b>30,872</b>	<b>26,755</b>	<b>51,731</b>	<b>9,465</b>	<b>89,294</b>	<b>254,567</b>
Acquisitions	-	-	-	-	-	9,028	9,028
Transfers	60	-	-	-	-	(60)	-
Write-offs	(6)	-	-	-	-	-	(6)
Effect of changes in exchange rates	(824)	(1,421)	(1,905)	(1,389)	(494)	(2,490)	(8,523)
Balance as at March 31, 2025	<b>45,680</b>	<b>29,451</b>	<b>24,850</b>	<b>50,342</b>	<b>8,971</b>	<b>95,772</b>	<b>255,066</b>
<b>Amortization</b>							
Balance as at December 31, 2023	(20,521)	(7,388)	(21,036)	-	(3,731)	-	(52,676)
Amortization in the period	(6,141)	-	-	-	(619)	-	(6,760)
Effect of changes in exchange rates	(2,465)	-	(5,719)	-	(679)	-	(8,863)
Balance as at December 31, 2024	<b>(29,127)</b>	<b>(7,388)</b>	<b>(26,755)</b>	<b>-</b>	<b>(5,029)</b>	<b>-</b>	<b>(68,299)</b>
Amortization in the period	(1,354)	-	-	-	(147)	-	(1,501)
Write-offs	6	-	-	-	-	-	6
Effect of changes in exchange rates	823	-	1,905	-	234	-	2,962
Balance as at March 31, 2025	<b>(29,652)</b>	<b>(7,388)</b>	<b>(24,850)</b>	<b>-</b>	<b>(4,942)</b>	<b>-</b>	<b>(66,832)</b>
<b>Carrying amount</b>							
December 2024	17,323	23,484	-	51,731	4,436	89,294	186,268
March 2025	<b>16,028</b>	<b>22,063</b>	<b>-</b>	<b>50,342</b>	<b>4,029</b>	<b>95,772</b>	<b>188,234</b>

	Parent				
	Software	Trademarks and patents	Product development	Intangible assets in progress	Total
<b>Cost</b>					
Balance as at December 31, 2023	29,443	9,485	2,536	45,925	87,389
Acquisitions	-	-	-	13,061	13,061
Transfers	3,919	-	137	(4,056)	-
Balance as at December 31, 2024	<b>33,362</b>	<b>9,485</b>	<b>2,673</b>	<b>54,930</b>	<b>100,450</b>
Acquisitions	-	-	-	7,345	7,345
Transfers	60	-	-	(60)	-
Write-offs	(6)	-	-	-	(6)
Balance as at March 31, 2025	<b>33,416</b>	<b>9,485</b>	<b>2,673</b>	<b>62,215</b>	<b>107,789</b>
<b>Amortization</b>					
Balance as at December 31, 2023	(11,143)	(6,840)	(1,517)	-	(19,500)
Amortization in the period	(5,898)	-	(282)	-	(6,180)
Balance as at December 31, 2024	<b>(17,041)</b>	<b>(6,840)</b>	<b>(1,799)</b>	<b>-</b>	<b>(25,680)</b>
Amortization in the period	(1,322)	-	(73)	-	(1,395)
Write-offs	6	-	-	-	6
Balance as at March 31, 2025	<b>(18,357)</b>	<b>(6,840)</b>	<b>(1,872)</b>	<b>-</b>	<b>(27,069)</b>
<b>Carrying amount</b>					
December 2024	16,321	2,645	874	54,930	74,770
March 2025	<b>15,059</b>	<b>2,645</b>	<b>801</b>	<b>62,215</b>	<b>80,720</b>

Intangible assets in progress are investments made in intangible assets that are still in the development phase and, therefore, are not ready for use. These assets include expenses related mainly to the creation of software and the development of technological research and projects of new firearms that have not yet been completed. During this phase, the amounts are recorded in the balance sheet as "intangible assets in progress" and only after their completion and beginning of use they are reclassified to their respective accounts and begin to be amortized according to their estimated useful life.

Impairment test of cash-generating units containing goodwill

For impairment testing purposes, goodwill is allocated to the Company's operating divisions, which represent the lowest level inside the Company at which the goodwill is monitored for purposes of internal management, never above the Company's operating segments. Goodwill balance as at March 31, 2015 and December 31, 2024:

<b>Cash-generating unit</b>	<b>03-31-2025</b>	<b>12-31-2024</b>
Firearms	17,718	19,107
MIM/POLI	32,624	32,624
<b>Total CGU</b>	<b>50,342</b>	<b>51,731</b>

The impairment test for the CGUs mentioned above is performed annually. The recoverable amount of the CGU is the higher of: (a) its fair value less estimated costs to sell and (b) its value in use. The value in use is measured based on the discounted cash flows (before taxes) derived from the continuing use of an asset up to the end of its useful life. The updated tests continue to indicate that there is no need for allowances for *impairment* losses on goodwill and intangible assets with indefinite useful lives as the value in use exceeds the carrying amount by more than 100%.

Main assumptions used in the discounted cash flow projections

The main assumptions used to determine the recoverable value are the discount rate of cash flows and growth rates. The assumptions used are as follows:

<b>Cash-generating unit</b>	<b>WACC discount rate</b>	<b>Average growth rate between 2025 and 2029</b>
		<b>12/31/2024</b>
Firearms	13.10%	5.30%
MIM	14.20%	39.10%

Discount rate

The discount rate for the CGU is represented by a post-tax rate based on 20-year US Treasury Bond rate, adjusted for a risk premium that reflects the risks of investments in equity securities and the systematic risk of the related unit. The Company estimated, based on Management's experience with the assets of this CGU, the Weighted Average Cost of Capital of the industry in which this CGU operates, which was calculated based on a possible debt-to-equity ratio as at March 31, 2025 of 9.68% at the market interest rate of 8.61%.

Growth rate and perpetuity

The projections are in line with the Business Plan prepared by the Company's Management. It is expected that the projected sales growth be in line with the curve observed in previous years and in line with the economic growth of the country. After the projection period, the Company considered the growth and constant percentage of economic growth (growth in perpetuity).

To calculate perpetuity as at December 31, 2024, the Company used a nominal growth rate of 3.50%, in line with the expected long-term inflation projected by the Central Bank of Brazil (BACEN) and macroeconomic indicators released in BACEN's Focus report and in the Country Forecast report of the Economist Intelligence Unit (EIU).



## 19. Borrowings and financing

The terms and conditions of outstanding borrowings and financing were as follows:

				Consolidated			
				03-31-2025		12-31-2024	
	Currency	Statutory interest rate	Maturity year	Contractual amount	Carrying amount	Contractual amount	Carrying amount
FINEP	R\$	TJLP (-) 0.385% p.a.	2035	162,048	153,450	162,048	154,823
Foreign exchange advance	US\$	8.10% to 10.50% p.a.	2025	430,221	464,660	553,951	553,951
Working capital - Taurus USA	US\$	SOFR Day + 1.95%	2026	128,166	128,166	38,764	38,764
				Total	746,276		747,538
				Current liabilities	465,459		554,318
				Noncurrent liabilities	280,817		193,220
					746,276		747,538

				Parent			
				03-31-2025		12-31-2024	
	Currency	Statutory interest rate	Maturity year	Contractual amount	Carrying amount	Contractual amount	Carrying amount
FINEP	R\$	TJLP (-) 0.385% p.a.	2035	162,048	153,450	162,048	154,823
Foreign exchange advance	US\$	8.10% to 10.50% p.a.	2025	430,221	464,660	553,951	553,951
				Total	618,110		708,774
				Current liabilities	465,459		554,318
				Noncurrent liabilities	152,651		154,456
					618,110		708,774

Flow of future debt payments disclosed in noncurrent liabilities:

Maturity year	Consolidated		Parent	
	03-31-2025	12-31-2024	03-31-2025	12-31-2024
2026	140,887	52,934	12,721	14,170
2027	16,961	17,004	16,961	17,004
2028	16,961	17,004	16,961	17,004
2029 and thereafter	106,008	106,278	106,008	106,278
	280,817	193,220	152,651	154,456

The variations in borrowings are as follows:

	<b>Consolidated</b>	<b>Parent</b>
<b>Balance as at December 31, 2023</b>	<b>528,976</b>	<b>505,835</b>
(+) Borrowings, net of structuring cost	2,193,928	566,856
(-) Repayment	(2,107,354)	(491,257)
(-) Interest payment	(47,850)	(45,183)
(+) Interest expense	54,310	51,643
(+/-) Exchange rate changes	125,528	120,880
<b>Balance as at December 31, 2024</b>	<b>747,538</b>	<b>708,774</b>
(+) Borrowings, net of structuring cost	401,949	94,862
(-) Repayment	(362,602)	(144,917)
(-) Interest payment	(15,790)	(14,643)
(+) Interest expense	14,283	13,136
(+/-) Exchange rate changes	(39,102)	(39,102)
<b>Balance as at March 31, 2025</b>	<b>746,276</b>	<b>618,110</b>

Borrowings and financing are guaranteed by promissory notes, short-term investments, trade receivables, mortgages on property, shares, and subsidiaries' sureties. The sureties granted by the parent and its subsidiaries are disclosed in note 25 - Related parties.

Certain borrowings and financing agreements entered into by the Company and its subsidiaries contain restrictive covenants that restrict certain changes in the shareholding structure, including: changes in the Company's direct or indirect control, capital reductions in the Company and/or its parent company, dividend distributions, payment of interest on capital or any other payments to shareholders by the Company and/or its parent company in the event of default on any obligations, and reduction of the Company's capital. If such restrictions are breached, creditors may accelerate the maturity of their claims.

### **FINEP**

In March 2023, the Company entered into an agreement with Financiadora de Estudos e Projetos – FINEP to finance projects related to research innovation and infrastructure. The purpose of this financing is to accelerate the strategic plan development, bringing state-of-the-art technology to the industrial plant, and accelerate the launching of new products, thus increasing our market share.

Among the research projects, we must highlight the New Technologies in Materials Project, which searches for materials with higher mechanical resistance and anti-corrosion, allowing the production of components with higher durability and security. In this regard, the Integrated Technology and Engineering Center Brazil/USA – CITE is working on the project to add new products and technology to offer higher resistance and durability for firearms.

The total financing amount is R\$195.2 million, of which Taurus will own 90% of the financed project, which represents a total financed amount of R\$175.7 million and the remainder under the Company's responsibility in contra entries of 10% representing R\$19.5 million. The project has a 36-month grace period and 108 months for repayment.

Up to March 31, 2025, the Company received R\$162 million related to this agreement.

### **Covenants**

As at March 31, 2025, the Company has Exchange Agreements with Banco BTG Pactual S/A, which provide for early maturity if the Company does not comply with the following financial ratios: the ratio obtained by the ratio between net debt and EBITDA is greater than 3.0 (three integers) or the ratio obtained by the ratio between EBITDA and Net Finance Costs is equal to or less than 1.2 (one integer and twenty hundredths). Such ratios must be verified quarterly, based on the consolidated interim financial information, as provided for in the contracts. As at March 31, 2025, the Company was compliant with all said covenants.

These ratios are monitored by the Company's management as the underlying agreements require that such ratios be measured annually. As at March 31, 2025, the Company was compliant with all said covenants.

## 20. Other payables

	Consolidated		Parent	
	03-31-2025	12-31-2024	03-31-2025	12-31-2024
Dividends payable	25,744	25,744	25,744	25,744
Sales commissions	8,824	7,842	4,654	4,051
Provision for fees payable	5,091	-	5,091	-
Unsettled court agreements	8,639	9,071	8,639	9,071
Insurance and freight	3,610	23,375	2,424	2,681
Trade payables	4,211	5,177	4,211	5,177
Advances from customers	26,140	22,544	24,482	13,548
Advances – sale of property Taurus Nordeste	4,500	4,500	-	-
Marketing	20,520	20,874	-	-
Due to related parties	2,204	2,154	2,233	2,988
Unrealized gain on government grant	35,348	38,291	-	-
Provision for negative equity	-	-	421	385
Other	10,106	4,640	1,460	1,421
	<b>154,937</b>	<b>164,212</b>	<b>79,359</b>	<b>65,066</b>
Current	96,366	106,233	64,523	49,350
Noncurrent	58,571	57,979	14,836	15,716

	Consolidated		Parent	
	03-31-2025	12-31-2024	03-31-2025	12-31-2024
<b>Breakdown current and noncurrent</b>				
Mandatory minimum dividends payable - current	25,744	25,744	25,744	25,744
Advances from customers - current	26,140	24,812	24,482	13,548
Other payables - current	44,482	55,677	14,297	10,058
Due to other related parties - noncurrent	2,204	2,154	2,204	2,154
Provision for negative equity - noncurrent	-	-	421	385
Trade payables - noncurrent	4,211	5,177	4,211	5,177
Other payables - noncurrent	52,156	50,648	8,000	8,000
<b>Total</b>	<b>154,937</b>	<b>164,212</b>	<b>79,359</b>	<b>65,066</b>

## 21. Payroll and related taxes

	Consolidated		Parent	
	03-31-2025	12-31-2024	03-31-2025	12-31-2024
Payroll	7,059	3,484	1,059	1,258
Accrued bonus	31,026	26,625	15,953	12,068
Contributions payable	7,012	8,135	6,280	7,243
Accruals (vacation pay and 13 <sup>th</sup> salary)	15,879	16,291	13,089	13,869
	<b>60,976</b>	<b>54,535</b>	<b>36,381</b>	<b>34,438</b>

## 22. Taxes, fees and contributions

	Consolidated		Parent	
	03-31-2025	12-31-2024	03-31-2025	12-31-2024
State VAT (ICMS)	609	1,376	290	727
Federal VAT (IPI)	193	5,768	-	5,627
Tax on revenue (PIS)	-	91	-	56
Tax on revenue (COFINS)	-	159	-	-
Special tax – FAET (USA)	26,134	36,341	-	-
Withholding income tax (IRRF)	1,953	1,774	1,492	1,499
Income tax and social contribution	4,198	10,419	3,761	10,189
Other installment payments (*)	9,377	12,140	3,535	5,656
Other	7,891	7,635	6,258	5,905
	<b>50,355</b>	<b>75,703</b>	<b>15,336</b>	<b>29,659</b>
Current	46,809	71,549	15,255	29,578
Noncurrent	3,546	4,154	81	81

## 23. Provision for civil, labor and tax risks

Provisions are recognized for all contingencies arising on lawsuits for which it is probable that an outflow of funds will be required to settle the contingency or obligation, when a reliable estimate can be made.

The Company, based on information from its legal counsel and the analysis of ongoing lawsuits, recognized a provision for losses on lawsuits in an amount considered sufficient to cover the estimated losses, as shown below:

	Consolidated			
	03-31-2025	12-31-2024		
	Provision	Escrow deposit (1)	Net	Net
Labor	37,454	(6,457)	30,997	26,616
Civil	24,960	(1,030)	23,930	25,546
Tax	50,719	(54,782)	(4,063)	(3,010)
	<b>113,133</b>	<b>(62,269)</b>	<b>50,864</b>	<b>49,152</b>
Classified in current liabilities	62,830			
Classified in noncurrent liabilities	50,303			

(1) Recognized in other noncurrent assets.

	Parent			
	03-31-2025	12-31-2024		
	Provision	Escrow deposit (1)	Net	Net
Labor	36,127	(5,605)	30,522	26,260
Civil	17,218	(1,030)	16,188	15,931
Tax	48,904	(54,463)	(5,559)	(4,526)
	<b>102,249</b>	<b>(61,098)</b>	<b>41,151</b>	<b>37,665</b>
Classified in current liabilities	54,318			
Classified in noncurrent liabilities	47,931			

(1) Recognized in other noncurrent assets.

Variations in the provision:

	<b>Consolidated</b>		
	<b>Civil and labor</b>	<b>Tax</b>	<b>Total</b>
Balance as at December 31, 2024	59,830	51,773	111,603
Provisions recognized in the period	7,236	4	7,240
Provisions used in the period	(2,392)	(1,058)	(3,450)
Derecognition of provision	(2,260)	-	(2,260)
<b>Balance as at March 31, 2025</b>	<b>62,414</b>	<b>50,719</b>	<b>113,133</b>

	<b>Parent</b>		
	<b>Civil and labor</b>	<b>Tax</b>	<b>Total</b>
Balance as at December 31, 2024	48,902	49,938	98,840
Provisions recognized in the period	6,821	-	6,821
Provisions used in the period	(277)	(1,034)	(1,311)
Derecognition of provision	(2,101)	-	(2,101)
<b>Balance as at March 31, 2025</b>	<b>53,345</b>	<b>48,904</b>	<b>102,249</b>

The Company and its subsidiaries are parties to other lawsuits assessed by the Company's legal counsel as having a possible or remote likelihood of loss for which no provision has been recognized since accounting practices adopted in Brazil and IFRS do not require the calculation of such provision, as shown below:

	<b>Consolidated</b>				<b>Parent</b>			
	<b>03-31-2025</b>		<b>12-31-2024</b>		<b>03-31-2025</b>		<b>12-31-2024</b>	
	<b>Possible</b>	<b>Remote</b>	Possible	Remote	<b>Possible</b>	<b>Remote</b>	Possible	Remote
Civil	<b>241,420</b>	<b>11,055</b>	177,014	8,212	<b>228,378</b>	<b>10,924</b>	160,231	8,212
Labor	<b>46,611</b>	<b>64,931</b>	51,720	59,951	<b>45,557</b>	<b>63,102</b>	50,651	57,771
Tax	<b>51,744</b>	<b>33,269</b>	73,219	10,262	<b>49,796</b>	<b>32,884</b>	71,327	9,798
	<b>339,775</b>	<b>109,255</b>	301,953	78,425	<b>323,731</b>	<b>106,910</b>	282,209	75,781

**a) Labor lawsuits**

The Company is a party to labor lawsuits. None of these lawsuits refers to individually significant amounts and the discussions mainly involve lawsuits claiming the payment of overtime, hazardous duty and health-hazard premiums, salary differences due to salary equalization, compensation for occupational accidents and diseases, among others.

**b) Civil lawsuits**

Except for the civil lawsuits listed below, no other civil lawsuit refers to individually significant amounts and the discussions mainly involve individual lawsuits related to the Company's civil liability for the products it manufactures and sells, and these other lawsuits classified as possible risk of loss total R\$67.7 million for consolidated purposes.

**Public Civil Action – State of São Paulo**

The State of São Paulo filed a public civil action against Taurus, pending before the 9th Fiscal Court of São Paulo, based on the Sanctioning Administrative Proceeding No. CSMAM-03/30/2014, which was annulled by legal proceeding 1063871-61.2019.8.26.0053 filed by Taurus, due to statute of limitations. In the Public Civil Action, the State of São Paulo alleges, in summary, that the 3,698 CT30 rifles acquired between 2007 and 2011 presented defects during use. In the proceeding, the State of São Paulo requested a preliminary injunction for the immediate destruction of part of the rifles and, in the merits, requested that Taurus be ordered to pay the amount of R\$40.3 million for alleged material damages and the payment of collective pain and suffering, in an amount to be determined by the court. On June 19, 2024, a court decision awarded the injunction requested by the State of São Paulo. After the subpoena, the Company filed an Interlocutory Appeal with the Court of Justice of the State of São Paulo and was granted the suspension of the preliminary decision that determined the destruction of the firearms. The Company filed its arguments. Currently, the proceeding is pending judgment of the Internal Appeal filed by the State of São Paulo against the decision of the Court of Justice of the State of São Paulo that granted the stay effect of the aforementioned injunction.

According to its legal advisors, this proceeding was classified as possible loss and its updated amount is R\$46.3 million.

***Public Civil Action – Federal District***

The Federal District filed a public civil action with a request for a preliminary injunction against Taurus, pending before the 1st Fiscal Court of the Federal District, based on the Sanctioning Administrative Proceeding No. 054.002.970/2016 filed by the Military Police of the Federal District and that culminated in the application of the penalty of temporary suspension of the right to bid and to contract with the Public Administration of the Federal District for a period of twelve (12) months. In the Public Civil Action, the Federal District alleges, in summary, collective and financial losses due to alleged faulty pistols sold by Taurus during the period 2006-2011. As a result, the Federal District requested a preliminary injunction blocking the Company's assets in the total amount of R\$54.8 million, and, in the merits, requested the payment of R\$49.8 million for alleged damages to the public treasury, and the payment of collective pain and suffering in the amount of R\$5 million. On February 19, 2021, a court decision awarded the injunction requested and ordered Taurus to be subpoenaed. On March 23, 2021, the Company received a subpoena. In an Interlocutory Appeal filed by the Federal District against the decision that denied the preliminary injunction, the appellate injunction was denied. On June 18, 2021, the Company submitted its counterarguments to the Federal District's urgent relief.

The Company then filed its arguments and subsequently the Federal District filed its own counterarguments, then determining that the Public Prosecutor's Office should have access to the case and pending conclusion, awaiting an amending decision on the case.

On July 20, 2021, an amending decision was handed down and the parties were notified to indicate other evidence they intend to produce. Based on the amending decision, the Company filed a petition requesting adjustments to the decision, which was denied; the Federal District filed an interlocutory appeal claiming for the reversal of the burden of proof and suspension of the claim, which was denied. The Federal District has filed an appeal against the decision, and the appellate court approved the stay effect of the appeal.

In November 2021, the interlocutory appeals addressing the reversal of the burden of proof and urgent relief, filed by the Federal District, were denied.

In February 2022, the interlocutory appeal addressing the statute of limitation and expiration, filed by the Company, was partially accepted to determine the non-imposition of the Consumer Defense Code and rules of the collective proceeding.

The Federal District has filed Special Appeal against the decisions of both interlocutory appeals, and the Company has filed counterarguments. In August 2022 the special appeals were denied, with subsequent filing of appeals by the Federal District, which were denied in October 2023, with final and unappealable decision and subsequent return of the case records to the original court to continue with the fact finding phase. In November 2023, the case records were changed from civil class action to ordinary civil proceeding, as requested by the Company. Currently, the lawsuit is at the fact finding phase and waiting for the decision on the Interlocutory Appeal filed by Taurus, against the court decision.

In the opinion of its legal counsel, this action was classified with a possible likelihood of loss and its adjusted amount is R\$70.4 million.

***Administrative Proceeding and Lawsuit – PMESP***

***I – PMESP – Administrative Proceeding 24/7 Pistol***

The Company was summoned to present defense in an administrative proceeding filed by the São Paulo State Military Police ("PMESP") (Sanctioning Proceeding CSMAM-002/30/16) which challenges the possibility or not of partial or full noncompliance with the agreement for acquisition and supply of ninety-eight thousand, four hundred and sixty-five (98,465) firearms, pistol type, models 24/7 and 640, between 2007 and 2011. On May 18, 2020, a decision was issued imposing a R\$12.7 million fine on Taurus, as well as a penalty suspending the Company from bidding and signing any contract with the São Paulo State Public Administration during two years.

The sanctioning decision of the administrative proceeding, however, was annulled by the Court of Justice of the State of São Paulo in a final decision handed down in the injunction request filed by the Company, which determined the return of the administrative proceeding to the fact finding phase.

Thereafter, an administrative decision was handed down on November 13, 2021, fully accepting the sanctioning proposal issued by the Major of the Military Police of the State of São Paulo, in an addendum dated November 12, 2021, to apply a contractual fine in the amount of R\$25.1 million, as well as penalty suspending the Company from bidding and signing any contract with the Public Administration during two years. Based on this decision, Taurus has filed an administrative appeal, obtaining the stay effect. On December 1, 2021, a partial favorable decision on the Company's administrative appeal was handed down, annulling the fine and the Company's suspension from bidding and signing any contract, as well as determining the measures for performance of an independent technical expert analysis at the pistols.

Currently, measures are expected to be adopted for the performance of the independent technical expert analysis. In the opinion of the Company's legal counsel, this administrative proceeding is classified with a possible likelihood of loss and its adjusted amount is R\$25.1 million.

***II - PMESP – Lawsuit SMT 40***

On December 19, 2017, the Company received court subpoena in a lawsuit where the State of São Paulo requires the termination of the supply contract of 5,931 submachine guns, model SMT-40, entered into in 2011 with the São Paulo State Military Police and the return of the amount paid at the time, totaling R\$21.7 million, plus inflation adjustment and other legal fees. The Company filed its defense arguments in the lawsuit and, subsequently, the Treasury and the Public Prosecution Office filed their own arguments. The lawsuit is currently at the fact finding phase and waiting for the production of the technical evidence.

In the opinion of its legal counsel, this action was classified with a possible likelihood of loss, estimated at R\$32 million.

**c) Tax lawsuits**

The Company is a party to legal proceedings of a tax nature. None of these proceedings refers to individually significant amounts.

**Ongoing lawsuits**

The Company also holds an amount equivalent to R\$48.2 million in ongoing lawsuits, which are classified as contingent assets and are not recognized in accounting.

Of this total, R\$21.8 million is classified as Virtually Certain, which is equivalent to probable (contingent liabilities), and in this case, considering that it refers to a contingent asset (calculation of possible Taurus claims), the estimated probable amount refers to a favorable outcome. The main lawsuits are detailed below. The main lawsuits are detailed below:

***Monitory Action - State Department of Finance of Rio Grande do Norte***

Taurus filed a monitory action for the collection of Invoice No. 18565, relating to the supply of bulletproof vests, against the State Department of Finance of Rio Grande do Norte. The aforementioned principal action, Case no. 0010866-28.2006.8.20.0001, was filed in the 1st Fiscal Court of Natal, RN, which granted the petition by judging it an enforceable title in a definite sum in favor of Taurus, which became final and unappealable on September 9, 2016. The principal action continued separately from the enforcement of sentence No. 0824885-55.2017.8.20.5001, under which the overall amount of R\$3.7 million is being collected by Taurus. The enforcement of the sentence was partially challenged by the Department of Finance and the Company was notified to adjust its calculation spreadsheet to the criteria set out in the decision. Upon submission of the new calculation spreadsheet by the Company, showing differences due by the State of Rio Grande do Norte, in August 2022 the decision on the homologation of these calculations was handed down, determining the issuance of the additional precatory letter. Currently, the lawsuit is definitely shelved and is waiting for the payment of the court-ordered debts in the adjusted overall amount. The likelihood of a favorable outcome in this lawsuit is classified as probable and, currently, the amount under dispute is R\$4.8 million.

***Writ of Mandamus - Federal Revenue Service Porto Alegre Commissioner***

Taurus filed a writ of mandamus against the Federal Revenue Service Porto Alegre Commissioner seeking the deduction of paid prior notice, sick pay, one-third vacation bonus, maternity leave pay, and overtime amounts from the tax base of the employer's social security contribution, as provided for by Article 22, I and II, of Law 8212/91, and the social security contribution paid on behalf of outsourced contractors. Writ of Mandamus No. 5067090-11.2012.404.7100 is being handled by the 14th Federal Tax Court of Porto Alegre and the amount involved is R\$2.5 million. The claim was partially granted, allowing for the possibility of offsetting the social security contributions amounts already paid and the social security contributions paid for contractors levied on paid prior notice amounts. Based on the decision on the approval, the defendant filed an interlocutory appeal, where a decision was handed down to prevent the provisional enforcement. Currently, the proceeding is at the appeal phase waiting for the decision on the Extraordinary Appeal filed by the Company, which proceeding is halted, waiting for the final decision on the matter by the STF, as well as potential court of retraction by the judging body. The likelihood of a favorable outcome in this lawsuit is classified as probable.

## 24. Financial instruments

The Company's Management determines the classification of its non-derivative financial assets and financial liabilities at the time of their initial recognition, pursuant to the criteria set forth in IFRS 9/CPC 48 - Financial Instruments as regards the characteristics of the Company's cash flows and business model used to manage the financial assets. Financial liabilities are measured according to their nature and purpose.

	Consolidated		Parent	
	03-31-2025	12-31-2024	03-31-2025	12-31-2024
<b>Amortized cost - Assets</b>				
Cash and cash equivalents	59,042	112,614	56,540	102,739
Trade receivables	337,475	297,108	141,172	164,704
Short-term investments and restricted accounts	151,352	177,237	107,011	136,794
Escrow deposits	62,269	62,451	61,098	61,175
Other due from related parties	19,647	20,941	59,649	55,368
<b>Total</b>	<b>629,785</b>	<b>670,351</b>	<b>425,470</b>	<b>520,780</b>
<b>Amortized cost - Liabilities</b>				
Trade payables	123,863	158,407	68,651	81,592
Borrowings and financing	281,616	193,587	153,450	154,823
Foreign currency advances	464,660	553,951	464,660	553,951
Due to other related parties	2,204	2,154	2,204	2,154
<b>Total</b>	<b>872,343</b>	<b>908,099</b>	<b>688,965</b>	<b>792,520</b>

In light of the short-term cycle, the Company's Management believes that the fair value of cash and cash equivalents, trade receivables, short-term investments and restricted accounts, other receivables and trade payables approximates their carrying amounts.



## 25. Related parties

The Parent, its subsidiaries, and related parties carry out transactions among themselves, involving financial, sales and operating aspects of the Company. We describe below the most relevant transactions.

	Outstanding balances of subsidiaries with the parent				Effect on the result of transactions of subsidiaries with the parent		
	Current assets (ii)	Noncurrent assets (iii)	Total assets	Current liabilities (i)	Total liabilities	Revenue (iv)	Expense (iv)
December 31, 2024							
Taurus Helmets Indústria de Capacetes Ltda.	-	-	-	1	1	-	-
Taurus Holdings, Inc.	46,799	-	46,799	1,855	1,855	108,898	-
Taurus Investimentos Imobiliários Ltda.	5,249	24,463	29,712	126	126	247	1,447
Taurus Máquinas-Ferramenta Ltda.	-	370	370	-	-	-	-
Polimetal Metalurgia e Plásticos Ltda.	2,069	3,241	5,310	700	700	170	-
AMTT Taurus Comercio Varejista Ltda	2,546	-	2,546	-	-	342	-
	56,663	28,074	84,737	2,682	2,682	109,657	1,447
March 31, 2025							
Taurus Helmets Indústria de Capacetes Ltda.	612	-	612	1	1	-	-
Taurus Holdings, Inc.	47,294	-	47,294	1,855	1,855	109,798	-
Taurus Investimentos Imobiliários Ltda.	5,435	26,532	31,967	14	14	753	1,611
Taurus Máquinas-Ferramenta Ltda.	-	205	205	-	-	9	-
Polimetal Metalurgia e Plásticos Ltda.	3,613	5,405	9,018	22	22	204	-
AMTT Taurus Comercio Varejista Ltda	1,940	-	1,940	-	-	280	-
	58,894	32,142	91,036	1,892	1,892	111,044	1,611

(i) Refers to amounts recorded in line items Trade payables - R\$1,863 and other payables - R\$29.

(i) Refers to amounts recorded in line items Trade receivables - R\$48,927 and other receivables - R\$9,967.

(iii) Refers to amounts recognized in line items Intragroup loans - R\$32,142 from parent company Taurus Armas S.A. which are adjusted at 100% of CDI (Interbank Deposit Certificate) rate.

(iv) Comparative balance with March 31, 2024.

Transactions involving the Company and subsidiary Taurus Holdings, Inc. refer to sales of firearms to be marketed by the subsidiary in the US market.

As for transactions involving the Company and subsidiary Polimetall Metalurgia e Plásticos Ltda., these refer to the purchase of work in process, since the subsidiary carries out a part of the production process in the firearms segment.

Taurus Investimentos Imobiliários is the owner of tracts of land and buildings where the head offices of Taurus Armas and Polimetall (RS) and Taurus Helmets (PR) are located, in addition to the investment properties in Porto Alegre (RS). Transactions with this company are carried out through payment of rents and intragroup loans.

Founded in 1969 and headquartered in Brasília, the National Association of Firearms and Ammunition Industry (ANIAM) is a non-profit civil entity, which represents the firearms and ammunition industry and commerce in Brazil and which President is Mr. Salesio Nuhs, who is also the Global CEO of Taurus Armas. Taurus Armas S/A is an associate of this entity and makes monthly contributions, as shown in the table below.

The Brazilian Entity for the Wildlife Conservation (SBCF), which sponsor is related party CBC, is a non-profit private entity engaged in promoting, before the governments and the civil society, the adoption of a new strategic proposal to seek the conservation and rational use of the Brazilian wildlife. SBCF's President is Mr. Salesio Nuhs, who is also the Global CEO of Taurus Armas and the Financial Director is Mr. Sérgio Sgrillo, who is also the Chief Financial and Investor Relations Officer of Taurus Armas. Taurus Armas S/A is an associate of this entity and makes monthly contributions, as shown in the table below.

The transactions conducted with related parties follow the price conditions and terms agreed between the parties and cannot be compared to those under transactions with unrelated parties.

As at March 31, 2025, non-consolidated transactions involving Taurus Armas S.A. and its related parties refer mainly to sales of firearms for trading and purchase of ammunition, parts and accessories. The amount of these transactions is shown below:

	Current assets (ii)	Noncurrent assets (iii)	Current liabilities (i)	Noncurrent liabilities (iv)	Revenue (*)	Expense (*)
<b>December 31, 2024</b>						
Companhia Brasileira de Cartuchos	1,982	-	5,106	-	3,256	2,806
CBC Brasil Comércio e Distribuição	34,804	-	-	-	12,602	-
GN Importações	-	-	1	-	4	-
Taurus JM Indústria de Peças	-	2,956	3,038	2,155	-	52
Jindal Defence Systems Private Limited	4,315	14,254	34	-	-	-
CBC Taurus Arabia Holding, LLC.	-	-	507	-	-	-
ANIAM - Assoc. Nac. da Ind. de Armas e Munições	-	-	-	-	-	156
SBCF – Soc. Bras. de Conservação da Fauna	-	-	-	-	-	39
	<b>41,101</b>	<b>17,210</b>	<b>8,686</b>	<b>2,155</b>	<b>15,862</b>	<b>3,053</b>
<b>March 31, 2025</b>						
Companhia Brasileira de Cartuchos	<b>1,600</b>	-	<b>3,837</b>	-	<b>2,270</b>	<b>3,448</b>
CBC Brasil Comércio e Distribuição	-	-	-	-	<b>2,541</b>	-
GN Importações	-	-	-	-	<b>1</b>	-
Taurus JM Indústria de Peças	-	<b>3,024</b>	<b>4,470</b>	<b>2,204</b>	<b>88</b>	<b>64</b>
Jindal Defence Systems Private Limited	<b>4,483</b>	<b>13,363</b>	<b>34</b>	-	-	-
CBC Taurus Arabia Holding, LLC.	-	-	<b>470</b>	-	-	-
ANIAM - Assoc. Nac. da Ind. de Armas e Munições	-	-	-	-	-	<b>196</b>
SBCF – Soc. Bras. de Conservação da Fauna	-	-	-	-	-	<b>28</b>
	<b>6,083</b>	<b>16,387</b>	<b>8,811</b>	<b>2,204</b>	<b>4,900</b>	<b>3,736</b>

(i) Refers to amounts recorded in line items Trade payables.

(ii) Refers to amounts recorded in line items Trade receivables.

(iii) Refers to amounts recognized in line items Intragroup loans the amount of R\$16,387 from parent company Taurus Armas S.A. of which R\$13,363 are adjusted at 6-months SOFR + 0.25% p.a. and R\$3,024 are adjusted at 100% of CDI (Interbank Deposit Certificate) rate.

(iv) Represents loan agreements with subsidiary Taurus JM Indústria de Peças Ltda. which are adjusted at 100% of CDI rate.

(\*) Comparative balance with March 31, 2024.

### Marketplace Platform

The Company has a partnership with its related party Companhia Brasileira de Cartuchos (CBC) a Marketplace platform.

Marketplace is the most collective concept of online sales. On this platform, different stores can advertise their products, giving the customer a range of options, the stores, called sellers in this operation, join the Marketplace platform and pay a fee for the use of the platform and also royalties on sales made through the platform to the Marketplace operator.

On the Company's Marketplace platform, one of the seller operators is the company GN Importações Ltda., which has Mr. Guilherme Nuhs and Ms. Mara Nuhs, who are related to the Company's CEO Mr. Salesio Nuhs, as a related party.

The Company has formalized contracts for the use and operation of the platform under equal market conditions for all sellers that join the platform according to the terms and conditions set by Taurus and CBC, and therefore GN has accepted the same terms and conditions offered to the other operators.

In the transactions carried out by GN on the Marketplace platform, GN pays a monthly fee of R\$500.00 for the use of the platform, of which R\$250.00 to Taurus Armas and R\$250.00 to CBC, and royalties of 20% on sales and use of the brand, and in exceptions due to the need for some sales promotion, preapproved between the parties, the percentage of royalties can be lower.

### Officers' and Directors' transactions

Officers and directors hold an immaterial percentage of Company's voting shares.

### **Officers' and Directors' compensation**

The compensation of officers and directors includes salaries, management fees, and benefits:

	<b>Consolidated</b>		<b>Parent</b>	
	<b>03-31-2025</b>	<b>03-31-2024</b>	<b>03-31-2025</b>	<b>03-31-2024</b>
Statutory officers' compensation and benefits	<b>3,604</b>	1,425	<b>3,604</b>	1,425
Share-based compensation plan	<b>2,586</b>	3,973	<b>2,586</b>	3,973
Directors' compensation and benefits	<b>261</b>	261	<b>261</b>	261
Supervisory Board members' compensation and benefits	<b>186</b>	112	<b>186</b>	112
	<b>6,637</b>	5,771	<b>6,637</b>	5,771

The compensation of the Statutory Officers consists of a fixed and a variable portion.

Fixed compensation: an annual amount is set for each officer, which is paid on a monthly basis.

Variable compensation: consists of short-term compensation and profit sharing (when applicable) and long-term compensation (stock grant). Generally, the goals set by the Company to evaluate Officers consist of economic goals and their permanence at the Company.

The gain in the Share-based Payment Plan (stock grant) is linked to the appreciation of the market price of Company shares, i.e., the value the individual performance of an officer and the performance of Management as a whole add to the Company reflects on the officers' earnings in this type of compensation, while keeping their interests aligned with the Company's interest in the long run. For more information on Share-based Payment Plan, see note 27.

### Sureties between related parties

Subsidiary Taurus International has an overdraft account with a US banking institution, 53RD Bank, on which there is an additional guarantee consisting of a surety granted by its parent Taurus Armas S.A. As at March 31, 2025, the guaranteed debt totaled R\$128.2 million (R\$38.8 million as at December 31, 2024).

## 26. Equity

### a) Capital

As at March 31, 2025, the Company's issued capital is R\$448.1 million (R\$448.1 million as at December 31, 2024), represented by 126,634,434 book-entry, registered shares, divided into 46,445,314 common shares and 80,189,120 preferred shares without par value.

At an Extraordinary General Meeting held on April 29, 2025, an increase in issued capital was approved, with bonus shares to shareholders, through capitalization of a portion of the statutory reserve in the amount of R\$ 100 million.

### Preferred shares

Preferred shares are not entitled to different dividends and have preemptive rights in the liquidation of its interest in the capital.

Pursuant to Article 5, paragraph 4, of the Company's Bylaws, preferred shares are entitled to vote in any resolutions made at a Shareholders' Meeting on the matters listed below, in which case each preferred share correspond to one vote:

- (i) Company's transformation, merger, consolidation or spin-off;
- (ii) Approval of agreements between the Company and its Controlling Shareholder, as defined in the Level 2 Regulation, directly or through third parties, as well as other companies in which the Controlling Shareholder has an interest, whenever, as set forth in a legal or bylaws provision, these matters are required to be approved at a shareholders' meeting;
- (iii) Appraisal of assets for the Company's capital increase;
- (iv) Selection of a specialized company to determine of the Company's economic value, under Chapter VII of the Company's Bylaws; and
- (v) Change or revocation of bylaws provisions which change or modify any requirement prescribed in item 4.1 of the Level 2 Regulations, except that this voting right shall prevail only while the Level 2 of Corporate Governance Participation Agreement remains in force.

Authorized shares (in thousands of shares):

	<b>03-31-2025</b>	<b>12-31-2024</b>
Common shares	103,703	103,703
Preferred shares	207,405	207,405
	<b>311,108</b>	<b>311,108</b>

Issued, fully paid-in shares:

	<b>Common shares</b>		<b>Preferred shares</b>	
	<b>Number in thousands</b>	<b>Market value in R\$ thousands</b>	<b>Number in thousands</b>	<b>Treasury shares (-) in thousands</b>
As at December 31, 2024				
ON - R\$ 8.78 - PN - R\$ 8.25*	46,445	407,787	80,189	(323)
<b>As at March 31, 2025</b>				
<b>ON - R\$ 8.20 - PN - R\$ 8.14*</b>	<b>46,445</b>	<b>380,849</b>	<b>80,189</b>	<b>(249)</b>

\*Closing share quotation on the indicated date, multiplied by the total shares outstanding on the same date.

b) Reserves and earnings retention

**Legal reserve**

Recognized at 5% of profit for the year, pursuant to Article 193 of Law 6404/76 up to the limit of 20% of capital, after deduction of accumulated losses, in conformity with art. 189 of the same Law. As at December 31, 2024, legal reserve in the amount of R\$4.0 million was recognized. As at March 31, 2025, the legal reserve amounts to R\$52.5 million.

**Tax incentive reserve**

The Company is eligible to ICMS and Fundopem tax incentives. Management, in view of the publication of Supplementary Law 160/17 and in conformity with Law 6404/76, allocated them as tax incentive reserve in equity. The balance as at December 31, 2024 and March 31, 2025 is R\$118.5 million.

**Statutory reserve**

The purpose of the reserve is to protect the Company's net assets, finance investment plans and increase working capital, enable the Company's share repurchase programs, enable stock option plans and other share-based compensation plans or benefits to Management and/or employees, allow the absorption of losses whenever necessary, and authorize the distribution of dividends, as proposed by the Board of Directors and approvals set forth in the Company's Bylaws and applicable laws. The remaining balance of profit after the allocations to the legal reserve, tax incentive reserve and mandatory minimum dividends shall be allocated to this statutory reserve. As at March 31, 2025, the balance of this reserve amounts to R\$ 365.7 million (R\$ 365.7 million as at December 31, 2024).

**Treasury shares**

The purpose of the Repurchase Program is the purchase of shares issued by the Company for holding in treasury, cancellation or subsequent disposal of the shares, for an efficient management of the capital structure and maximization of the value generation for the shareholder and coverage of the Company's obligations arising from the Stock Grant Plan (Stock Grant), intended to management, officers or other holders of the Company's strategic positions.

At a meeting of the Board of Directors on March 21, 2025, a new share repurchase program was approved. Under the scope of the current Repurchase Program, up to 300,000 common shares (TASA3) and 3,003,300 preferred shares (TASA4) can be acquired. Until March 31, 2025, the Company acquired 760 thousand preferred shares (TASA4) for the amount of R\$11.2 million, which are held in treasury, and 248.7 thousand preferred shares (TASA4) for the amount of R\$3.7 million.

c) Dividends

Pursuant to the Company's bylaws, common and preferred shares are entitled to mandatory minimum dividend of 35% of adjusted profit, and preferred shares are entitled to all other rights attributable to common shares under equal conditions.

**Proposed dividends**

The dividend proposal disclosed in the Company's financial statements for the year ended December 31, 2024 was approved at the Annual General Meeting (AGM) held on April 29, 2025 as follows:

<b>Profit for the year 2024</b>	<b>76,592</b>
<b>Allocations:</b>	
Recognition of legal reserve – Art. 193 193	(3,830)
Valuation adjustments to equity	510
<b>Dividend distribution base</b>	<b>73,272</b>
Mandatory dividends (35%)	25,645
Mandatory dividends per share	0,203034
<b>Total dividends for distribution</b>	<b>25,645</b>
<b>Total dividend per share - net</b>	<b>0,203034</b>
<b>Retained earnings</b>	<b>47,627</b>
Recognition of statutory reserve – Art. 194 194	(47,627)

On the AGM held on April 29, 2025, the dividend proposal was voted on and approved. There is no scheduled payment date. The date for payment will be defined by the Board of Directors.

d) Valuation adjustments to equity

**Deemed cost**

The line item valuation adjustments to equity in equity includes adjustments due to the adoption of the deemed cost of property, plant and equipment at the date of transition to IFRSs. The amounts recognized in valuation adjustments to equity are fully or partially reclassified to full or partial profit or loss for the year upon the depreciation of the related line items or the disposal of the assets.

**Cumulative translation adjustments**

Cumulative translation adjustments include all foreign exchange differences arising on translating the interim financial information of foreign operations.

e) Earnings per share

	<b>Parent and Consolidated</b>	
	<b>03-31-2025</b>	<b>03-31-2024</b>
<b>Basic numerator</b>		
<b>Profit for the year</b>		
Common shares	6,845	6,986
Preferred shares	11,782	11,957
	18,627	18,943
<b>Basic denominator – Weighted average number of outstanding shares (No. of shares)</b>		
Common shares	46,445,314	46,445,314
Preferred shares	79,866,847	79,649,077
	126,312,161	126,094,391
<b>Basic earnings per share (R\$ per share)</b>		
Common shares	0.14738	0.15041
Preferred shares	0.14752	0.15012
	<b>Parent and Consolidated</b>	
	<b>03-31-2025</b>	<b>03-31-2024</b>
<b>Diluted numerator</b>		
<b>Profit for the year</b>		
Common shares	6,845	6,986
Preferred shares	11,782	11,957
	18,627	18,943
<b>Diluted denominator – Weighted average number of outstanding shares (No. of shares)</b>		
Common shares	46,445,314	46,445,314
Preferred shares	79,866,847	79,649,077
	126,312,161	126,094,391
<b>Potential increase in the number of shares from the exercise of warrants</b>		
Common shares	-	-
Preferred shares	212,341	-
	212,341	-
<b>Diluted earnings per share (R\$ per share)</b>		
Common shares	0.14738	0.15041
Preferred shares	0.14713	0.15012

f) Capital transactions

The corporate restructuring undertaken on May 27, 2011 involving subsidiary Polimetal Metalurgia e Plásticos Ltda. and the Company resulted in changes in the equity interests between the parties involved in the amount of R\$40,996, which was recognized in equity in the capital transaction account.

## 27. Share-based payment

a) **Stock option plan**

Up to April 28, 2023, the Company had the following share-based payment arrangement:

**Stock option plan (settable in shares)**

On April 26, 2021, the Company approved the Company's First Stock Option Plan that entitles the statutory officers to acquire Company shares. Under this program, the stock options may be exercised at the market price of the shares on grant date. The Board of Directors was responsible for the Plan's management.

The Plan's purpose is to allow granting stock options to the Company's statutory officers previously discussed and selected by the Board of Directors, for the purpose of: (i) attracting, motivating, and retaining in the Company highly performant, strategic executives, capable of advancing its core business; (ii) aligning the interests of statutory officers with the interests of Company shareholders, encouraging commitment, engagement, and ownership of the Company's business; (iii) fostering the expansion, success, and achievement of the goals set by the Company; and (vi) offering statutory officers yet another way to be able to share the Company's performance and success.

The Company's current or future statutory officers are eligible to participate in the Plan. The approval of the actual participants and the number of stock options to be granted to each officer shall be determined by the Board of Directors. The exercise of Stock Options by a participant is not subject to the participant's achieving individual targets or the Company's overall targets but rather to the officer's continuing relationship with the Company.

In the event of the resignation or dismissal for cause of a participant, the stock options that have not been exercised by the termination date, observing the stock option vesting periods, shall be automatically extinguished, by operation of law, regardless of prior notice or notification, and without any right to an indemnity.

Expenses are recognized on a daily pro rata basis, from the stock options' grant date to its vesting date.

The pricing model used to measure the price of the stock options granted is Black, Scholes & Merton. The fair values of the stock options already granted was calculated based on the Black, Scholes & Merton option valuation model, using the following assumptions:

(i) **Number of shares subject to stock options:**

	Shares subject of the stock options		
	Type	Percentage	Number
1st Stock option program - 2021	Common	33.33%	728,332
	Preferred	66.67%	1,456,668
		<b>100.00%</b>	<b>2,185,000</b>
2nd Stock option program - 2021	Common	33.33%	100,000
	Preferred	66.67%	200,000
		<b>100.00%</b>	<b>300,000</b>
3rd Stock option program - 2022	Common	33.33%	26,666
	Preferred	66.67%	53,334
		<b>100.00%</b>	<b>80,000</b>
<b>Total stock options</b>		<b>100.00%</b>	<b>2,565,000</b>



**(ii) Stock options' life**

Percentage of total stock options	26.11%	24.63%	24.63%	24.63%
Exercise date	04/30/2023	04/30/2025	04/30/2027	04/30/2029

The information used in the analysis of the fair values on the grant date of the share-based plans is as follows:

	1st Stock option program - 2021	2nd Stock option program - 2021	3rd Stock option program - 2022
Fair value on grant date	R\$ 24.14	R\$ 24.49	R\$ 20.38
Share price on grant date	R\$ 20.82	R\$ 20.27	R\$ 20.27
Strike price	R\$ 26.68	R\$ 25.43	R\$ 24.72
Expected volatility (weighted average)	89.81%	79.75%	67.56%
Stock option life (weighted average life expectancy)	4.97	4.53	3.95
Expected dividends	2.85%	4.05%	4.84%
Risk-free interest rate (based on government bonds)	7.78%	10.20%	12.28%

The Extraordinary General Meeting held on April 28, 2023 approved the Company's proposal for substitution of the Stock Option Plan ("Stock Options") for the new Share Grant Plan ("Stock Grant"). More information in item b below.

**b) Share grant plans (Stock Grant)**

The Extraordinary General Meeting held on April 28, 2023 approved the Company's proposal for substitution of the Stock Option Plan ("Stock Options") for the new Share Grant Plan ("Stock Grant"). The Board of Directors will be responsible for the Stock Grant Plan's management.

The substitution was proposed because the Stock Options Plan has not attained the proposed purpose, in light of its economic aspects against the current conditions of the Company's stock market. The substituted plan ("Stock Options") allowed the statutory officers to acquire the Company's shares and, under this program, the options could be exercised at the stock market price on the grant date. On the other hand, the new plan ("Stock Grant") allows the statutory officers to receive, free of charge, the Company's preferred shares, based on the terms and conditions set out in the plan, as detailed below.

The Plan's purpose is to allow offering to the beneficiaries duly discussed and selected by the Board of Directors the opportunity of becoming the Company's shareholders, for the purpose of: (i) attracting, motivating, and retaining in the Company highly performant, strategic executives, capable of advancing its core business; (ii) aligning the interests of statutory officers with the interests of Company shareholders, encouraging commitment, engagement, and ownership of the Company's business; (iii) fostering the expansion, success, and achievement of the goals set by the Company; and (vi) offering statutory officers yet another way to be able to share the Company's performance and success.

The Company's current or future statutory officers are eligible to participate in the Plan. The approval of the actual participants and the number of shares to be granted to each officer shall be determined by the Board of Directors. The assignment of shares by the participant is not subject to the participant's achieving individual targets or the Company's overall targets but rather to the officer's continuing relationship with the Company.

In the event of the resignation or dismissal for cause of a participant, the Rights to Receive Shares that have not been converted into shares by the termination date, observing the Grace Periods of the Rights to Receive Shares, shall be automatically extinguished, by operation of law, regardless of prior notice or notification, and without any right to an indemnity. In the event of the participant's dismissal due to the Company's decision, without cause, the Rights to Receive Shares will be granted proportionally to the period during which the participant has occupied the respective position compared to the total period of the Program, subject to the provisions set out in the instrument entered into by the Company and the participant upon the participant's dismissal.

On June 21, 2023, the Board of Directors approved the First Share-Based Compensation Program ("Stock Grant"), which granted to the program beneficiaries the right to receive the total volume of 2,184,000 Company's preferred shares. On May 9, 2024, the Board of Directors approved the First Addendum to the First Share-Based Compensation Program ("First Stock Grant Addendum"), which granted access to 64,000 preferred shares in the Company, totaling 2,248,000 preferred shares granted under the First Stock Grant Program. The total number of shares subject to delivery will be subject to adjustments due to corporate transactions, such as splits, reverse splits and bonuses. The shares received will be entitled to all rights and benefits relating to the preferred shares currently issued by the Company.

As regards the accounting aspects, in view of the substitution of share-based compensation plans, the Company, based on the principles set out in CPC 10 (R1) / IFRS 2 – Share-Based Payment, has recognized the incremental fair value granted, which corresponds to the difference between the fair value of the modified equity instrument and the fair value of the original equity instrument, both estimated on the modification date.

The fair value of the shares granted under the Stock Grant plan was measured at the market price of the shares on the grant date, which was R\$11.41. In turn, the fair value of the stock options ("Stock Options") for purposes of measurement of the incremental fair value, was calculated based on the Black, Scholes & Merton option valuation model, considering the following assumptions:

<b>Stock option program - accumulated</b>	
Share price on grant date	R\$ 14.66
Strike price	R\$ 20.27
Expected volatility (weighted average)	60.82%
Stock option life (weighted average life expectancy)	3.86
Expected dividends	5.63%
Risk-free interest rate (based on government bonds)	10.54%

On April 29, 2024, the first tranche of the share-based compensation plan was exercised. On this date, 424,000 preferred shares out of the total of 436,800 provided for the period were granted to the plan beneficiaries. On August 6, 2024, the remaining 12,800 preferred shares corresponding to the first tranche were granted. For this purpose, treasury shares were distributed, totaling R\$5.3 million.

Expenses are recognized on a daily *pro rata* basis, from the grant date to the date in which the beneficiary acquires the Rights to Receive Shares. The Company recognized in profit (loss) for the period ended March 31, 2025 a total of R\$2.6 million (R\$3.9 million as at March 31, 2024).

**(i) Number of shares under the plan:**

	<b>Shares under the Plan</b>		
	<b>Type</b>	<b>Percentage</b>	<b>Number</b>
Share-based compensation plan - Stock Grant - 2023 – 1st grant	Preferred	100.00%	2,184,000
Share-based compensation plan - Stock Grant - 2024 – 2nd grant	Preferred	100.00%	64,000

**(ii) Life of Call Options (vesting period)**

<b>1st Grant</b>						
Percentage of total shares	20.00%	10.00%	10.00%	10.00%	10.00%	40.00%
Exercise date	04/28/2024	03/31/2025	03/31/2026	03/31/2027	03/31/2028	03/31/2029
<b>2nd Grant</b>						
Percentage of total shares	24.00%	12.00%	12.00%	12.00%	12.00%	40.00%
Exercise date	03/31/2025	03/31/2026	03/31/2027	03/31/2028	03/31/2029	

The changes in the shares granted is shown in the table below and demonstrates the changes in the option plan that was substituted:

	<b>Parent</b>
<b>Number of outstanding options/shares - 12/31/2023</b>	<b>2,184,000</b>
Granted	64,000
Exercised / Delivered	(436,800)
<b>Number of outstanding options/shares - 12/31/2024</b>	<b>1,811,200</b>
Exercised / Delivered	(218,400)
<b>Number of outstanding options/shares - 03/31/2025</b>	<b>1,592,800</b>

## 28. Net operating revenue

Pursuant to IFRS 15/CPC 47 - Revenue from Contracts with Customers, revenue is recognized when control of the goods is transferred to the customer.

Revenue from contracts with customers is recognized to the extent that it is probable that there will be no significant reversal in the accumulated revenue amount. As a result, for contracts where the Company is unable to make a reasonable estimate of the returns, revenue is expected to be recognized after the elapse of the return period. A liability for reimbursement and an asset for recovery will be recognized for these contracts and stated separately on the balance sheet.

### Sales taxes

Sales revenues are subject to the following main taxes and contributions at the following statutory rates:

	<b>Tax rates</b>
State VAT (ICMS)	0% to 25%
Federal VAT (IPI)	0% to 55%
Tax on revenue (COFINS)	3% and 7.6%.
Tax on revenue (PIS)	0.65% and 1.65%.
Excise Tax (EUA)	10% to 11%

	<b>Consolidated</b>		<b>Parent</b>	
	<b>03-31-2025</b>	<b>03-31-2024</b>	<b>03-31-2025</b>	<b>03-31-2024</b>
Sale of goods	<b>403,364</b>	511,779	<b>178,277</b>	185,118
Provision of services	<b>260</b>	98	<b>97</b>	98
Total gross revenue	<b>403,624</b>	511,877	<b>178,374</b>	185,216
Sales taxes	<b>(54,086)</b>	(62,551)	<b>(18,141)</b>	(18,935)
Returns and discounts	<b>(444)</b>	(460)	<b>(154)</b>	(7)
Total net operating revenue	<b>349,094</b>	<b>448,866</b>	<b>160,079</b>	<b>166,274</b>

Because its sales have short-term maturities and the effects of calculating present value adjustments being immaterial, the Company does not adjust the present value of the respective balances.

## 29. Other operating income

	Consolidated		Parent	
	03-31-2025	03-31-2024	03-31-2025	03-31-2024
<b>Other operating income</b>				
Tax recovery	3	147	-	-
Royalties	213	658	213	658
Sale of property, plant and equipment	796	-	621	-
Recovery of expenses on trade payables	633	532	633	532
Recovery of past-due receivables – allowance for expected credit losses	-	12	-	12
Fair value of investment property	-	4,554	-	4,554
Other income	1,776	1,784	549	507
	<b>3,421</b>	<b>7,687</b>	<b>2,016</b>	<b>6,263</b>

## 30. Expenses by nature

	Consolidated		Parent	
	03-31-2025	03-31-2024	03-31-2025	03-31-2024
<b>Expenses by function</b>				
Cost of sales	(236,187)	(303,454)	(102,255)	(111,551)
Selling expenses	(51,191)	(53,525)	(10,697)	(10,545)
Allowance for impairment of financial instruments	(1,453)	(1,497)	(730)	(1,200)
General and administrative expenses	(68,382)	(41,031)	(37,886)	(18,979)
Other operating expenses	(860)	(1,402)	(1,898)	(2,591)
	<b>(358,073)</b>	<b>(400,909)</b>	<b>(153,466)</b>	<b>(144,866)</b>
<b>Expenses by nature</b>	<b>03-31-2025</b>	<b>30-03-2024</b>	<b>03-31-2025</b>	<b>30-03-2024</b>
Depreciation and amortization	(11,512)	(9,140)	(6,616)	(5,910)
Personnel expenses	(74,668)	(82,761)	(50,720)	(51,908)
Tax expenses	(3,903)	(2,226)	(773)	(996)
Raw materials and supplies and consumables	(160,263)	(196,428)	(39,309)	(51,913)
Auxiliary materials and upkeep and maintenance supplies	(16,295)	(12,587)	(13,692)	(12,079)
Freight and insurance	(22,068)	(24,099)	(6,285)	(6,160)
Outside services	(26,974)	(22,466)	(18,923)	(15,020)
Advertising and publicity	(13,441)	(12,973)	(1,443)	(1,198)
Expenses on product warranty	(106)	(715)	(69)	(383)
Water and power	(4,258)	(12,704)	(3,001)	(3,269)
Travel and lodging	(2,341)	(1,906)	(1,347)	(1,067)
Expenses on commissions	(8,748)	(10,166)	(1,240)	(1,776)
Cost of property, plant and equipment written off	(727)	(390)	(727)	(180)
Civil, labor, tax and other risks	(5,749)	11,554	(5,274)	11,391
Rentals	(1,353)	(1,476)	(2,689)	(2,438)
Other expenses	(5,667)	(22,426)	(1,358)	(1,960)
	<b>(358,073)</b>	<b>(400,909)</b>	<b>(153,466)</b>	<b>(144,866)</b>

### 31. Finance income (costs), net

Finance income (costs) consists primarily of foreign exchange gains and losses arising on translating borrowings, trade receivables and trade payables, and interest expenses on liabilities (borrowings).

	<b>Consolidated</b>		<b>Parent</b>	
	<b>03-31-2025</b>	<b>03-31-2024</b>	<b>03-31-2025</b>	<b>03-31-2024</b>
<b>Finance income</b>				
Interest	11,263	757	10,340	1,005
Foreign exchange gains	47,848	7,467	47,749	7,275
Other income	97	4,284	19	3,182
	<b>59,208</b>	<b>12,508</b>	<b>58,108</b>	<b>11,462</b>
<b>Finance costs</b>				
Interest and fines	(17,661)	(15,813)	(15,677)	(14,932)
Foreign exchange losses	(19,578)	(21,340)	(19,462)	(21,128)
Other expenses	(1,361)	(1,400)	(1,172)	(1,167)
	<b>(38,600)</b>	<b>(38,553)</b>	<b>(36,311)</b>	<b>(37,227)</b>
<b>Finance income (costs), net</b>	<b>20,608</b>	<b>(26,045)</b>	<b>21,797</b>	<b>(25,765)</b>

### 32. Provision for product warranty

The Company quantifies and recognizes an estimate for the warranty-related costs, according to history of and current repair costs. The provision for product warranty ensures that the repair costs in case of replacement or repair do not affect the results of operations for the periods in which these additional costs were incurred. Therefore, amounts are recognized on an accrual basis. As at March 31, 2025 and December 31, 2024, the balances are as follows:

	<b>Consolidated</b>		<b>Parent</b>	
	<b>03-31-2025</b>	<b>12-31-2024</b>	<b>03-31-2025</b>	<b>12-31-2024</b>
Domestic market	5,924	5,924	5,005	5,005
Foreign market	6,799	7,333	-	-
<b>Total</b>	<b>12,723</b>	<b>13,257</b>	<b>5,005</b>	<b>5,005</b>
Current liabilities	8,791	9,016	5,005	5,005
Noncurrent liabilities	3,932	4,241	-	-

### 33. Events after the reporting period

#### Capital increase

At an Extraordinary General Meeting held on April 29, 2025, a capital increase through the capitalization of a portion of the statutory reserve was approved, with the issuance of new shares, to be granted to shareholders in the proportion of 1 share for every 10 shares of the same type (10%) held by the shareholder on May 7, 2025. In total, 12.6 million new shares will be issued, consisting of 4.6 million common shares and 8 million preferred shares, in the amount of R\$100 million.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and Executive Board of  
Taurus Armas S.A.

### **Introduction**

We have reviewed the accompanying individual and consolidated interim financial information of Taurus Armas S.A. ("Company"), included in the Interim Financial Information Form (ITR) for the quarter ended March 31, 2025, which comprises the balance sheet as at March 31, 2025 and the related statements of profit and loss, of comprehensive income, of changes in equity and of cash flows for the three-month period then ended, including the explanatory notes.

The Executive Board is responsible for the preparation of the individual and consolidated interim financial information in accordance with technical pronouncement CPC 21 (R1) - Interim Financial Reporting and international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as for the presentation of such information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of Interim Financial Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

### **Scope of review**

We conducted our review in accordance with Brazilian and international standards on review of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion on the individual and consolidated interim financial information**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the ITR referred to above was not prepared, in all material respects, in accordance with technical pronouncement CPC 21 (R1) and international standard IAS 34, applicable to the preparation of Interim Financial Information (ITR), and presented in accordance with the standards issued by the CVM.

### **Other matters**

#### *Statements of value added*

The aforementioned interim financial information includes the individual and consolidated statements of value added (DVA) for the three-month period ended March 31, 2025, prepared under the responsibility of the Company's Executive Board and disclosed as supplementary information for the purposes of international standard IAS 34. These statements have been subject to review procedures performed in conjunction with the review of the ITR to reach a conclusion on whether they are reconciled with the interim financial information and the accounting records, as applicable, and if their form and content are in accordance with the criteria defined in technical pronouncement CPC 09 (R1) - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not prepared, in all material respects, in accordance with the criteria set out in such technical pronouncement and consistently with respect to the individual and consolidated interim financial information taken as a whole.

#### *Convenience translation*

The accompanying individual and consolidated interim financial information has been translated into English for the convenience of readers outside Brazil.

Porto Alegre, May 9, 2025

DELOITTE TOUCHE TOHMATSU  
Auditores Independentes Ltda.

Otávio Ramos Pereira  
Engagement Partner

## **FISCAL COUNCIL'S OPINION**

The Fiscal Council of Taurus Armas S.A., in compliance with legal and statutory provisions, reviewed the interim financial information for the first quarter of 2025. Based on the conducted reviews and also taking into consideration the unqualified Report on the Review of Interim Financial Information, issued by Deloitte Touche Tohmatsu Auditores Independentes on May 9, 2025, in addition to information and clarifications received from the Company's Management, it represents that the mentioned documents are appropriate to be disclosed.

São Leopoldo, May 9, 2025.

Haroldo Zago  
Chairman

Mauro César Medeiros de Mello  
Board Member

Valmir Pedro Rossi  
Board Member

Alex Leite do Nascimento  
Board Member

Luciano Luiz Barsi  
Board Member

## **AUDIT AND RISK COMMITTEE'S OPINION**

The main duties of the Audit and Risk Board of Taurus Armas S.A., the statutory advisory body of the Board of Directors, in conformity with its Internal Regulation, are to assess the effectiveness of the accounting and internal control system, of the internal audit and independent audit and of the risk management framework and process and to issue an opinion on the interim financial information prior to their disclosure.

In order to fulfill its duties and in compliance with its annual work plan, it has held a meeting to discuss the financial statements ended on May 9, 2025.

The Board has audited the Management Report, the Interim Financial Information for the period ended March 31, 2025, including the explanatory notes, and the unqualified report issued by Deloitte Touche Tohmatsu Auditores Independentes.

Based on the activities performed in the period, in reliance upon its duties and limitations inherent in its work scope, the Audit and Risk Board, without identifying any event that could affect the quality and completeness of the information to be disclosed, recommends to the Board of Directors the approval and disclosure of the Interim Financial Information as of March 31, 2025 and the respective Performance Report.

São Leopoldo, May 9, 2025.

SÉRGIO LAURIMAR FIORAVANTI  
Board Member/Chairman

MAGNO NEVES FONSECA  
Board Member

LUCIANO LUIZ BARSÍ  
Board Member



**STATEMENT OF THE EXECUTIVE COMMITTEE OF TAURUS ARMAS S.A. ON THE FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER OF 2025**

Messrs. Salesio Nuhs, Sergio Castilho Sgrillo Filho, Leonardo Brum Sesti and Eduardo Minghelli, Directors of Taurus Armas S.A., a company with registered head office at Av. São Borja, 2.181/Prédio A, ZIP Code: 93.035-411, São Leopoldo, RS, enrolled with Corporate Taxpayer Identification (CNPJ/MF) under No. 92.781.335/0001-02, in compliance with the provisions of Article 25, V and VI, of CVM Instruction No. 480, of March 29, 2022, hereby declare that they have reviewed, discussed and agreed with the Financial Statements of Taurus Armas S.A. and consolidated companies for the period from January 1, 2025 to March 31, 2025.

São Leopoldo, May 9, 2025.

Salesio Nuhs  
Chief Executive Officer

Sergio Castilho Sgrillo Filho  
Chief Finance and Administrative Officer  
Investor Relations Officer

Leonardo Brum Sesti  
Executive Officer without specific designation

Eduardo Minghelli  
Executive Officer without specific designation

## **STATEMENT OF THE EXECUTIVE COMMITTEE OF TAURUS ARMAS S.A. ON THE INDEPENDENT AUDITOR'S REPORT**

Messrs. Salesio Nuhs, Sergio Castilho Sgrillo Filho, Leonardo Brum Sesti and Eduardo Minghelli, Directors of Taurus Armas S.A., a company with registered head office at Av. São Borja, 2.181/Prédio A, ZIP Code: 93.035-411, São Leopoldo, RS, enrolled with Corporate Taxpayer Identification (CNPJ/MF) under No. 92.781.335/0001-02, in compliance with paragraph 1<sup>st</sup> of Article 25, provisions V and VI, of CVM Instruction No. 80, of March 29, 2022, hereby declare that they have reviewed, discussed and agreed with the opinions expressed by Deloitte Touche Tohmatsu Auditores Independentes Ltda., in its Independent Auditor's Report on the Financial Statements for the period from January 1, 2025 to March 31, 2025, issued on May 9, 2025.

São Leopoldo, May 9, 2025.

Salesio Nuhs  
Chief Executive Officer

Sergio Castilho Sgrillo Filho  
Chief Finance and Administrative Officer  
Investor Relations Officer

Leonardo Brum Sesti  
Executive Officer without specific designation

Eduardo Minghelli  
Executive Officer without specific designation