

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

Taurus Armas S.A.

Report on Review of Interim
Financial Information for the
Six-month Period Ended June 30, 2025

Deloitte Touche Tohmatsu Auditores Independentes Ltda.

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REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and Managers of
Taurus Armas S.A.

Introduction

We have reviewed the accompanying interim individual and consolidated financial information of Taurus Armas S.A. ("Company"), included in the Interim Financial Information Form (ITR), for the quarter ended June 30, 2025, which comprises the balance sheet as at June 30, 2025 the related statements of profit and loss and of comprehensive income for the three- and six-month periods the ended, and of changes in equity and of cash flows for the six-month period then ended, including the explanatory notes.

Management is responsible for the preparation of the interim individual and consolidated 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 interim individual and consolidated financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 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 statements of value added (DVA), individual and consolidated, for the six-month period ended June 30, 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 interim financial information taken as a whole.

Convenience translation

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

Porto Alegre, August 8, 2025


DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.


Otávio Ramos Pereira
Accountant

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Company Data/Capital Breakdown	
Number of shares (units)	Current Quarter 06/30/2025
Common - Paid-in capital	51,089,845
Preferred - Paid-in capital	88,208,032
Total - Paid-in Capital	139,297,877
Common - Held in treasury	-
Preferred - Held in treasury	98,273
Total - Held in treasury	98,273

Individual FS / Balance Sheet - Assets

(In thousands of Brazilian reais)

Line Item	Description	Current Quarter 06/30/2025	Prior Year 12/31/2024
1	Total assets	2,154,191	2,312,558
1.01	Current assets	700,485	781,998
1.01.01	Cash and cash equivalents	46,929	102,739
1.01.01.01	Cash and banks	21,294	45,079
1.01.01.02	Highly liquid short-term investments	25,635	57,660
1.01.02	Short-term investments	100,885	136,794
1.01.02.03	Short-term investments at evaluated at amortized cost	100,885	136,794
1.01.03	Accounts receivable	167,598	164,704
1.01.03.01	Trade receivables	167,598	164,704
1.01.04	Inventories	286,067	259,814
1.01.06	Recoverable taxes	72,553	86,883
1.01.06.01	Recoverable current taxes	72,553	86,883
1.01.07	Prepaid expenses	4,704	5,495
1.01.08	Other current assets	21,749	25,569
1.01.08.03	Other	21,749	25,569
1.01.08.03.03	Related parties - financial loan	12,214	9,255
1.01.08.03.04	Other receivables	9,535	16,314
1.02	Noncurrent assets	1,453,706	1,530,560
1.02.01	Long-term receivables	181,991	166,567
1.02.01.07	Deferred taxes	37,423	39,327
1.02.01.07.01	Deferred income tax and social contribution	37,423	39,327
1.02.01.09	Due from related parties	56,377	45,284
1.02.01.09.02	Receivables from subsidiaries	56,377	45,284
1.02.01.10	Other noncurrent assets	88,191	81,956
1.02.01.10.03	Recoverable taxes	21,529	20,708
1.02.01.10.04	Other	66,662	61,248
1.02.02	Investments	803,925	903,206
1.02.02.01	Equity interests	803,925	903,206
1.02.02.01.02	Equity interests in subsidiaries	803,925	903,206
1.02.03	Property, plant and equipment	388,482	386,017
1.02.03.01	Fixed assets in use	225,066	216,161
1.02.03.03	Construction in progress	163,416	169,856
1.02.04	Intangible assets	79,308	74,770
1.02.04.01	Intangible assets	79,308	74,770
1.02.04.01.02	Intangible assets	79,308	74,770

Individual FS / Balance Sheet - Liabilities

(In thousands of Brazilian reais)

Line Item	Description	Current Quarter 06/30/2025	Prior Year 12/31/2024
2	Total liabilities and equity	2,154,191	2,312,558
2.01	Current liabilities	667,322	803,753
2.01.01	Payroll, benefits and taxes thereon	34,389	34,438
2.01.01.01	Payroll and related taxes	6,135	7,243
2.01.01.02	Payroll and related taxes	28,254	27,195
2.01.02	Trade payables	59,618	76,415
2.01.02.01	Local suppliers	51,083	64,999
2.01.02.02	Foreign suppliers	8,535	11,416
2.01.03	Taxes payable	21,021	29,578
2.01.03.01	Federal tax liabilities	21,193	28,815
2.01.03.01.01	Income tax and social contribution payable	5,885	10,189
2.01.03.01.02	Other taxes	15,308	18,626
2.01.03.02	State tax liabilities	(237)	727
2.01.03.03	Municipal tax liabilities	65	36
2.01.04	Borrowings and financing	450,804	554,318
2.01.04.01	Borrowings and financing	450,804	554,318
2.01.04.01.01	In local currency	5,185	367
2.01.04.01.02	In foreign currency	445,619	553,951
2.01.05	Other payables	42,060	49,350
2.01.05.02	Other	42,060	49,350
2.01.05.02.02	Dividends payable	17,198	25,744
2.01.05.02.08	Advances from customers	11,728	13,548
2.01.05.02.09	Other payables	13,134	10,058
2.01.06	Provisions	59,430	59,654
2.01.06.01	Tax, social security, labor and civil provisions	54,425	54,649
2.01.06.01.01	Tax provisions	48,894	49,930
2.01.06.01.02	Social security and labor provisions	3,149	3,326
2.01.06.01.04	Civil provisions	2,382	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	212,300	214,444
2.02.01	Borrowings and financing	148,103	154,456
2.02.01.01	Borrowings and financing	148,103	154,456
2.02.01.01.01	In local currency	148,103	154,456
2.02.01.01.02	In foreign currency	-	-
2.02.02	Other payables	14,194	15,797
2.02.02.01	Due to related parties	2,261	2,154
2.02.02.01.04	Due to other related parties	2,261	2,154
2.02.02.02	Other	11,933	13,643
2.02.02.02.03	Taxes payable	81	81
2.02.02.02.04	Provision for negative equity	607	385
2.02.02.02.06	Trade payables	3,245	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	50,003	44,191
2.02.04.01	Tax, social security, labor and civil provisions	50,003	44,191
2.02.04.01.01	Tax provisions	8	8
2.02.04.01.02	Social security and labor provisions	34,899	28,615
2.02.04.01.04	Civil provisions	15,096	15,568
2.03	Equity	1,274,569	1,294,361
2.03.01	Issued capital	548,101	448,101
2.03.02	Capital reserves	(3,687)	(8,276)
2.03.02.03	Disposal of subscription warrants	9,880	9,880
2.03.02.04	Stock options granted	33,480	32,358
2.03.02.05	Treasury shares	(1,300)	(4,767)
2.03.02.09	Capital Transactions	(45,747)	(45,747)
2.03.04	Profit reserve	436,955	536,741
2.03.04.01	Legal reserve	52,534	52,534
2.03.04.02	Statutory reserve	265,931	365,717
2.03.04.07	Tax incentive reserve	118,490	118,490
2.03.05	Retained earnings/accumulated losses	52,023	-
2.03.06	Valuation adjustments to equity	43,256	43,490
2.03.08	Cumulative translation adjustments	197,921	274,305
2.03.08.01	Cumulative translation adjustments	197,921	274,305

Individual FS / Statement of Profit or Loss
(In thousands of Brazilian reais)

Line Item	Description	Current YTD 04/01/2025 to 06/30/2025	Acumulated Amount YTD 01/01/2025 to 06/30/2025	Amount YTD 04/01/2024 to 06/30/2024	Acumulated Amount YTD 01/01/2024 to 06/30/2024
3.01	Net operating revenue	254,456	414,535.00	226,742.00	393,016.00
3.02	Cost of sales	(150,683) -	252,938.00 -	137,995.00 -	249,546.00
3.03	Gross profit	103,773	161,597.00	88,747.00	143,470.00
3.04	Operating (expenses) income	(60,707) -	126,107.00 -	40,156.00 -	47,772.00
3.04.01	Selling expenses	(15,212) -	25,909.00 -	11,976.00 -	22,521.00
3.04.02	General and administrative expenses	(35,426) -	73,312.00 -	35,538.00 -	54,517.00
3.04.03	Impairment losses	(3,057) -	3,787.00 -	753.00 -	1,953.00
3.04.04	Other operating income	3,020	5,036.00	7,298.00	13,561.00
3.04.05	Other operating expenses	(2,820) -	4,718.00 -	3,133.00 -	5,724.00
3.04.06	Equity in earnings (losses)	(7,212) -	23,417.00	3,946.00	23,382.00
3.05	Profit before finance income (costs) and taxes	43,066	35,490.00	48,591.00	95,698.00
3.06	FINANCE INCOME (COSTS)	9,249	31,046.00 -	57,293.00 -	83,058.00
3.06.01	Finance income	46,118	104,226.00	25,272.00	36,734.00
3.06.02	Finance costs	(36,869) -	73,180.00 -	82,565.00 -	119,792.00
3.07	Pretax income	52,315	66,536.00 -	8,702.00	12,640.00
3.08	Income tax and social contribution	(19,152) -	14,746.00 -	283.00 -	2,682.00
3.08.01	Current	(14,368) -	12,843.00	-	-
3.08.02	Deferred	(4,784) -	1,903.00 -	283.00 -	2,682.00
3.09	Profit (loss) from continuing operations	33,163	51,790.00 -	8,985.00	9,958.00
3.11	profit (loss) for the period	33,163	51,790.00 -	8,985.00	9,958.00
3.99	Earnings per share (R\$/share)	-	-	-	-
3.99.01	Basic earnings per share	-	-	-	-
3.99.01.01	Common shares (ON)	0.25023	0.40 -	0.07	0.0789
3.99.01.02	Preferred shares (PN)	0.25070	0.40 -	0.07	0.0790
3.99.02	Diluted earnings per share	-	-	-	-
3.99.02.01	Common shares (ON)	0.25023	0.40 -	0.07	0.0789
3.99.02.02	Preferred shares (PN)	0.24997	0.40 -	0.07	0.0790

Individual FS / Statement of Comprehensive Income

(In thousands of Brazilian reais)

Line Item	Description	Current YTD 04/01/2025 to 06/30/2025	Acumulated Amount YTD 01/01/2025 to 06/30/2025	Amount YTD 04/01/2024 to 06/30/2024	Acumulated Amount YTD 01/01/2024 to 06/30/2024
4.01	Profit for the period	33,163.00	51,790.00 -	8,985.00	9,958.00
4.02	Other comprehensive income	- 28,990.00	- 76,385.00	60,459.00	76,866.00
4.02.01	Translation adjustments for the period	- 28,990.00	- 76,385.00	60,459.00	76,866.00
4.02.02	Realization of valuation adjustments to equity, net of taxes	-	-	-	-
4.03	Comprehensive income for the period	4,173.00 -	24,595.00	51,474.00	86,824.00

Individual FS / Statement of Cash Flows - Indirect Method

(In thousands of Brazilian reais)

Line Item	Description	Current YTD 01/01/2025 to 06/30/2025	Prior YTD 01/01/2024 to 06/30/2024
6.01	Net cash from operating activities	24,446	48,071
6.01.01	Cash generated by operating activities	87,513	89,913
6.01.01.01	Profit (loss) before income tax and social contribution	66,536	12,640
6.01.01.02	Depreciation and amortization	13,419	11,916
6.01.01.03	Cost of capital assets written off	1,147	780
6.01.01.04	Allowance for doubtful debts	3,787	1,953
6.01.01.05	Share of results of investees	23,417	(23,382)
6.01.01.08	Accrued interest on borrowings and intragroup borrowings	25,142	24,189
6.01.01.09	Shared based payment plan	4,504	6,988
6.01.01.10	Allowance for inventory losses	1,668	1,230
6.01.01.11	Provision for warranties	-	-
6.01.01.12	Provision for civil, labor and tax risks	7,734	(16,435)
6.01.01.13	Exchange differences on borrowings and other items	(59,841)	70,034
6.01.02	Changes in assets and liabilities	(35,019)	(41,842)
6.01.02.01	(Increase) decrease in trade receivables	(6,681)	(81,957)
6.01.02.02	Decrease (increase) in inventories	(27,921)	9,894
6.01.02.03	Decrease (increase) in other receivables	9,725	14,376
6.01.02.04	(Decrease) increase in trade payables	(18,729)	(3,882)
6.01.02.05	Increase (decrease) in accounts payable	8,587	19,727
6.01.03	Other	(28,048)	-
6.01.03.02	Income tax and social contribution paid	(28,048)	-
6.02	Net cash from investing activities	3,246	(31,888)
6.02.01	Due from related parties	(11,093)	(17,329)
6.02.03	In investments	-	-
6.02.04	In property, plant and equipment	(14,228)	(26,760)
6.02.05	In intangible assets	(7,342)	(4,064)
6.02.06	Financial investments	35,909	16,265
6.03	Net cash from financing activities	(83,502)	(17,133)
6.03.01	Payment of interest on equity and dividends	(8,546)	-
6.03.02	Borrowings and intragroup borrowings	267,465	257,208
6.03.03	Repayment of borrowings	(309,004)	(244,702)
6.03.05	Capital increase	-	(4,446)
6.03.07	Payment of interest on borrowings and intragroup borrowings	(33,523)	(25,273)
6.03.10	Due to related parties	106	80
6.05	Increase (decrease) in cash and cash equivalents	(55,810)	(950)
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	46,929	73,064

Individual FS / Statements of Changes in Equity / SCE - 01/01/2025 to 06/30/2025

(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	100,000	4,589	(99,786)	-	-	4,803
5.04.01	Capital Increases	100,000	-	(100,000)	-	-	-
5.04.03	Recognized stock options granted	-	1,123	-	-	-	1,123
5.04.04	Treasury shares acquired	-	-	-	-	-	-
5.04.05	Treasury shares sold	-	3,466	(84)	-	-	3,382
5.04.06	Other transactions	-	-	298	-	-	298
5.05	Total comprehensive income	-	-	-	51,790	(76,385)	(24,595)
5.05.01	Profit for the period	-	-	-	51,790	-	51,790
5.05.02	Other comprehensive income	-	-	-	-	(76,385)	(76,385)
5.05.02.04	Translation adjustments for the period	-	-	-	-	(76,385)	(76,385)
5.06	Internal changes in equity	-	-	-	233	(233)	-
5.06.02	Realization of revaluation reserve	-	-	-	233	(233)	-
5.07	Closing balances	548,101	(3,687)	436,955	52,023	241,177	1,274,569

Individual FS / Statements of Changes in Equity / SCE - 01/01/2024 to 06/30/2024
(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	367,936.00 -	17,095.00	566,592.00	-	174,372.00	1,091,805.00
5.03	Shareholders' capital transactions	367,936.00 -	17,095.00	566,592.00	-	174,372.00	1,091,805.00
5.04	Capital increases	80,165.00	3,634.00 -	81,257.00	-	-	2,542.00
5.04.01	Capital Transactions with Shareholders	80,165.00	- -	80,165.00	-	-	-
5.04.03	Recognized Granted Options	-	1,833.00	-	-	-	1,833.00
5.04.04	Treasury shares acquired	- -	4,446.00	-	-	- -	4,446.00
5.04.05	Treasury Shares Sold	-	6,247.00 -	1,092.00	-	-	5,155.00
5.04.06	Dividends	-	-	-	-	-	-
5.04.08	Total comprehensive income	-	-	-	-	-	-
5.05	Net income for the period	-	-	-	9,958.00	76,866.00	86,824.00
5.05.01	Other comprehensive income	-	-	-	9,958.00	-	9,958.00
5.05.02	Adjustments to financial instruments	-	-	-	-	76,866.00	76,866.00
5.05.02.04	Taxes on translation adjustments for the period	-	-	-	-	76,866.00	76,866.00
5.06	Recognition of reserves	-	-	-	258.00 -	258.00	-
5.06.02	Taxes on realization of revaluation reserve	-	-	-	258.00 -	258.00	-
5.07	Closing balances	448,101.00 -	13,461.00	485,335.00	10,216.00	250,980.00	1,181,171.00

Individual FS / Statement of Value Added

(In thousands of Brazilian reais)

Line Item	Description	Current YTD 01/01/2025 to 06/30/2025	Prior YTD 01/01/2024 to 06/30/2024
7.01	Revenue	467,745	467,892
7.01.01	Sales of goods and services	466,496	456,284
7.01.02	Other income	5,036	13,561
7.01.04	Allowance for (reversal of) doubtful debts	(3,787)	(1,953)
7.02	Inputs purchased from third parties	(232,043)	(208,739)
7.02.01	Cost of products, goods and services sold	(120,159)	(129,135)
7.02.02	Supplies, power, outside services and other inputs	(111,884)	(79,604)
7.03	Gross value added	235,702	259,153
7.04	Withholdings	(13,419)	(11,916)
7.04.01	Depreciation, amortization and depletion	(13,419)	(11,916)
7.05	Wealth created	222,283	247,237
7.06	Wealth received in transfer	80,809	60,116
7.06.01	Equity in earnings (losses)	(23,417)	23,382
7.06.02	Finance income	104,226	36,734
7.07	Wealth for distribution	303,092	307,353
7.08	Wealth distributed	303,092	307,353
7.08.01	Personnel expenses	87,772	89,680
7.08.01.01	Wages	67,793	65,721
7.08.01.02	Benefits	15,347	19,366
7.08.01.03	Severance Pay Fund (FGTS)	4,632	4,593
7.08.02	Taxes, fees and contributions	88,276	86,003
7.08.02.01	Federal	74,116	72,433
7.08.02.02	State	14,008	13,445
7.08.02.03	Municipal	152	125
7.08.03	Lenders and lessors	75,254	121,712
7.08.03.01	Interest	73,180	119,792
7.08.03.02	Rentals	2,074	1,920
7.08.04	Shareholders	51,790	9,958
7.08.04.02	Dividends	-	-
7.08.04.03	Retained earnings (accumulated losses)	51,790	9,958

Consolidated FS / Balance Sheet - Assets

(In thousands of Brazilian reais)

Line Item	Description	Current Quarter 06/30/2025	Prior Year 12/31/2024
1	Total assets	2,563,359	2,628,647
1.01	Current assets	1,480,437	1,551,087
1.01.01	Cash and cash equivalents	48,795	112,614
1.01.01.01	Cash and banks	22,300	47,130
1.01.01.02	Highly liquid short-term investments	26,495	65,484
1.01.02	Short-term investments	145,583	177,237
1.01.02.03	Short-term investments at evaluated at amortized cost	145,583	177,237
1.01.03	Accounts receivable	351,788	297,108
1.01.03.01	Trade receivables	351,788	297,108
1.01.04	Inventories	781,032	779,281
1.01.06	Recoverable taxes	96,356	104,480
1.01.06.01	Recoverable current taxes	96,356	104,480
1.01.07	Prepaid expenses	24,670	45,629
1.01.08	Other current assets	32,213	34,738
1.01.08.01	Noncurrent assets for sale	7,000	7,000
1.01.08.03	Other	25,213	27,738
1.01.08.03.02	Others account receivables	25,213	27,738
1.02	Noncurrent assets	1,082,922	1,077,560
1.02.01	Long-term receivables	187,729	186,824
1.02.01.07	Deferred taxes	80,976	84,503
1.02.01.07.01	Deferred income tax and social contribution	80,976	84,503
1.02.01.09	Credits with related parties	15,939	17,210
1.02.01.09.04	Credits with others related parties	15,939	17,210
1.02.01.10	Other noncurrent assets	90,814	85,111
1.02.01.10.03	Other	22,287	21,340
1.02.01.10.04	Recoverable taxes	68,527	63,771
1.02.02	Investments	68,594	67,933
1.02.02.01	Equity interests	12,195	11,534
1.02.02.01.04	Investments in joint ventures	12,193	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	638,836	636,535
1.02.03.01	Fixed assets in use	400,609	407,040
1.02.03.03	Construction in progress	238,227	229,495
1.02.04	Intangible assets	187,763	186,268
1.02.04.01	Intangible	187,763	186,268
1.02.04.01.02	Intangible	187,763	186,268

Consolidated FS / Balance Sheet - Liabilities

(In thousands of Brazilian reais)

Line Item	Description	Current Quarter 06/30/2025	Prior Year 12/31/2024
2	Total liabilities and equity	2,563,359	2,628,647
2.01	Current liabilities	816,013	1,016,957
2.01.01	Payroll, benefits and taxes thereon	46,188	54,535
2.01.01.01	Payroll and related taxes	6,854	8,135
2.01.01.02	Payroll and related taxes	39,334	46,400
2.01.02	Trade payables	125,132	156,253
2.01.02.01	Local suppliers	66,696	83,207
2.01.02.02	Foreign suppliers	58,436	73,046
2.01.03	Taxes payable	51,527	71,549
2.01.03.01	Federal tax liabilities	51,029	70,153
2.01.03.01.01	Income tax and social contribution payable	6,172	10,420
2.01.03.01.02	Other taxes	44,857	59,733
2.01.03.02	State tax liabilities	391	1,301
2.01.03.03	Municipal tax liabilities	107	95
2.01.04	Borrowings and Financing	450,804	554,318
2.01.04.01	Borrowings and Financing	450,804	554,318
2.01.04.01.01	In local currency	5,185	367
2.01.04.01.02	In foreign currency	445,619	553,951
2.01.05	Other payables	71,244	106,233
2.01.05.02	Other	71,244	106,233
2.01.05.02.02	Dividends payable	17,198	25,744
2.01.05.02.09	Other payables	14,879	24,812
2.01.05.02.11	Other payables	39,167	55,677
2.01.06	Provisions	71,118	74,069
2.01.06.01	Tax, social security, labor and civil provisions	62,470	65,053
2.01.06.01.01	Tax provisions	49,319	50,371
2.01.06.01.02	Social security and labor provisions	3,526	3,812
2.01.06.01.04	Civil provisions	9,625	10,870
2.01.06.02	Other allowances, provisions and accruals	8,648	9,016
2.01.06.02.01	Provision for warranties	8,648	9,016
2.02	Noncurrent liabilities	472,777	317,329
2.02.01	Borrowings and financing	351,325	193,220
2.02.01.01	Borrowings and financing	351,325	193,220
2.02.01.01.01	In local currency	148,103	154,456
2.02.01.01.02	In foreign currency	203,222	38,764
2.02.02	Other payables	54,381	62,133
2.02.02.01	Due to related parties	2,261	2,154
2.02.02.01.04	Due to other related parties	2,261	2,154
2.02.02.02	Other	52,120	59,979
2.02.02.02.04	Other Payables	2,938	4,154
2.02.02.02.06	Trade payables	3,245	5,177
2.02.02.02.09	Other Payables	45,937	50,648
2.02.03	Deferred taxes	11,076	11,185
2.02.03.01	Deferred income tax and social contribution	11,076	11,185
2.02.04	Provisions	55,995	50,791
2.02.04.01	Tax, social security, labor and civil provisions	52,258	46,550
2.02.04.01.01	Tax provisions	1,402	1,402
2.02.04.01.02	Social security and labor provisions	35,622	29,442
2.02.04.01.04	Civil provisions	15,234	15,706
2.02.04.02	Other allowances, provisions and accruals	3,737	4,241
2.02.04.02.01	Provision for warranties	3,737	4,241
2.03	Consolidated equity	1,274,569	1,294,361
2.03.01	Issued capital	548,101	448,101
2.03.02	Capital reserves	(3,687)	(8,276)
2.03.02.03	Disposal of subscription warrants	9,880	9,880
2.03.02.04	Stock options granted	33,480	32,358
2.03.02.05	Treasury shares	(1,300)	(4,767)
2.03.02.09	Capital Transactions	(45,747)	(45,747)
2.03.04	Profit reserve	436,955	536,741
2.03.04.01	Legal reserve	52,534	52,534
2.03.04.02	Statutory reserve	265,931	365,717
2.03.04.07	Tax incentive reserve	118,490	118,490
2.03.05	Retained earnings/accumulated losses	52,023	-
2.03.06	Valuation adjustments to equity	43,256	43,490
2.03.08	Cumulative translation adjustments	197,921	274,305
2.03.08.01	Cumulative translation adjustments	197,921	274,305

Consolidated FS / Statement of Profit or Loss
(In thousands of Brazilian reais)

Line Item	Description	Current YTD 04/01/2025 to 06/30/2025	Acumulated Amount YTD 01/01/2025 to 06/30/2025	Amount YTD 04/01/2024 to 06/30/2024	Acumulated Amount YTD 01/01/2024 to 06/30/2024
3.01	Net operating revenue	402,445.00	751,539.00	407,911.00	856,777.00
3.02	Cost of sales	- 249,597.00	- 485,784.00	- 263,597.00	- 567,051.00
3.03	Gross profit	152,848.00	265,755.00	144,314.00	289,726.00
3.04	Operating (expenses) income	- 114,408.00	- 231,836.00	- 100,303.00	- 190,257.00
3.04.01	Selling expenses	- 57,055.00	- 108,246.00	- 51,062.00	- 104,587.00
3.04.02	General and administrative expenses	- 62,197.00	- 130,579.00	- 55,295.00	- 96,326.00
3.04.03	Impairment losses	- 2,907.00	- 4,360.00	- 6.00	- 1,491.00
3.04.04	Other operating income	8,916.00	12,337.00	8,263.00	15,950.00
3.04.05	Other operating expenses	- 1,428.00	- 2,288.00	- 1,972.00	- 3,374.00
3.04.06	Equity in earnings (losses)	263.00	1,300.00	243.00	429.00
3.05	Profit before finance income (costs) and taxes	38,440.00	33,919.00	44,011.00	99,469.00
3.06	FINANCE INCOME (COSTS)	5,854.00	26,462.00	57,940.00	83,985.00
3.06.01	Finance income	46,529.00	105,737.00	26,034.00	38,542.00
3.06.02	Finance costs	- 40,675.00	- 79,275.00	- 83,974.00	- 122,527.00
3.07	Pretax income	44,294.00	60,381.00	13,929.00	15,484.00
3.08	Income tax and social contribution	- 11,131.00	- 8,591.00	- 4,944.00	- 5,526.00
3.08.01	Current	- 7,331.00	- 5,065.00	- 2,734.00	- 6,316.00
3.08.02	Deferred	- 3,800.00	- 3,526.00	- 7,678.00	- 790.00
3.09	Profit (loss) from continuing operations	33,163.00	51,790.00	8,985.00	9,958.00
3.11	Consolidated profit (loss) for the period	33,163.00	51,790.00	8,985.00	9,958.00
3.11.01	Attributable to owners of the Company	33,163.00	51,790.00	8,985.00	9,958.00
3.99	Earnings per share (R\$/share)	-	-	-	-
3.99.01	Basic earnings per share	-	-	-	-
3.99.01.01	Common shares (ON)	0.25023	0.39761	0.07156	0.07885
3.99.01.02	Preferred shares (PN)	0.25070	0.39822	0.07111	0.07901
3.99.02	Diluted earnings per share	-	-	-	-
3.99.02.01	Common shares (ON)	0.25023	0.39761	0.07156	0.07885
3.99.02.02	Preferred shares (PN)	0.24997	0.39711	0.07112	0.07900

Consolidated FS / Statement of Comprehensive Income
(In thousands of Brazilian reais)

Line Item	Description	Current YTD 04/01/2025 to		Acumulated Amount YTD		Amount YTD 04/01/2024 to 06/30/2024		Acumulated Amount YTD	
		06/30/2025		01/01/2025 to 06/30/2025				01/01/2024 to 06/30/2024	
4.01	Consolidated profit for the period		33,163.00		51,790.00	-	8,985.00		9,958.00
4.02	Other comprehensive income	-	28,990.00	-	76,385.00		60,459.00		76,866.00
4.02.01	Translation adjustment for the period	-	28,990.00	-	76,385.00		60,459.00		76,866.00
4.03	Consolidated comprehensive income for the period		4,173.00	-	24,595.00		51,474.00		86,824.00
4.03.01	Attributable to owners of the Company		4,173.00	-	24,595.00		51,474.00		86,824.00

Consolidated FS / Statement of Cash Flows - Indirect Method

(In thousands of Brazilian reais)

Line Item	Description	Current YTD 01/01/2025 to 06/30/2025	Prior YTD 01/01/2024 to 06/30/2024
6.01	Net cash from operating activities	(126,369)	144,222
6.01.01	Cash generated by operating activities	76,268	125,078
6.01.01.01	Profit (loss) before income tax and social contribution	60,381	15,484
6.01.01.02	Depreciation and amortization	22,301	21,278
6.01.01.03	Cost of capital assets written off	1,168	1,050
6.01.01.04	Other items that do not affect cash included in profit	-	-
6.01.01.05	Share of results of investees	(1,300)	429
6.01.01.07	Allowance for doubtful debts	4,360	1,491
6.01.01.08	Allowance for inventory losses	2,232	1,209
6.01.01.09	Shared based payment plan	4,504	6,988
6.01.01.10	Accrued interest on borrowings and intragroup loans	28,804	24,455
6.01.01.14	Other items that do not affect cash included in profit	9,095	(3,402)
6.01.01.17	Provision for warranties	(872)	1,985
6.01.01.18	Exchange differences on translating borrowings and financing	(59,841)	70,571
6.01.01.19	Provision for civil, labor and tax risks	5,436	(16,460)
6.01.02	Changes in assets and liabilities	(172,182)	25,484
6.01.02.01	(Increase) decrease in trade receivables	(78,435)	(57,642)
6.01.02.02	(Increase) decrease in inventories	(73,156)	82,867
6.01.02.03	(Increase) in other receivables	17,489	24,898
6.01.02.04	Increase in trade payables	(19,837)	(23,346)
6.01.02.05	Increase in accounts payable	(18,243)	(1,293)
6.01.03	Other	(30,455)	(6,340)
6.01.03.04	Income tax and social contribution paid	(30,455)	(6,340)
6.02	Net cash from investing activities	(14,676)	(57,278)
6.02.01	Due from related parties	(157)	(2,860)
6.02.03	In investments	-	-
6.02.04	In property, plant and equipment	(32,587)	(55,200)
6.02.05	In intangible assets	(13,586)	(4,086)
6.02.06	Financial investments	31,654	4,868
6.03	Net cash from financing activities	77,101	(41,153)
6.03.01	Payment of interest on equity and dividends	(8,546)	-
6.03.02	Borrowings and intragroup borrowings	972,481	1,015,456
6.03.03	Repayment of borrowings	(849,562)	(1,026,628)
6.03.05	Capital increase	-	(4,446)
6.03.09	Due to related parties	19	84
6.03.10	Payment of interest on borrowings and intragroup borrowings	(37,291)	(25,619)
6.04	Exchange differences on translating cash and cash equivalents	125	(146)
6.05	Increase (decrease) in cash and cash equivalents	(63,819)	45,645
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	48,795	129,007

Consolidated FS / Statements of Changes in Equity / SCE -- 01/01/2025 to 06/30/2025

(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	100,000	4,589	(99,786)	-	-	4,803
5.04.01	Capital Increases	100,000	-	(100,000)	-	-	-
5.04.03	Recognized stock options granted	-	1,123	-	-	-	1,123
5.04.04	Treasury shares acquired	-	-	-	-	-	-
5.04.05	Treasury shares sold	-	3,466	(84)	-	-	3,382
5.04.06	Other transactions	-	-	298	-	-	298
5.05	Total comprehensive income	-	-	-	51,790	(76,385)	(24,595)
5.05.01	Profit for the period	-	-	-	51,790	-	51,790
5.05.02	Other comprehensive income	-	-	-	-	(76,385)	(76,385)
5.05.02.04	Translation adjustments for the period	-	-	-	-	(76,385)	(76,385)
5.06	Internal changes in equity	-	-	-	233	(233)	-
5.06.02	Realization of revaluation reserve	-	-	-	233	(233)	-
5.07	Closing balances	548,101	(3,687)	436,955	52,023	241,177	1,274,569

Consolidated FS / Statements of Changes in Equity / SCE -- 01/01/2024 to 06/30/2024

(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	80,165	3,634	(81,257)	-	-	2,542
5.04.01	Capital Transactions with Shareholders	80,165	-	(80,165)	-	-	-
5.04.03	Recognized Granted Options	-	1,833	-	-	-	1,833
5.04.04	Treasury shares acquired	-	(4,446)	-	-	-	(4,446)
5.04.05	Treasury Shares Sold	-	6,247	(1,092)	-	-	5,155
5.04.06	Dividends	-	-	-	-	-	-
5.04.08	Others transactions	-	-	-	-	-	-
5.05	Total comprehensive income	-	-	-	9,958	76,866	86,824
5.05.01	Net income for the period	-	-	-	9,958	-	9,958
5.05.02	Other comprehensive income	-	-	-	-	76,866	76,866
5.05.02.04	Translation adjustments for the period	-	-	-	-	76,866	76,866
5.06	Internal changes in equity	-	-	-	258	(258)	-
5.06.02	Realization of revaluation reserve	-	-	-	258	(258)	-
5.07	Closing balances	448,101	(13,461)	485,335	10,216	250,980	1,181,171

Consolidated FS / Statement of Value Added

(In thousands of Brazilian reais)

Line Item	Description	Current YTD 01/01/2025 to 06/30/2025	Prior YTD 01/01/2024 to 06/30/2024
7.01	Revenue	883,060	951,873
7.01.01	Sales of goods and services	875,083	937,414
7.01.02	Other income	12,337	15,950
7.01.04	Allowance for (reversal of) doubtful debts	(4,360)	(1,491)
7.02	Inputs purchased from third parties	(574,150)	(620,103)
7.02.01	Cost of products, goods and services sold	(335,076)	(432,438)
7.02.02	Supplies, power, outside services and other inputs	(239,074)	(187,665)
7.03	Gross value added	308,910	331,770
7.04	Withholdings	(22,301)	(21,278)
7.04.01	Depreciation, amortization and depletion	(22,301)	(21,278)
7.05	Wealth created	286,609	310,492
7.06	Wealth received in transfer	107,037	38,113
7.06.01	Equity in earnings (losses)	1,300	(429)
7.06.02	Finance income	105,737	38,542
7.07	Wealth for distribution	393,646	348,605
7.08	Wealth distributed	393,646	348,605
7.08.01	Personnel expenses	103,136	105,125
7.08.01.01	Wages	77,797	77,872
7.08.01.02	Benefits	19,931	21,962
7.08.01.03	Severance Pay Fund (FGTS)	5,408	5,291
7.08.02	Taxes, fees and contributions	156,981	108,758
7.08.02.01	Federal	134,131	87,136
7.08.02.02	State	22,357	21,193
7.08.02.03	Municipal	493	429
7.08.03	Lenders and lessors	81,739	124,764
7.08.03.01	Interest	79,275	122,527
7.08.03.02	Rentals	2,464	2,237
7.08.04	Remuneration of Equity	51,790	-
7.08.04.03	Accumulated losses, net of valuation adjustments to equity - Continuing operation	51,790	-
7.08.05	Others	-	9,958
7.08.05.01	Retained Earnings, net of Realization of Fair Value Adjustments	-	9,958
7.08.05.03	Dividends	-	-

São Leopoldo, August 12, 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 second quarter (2Q25) and the first half of 2025 (1H25). The financial and operational information contained herein, except when indicated otherwise, is presented in Brazilian Reals (R\$), and complies with the international accounting standards laid down by the International Financial Reporting Standards (IFRS), coupled with the Brazilian accounting principles. All comparisons contained herein refer to the same periods of 2024, except where indicated otherwise.



2Q25 • RESULTS

Taurus reported, for 2Q25, gross margin of 38.0%
and net income of R\$ 33.2 million

In April/25, the Company paid dividends in the amount of R\$ 8.6 million,
with reference to the 2nd installment concerning the FY 2024

Highlights for 2Q25

**NET
REVENUES:** R\$ 402.4 million

**GROSS
PROFIT:** R\$ 152.8 million
Gross margin 38.0%

EBITDA: R\$ 49.2 million
EBITDA margin 12.2%

**NET
INCOME:** R\$ 33.2 million



Main Indicators

<i>R\$ million</i>	2Q25	2Q24	2Q25x2Q24 % Chg.	1Q24	2Q25x1Q25 % Chg.	1H25	1H24	1H251H24 % Chg.
Net operating revenues	402.4	407.9	-1.3%	349.1	15.3%	751.5	856.8	-12.3%
Domestic market	79.4	85.6	-7.2%	66.0	20.3%	145.4	141.5	2.8%
Exports market	323.0	322.3	0.2%	283.1	14.1%	606.1	715.3	-15.3%
COGS	-249.6	-263.6	-5.3%	-236.2	5.7%	-485.8	-567.1	-14.3%
Gross profit	152.8	144.3	5.9%	112.9	35.3%	265.8	289.7	-8.2%
Gross margin (%)	38.0%	35.4%	2.6 p.p.	32.3%	5.7 p.p.	35.4%	33.8%	1.6 p.p.
Operating expenses (SG&A)	-114.4	-100.3	14.1%	-117.4	-2.6%	-231.8	-190.3	21.8%
Earnings before financial result and income tax (EBIT)	38.4	44.0	-12.7%	-4.5	-	33.9	99.5	-65.9%
Net financial income (expenses)	5.9	-57.9	-	20.6	-71.4%	26.5	-84.0	-
Income tax and social contribution	-11.1	4.9	-	2.5	-	-8.6	-5.5	56.4%
Net income (loss)	33.2	-9.0	-	18.6	78.5%	51.8	10.0	418.0%
EBITDA*	49.2	57.8	-14.9%	7.0	602.9%	56.2	122.3	-54.0%
EBITDA Margin*	12.2%	14.2%	-2.0 p.p.	2.0%	10.2 p.p.	7.5%	14.3%	-6.8 p.p.
Net debt (end of period)	607.8	342.1	77.7%	535.9	13.4%	607.8	342.1	77.7%

* Ebitda 2Q24 and 1H24 disregard R\$ 1.6 million social expenses incurred as a result of the floods in the state of Rio Grande do Sul

This indicator is not adopted by the accounting practices. Its calculation is presented in the item "EBITDA" of this report.





Message from Management

The results we are presenting today, for the second quarter of 2025, clearly reveal the soundness of our operations, even in the face of a global political and economic environment marked by uncertainty and volatility. We have maintained a steady control and reduction of costs, while achieving a gross margin of 38%, a mark that has not been attained since 2023. And that has been achieved while not immediately passing on to prices the impact from the 10% import tariff imposed by the United States at the beginning of April. Our geographic diversification strategy has once again proved its correctness, and has played a key role in providing more resilience to our performance.

In 2Q25, market conditions remained relatively stable in the United States, Brazil and the rest of the world (ROW). When we compare the performance of our sales volume in relation to the previous quarter, in the three geographic markets in which we operate, they all have showed growth, in different percentages: USA +10.2%, Brazil +100% and ROW +85%.

In the US, consumers have remained cautious and selective amid the perception of regulatory stability and the economic environment marked by high interest rates and lower disposable income. This environment has boosted demand for entry-level firearms and more affordable models - a niche in which Taurus boasts a strong presence and a wide-ranging portfolio. On the domestic market, this positive result stems from the consolidation of our new distribution model. On the ROW side, during the quarter we increased sales to the civilian market, through our distributors, which also provides us with more attractive margins when compared to institutional sales.

We expect the domestic market to start showing signs of recovery from 3Q25 onwards. On July 1, it was announced that the transfer of powers from the Army to the Federal Police to control firearms and the activities of Hunters, Shooters and Collectors (CACs) began in five states. The transfer to the remaining states is expected to take place by the end of August. We believe that this new framework should speed up processes, allowing consumers effective access to the market. There is a pent-up demand in Brazil, and Taurus is ready to meet up to that demand. Legal certainty and greater operational efficiency in the processes should motivate the Brazilian consumer, thus leading to an increase in our sales.

As for the ROW market, we have been witnessing a resumption in global tenders, with opportunities mapped out for the supply of approximately 150,000 firearms in the short term, distributed among Latin America, Africa, Asia and the Middle East.

In India, although the official result has not yet been released, available information indicates that JD Taurus came third in the mega-tender for the supply of rifles. The first-placed bidder was allegedly a local company, with no track record in the sector, with a price proposal that was significantly out of line. We are not sure whether this price will be feasible. We remain attentive to opportunities in the region, including the civilian market, and are taking part in other tenders with completion expected in the short and medium term. Altogether, potential sales under these tenders in India amount to around 34,000 units, including pistols and rifles/sub-machine guns, with an estimated value of approximately US\$ 27 million.



2025 / 1H25 RESULTS

PERSONNEL
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COLLABORATIVE
ENVIRONMENT



With regards to our project in the military segment, the Memorandum of Understanding (MoU) with the Turkish company MertSav, which involves a possible acquisition, has been postponed until September, and is currently undergoing a more advanced analysis. This operation, if accomplished, would significantly accelerate the project to develop Taurus' military portfolio, with firearms of up to .50 BMG caliber.

On the other hand, we have opted not to renew the MoU with Scopa Military Industries, in Saudi Arabia, as stated in the Material Fact published on July 31. This decision was made after feasibility studies pointed to a lack of sustainability for the project, chiefly on account of the absence of a minimum purchase commitment from the Saudi government. The termination of negotiations will have no impact on the Company's operations, and we will remain attentive to new opportunities in Saudi Arabia.

On July 1, we announced an average 7% increase in our price list for the US, which was intended to offset the 10% import tariff established at the beginning of April. However, on July 9, we were surprised by the unexpected announcement of an imposition of a 50% tariff on imports of Brazilian products into the US, on an indiscriminate basis, the repercussions of which on the Brazilian economy are still uncertain. After almost a month, the new tariff came into force, and our products have not been included in the list of exceptions, despite all the initiatives taken by the Company.

The imposition of this 50% tariff represents a severe impact to overcome, even with our competitive cost advantage and the 7% price increase currently in effect. Taurus, a multinational company with a plant in Brazil that has been in operation for 85 years, and in the United States for 43 years, in its role as a relevant player in the international market - especially in the North American segment - recognizes the need to carefully assess the impacts of this measure on its operations and financial statements.

As a Strategic Defense Company (SDC) with a significant presence both in Brazil and in the USA, Taurus must preserve its competitiveness and profitability, so as to continue creating jobs, innovating and investing. We have adopted a strategic and proactive stance, focusing on operational resilience, market diversification, streamlining processes and seeking financing alternatives. Therefore, we are operating on five key fronts:

- 1. **Reinforcing our inventories in the USA, which has already been carried out in a preventive manner,** so as to ensure a few months' autonomy with domestic products before the implementation of the new tariff;*
- 2. **Reducing the transfer prices of firearms sent from Brazil to the US,** avoiding the levying of tariffs on margins;*
- 3. **The immediate start of the transfer of G family devices and assembly lines** to our plant in the USA, which will reduce the amount of tax payable, as we will only be exporting parts, not finished firearms;*
- 4. **Studies to transfer part of production to the North American plant,** a measure that demands time, funds and financial stability;*
- 5. **Negotiations with the government of the state of Rio Grande do Sul to release ICMS credits,** with a view to boosting cash flow.*



2025 / 1H25 RESULTS

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Furthermore, we are engaged in diplomatic efforts in search of a negotiated solution. Taurus USA is currently the largest importer of firearms in the US, a market in which 40% to 50% of consumption is supplied by imported products. The relevance of our brand, combined with the political context favorable to the Second Amendment, reinforces the importance of a fair solution.

In spite of the challenges posed by the new regulatory environment, Taurus has demonstrated its ability to adapt and its strategic soundness. We continue to monitor the unfolding of this imposition of a 50% import tariff on Brazilian products by the USA, and are implementing measures to maintain the activities of our operations in Brazil.

We have been in contact with a number of authorities. In July, we were at the US Embassy, with the Vice-President and Minister of Development, Industry, Trade and Services, with the Governor of Rio Grande do Sul State, with the President of the BNDES, and with a representative of the Governor of Georgia (USA), the state where our North American plant is located. In the USA, the CEO of our local plant met with the Vice-Presidency team. At the end of August, we will be in São Paulo with the Governor of Georgia to engage in direct discussions about the impacts of the tariff scheme.

We will strive proactively and with determination to mitigate the effects of this new tariff, thereby preserving Taurus' performance. At the same time, we are focusing on the other aspects of our business plan.

We are fully aware of the challenges, and remain firmly confident about the opportunities that lie ahead. Overcoming obstacles is part of our management's DNA. Taurus is prepared to keep moving forward with operational discipline, long-term vision and strategic focus. We would like to thank our shareholders, members of the Board of Directors, employees, suppliers and business partners who have accompanied us on our journey.

Salésio Nuhs
CEO Global



Operational Performance

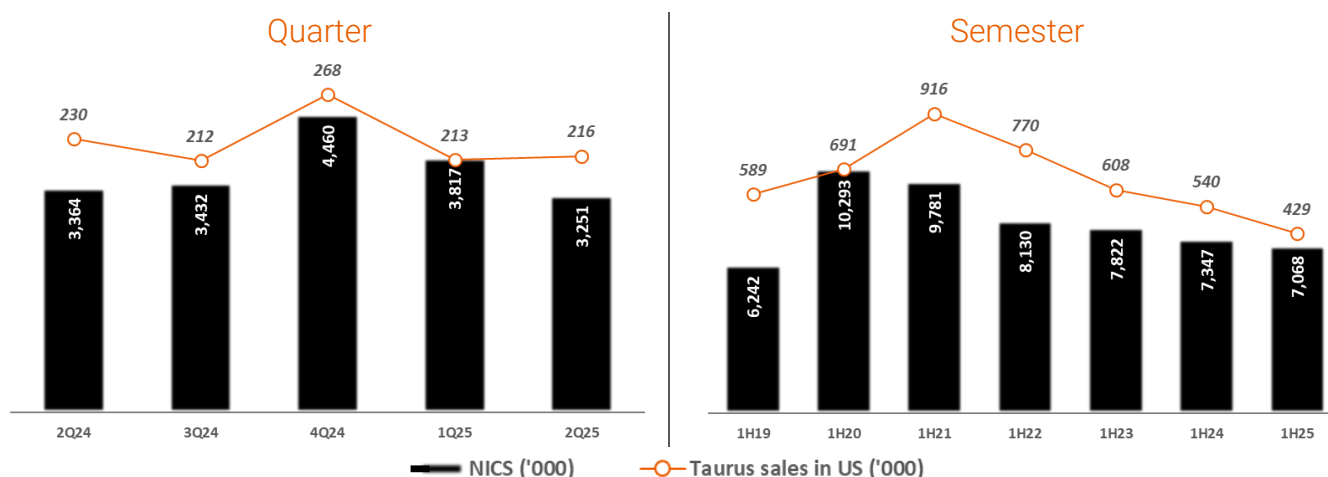
Market

In the second quarter of 2025, according to the RetailBI Q2 Shooting Sports Industry Report, the firearms retail market in the United States has continued to shrink, with a 9.0% drop in the number of units sold, when compared to the same period in 2024. Revenues fell by 9.9% year-over-year, which not only resulted from a decline in demand, but also from a shift in the product mix towards more affordable price ranges. This performance reinforces the trend towards normalization of demand that has been observed since 2022, after the peaks recorded during the pandemic period.

The downturn in consumption seems to be partly related to the absence of regulatory or political triggers that have historically been a driving factor behind demand, such as proposals to restrict firearm ownership. The current political environment considered favorable to the Second Amendment - which assures citizens the right to own and carry firearms - contributes to reducing consumers' sense of urgency in acquiring firearms, as opposed to what had been observed in previous cycles, such as 2020 and 2021. Furthermore, the increase in the cost of financing, coupled with the erosion of disposable income, are both factors that have constrained the discretionary spending of US households. In this context, consumers tend to prioritize more affordable firearms or lower-end models, reducing the average sales ticket - a scenario that benefits Taurus, whose competitive cost structure ensures competitive technology and quality models at attractive prices.

The Adjusted NICS (National Instant Criminal Background Check System) - considered one of the main performance indicators in the sector - also fell in the period, although to a lesser extent, as illustrated in the charts below. In 2Q25, this indicator reported 3.251 million queries, representing a 3.4% drop when compared to 2Q24. Nevertheless, this volume represents the eighth highest historical score for a second quarter since NICS was created in the year 2000. A similar percentage was recorded in the comparison between the first half of 2025 and the same period in 2024, with a 3.8% fall.

Adjusted NICS - Intentions to acquire firearms in the US ('000 queries) and Taurus sales in that country ('000 units)



This more moderate downturn, when compared to the decline in actual retail sales, may indicate some degree of balance between the maintenance of interest on the part of some consumer profiles - such as new entrants - and the decrease in the volumes actually sold in a retail store. Interest and initial activity in the sector have remained relatively stable, although part of the inquiries have not been converted into actual sales.



Since the post-pandemic period of stockpiling, inventory levels along the sales chain have stabilized at significantly lower levels, in addition to the rising interest rates in the United States, which makes the cost of maintenance more expensive. At present, there are no indications of pressure to replenish high volumes in the short term. Under these circumstances, both distributors and retailers have prioritized replenishing items with higher turnover and lower unit costs. This movement aimed at consolidating inventories tends to favor manufacturers who combine operational efficiency, competitive prices and a capacity for innovation - which are core features of Taurus' business model.

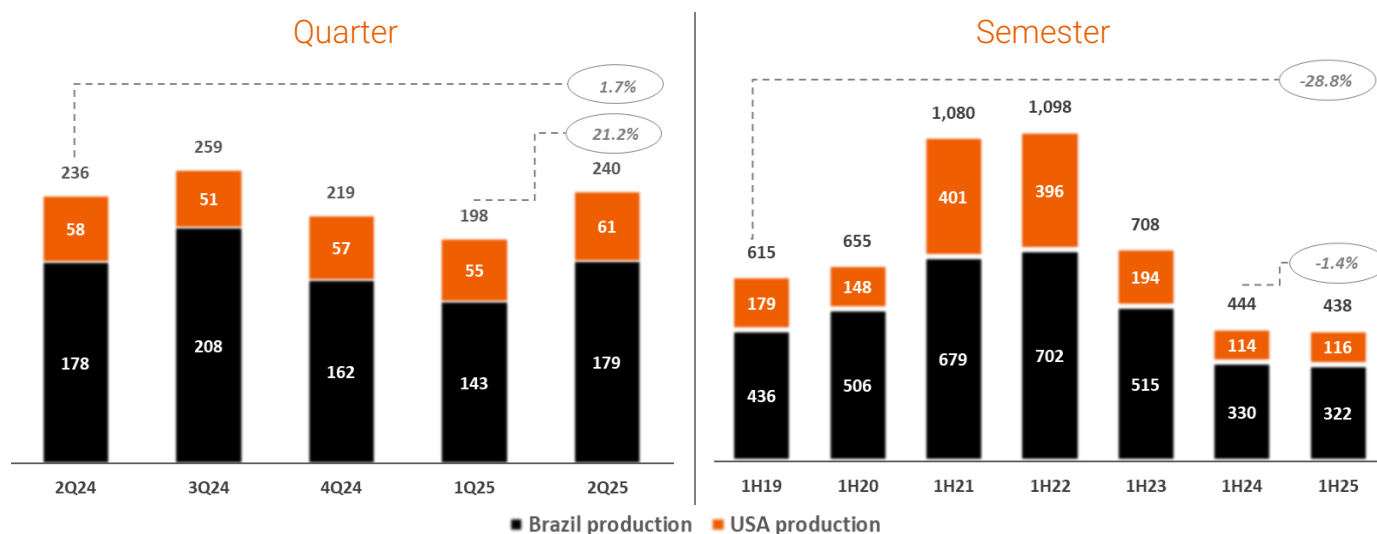
On the domestic front, the Brazilian firearms market has remained stationary, with no concrete signs of recovery since the beginning of 2023, when sales were severely hit by the change in the rules affecting the sector. Following the revision of the regulatory framework - which introduced restrictions on the acquisition, possession and carrying of firearms by civilian citizens - demand was slashed, leading to a low level of commercial activity. Ever since then, the sector has been operating at lower volumes than in previous years, showing no prospects for a radical reversal of this situation in the short term. Public data, such as that on new firearms registrations and the issuing of new certificates of registration by both the Federal Police and the Army, still points to a level of activity well below that seen in the period of the market's greatest expansion, between 2019 and 2022.

The novelty in terms of regulation in the Brazilian market was the start, on July 1, of the transfer of competencies from the Army to the Federal Police, as regards the controlling of firearms and activities related to CACs (Hunters, Shooters and Collectors) in the states of Rio Grande do Sul, Santa Catarina, Paraná, Goiás and São Paulo. According to DG/PF Ordinance No. 19.040/2025, the country has been divided into three groups of states, with different dates for the Federal Police to start providing services in each group, with the deadline set for August 29, 2025.

Production and sales

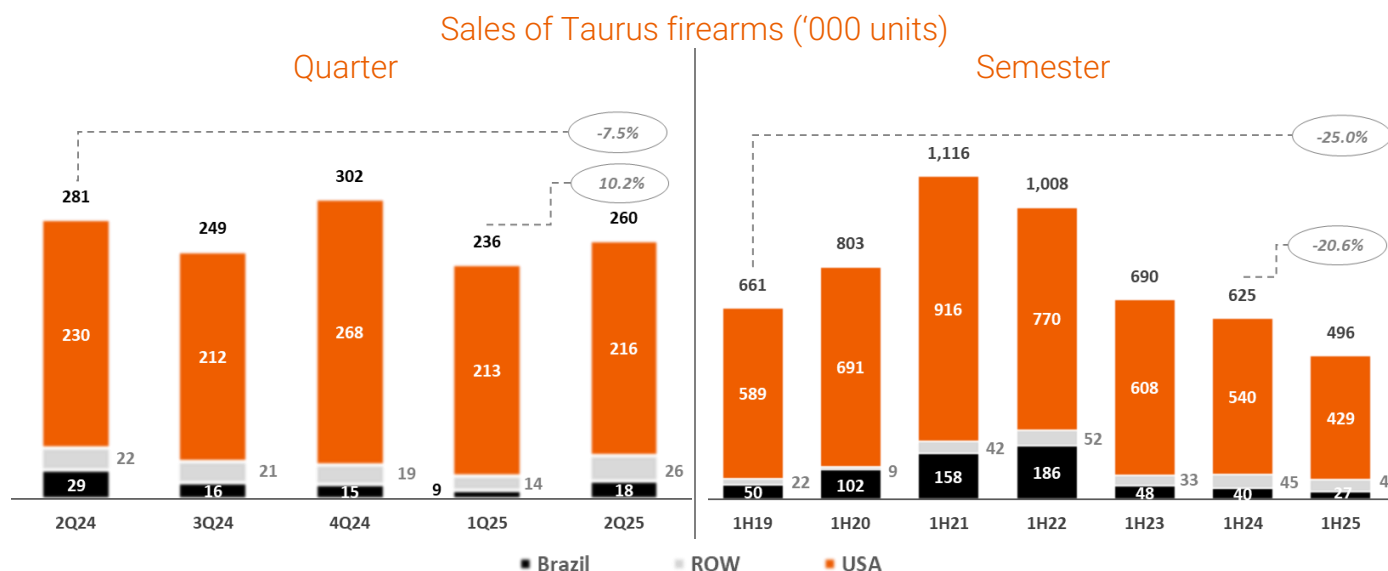
Taurus produced 240,000 firearms in 2Q25, with a total of 437,800 units in 1H25, a volume virtually flat in comparison to that recorded in 2Q24. The Company has maintained high operational flexibility, combining plants both in Brazil and the United States, and the ability to swiftly adapt its production mix to market conditions. This flexibility is enhanced by a broad-ranging portfolio, with products that combine both technology and quality at competitive prices - an important competitive edge, especially in scenarios of more selective demand.

Production of firearms – Taurus ('000 units)





In the second quarter, 260,000 firearms were sold, with a total of 496,000 units sold in 1H25. In the United States. The Company's sales totaled 216,000 units in 2Q25, down by 6.1% from the same period last year. This performance was more favorable than that recorded by US retailers, which, according to the RetailBI Q2 Shooting Sports Industry Report, showed a 9.0% drop in the volume of units sold in the quarter. Moreover, the downturn in Taurus sales came in line with the trend pointed out by the Adjusted NICS, the main indicator of purchasing intentions in that country, which fell by 3.4% on the same basis of comparison, signaling similar behavior between the Company's performance and the dynamics of the sector.



In the first half of the year, Taurus' sales in the US totaled 429,000 units, down by 20.6% when compared to 1H24, reflecting lower consumer demand and the repositioning of sales channels, which continue to operate with more reduced inventories, and lower sales during the first three months of the year, which were affected by collective vacations, in addition to the period of adaptation to the use of the new SAP management system at the US plant.

Exports to countries other than the United States totaled 26,000 units in 2Q25, up by 18.2% from the same period in 2024. Sales to such countries were primarily directed to the Company's distributors, to be supplied to the civilian market, all previously authorized by the Brazilian Ministries of Defense and Foreign Affairs. The main destinations in the quarter were Honduras, the Philippines and Mexico. In 1H25, Taurus' exports, excluding sales to the USA, totaled 40,000 units.

In the Brazilian market, sales reached 18,000 units in 2Q25 and 27,000 in the first half. Although the sector continues to be impacted by the more restrictive regulatory environment, the quarter saw a 37.9% decline when compared to 2Q24, but a 100.0% increase when compared to 1Q25, suggesting a possible gradual recovery in demand.

Regarding the bidding process for the supply of 425,000 rifles to the Indian Ministry of Defense, although the official result has not been formally communicated, it has been reported that JD Taurus came third in the final process, considering the price proposals. Further business opportunities are available in the Indian military market, which have been subject to continuous analysis. Taurus is taking part in other tenders in the country, which should be wrapped up during the course of 2025, and represent potential sales of more than 12,000 units, including pistols and rifles, reinforcing the Company's strategic positioning in the regional market.

New products accounted for 26.5% of net revenues in 2Q25, which illustrates the importance of continuous innovation in the Company's commercial strategy. The products presented to the market at the beginning of the year, such as the new GX2 pistol, ensured good performance and market acceptance. With a focus on profitability and value creation, Taurus maintained its disciplined stance, seeking to align production, demand and the formation of margins, attentive to opportunities for new contracts and expansion in strategic markets.



Economic and Financial Performance

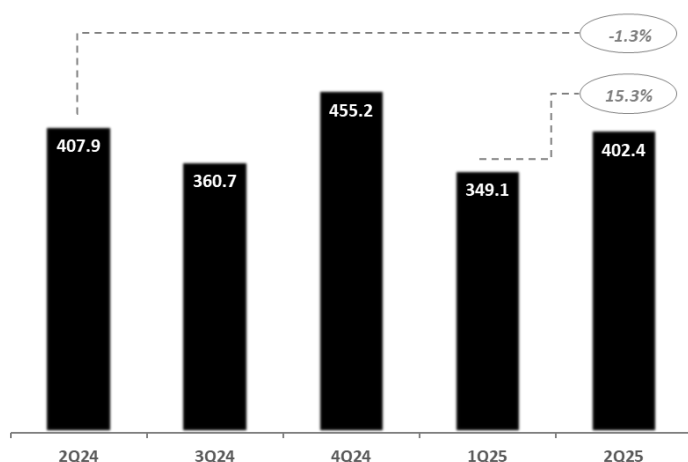
Net Operating Revenues

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.

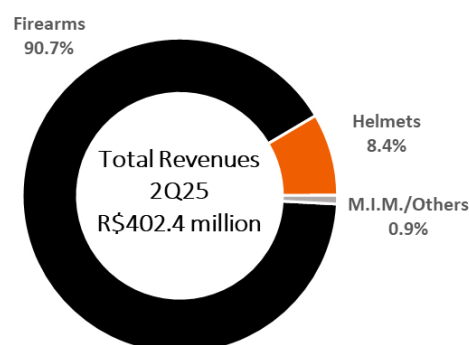
In 2Q25, Taurus' consolidated net operating revenues totaled R\$ 402.4 million, practically stable (-1.3%) in relation to the R\$ 407.9 million recorded in 2Q24, which corroborates the expectations that the annual performance should remain consistent with that presented in FY 2024. For the first six months of the year, revenues came to R\$ 751.5 million, down by 12.3% when compared to the same period in the previous year, primarily attributed to the performance in the first quarter, when sales to the United States were impacted by the collective vacation period, coupled with the process of adapting the North American plant to the new SAP management system.

Consolidated net operating revenues (R\$ million)

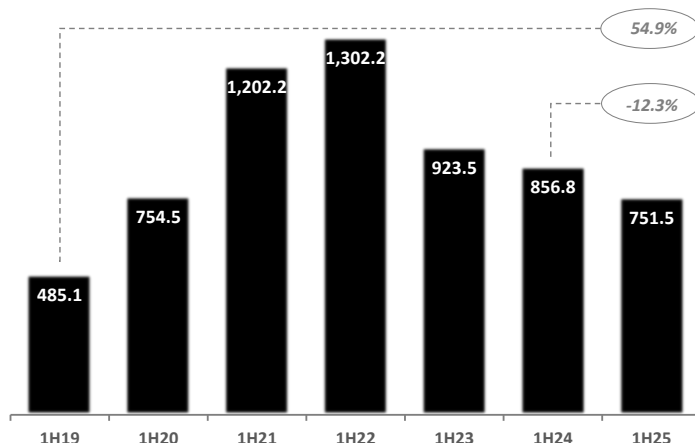
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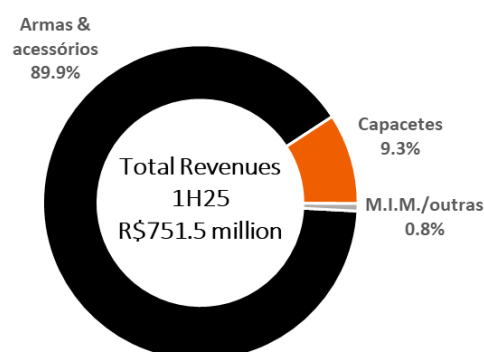
By segment – 2Q25



Semester



By segment – 1H25





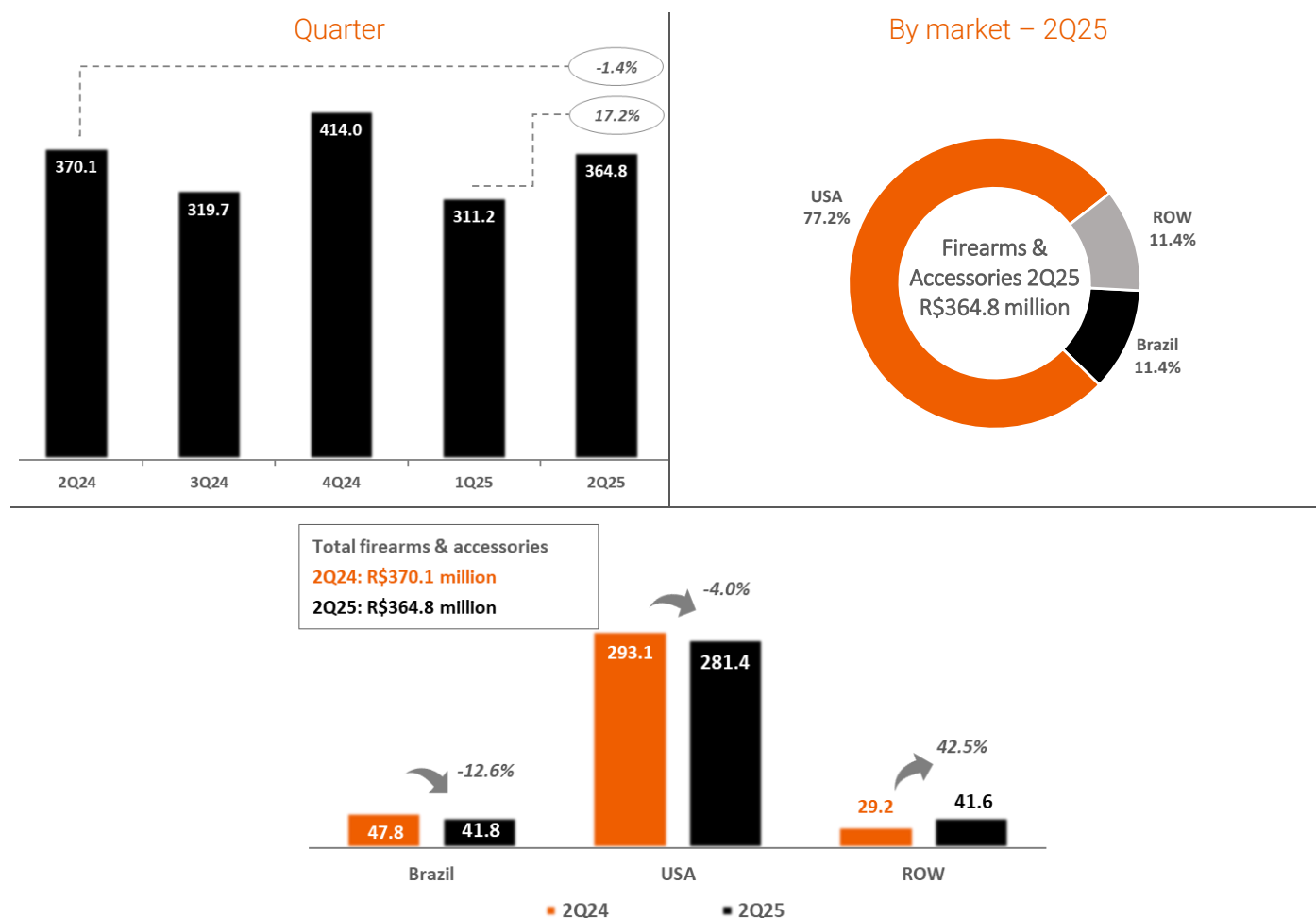
As the Company's core business, the **firearms & accessories** segment accounted for 90.7% of overall revenues in 2Q25, and 89.9% in 1H25, being therefore the main driver for the consolidated performance. The **helmets** segment contributed R\$ 34.0 million of Taurus' revenues in 2Q25 and R\$ 69.8 million in 1H25, up by 1.8% and 15.9%, respectively, when compared to the same periods in the previous year. Revenues from **M.I.M. and others**, comprising less than 1% of the Company's consolidated revenues, amounted to R\$ 3.6 million in the quarter, and R\$ 5.7 million in the semester.

Considering the **firearms and accessories** segment alone, net revenues totaled R\$ 364.8 million in 2Q25, accounting for 90.7% of consolidated revenues for the period. The United States represented the largest share of the segment's overall revenues, with 77.1%, although at a lower level than in previous quarters. At the same time, exports to other countries and domestic sales both achieved equivalent levels in the quarter, with R\$ 41.6 million and R\$ 41.8 million, respectively.

Performance in 2Q25 remained fairly consistent in relation to the same period in the previous year, down by 1.4%, as a consequence of lower revenues in the Brazilian and North American markets - which experienced lower sales volumes due to market conditions - partially offset by a growth in exports to other countries, which showed an increase in both volume and, to a greater extent, in revenues.

Revenues from the firearms and accessories segment grew by 17.2% in relation to 1Q25, evidencing an improvement in comparison to the previous quarter, driven by growth in the three blocks into which Taurus classifies its sales: the United States (+R\$ 19.3 million or +7.4%), Brazil (+R\$ 13.7 million or +48.8%) and, most notably, "other countries" (+R\$ 20.6 million or +98.1%).

Net operating revenues - Firearms & Accessories (R\$ million)



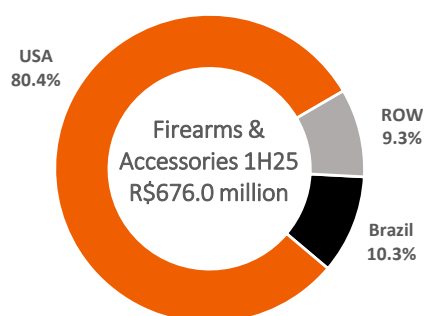
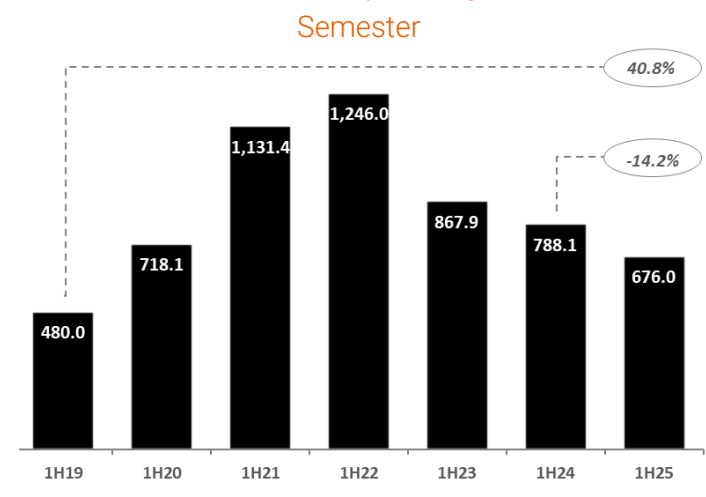


In the first six months of the year, revenues from the Company's main segment of operations totaled R\$ 676.0 million. The half-year performance still reflects the impact from 1Q25, when there was a downturn in sales volume - particularly in the North American market - due to the programmed stoppage in the US operation, as previously mentioned. In the comparison between 1H25 and 1H24, revenues from the sale of firearms & accessories declined in both the US and Brazilian markets, and increased in exports to other countries, resulting in a consolidated reduction of 14.2%.

Net operating revenues - Firearms & Accessories (R\$ million)

Semester

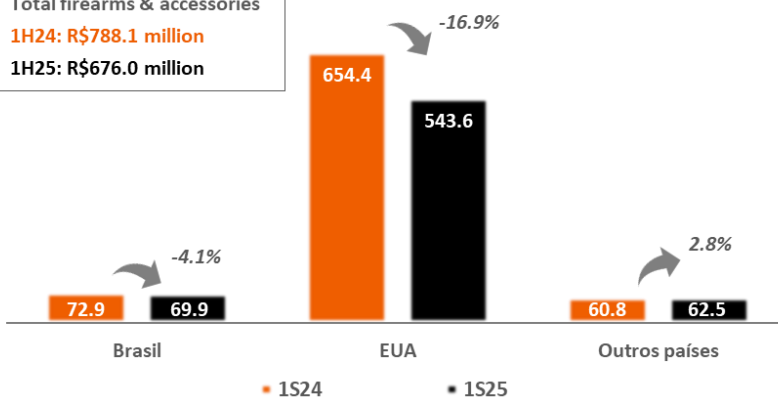
By market – 1H25



Total firearms & accessories

1H24: R\$788.1 million

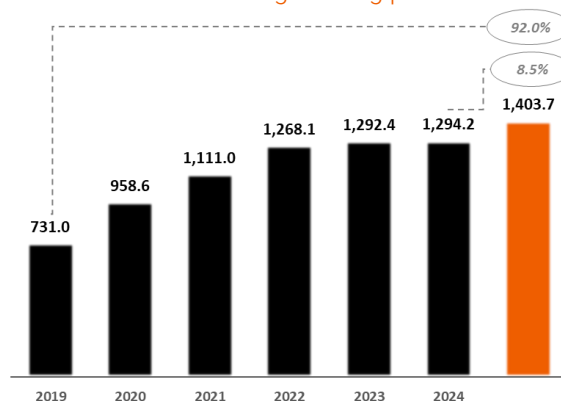
1H25: R\$676.0 million



Taurus has pursued its strategy of commercial discipline and maintenance of margins, even in the face of a more selective global environment. The average price by plant grew by 6.3% in 2Q25, when compared to the same period in 2024, and by 5.8% in the first half of the year. This increase chiefly derives from exchange rate fluctuations, since most of the Company's sales are carried out in foreign currency (88.5% of the net revenues from the firearms & accessories segment in 2Q25). In July, Taurus decided to implement an average 7% increase in its price list regarding the North American market, which should be reflected in the results from 3Q25 onwards.

Innovation has remained one of the Company's strategic pillars. In 2Q25, new products accounted for 26.5% of consolidated net revenues in the firearms & accessories segment, which underlines the contribution of the ongoing portfolio innovation as a vector for sustainable results, including those times when global demand undergoes less dynamic cycles.

Taurus' average selling prices





Gross profit

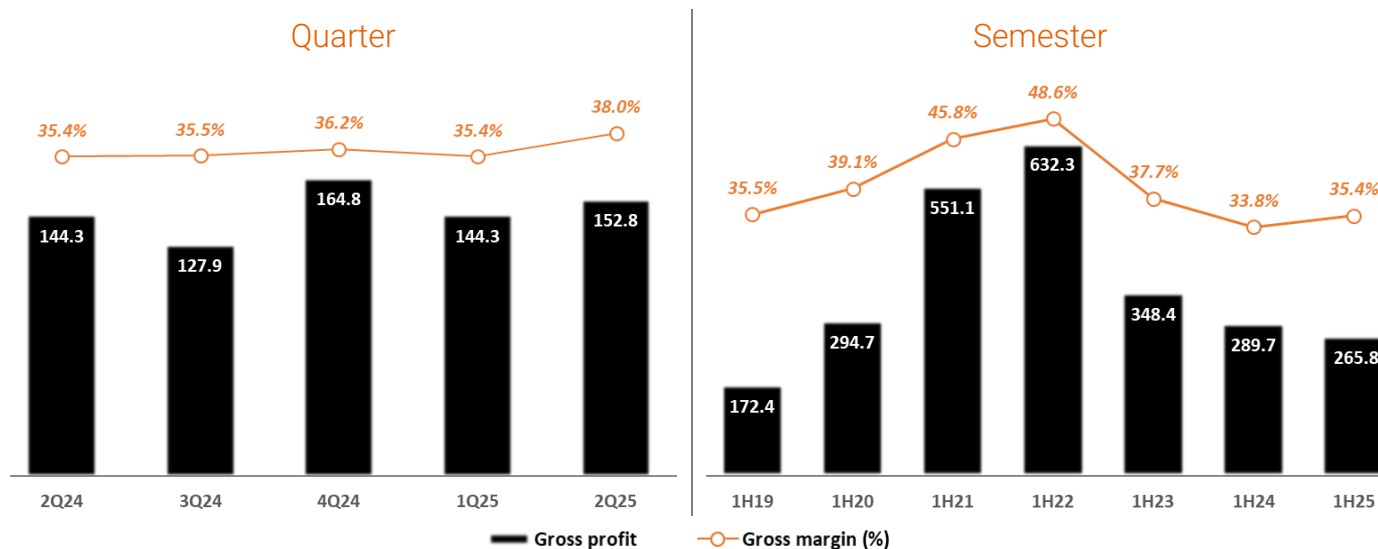
Taurus closed the second quarter of 2025, reporting a gross profit of R\$ 152.8 million, corresponding to a gross margin of 38.0%. This result attests to the Company's steady performance, with a 5.9% growth in gross profit and a 2.6 percentage point gain in margin compared to 2Q24, when the margin was 35.4%. In the first half of the year, gross profit amounted to R\$ 265.8 million, with a 35.4% margin, representing a positive improvement by 1.6 p.p. compared to 1H24, while returning to the level recorded in 1H19, before the pandemic outbreak.

This performance translates the normalization of operations in the second quarter, following the adjustments at the North American plant related to the implementation of the new SAP management system at the beginning of the year. With the resumption of productivity and operational efficiency, the Company once again managed to capture important gains in both margin and profitability, despite an environment still marked by exchange rate volatility, along with persistent global inflation.

It is worth noting that, in 2Q25, Taurus has fully absorbed the increase in the US import tariff for short firearms, which went up to 10% in April, with no immediate pass-through to prices in the local market. Nevertheless, gross margin continued to improve, which evidences the resilience of the business model, coupled with the capacity for efficient cost management in all of the Company's units.

The positive impact from the measures adopted regarding cost control has remained evident throughout the Company's results. In both the quarterly and half-yearly comparisons, the cost of goods sold (COGS) fell by higher percentages than those seen for the net operating revenues: a 5.3% drop in COGS in 2Q25 versus 2Q24, despite a 1.3% drop in revenues; and a 14.3% drop in 1H25 compared to 1H24, a period in which revenues fell by 12.3%. Even in the face of inflation in the period, the company achieved an effective reduction in costs, resulting in a gain in gross margin. This performance reinforces Taurus' commitment to operational discipline and productivity gains, and confirms that 2025 tends to maintain a performance pattern in line with that observed in 2024, with margins sustained by structural actions and long-term strategies.

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





Operating expenses

Taurus' operating expenses amounted to R\$ 114.4 million in 2Q25, accounting for 28.4% of consolidated net operating revenues for the period. In comparison with the same quarter in 2024, there was a 14.1% increase in the overall amount of expenses, which was mainly influenced by selling expenses (+11.7%) and general and administrative expenses (+12.5%). Part of this growth derives from greater marketing efforts, in view of more competitive market conditions, particularly in the USA, exchange rate pressure on expenses incurred at the Taurus North American plant, in addition to accumulated inflation of more than 4% between April 2024 and June 2025. The "other operating income/expenses" caption showed a net income of R\$ 7.5 million in 2Q25, which contributed to mitigate the impact of recurring expenses. This result was mainly related to the realization of recoverable tax credits. Furthermore, in 2Q25 the Company recorded an expense of R\$ 2.9 million related to losses due to the impairment of assets, an account that had been brought to zero in the same quarter of 2024.

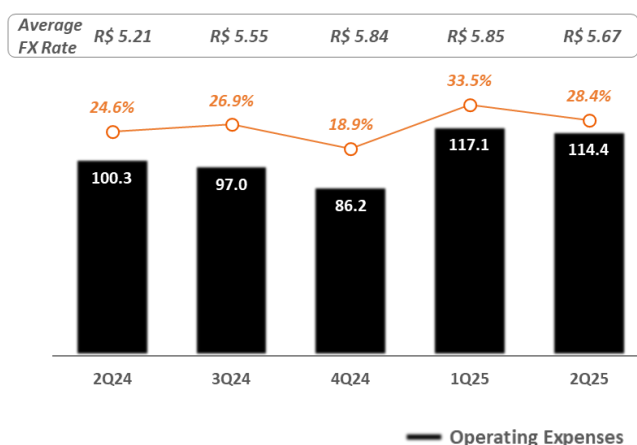
Compared to 1Q25, on the other hand, there was a 2.6% drop in total operating expenses. This performance stemmed from lower administrative expenses, along with a balance of R\$ 7.5 million in net income in 2Q25, classified as "other operating expenses/income", an amount 2.9 times (+188.5%) higher than the balance of this account in the previous quarter, when it showed a net operating income of R\$ 2.6 million.

	2Q25	2Q24	2Q25x2Q24 % Chg.	1Q25	2Q25x1Q25 % Chg.	1H25	1H24	1H25x1H24 % Chg.
Selling expenses	57.1	51.1	11.7%	51.2	11.5%	108.2	104.6	3.4%
General and administrative expenses	62.2	55.3	12.5%	68.4	-9.1%	130.6	96.3	35.6%
Losses (income) due to non-recoverable assets	2.9	0.0	-	1.5	93.3%	4.4	1.5	193.3%
Other operating (income)/expenses	-7.5	-6.3	19.0%	-2.6	188.5%	-10.0	-12.6	-20.6%
Equity pick-up	-0.3	0.2	-	-1.0	-70.0%	-1.3	0.4	-425.0%
Operating expenses (SG&A)	114.4	100.3	14.1%	117.4	-2.6%	231.8	190.3	21.8%
<i>Op. expenses / Net Op. Revenues (%)</i>	<i>28.4%</i>	<i>24.6%</i>	<i>3.8 p.p.</i>	<i>33.6%</i>	<i>-5.2 p.p.</i>	<i>30.8%</i>	<i>22.2%</i>	<i>8.6 p.p.</i>
<i>Average Ptax dollar exchange rate (R\$)</i>	<i>5.67</i>	<i>5.21</i>	<i>8.8%</i>	<i>5.85</i>	<i>-3.1%</i>	<i>5.76</i>	<i>5.08</i>	<i>13.4%</i>

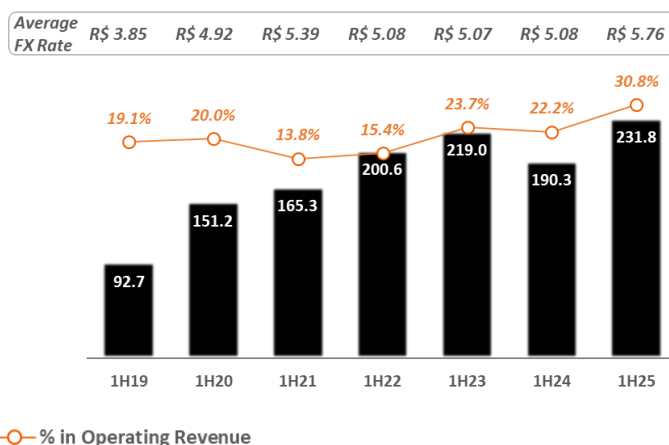
In 1H25, total operating expenses amounted to R\$ 231.8 million, accounting for 30.8% of net operating revenues for the period. In absolute terms, there was a 21.8% increase when compared to the first half of the previous year, with an increase in general and administrative expenses, in selling expenses, in losses due to the impairment of assets, and a further reduction in the net operating income balance of the other operating expenses/income account, which fell from R\$ 12.6 million in 1H24 to R\$ 10.0 million in 1H25. This account includes non-recurring effects, primarily the extraordinary recovery of tax credits.

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

Quarter



Semester





Taurus remains committed to cost and expenses discipline and operational efficiency, while balancing investments in innovation and growth with administrative structure control. Even within a scenario marked by the 8.8% appreciation of the average dollar during the quarter, coupled with accumulated inflation of more than 4% between April 2024 and June 2025, the Company has kept its expenses under control.

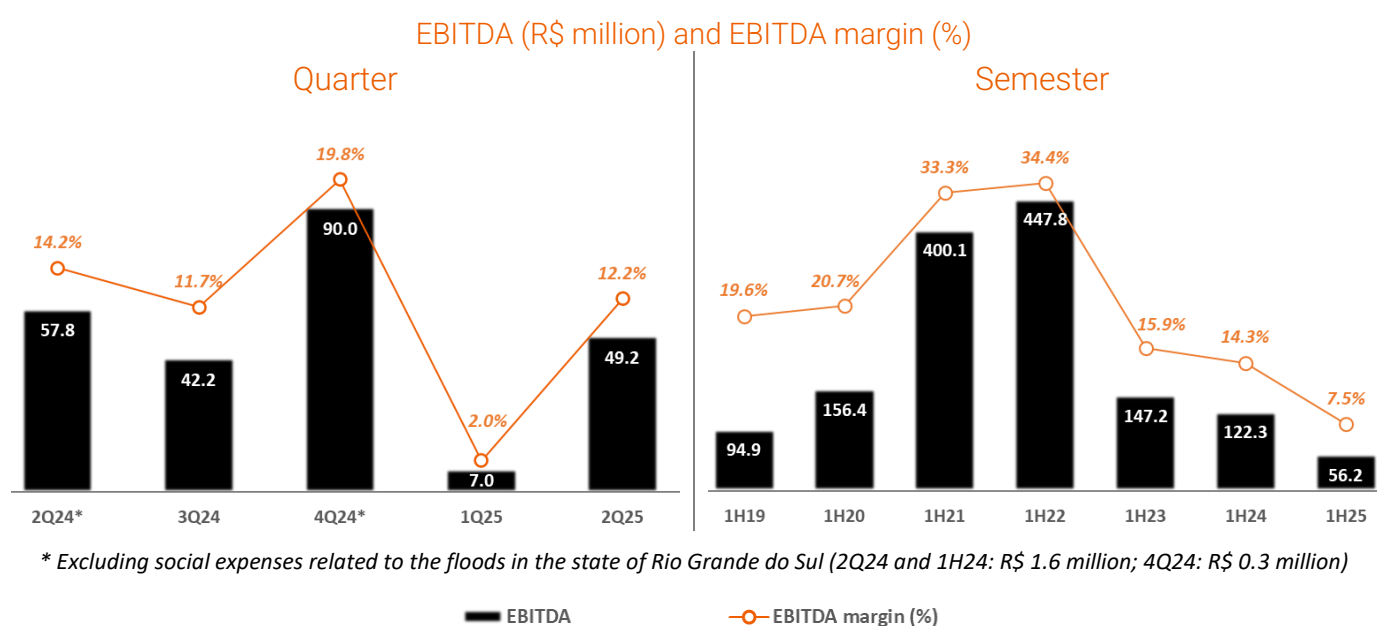
EBITDA

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 no longer present the adjusted EBITDA, which disregards 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 the manufacturing of magazines - which are directly related to Taurus' operating activities. In 2024, however, a one-off adjustment was made, so as to disregard the social expenses incurred as a result of the floods in the state of Rio Grande do Sul.

In the second quarter of 2025, Taurus' EBITDA amounted to R\$ 49.2 million, with a 12.2% margin, representing a significant recovery in relation to the immediately preceding quarter (up by 602.9%), when this indicator had stood at R\$ 7.0 million, with a 2.0% margin. The resumption of production and sales volumes, combined with the effective control of expenses and cost management, contributed to restoring profitability. This performance confirms the return to operational normality, especially at the North American plant, after the impacts related to the implementation of the new SAP management system, combined with the collective vacation period at the beginning of the year.

The year-over-year comparison of 2Q25 showed a 14.9% drop in EBITDA, when excluding the R\$ 1.6 million adjustment for social expenses incurred in that period, or a 12.5% drop considering the full amount of the previous year's indicator. Although the Company reported a reduction in costs between the quarters, with a consequent gain in gross profitability, the increase in operating expenses contributed to the resulting figure.



* Excluding social expenses related to the floods in the state of Rio Grande do Sul (2Q24 and 1H24: R\$ 1.6 million; 4Q24: R\$ 0.3 million)



EBITDA for the first half of the year totaled R\$ 56.2 million, with a margin of 7.5%, reflecting the impact of 1Q25 on the consolidated results. In comparison with 1H24, when the indicator came to R\$ 122.3 million (margin of 14.3%), there was a 54.0% drop, largely explained by the lower sales volume in the North American market in the first few months of the year, coupled with the increase in operating expenses.

Taurus has maintained its focus on structural initiatives geared towards productivity and cost control, despite exchange rate and inflationary pressures throughout the semester, thereby creating favorable conditions for sustaining margins throughout the second half of the year.

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

R\$ million	2Q25	2Q24	2Q25x2Q24 % Chg.	1Q25	2Q25x1Q25 % Chg.	1H25	1H24	1H25x1H24 % Chg.
Net income/(loss)	33,2	-9,0	-	18,6	78,5%	51,8	10,0	418,0%
Taxes	11,1	-4,9	-	-2,5	-	8,6	5,5	56,4%
Net financial result	-5,9	57,9	-	-20,6	-71,4%	-26,5	84,0	-
Depreciation and amortization	10,8	12,1	-10,7%	11,5	-6,1%	22,3	21,3	4,7%
EBITDA	49,2	56,2	-12,5%	7,0	602,9%	56,2	120,7	-53,4%
<i>EBITDA margin</i>	<i>12,2%</i>	<i>13,8%</i>	<i>-1,6 p.p.</i>	<i>2,0%</i>	<i>10,2 p.p.</i>	<i>7,5%</i>	<i>14,1%</i>	<i>-6,6 p.p.</i>
Expenses with social support (floods)	0,0	1,6	-	0,0	-	0,0	1,6	-
Adjusted EBITDA	49,2	57,8	-14,9%	7,0	602,9%	56,2	122,3	-54,0%
<i>Adjusted EBITDA margin</i>	<i>12,2%</i>	<i>14,2%</i>	<i>-2,0 p.p.</i>	<i>2,0%</i>	<i>10,2 p.p.</i>	<i>7,5%</i>	<i>14,3%</i>	<i>-6,8 p.p.</i>

Financial results

The exchange rate variation has a major influence on the Company's performance, since most of Taurus' consolidated revenues come from sales abroad (80.3% in 2Q25) made in US dollars, and most of its bank debt is denominated in this currency (80.9% on June 30, 2025). The devaluation of the Brazilian real against the dollar has had a positive effect on revenues, by increasing the amounts in Reais, when converting international sales. On the other hand, it places pressure on costs and expenses related to the operations in the US, as well as financial liabilities related to bank debt denominated in foreign currency.

In accounting terms, exchange rate variations affect balance sheet accounts, calculated on the basis of the exchange rate in force on the closing date of the period. This methodology differs from the average rate for the period used to calculate operating income and expenses. Thus, there is a dissociation between the effect of the exchange rate on Taurus' operational performance and financial results in 2025. Throughout the course of the period, there were greater exchange rate fluctuations, but with relative stability in the dollar rate at the end of the quarters. In the 12 months ended June 2025, the Brazilian Real appreciated by 1.8% against the dollar, contributing to a positive impact of exchange rate variations on the financial result. Comparisons based on average rates showed a devaluation of 8.8% between 2Q25 and 2Q24, and 13.4% between 1H25 and 1H24, which put pressure on operating results.

In 2Q25, Taurus posted net financial income of R\$ 5.9 million, reversing the net financial expenses of R\$ 58.0 million recorded in the same period of the previous year. This reversal mainly stems from a lesser pressure from exchange rate variations, which had a significant impact on the results for 2024.

Exchange variation assets totaled R\$ 37.1 million in 2Q25, versus R\$ 17.0 million recorded in 2Q24, while exchange variation liabilities totaled R\$ 20.9 million, down by 66.7% when compared to the R\$ 62.7 million recorded in the same period of the previous year. As a result, the balance relating exclusively to exchange rate variations went from net financial expenses of R\$ 45.7 million in 2Q24 to a net financial income of R\$ 16.2 million in 2Q25.

The net financial income in 2Q25 was also benefited by the performance of the other items that make up this line ("interest and others"), with an increase in income, despite the lower volume of cash available in the year, and a simultaneous reduction in expenses.



In 1H25, net financial income also showed a significant improvement, amounting to R\$ 26.5 million, versus net financial expenses of R\$ 84.0 million in 1H24. This performance mainly derives from the normalization of the exchange rate, and the efficient management of the Company's foreign exchange exposure.

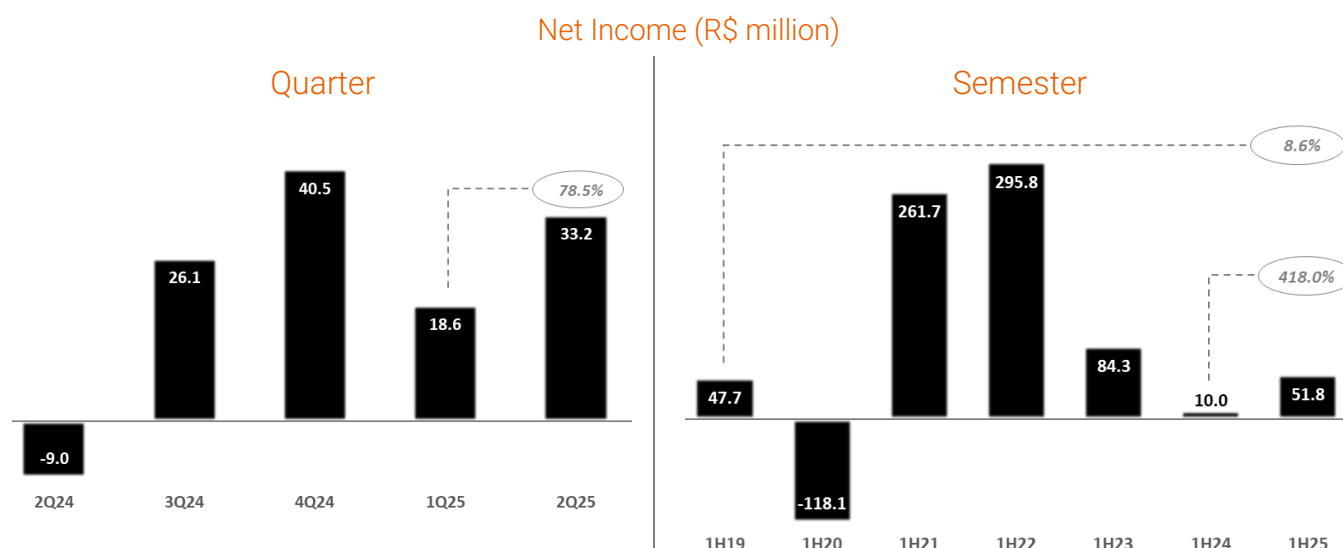
This result contributed positively to the recovery of profitability indicators in the quarter, thus reinforcing Taurus' strategy of acting diligently in the management of financial risks, especially in a scenario still marked by exchange rate volatility.

R\$ million	2Q25	2Q24	2Q25x2Q24 % Chg.	1Q25	2Q25x1Q25 % Chg.	1H25	1H24	1H25x1H24 % Chg.
(+) Financial income	46.5	26.0	78.8%	59.2	-21.5%	105.7	38.5	174.5%
Foreign exchange gains	37.1	17.0	540.8%	47.8	-22.4%	85.0	24.5	246.9%
Interest and other income	9.4	9.0	4.4%	11.4	-17.5%	20.8	14.0	48.6%
(-) Financial expenses	40.7	84.0	-51.5%	38.6	5.4%	79.3	122.5	-35.3%
Foreign exchange losses	20.9	62.7	-66.7%	19.6	6.6%	40.5	84.1	-51.8%
Interest, IOF and other expenses	19.8	21.3	-7.0%	19.0	4.2%	38.8	38.5	0.8%
(+/-) Net financial result	5.9	-58.0	-	20.6	-71.4%	26.5	-84.0	-
US dollar Ptax rate at the end of period (R\$)	5.46	5.56	-1.8%	5.74	-4.9%	5.46	5.56	-1.8%

Net income

Taurus closed the second quarter of 2025 with a net income of R\$ 33.2 million, reversing the R\$ 9.0 million loss recorded in the same period of the previous year, and a 78.5% increase on the result reported in 1Q25. This performance was driven by the resumption in both production and sales, higher gross profitability, control of expenses and, in particular, the reversal of the financial result, which turned positive as a result of lower exchange rate pressure. Also noteworthy is the fact that, as of April, the Company absorbed the impact of the additional 10% tax on products exported to the United States, while still maintaining the trend of recovering margins, and achieving gain in gross profitability. Furthermore, the result for 2Q25 includes a disbursement of R\$ 11.1 million relating to Income Tax and Social Contribution, whereas in the same period of the previous year, this account had recorded an income of R\$ 4.9 million.

In the first half of the year, net income increased fivefold (up 418.0%) to R\$ 51.8 million, compared to that of R\$ 10.0 million in 1H24, evidencing the Company's consistent recovery in 2025, even in the face of the pressure seen in the first quarter, due to lower sales volume. The accumulated performance reflects the combination of operational stability, efficiency gains and exchange rate normalization.





Debt

Taurus' gross bank debt is represented by foreign exchange operations (Advances on Foreign Exchange Contracts - ACC), the financing granted by FINEP (the Brazilian Funding Agency for Innovation Projects) for investment in innovation, under very favorable conditions for the Company, and a loan taken out by the Company's North American subsidiary in the USA. At the end of June 2025, gross bank debt stood at R\$ 802.1 million, up by 7.3% from the R\$ 747.5 million recorded at the end of 2024. This performance reflects the increase in the long-term portion, which rose by 81.8% in the period, to R\$ 351.3 million at the end of 2Q25, while short-term debt fell by 18.7%, to R\$ 450.8 million.

From the total long-term bank debt, R\$ 203.2 million or 57.8% refers to the debt incurred by the North American subsidiary, maturing in 2026, used to finance local operations - especially commercial activities - through a credit line with availability of up to US\$ 50 million, backed by inventories and accounts receivable. Through this credit line, the Company is financing the sales chain, against a backdrop of higher financial costs due to continued high interest rates in the United States.

The short-term portion of Taurus' bank debt as at June 30, 2025, in the amount of R\$ 450.8 million, accounted for 56.2% of total gross debt on that date. However, almost all of this amount (98.8%) corresponded to ACC operations, which can be renewed at each maturity. Thus, at the end of 2Q25, the bank debt that effectively matured in the short term stood at only R\$ 5.2 million.

Net debt increased by 32.8% in the first half of the year, from R\$ 457.7 million on December 31, 2024 to R\$ 607.8 million at the end of June 2025. This change mainly stems from the reduction in cash and cash equivalents, which fell from R\$ 289.9 million to R\$ 194.4 million in the same period (down 32.9%), and not from a significant increase in bank debt itself. This move is related to the strategy adopted in 1Q25, when the Company decided to maintain adequate inventory levels during the scheduled production stoppage at the US plant, which required greater use of available funds. This model proved to be efficient in sustaining sales, in view of the current level of interest rates in the US market.

Another important development in the first half was the R\$ 54.7 million increase in the balance of accounts receivable, which rose from R\$ 297.1 million at the end of 2024 to R\$ 351.8 million in June 2025. This growth is directly related to the commercial strategy of the operation in the United States, with the financing of part of the distribution chain based on bank debt.

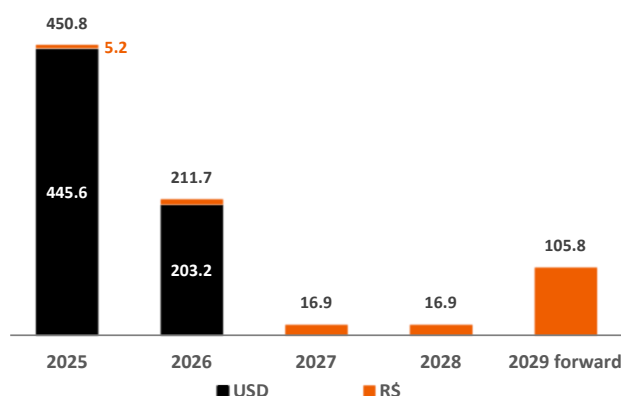
<i>R\$ million</i>	06/30/2025	12/31/2024	% Chg.
Loans and financing	5.2	0.3	1633.3%
Foreign exchange drafts	445.6	554.0	-19.6%
Short term	450.8	554.3	-18.7%
Foreign exchange drafts + Loans and financing	0.0	0.0	0.0%
Long term	351.3	193.2	81.8%
Gross debt	802.1	747.5	7.3%
Cash and marketable securities	194.4	289.9	-32.9%
Net debt	607.8	457.7	32.8%
US dollar Ptax rate at the end of period (R\$)	5.46	6.19	-11.9%
Gross debt converted into dollars (US\$ million)	147.0	120.7	21.8%
Net debt converted into dollars (US\$ million)	111.4	73.9	50.7%



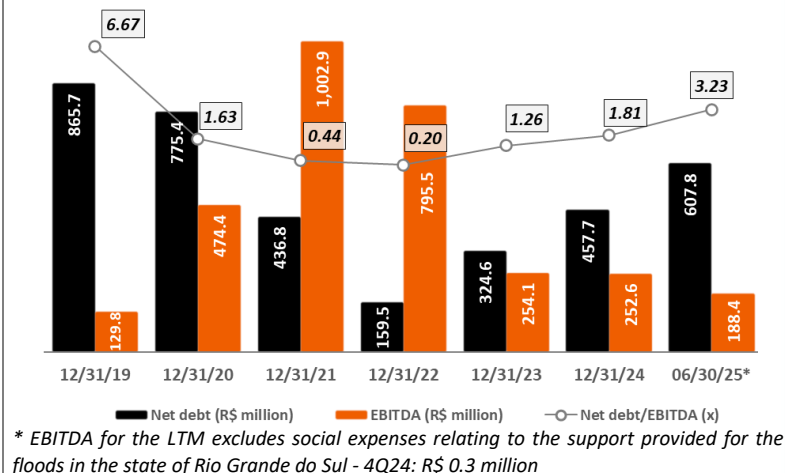
The ratio of net debt to adjusted EBITDA over the last 12 months reached 3.23 times at the end of June, compared to 1.81x in December 2024. The improvement is due to the fall in EBITDA accumulated over 12 months - primarily impacted by the atypical performance in 1Q25 - coupled with the higher net debt in the period.

The Company has remained proactive in the management of its capital structure, by placing priority on lengthening the debt profile, making efficient use of the credit lines available in its international operations, and preserving liquidity, thereby guaranteeing adequate conditions to sustain its operations in the global market.

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



Level of financial leverage
Net debt/ EBITDA

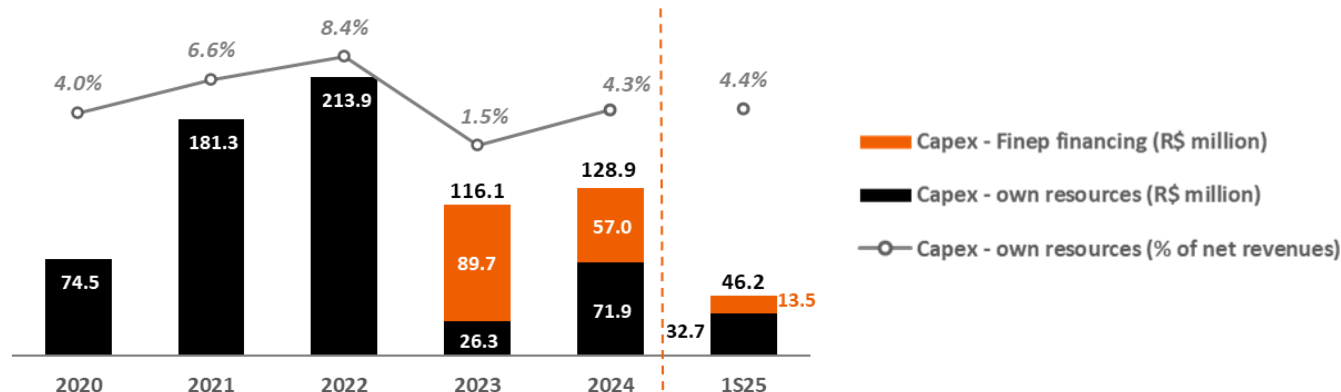


Capital Expenditures

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 2Q25, R\$ 25.2 million was invested, totaling R\$ 46.2 million in the first six months of the year. The funds were primarily geared towards the acquisition of machinery, which accounted for around 70% of CAPEX in the period, the development of new products, with 29% of the total, equipment and tools, among others.

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



* The amount of CAPEX funded with the fourth installment of the FINEP line, between September 2024 and June 2025, is only preliminary, as the Company has submitted proof of disbursements, but is still awaiting feedback from the institution.



2025 / 1H25 RESULTS

PERSONNEL
DEVELOPMENT
TECHNOLOGY AND
INNOVATION
COLLABORATIVE
ENVIRONMENT



From the total invested in the first half of the year, 29.2% was financed by FINEP's* innovation credit line, while the remaining 70.8% was funded by the Company's own cash generation. Thus, as shown in the chart above, CAPEX funded with own capital corresponded to 4.3% of net revenues in 1H25.

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 end of 1Q25, the number of the Company's shareholders totaled approximately 97 million.

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

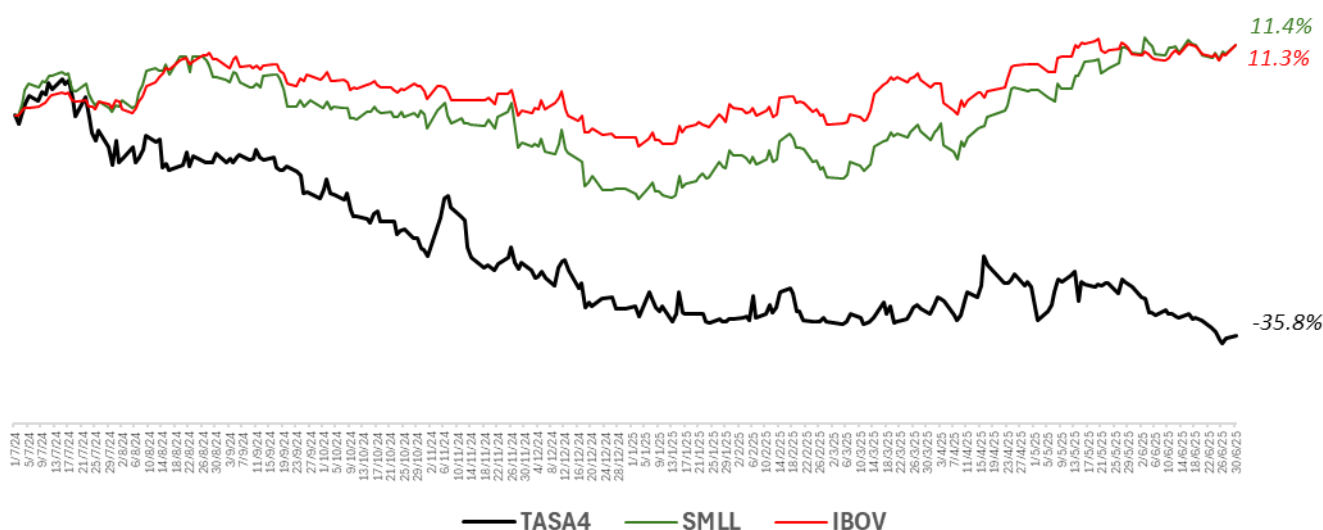
Date	TASA3*		TASA4*		TASA	TASA4 Treasury	Market cap.***	EV**
	(R\$/share)	(No. shares)	(R\$/share)	(No. shares)	(Total no. shares)	(No. shares)	(R\$ million)	(R\$ million)
12/31/24	R\$ 7.79	46,445,314	R\$ 7.33	80,189,120	126,634,434	323,100	R\$ 947.2	R\$ 1,411.9
06/30/25	R\$ 7.40	51,089,845	R\$ 6.86	88,208,032	139,297,877	98,273	R\$ 982.5	R\$ 1,583.2
% Chg.	-5.0%	10.0%	-6.4%	10.0%	10.0%	-69.6%	3.7%	12.1%

* Share prices ON (TASA3) and PN (TASA4) are adjusted for dividends paid as of 06/30/2025.

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

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

Performance of preferred shares (TASA4) versus SMLL B3 and IBOV B3 Base 100: closing date of 07/01/2024





Subsequent events

Termination of negotiations in Saudi Arabia

According to the Material Fact released on July 31, the Company opted not to renew the Memorandum of Understanding (“MoU”) entered into in 2023, with the Saudi Arabian company Scopa Military Industries. Negotiations on the possible partnership have been terminated, as the technical, commercial and strategic feasibility analyses carried out by Taurus have pointed to a lack of sustainability for the project, particularly due to the absence of a minimum purchase commitment on the part of the Saudi government.

The termination of the negotiations shall bear no impact on the Company's operations.

Introduction of a 50% import tariff imposed on Brazilian products in the USA

As regards the imposition of import tariffs of 50% on Brazilian products, effective as of August 6, Taurus has been acting on different scopes, aimed at mitigating the effects on its performance. As soon as this measure was announced at the beginning of July, analyses and discussions have been intensified to deal with its effects. The Company's main lines of action in this regard involve the increase already held in inventories at the North American plant; negotiations for the liberation of ICMS credits; reduction of prices passed on from Brazil to the USA; studies for the transfer of production lines to Taurus USA, in addition to diplomatic negotiations in search of a negotiated settlement.

Further comments can be found in the “Message from Management” section of this report.

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 updating any forecasts, which make sense only on the date on which they were made.



Income Statement

<i>R\$ million</i>	2Q25	2Q24	% Chg.	1Q25	% Chg.	1H25	1H24	% Chg.
Net revenues from sales of goods and/or services	402.4	407.9	-1.3%	349.1	15.3%	751.5	856.8	-12.3%
Cost of goods and/or services sold	-249.6	-263.6	-5.3%	-236.2	5.7%	-485.8	-567.1	-14.3%
Gross Profit	152.8	144.3	5.9%	112.9	35.3%	265.8	289.7	-8.2%
Operating (expenses)/income	-114.4	-100.3	14.1%	-117.4	-2.6%	-231.8	-190.3	21.8%
Selling expenses	-57.1	-51.1	11.7%	-51.2	11.5%	-108.2	-104.6	3.4%
General and administrative expenses	-62.2	-55.3	12.5%	-68.4	-9.1%	-130.6	-96.3	35.6%
Losses due to non-recoverable assets	-2.9	0.0	-	-1.5	-	-4.4	-1.5	193.3%
Other operating income	8.9	8.3	7.2%	3.4	161.8%	12.3	16.0	-23.1%
Other operating expenses	-1.4	-2.0	-30.0%	-0.9	55.6%	-2.3	-3.4	-32.4%
Equity from results of subsidiaries and affiliates	0.3	-0.2	-	1.0	-	1.3	-0.4	-425.0%
Profit before financial income (expenses) and taxes	38.4	44.0	-12.7%	-4.5	-953.3%	33.9	99.5	-65.9%
Financial result	5.9	-57.9	-	20.6	-71.4%	26.5	-84.0	-131.5%
Financial income	46.5	26.0	78.8%	59.2	-21.5%	105.7	38.5	174.5%
Financial expenses	-40.7	-84.0	-51.5%	-38.6	5.4%	-79.3	-122.5	-35.3%
Earnings (loss) before taxes	44.3	-13.9	-	16.1	-	60.4	15.5	289.7%
Income tax and social contribution	-11.1	4.9	-	2.5	-	-8.6	-5.5	56.4%
Current	-7.3	-2.7	170.4%	2.3	-417.4%	-5.1	-6.3	-19.0%
Deferred	-3.8	7.7	-	0.3	-1366.7%	-3.5	0.8	-537.5%
Consolidated net income (loss) for the period	33.2	-9.0	-	18.6	-	51.8	10.0	418.0%
Attributed to shareholders of the parent company	33.2	-9.0	-	18.6	-	51.8	10.0	418.0%
<i>Earnings per share (R\$/share)</i>								
<i>Basic earnings per share</i>								
Common shares (ON)	0.25023	-0.07156	-349.7%	0.1474	69.8%	0.39761	0.07885	404.3%
Preferred shares (PN)	0.25070	-0.07111	-352.6%	0.1475	69.9%	0.39822	0.07901	404.0%
<i>Diluted earnings per share</i>								
Common shares (ON)	0.25023	-0.07156	-349.7%	0.1474	69.8%	0.39761	0.07885	404.3%
Preferred shares (PN)	0.24997	-0.07112	-351.5%	0.1471	69.9%	0.39711	0.07900	402.7%



Assets

<i>R\$ million</i>	06/30/25	12/31/24	% Chg.
Total Assets	2,563.4	2,628.6	-2.5%
Current assets	1,480.4	1,551.1	-4.6%
Cash and cash equivalents	48.8	112.6	-56.7%
Cash and banks	22.3	47.1	-52.7%
Highly-liquid short-term investments	26.5	65.5	-59.5%
Marketable securities	145.6	177.2	-17.8%
Accounts receivable	351.8	297.1	18.4%
Inventories	781.0	779.3	0.2%
Recoverable taxes	96.4	104.5	-7.8%
Prepaid expenses	24.7	45.6	-45.8%
Other current assets	32.2	34.7	-7.2%
Non-current assets	1,082.9	1,077.6	0.5%
Long-term receivables	187.7	186.8	0.5%
Financial investments at amortized cost	0.0	0.0	-
Deferred taxes	81.0	84.5	-4.1%
Receivables from related-party	15.9	17.2	-7.6%
Other non-current assets	90.8	85.1	6.7%
Investments	68.6	67.9	1.0%
Stake in jointly-controlled subsidiaries	12.2	11.5	6.1%
Other investments	0.0	0.0	-
Properties for investments	56.4	56.4	0.0%
Property, plant and equipment	638.8	636.5	0.4%
Fixed assets in operation	400.6	407.0	-1.6%
Fixed assets in progress	238.2	229.5	3.8%
Intangible assets	187.8	186.3	0.8%



Liabilities

<i>R\$ million</i>	06/30/25	12/31/24	% Chg.
Total Liabilities and Equity	2,563.4	2,628.6	-2.5%
Current Liabilities	816.0	1,017.0	-19.8%
Social and labor obligations	46.2	54.5	-15.2%
Social obligations	6.9	8.1	-14.8%
Labor obligations	39.3	46.4	-15.3%
Suppliers	125.1	156.3	-20.0%
Local suppliers	66.7	83.2	-19.8%
Foreign suppliers	58.4	73.0	-20.0%
Taxes payable	51.5	71.5	-28.0%
Federal Taxes payable	51.0	70.2	-27.4%
Income tax and social contribution payable	6.2	10.4	-40.4%
Other taxes	44.9	59.7	-24.8%
State tax payable	0.4	1.3	-69.2%
Municipal tax payable	0.1	0.1	0.0%
Loans and financing	450.8	554.3	-18.7%
In local currency	5.2	0.4	1200.0%
In foreign currency	445.6	554.0	-19.6%
Debentures	0.0	0.0	-
Other accounts payable	71.2	106.2	-33.0%
Dividends and interest on equity payable	17.2	25.7	-33.1%
Derivative financial instruments	0.0	0.0	-
Advances from customers	14.9	24.8	-39.9%
Legal settlements to be paid	0.0	0.0	-
Other payables	39.2	55.7	-29.6%
Provisions	71.1	74.1	-4.0%
Provisions for tax, social security, labor and civil risks	62.5	65.1	-4.0%
Other provisions	8.6	9.0	-4.4%
Liabilities on assets of discontinued operations	0.0	0.0	-
Noncurrent Liabilities	472.8	317.3	49.0%
Loans and financing	351.3	193.2	81.8%
In local currency	148.1	154.5	-4.1%
In foreign currency	203.2	38.8	423.7%
Debentures	0.0	0.0	-
Other accounts payable	54.4	62.1	-12.4%
Related-party liabilities	2.3	2.2	4.5%
Povision for uncovered liabilities	0.0	0.0	-
Taxes payable	2.9	4.2	-31.0%
Suppliers	3.2	5.2	-38.5%
Rents	0.0	0.0	-
Other accounts payable	45.9	50.6	-9.3%
Deferred taxes	11.1	11.2	-0.9%
Provisions	56.0	50.8	10.2%
Provisions for tax, social security, labor and civil risks	52.3	46.6	12.2%
Other provisions	3.7	4.2	-11.9%
Liabilities on assets of discontinued operations	0.0	0.0	-
Consolidated Shareholders' Equity	1,274.6	1,294.4	-1.5%
Share Capital	548.1	448.1	22.3%
Capital reserves	-3.7	-8.3	-55.4%
Disposal of subscription warrants	9.9	9.9	0.0%
Stock options granted	33.5	32.4	3.4%
Treasury shares	-1.3	-4.8	-72.9%
Capital transactions	-45.7	-45.7	0.0%
Retained earnings	437.0	536.7	-18.6%
Legal reserve	52.5	52.5	0.0%
Statutory reserve	265.9	365.7	-27.3%
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	52.0	0.0	-
Equity valuation adjustments	43.3	43.5	-0.5%
Accumulated translation adjustments	197.9	274.3	-27.9%

Taurus Armas S.A.**Explanatory Notes***Interim Financial Information as at June 30, 2025***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.

50% tariff imposed on Brazil by the US Government

On July 9, the US Government officially imposed a 50% tariff on the imports of Brazilian firearms and ammunition, effective beginning August 6, 2025.

Taurus Armas S.A., a multinational company operating in Brazil for 85 years and in the United States for 43 years, while exercising its role as a relevant player in the foreign market — especially in the US segment — recognizes the need to carefully assess the impacts of this measure on its operations and financial statements.

The Company has been adopting a strategic and proactive stance, focused on operational resilience, market diversification, process optimization and the pursuit of financing alternatives.

Such measure imposed by the US Government poses a significant challenge for the Company, which has been implementing five main strategies to mitigate the related effects:

- 1. Reinforcement of inventories in the United States**, carried out preventively, so as to ensure autonomy of a few months by internalizing products before the new tariff came into effect.
- 2. Reduction in transfer prices** for firearms shipped from Brazil to the United States to avoid imposing the tariff on margins.
- 3. Immediate transfer of G family devices and assembly lines** to our factory in the United States, which reduces the amount of taxes payable, since the Company will only export parts and components rather than finished firearms.
- 4. Analyses for partially transferring production** to the US unit, a measure that requires time, resources and financial stability.
- 5. Negotiations with the Rio Grande do Sul government** to release State VAT (ICMS) credits, with a view to strengthening cash flows.

Concurrently, the Company is engaged in diplomatic negotiations in pursuit of a solution. Taurus USA is currently the largest importer of firearms in the United States, where 40% to 50% of consumption is comprised of imported products. The relevance of Taurus brand, coupled with the political context favorable to the Second Amendment to the US Constitution, reinforces the importance of a balanced solution.

Taurus Armas S.A.**Explanatory Notes***Interim Financial Information as at June 30, 2025*

Management has been monitoring the current scenario and related developments involving the constant changes in the US government's stance, besides implementing measures to ensure the continuity of operations in Brazil. As it concerns a matter under discussion that may be affected by geopolitical aspects, new changes in the import duties imposed on our products by the US Government may affect our aforementioned plans and operations.

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 June 30, 2025 has been prepared based on the historical cost, except for investment properties that are measured at fair value, as described in the accounting policies disclosed in the annual financial statements for December 31, 2024. 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 June 30, 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. See disclosure in note 1 concerning a relevant event after the reporting period about the tariffs imposed by the United States on the purchases of products manufactured in Brazil. It is worth stressing that revenues from the Company's exports to US customers account for 72% of sales as at June 30, 2025, as disclosed in note 6.

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 June 30, 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 August 8, 2025.

Taurus Armas S.A.*Interim Financial Information as at June 30, 2025***Explanatory Notes****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 June 30, 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
Taurus Armas S.A.	Brazil		
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%
Polimetal Metalurgia e Plásticos Ltda.	Brazil	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.

Taurus Armas S.A.**Explanatory Notes***Interim Financial Information as at June 30, 2025*

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.

Taurus Armas S.A.*Interim Financial Information as at June 30, 2025***Explanatory Notes**

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

The credit risk refers to the possibility of the Company incurring financial losses if a customer or a counterparty to a financial instrument fails to perform its contractual obligations. This risk is primarily related to trade receivables and investment securities. In the case of financial institutions, the Company and its subsidiaries exclusively conduct transactions with financial institutions previously approved by Management.

Trade and other receivables

The Company and its subsidiaries adopt strict procedures to assess the financial position of their counterparties, setting credit limits and constantly monitoring the outstanding balances. In respect of the Company's revenue, sales are concentrated on related parties, such as Taurus International Manufacturing INC, Braztech International LC, Heritage Manufacturing INC and Companhia Brasileira de Cartuchos – CBC, and there is no relevant credit risk concentration on other customers.

In order to assess the credit risks and set limits, customers are classified according to their characteristics: Individual, Legal Entity, Public Body or Foreign Market.

Credit approvals are individually granted and include external assessments, inquiries to credit bureaus, relationship history and timely payments. As for Foreign Market customers, information from regulators such as OFAC and GAFI and bank references may also be considered.

In respect of Legal Entities, credit limits are determined individually or by economic group, which represent the maximum exposure amount for the Company, without requiring new analyses. Those limits are periodically reviewed. Clientes que falharem em cumprir com o crédito estabelecido pela Companhia só poderão realizar novas operações após a quitação dos débitos pendentes.

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. Invoices are issued and products are delivered only upon confirming whether payments have been made on the due dates.

Taurus Armas S.A.**Explanatory Notes***Interim Financial Information as at June 30, 2025***Exposure to credit risks**

As at June 30, 2025, the maximum credit risk exposure was as follows:

	06-30-2025	Consolidated 12-31-2024	06-30-2025	Parent 12-31-2024
Amortized cost				
Cash and cash equivalents	48,795	112,614	46,929	102,739
Trade receivables	351,788	297,108	167,598	164,704
Short-term investments and restricted account	145,583	177,237	100,885	136,794
Escrow Deposits	67,467	62,451	66,543	61,175
	19,335	20,941	68,869	55,368
Total	632,968	670,351	450,824	520,780

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:

	06-30-2025	Consolidated 12-31-2024	06-30-2025	Parent 12-31-2024
Domestic – trade receivables	113,726	108,334	88,400	83,050
United States – trade receivables	218,137	178,295	49,386	61,595
Other countries	46,387	34,523	45,762	33,898
Total	378,250	321,152	183,548	178,543

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

	06-30-2025	Consolidated 12-31-2024	06-30-2025	Parent 12-31-2024
Trade receivables – public bodies	6,810	13,801	6,803	13,801
Trade receivables – distributors	61,879	41,661	61,879	41,661
Due from related parties	243,937	214,936	75,310	98,408
Final customers	65,623	50,754	39,555	24,673
Total	378,250	321,152	183,548	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 June 30, 2025, the aging list of trade receivables and the allowance for expected credit losses are as follows:

	06-30-2025			Consolidated 12-31-2024		
	Portfolio	Allowance	Coverage	Portfolio	Allowance	Coverage
Current	228,376	(4,387)	1,9%	210,153	(4,211)	2.0%
0-30 days past due	69,053	(2,494)	3,6%	33,023	(920)	2.8%
31-60 days past due	10,874	(356)	3,3%	31,330	(1,133)	3.6%
61-90 days past due	11,912	(240)	2,0%	17,648	(216)	1.2%
91-180 days past due	10,923	(461)	4,2%	3,120	(388)	12.4%
181-360 days past due	27,328	(2,711)	9,9%	3,939	(895)	22.7%
Over one year past due	19,784	(15,813)	79,9%	21,940	(16,281)	74.2%
Total	378,250	(26,462)		321,152	(24,044)	

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Taurus Armas S.A.

Interim Financial Information as at June 30, 2025

	06-30-2025			Parent 12-31-2024		
	Portfolio	Allowance	% Coverage	Portfolio	Allowance	% Coverage
Current	69,951	(3,015)	4,3%	68,710	(2,898)	4.2%
0-30 days past due	68,200	(2,044)	3,0%	64,868	(754)	1.2%
31-60 days past due	3,496	(281)	8,0%	13,785	(945)	6.9%
61-90 days past due	474	(98)	20,6%	15,235	(183)	1.2%
91-180 days past due	4,405	(365)	8,3%	1,665	(357)	21.4%
181-360 days past due	25,195	(2,690)	10,7%	2,879	(884)	30.7%
Over one year past due	11,827	(7,457)	63,1%	11,401	(7,818)	68.6%
Total	183,548	(15,950)		178,543	(13,839)	

Financial instruments

The Company's Management determines the classification of its non-derivative financial assets and financial liabilities upon initial recognition, in conformity with the criteria set out in IFRS 9/CPC 48 – Financial Instruments, with respect to the cash flow characteristics and the Company's business model to manage financial assets. Financial instruments are measured according to their nature and purpose.

	Consolidated		Parent	
	06-30-2025	12-31-2024	06-30-2025	12-31-2024
Amortized cost - assets				
Cash and cash equivalents	48,795	112,614	46,929	102,739
Trade receivables	351,788	297,108	167,598	164,704
Restricted short-term investments	145,583	177,237	100,885	136,794
Escrow deposits	67,467	62,451	66,543	61,175
Other amounts due from related parties	19,335	20,941	68,869	55,368
Total	632,968	670,351	450,824	520,78
Amortized cost – liabilities				
Trade payables	128,377	158,407	62,863	81,592
Borrowings and financing	356,51	193,587	153,288	154,823
Foreign exchange advances	445,619	553,951	445,619	553,951
Due to other related parties	2,261	2,154	2,261	2,154
Total	932,767	908,099	664,031	792,52

The Company's Management considers that the fair values of cash and cash equivalents, trade receivables, restricted short-term investments, other receivables and trade payables approximate their carrying amounts.

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
						06-30-2025
	Carrying amount	Contractual cash flow	Up to 1 year	1-2 years	2-5 years	Over 5 years
Non-derivative financial liabilities						
Trade payables	128,377	128,377	121,423	3,709	3,245	-
Borrowings and financing	356,510	449,760	36,433	245,250	61,539	106,538
Foreign currency advances	445,619	485,865	485,865	-	-	-
	930,506	1,064,002	643,721	248,959	64,784	106,538

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Taurus Armas S.A.

Interim Financial Information as at June 30, 2025

						Parent
						06-30-2025
	Carrying amount	Contractual cash flow	Up to 1 year	1-2 years	2-5 years	Over 5 years
Non-derivative financial liabilities						
Trade payables	62,863	62,863	55,909	3,709	3,245	-
Borrowings and financing	153,288	218,295	14,452	35,766	61,539	106,538
Foreign currency advances	445,619	485,865	485,865	-	-	-
	661,770	767,023	556,226	39,475	64,784	106,538

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 June 30, 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.

	Consolidated		Parent	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Assets				
Trade receivables	264,525	212,819	95,148	95,494
Intragroup loans	11,722	11,722	11,722	11,722
Total assets	276,247	224,541	106,87	107,216
Liabilities				
Trade payables	58,436	73,046	7,405	9,019
Borrowings and financing	203,222	38,764	-	-
Foreign exchange advances	445,619	553,951	445,619	553,951
Total liabilities	707,277	665,761	453,024	562,97
Net exposure	431,03	441,22	346,154	455,754
(-) Foreign subsidiaries with local functional currency	15,915	121,423	-	-
Total net exposure for sensitivity analysis purposes	446,945	562,643	346,154	455,754

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	5.7000	4.2750	2.8500
US dollar	Increase	5.7000	7.1250	8.5500

Taurus Armas S.A.**Explanatory Notes***Interim Financial Information as at June 30, 2025*

			Consolidated
	Balance in 2025 – in US dollar	Variation by +/- 25% - in R\$	Variation by +/- 50% - in R\$
Asset – US dollar depreciation			
Trade receivables	US dollar - US\$ 8,317	(9,832)	(21,683)
Intragroup loans	US dollar - US\$ 2,148	(2,539)	(5,601)
	Balance in 2025 – in US dollar	Variation by +/- 25% - in R\$	Variation by +/- 50% - in R\$
Liability – US dollar appreciation -			
Trade payables	US dollar -US\$ (81,659)	(136,198)	(252,562)
Foreign currency advances	US dollar -US\$ (10,708)	(17,860)	(33,120)
Liability net exposure (2)	US dollar - US\$ (81,902)	(136,604)	(253,313)

(1) Considers balances exposed to US dollars Exchange rate variation in relation to the Brazilian real of companies in Brazil.

			Parent
	Balance in 2025 – in US dollar	Variation by +/- 25% - in R\$	Variation by +/- 50% - in R\$
Asset – US dollar depreciation			
Trade receivables	US dollar - US\$ 17,436	(20,611)	(45,456)
Intragroup Loans	US dollar - US\$ 2,148	(2,539)	(5,601)
	Balance in 2025 – in US dollar	Variation by +/- 25% - in R\$	Variation by +/- 50% - in R\$
Liability – US dollar appreciation			
Trade payables	US dollar -US\$ (1.357)	(2.263)	(4.197)
Foreign currency advances	US dollar -US\$ (81.659)	(136.198)	(252.562)
Liability net exposure (2)	US dollar -US\$ (63.432)	(105.798)	(196.188)

(2) Considering that net exposure is a liability, the Company states in this line the effects of an increase in US dollar appreciation.

The Company does not have operations with open derivatives on June 30, 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 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 June 30, 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.

Explanatory Notes**Taurus Armas S.A.***Interim Financial Information as at June 30, 2025*

Index	Index as at 06-30-2025	Variation by +/- 25%	Variation by +/- 50%
CDI - decrease	14,90%	11,18%	7,45%
CDI - increase	14,90%	18,63%	22,35%
TJLP - increase	8,65%	10,81%	12,98%
SOFR day - increase	4,46%	5,57%	6,68%
6-month SOFR – decrease	4,80%	3,60%	2,40%
			Consolidated Gain (loss)
	Index	Balance 06-30-2025	Variation by +/- 25%
			Variation by +/- 50%
Assets			
Short-term investments	CDI - decrease	172,078	(6,401)
			(12,820)
	Index	Balance 06-30-2025	Variation by +/- 25%
			Variation by +/- 50%
Liabilities			
Borrowings	TJLP - increase	(153,288)	(3,311)
Borrowings	SOFR day - increase	(203,222)	(2,263)
			(4,519)

(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:

	06-30-2025	Consolidated 12-31-2024
Total borrowings and financing	802,129	747,538
Less: Cash and cash equivalents and short-term investments	(194,378)	(289,851)
Net debt (A)	607,751	457,687
Total equity (B)	1,274,569	1,294,361
Net debt-to-equity ratio as at June 30, 2025 and December 31, 2024 (A/B)	0,48	0,35

Taurus Armas S.A.**Explanatory Notes***Interim Financial Information as at June 30, 2025***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 technical pronouncement 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.

Explanatory Notes

Interim Financial Information as at June 30, 2025

	Firearms & Accessories		Helmets		Other		Total	
	06-30-2025	03-31-2024	06-30-2025	03-31-2024	06-30-2025	03-31-2024	06-30-2025	03-31-2024
Foreign revenue	676,005	788,129	69,827	60,237	5,707	8,411	751,539	856,777
Cost of sales	(435,713)	(524,143)	(43,478)	(36,700)	(6,593)	(6,208)	(485,784)	(567,051)
Gross profit (loss)	240,292	263,986	26,349	23,537	(886)	2,203	265,755	289,726
Selling expenses	(97,232)	(92,989)	(14,259)	(11,753)	(894)	(1,143)	(112,385)	(105,885)
General and administrative expenses	(110,261)	(77,668)	(6,500)	(4,408)	(2,163)	(1,747)	(118,924)	(83,823)
Depreciation and amortization	(9,965)	(10,883)	(241)	(215)	(1,670)	(1,598)	(11,876)	(12,696)
Other operating revenue (expenses), net	9,983	12,170	(1,468)	(964)	1,534	1,370	10,049	12,576
Equity income	502	109	-	-	798	(538)	1,300	(429)
	(206,973)	(169,261)	(22,468)	(17,340)	(2,395)	(3,656)	(231,836)	(190,257)
Operating profit (loss)	33,319	94,725	3,881	6,197	(3,281)	(1,453)	33,919	99,469
Finance income	102,128	35,957	3,397	2,246	212	339	105,737	38,542
Finance costs	(78,275)	(121,315)	(268)	(460)	(732)	(752)	(79,275)	(122,527)
Finance income net	23,853	(85,358)	3,129	1,786	(520)	(413)	26,462	(83,985)
Profit (loss) from the reportable segment before income tax and social contribution	57,172	9,367	7,010	7,983	(3,801)	(1,866)	60,381	15,484
Income tax and social contribution	(5,898)	(7,725)	(2,006)	(2,196)	(687)	4,395	(8,591)	(5,526)
Profit (loss) for the period	51,274	1,642	5,004	5,787	(4,488)	2,529	51,790	9,958
	06-30-2025	12-31-2024	06-30-2025	12-31-2024	06-30-2025	12-31-2024	06-30-2025	12-31-2024
Assets from reportable segments	2,151,058	2,233,602	117,342	114,284	294,959	280,761	2,563,359	2,628,647
Liabilities from reportable segments	1,234,537	1,278,259	25,309	28,189	28,944	27,838	1,288,790	1,334,286

* Comparative balance as of December 31, 2024

Taurus Armas S.A.**Explanatory Notes***Interim Financial Information as at June 30, 2025*Geographic information

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

	Firearms & Accessories		Helmets	
	06-30-2025	06-30-2024	06-30-2025	06-30-2024
Domestic market				
Southeast Region	30,453	60,218	22,249	20,148
South Region	27,776	7,874	5,331	3,679
Northeast Region	6,016	3,190	22,776	16,843
Midwest Region	3,979	942	10,702	11,410
North Region	1,684	643	8,769	8,157
	69,908	72,867	69,827	60,237
Foreign market				
United States	543,588	654,443	-	-
South Africa	8,283	5,242	-	-
Germany	1,018	783	-	-
Saudi Arabia	2,768	378	-	-
Argentina	3,911	710	-	-
Chad	900	-	-	-
El Salvador	264	545	-	-
Spain	-	127	-	-
Ecuador	5,003	2,767	-	-
Philippines	5,740	8,107	-	-
France	1,375	677	-	-
Ghana	-	7,288	-	-
Guatemala	5,985	9,303	-	-
Guyana	124	970	-	-
Haiti	-	3,898	-	-
Honduras	6,295	4,473	-	-
India	186	673	-	-
Israel	-	661	-	-
Italy	249	228	-	-
Lebanon	717	857	-	-
Jordan	287	-	-	-
North Macedonia	4,546	3,484	-	-
Mexico	2,975	97	-	-
Mozambique	313	181	-	-
Panama	3,142	4,523	-	-
Pakistan	3,148	2,816	-	-
Peru	1,021	-	-	-
Poland	596	441	-	-
Czech Republic	652	-	-	-
Senegal	828	-	-	-
Uganda	-	912	-	-
Uruguay	1,107	73	-	-
Zambia	1,076	606	-	-
Other countries	-	-	-	-
	606,097	715,262	-	-
Total net revenue	676,005	788,129	69,827	60,237

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 revenues are concentrated on US customers, see disclosure of the relevant event after the reporting period in note 1 (tariffs imposed by the United States).

Since there is a concentration of revenue for US-located clients, see relevant subsequent event disclosure in Note 1 (tariffs imposed by the U.S. government).

Taurus Armas S.A.**Explanatory Notes***Interim Financial Information as at June 30, 2025***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	
	06-30-2025	12-31-2024	06-30-2025	12-31-2024
Cash	93	73	67	58
Unsettled exchange bills (*)	20,867	37,977	20,830	37,940
Demand deposits	1,340	9,080	397	7,081
Short-term investments	26,495	65,484	25,635	57,660
Cash and cash equivalents	48,795	112,614	46,929	102,739

(*) 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	
		06-30-2025	12-31-2024	06-30-2025	12-31-2024
Bank certificates of deposit (CDBs)	99% to 106% of CDI	145,583	177,237	100,885	136,794
Total		145,583	177,237	100,885	136,794
Current		145,583	177,237	100,885	136,794

9. Clients

Trade receivables from clients 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	
	06-30-2025	12-31-2024	06-30-2025	12-31-2024
Domestic customers – third parties	90,714	71,547	62,793	46,646
Domestic customers – related parties	23,011	36,786	25,607	36,403
Foreign customers – third parties	260,024	208,504	41,267	44,379
Foreign customers - related parties	4,501	4,315	53,881	51,115
	378,250	321,152	183,548	178,543
Allowance for expected credit loss – domestic receivables	(10,128)	(9,921)	(2,394)	(2,199)
Allowance for expected credit loss – foreign receivables	(16,334)	(14,123)	(13,556)	(11,640)
	(26,462)	(24,044)	(15,950)	(13,839)
	351,788	297,108	167,598	164,704

Taurus Armas S.A.**Explanatory Notes***Interim Financial Information as at June 30, 2025*

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:

	Consolidated	Parent
Balance as at December 31, 2024	(24,044)	(13,839)
Additions	(6,630)	(4,707)
Reversal of allowance for expected credit losses	2,273	919
Exchange rate changes	1,939	1,677
Balance as at June 30, 2025	(26,462)	(15,950)

10. Inventories

Inventories are stated at the lowest out 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.

	Consolidated		Parent	
	06-30-2025	12-31-2024	06-30-2025	12-31-2024
Finished products	509,363	500,697	66,965	43,749
Raw material	267,382	272,023	207,375	203,187
Work in process	-	1,752	-	-
Inventory advances	16,709	15,941	16,134	15,617
Allowance for inventory losses	(12,422)	(11,132)	(4,407)	(2,739)
	781,032	779,281	286,067	259,814

Variation in the allowance for inventory losses

	Consolidated	Parent
Balance as at December 31, 2024	(11,132)	(2,739)
Addition	(3,107)	(2,411)
Reversal	132	-
Definitive write-offs	743	743
Exchange rate variation	942	-
Balance as at June 30, 2025	(12,422)	(4,407)

11. Recoverable taxes

	Consolidated		Parent	
	06-30-2025	12-31-2024	06-30-2025	12-31-2024
State VAT (ICMS)	38,906	36,433	37,832	35,203
Federal VAT (IPI)	51,872	56,654	51,255	56,037
Tax on revenue (PIS)	437	2,015	197	1,806
Tax on revenue (COFINS)	3,559	8,562	2,455	7,605
Income tax and social contribution	22,797	21,154	1,935	6,600
Other	1,072	1,002	408	340
Total	118,643	125,820	94,082	107,591
Current	96,356	104,480	72,553	86,883
Non-current	22,287	21,340	21,529	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.

Explanatory Notes

Taurus Armas S.A.

Interim Financial Information as at June 30, 2025

12. Other assets

	Consolidated		Parent	
	06-30-2025	12-31-2024	06-30-2025	12-31-2024
Advances to suppliers	11,592	9,975	952	3,076
Advances to employees	2,430	5,500	1,446	4,831
Advances for foreign bids	5,530	5,518	5,530	5,518
Escrow deposits	67,468	62,451	66,544	61,175
Intragroup loans	16,741	17,210	68,590	54,539
Other receivables	5,918	8,065	1,726	2,962
Total	109,679	108,719	144,788	132,101
Current	25,213	27,738	21,749	25,569
Noncurrent	84,466	80,981	123,039	106,532

	Consolidated		Parent	
	06-30-2025	12-31-2024	06-30-2025	12-31-2024
Breakdown current				
Due from other related parties	-	-	12,214	9,255
Other receivables	25,213	27,738	9,535	16,314
Breakdown non-current				
Due from other related parties	16,741	17,210	56,377	45,284
Other receivables	67,725	63,771	66,662	61,248
Total	109,679	108,719	144,788	132,101

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 25% is from income tax and 9% from 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.

Taurus Armas S.A.**Explanatory Notes***Interim Financial Information as at June 30, 2025***a) Breakdown of impacts on deferred tax assets and liabilities**

	Consolidated		Parent	
	06-30-2025	12-31-2024	06-30-2025	12-31-2024
On income tax and social contribution losses				
Tax loss	8,434	8,434	-	-
Social contribution loss	3,036	3,036	-	-
On temporary differences - assets				
Impairment of fixed asset	771	771	-	-
Other allowances	20,482	21,909	2,003	912
Realization of revaluation reserve	1,912	1,910	615	613
Allowance for inventory losses	2,959	2,624	1,498	931
Allowance for profit sharing	5,459	7,305	2,638	4,103
Allowance for commissions	1,803	1,686	1,596	1,381
Allowance for civil, labor and tax risks	18,204	17,157	17,658	16,629
Allowance for warranty	2,024	2,067	1,702	1,702
Allowance for uncollectible receivables	6,902	6,243	6,531	5,837
Financial provisions	905	905	905	905
Tax provisions	6,502	7,371	5,443	6,314
Unrealized profit with related parties	27,913	29,370	-	-
Total deferred assets	107,306	110,788	40,589	39,327
On temporary differences - liabilities				
Goodwill on expected future earnings	(14,289)	(16,214)	-	-
Fair value of investible property	(10,263)	(10,263)	-	-
Accelerated depreciation - Law 14871	(3,166)	-	(3,166)	-
Other allowances, provisions and accruals	(9,688)	(10,993)	-	-
Total deferred liabilities	(37,406)	(37,470)	(3,166)	-
Deferred asset balances	80,976	84,503	37,423	39,327
Deferred liability balances	(11,076)	(11,185)	-	-
Deferred assets, net	69,900	73,318	37,423	39,327

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) Variations in deferred taxes

	Consolidated	Parent
Opening balance of deferred taxes, net	73,318	39,327
Allocated to profit or loss	(3,526)	(1,904)
Translation adjustments into the presentation currency	108	-
Closing balance of deferred taxes, net	69,900	37,423

Taurus Armas S.A.**Explanatory Notes***Interim Financial Information as at June 30, 2025*

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 June 30, 2025, the expected tax loss realization for deferred income tax and social contribution, recorded in non-current 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 06/30/2024	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.

Taurus Armas S.A.**Explanatory Notes***Interim Financial Information as at June 30, 2025***b) Reconciliation of the effective rate of income tax and social contribution**

			Six-month period ended	
	06-30-2025	06-30-2024	Consolidated	
	06-30-2025	06-30-2024	06-30-2025	06-30-2024
Pretax profit	60,381	15,484	66,536	12,640
Income tax and social contribution at combined tax rates	(20,530)	(5,265)	(22,622)	(4,298)
Permanent additions				
Non-deductible expenses	(1,677)	(2,484)	(1,670)	(2,480)
Profit sharing – Statutory and CLT officers	(1,051)	-	(1,051)	-
Share of profit (loss) of subsidiaries	(23)	-	(17)	-
Donations/sponsorship	442	(146)	(14,701)	(4,887)
	(273)	(628)	(238)	(601)
Permanent deductions				
Reintegra				
Deemed ICMS grant	104	97	104	97
Interest on tax unduly paid	-	1	-	-
Fines on unduly paid taxes	2,707	906	2,697	906
Share of profit (loss) of subsidiaries	-	684	-	684
Share-based payment plan	-	-	6,739	12,836
Benefit – research and technological innovation expenses - Law 11196/05	1,150	-	1,150	-
Workers' meal program (PAT)	855	-	855	-
	532	-	474	-
Deferred - Corporate restructuring				
Deferred tax not constituted on tax loss and negative CSLL basis				
Difference of tax rate of subsidiaries	(2,715)	1,566	-	-
Current and deferred income tax and social contribution from prior years	13,529	-	13,529	-
Other (additions)/deductions	(1,641)	(257)	5	(4,939)
Income tax and social contribution in profit or loss for the period	(8,591)	(5,526)	(14,746)	(2,682)
Current	(5,065)	(6,316)	(12,843)	-
Deferred	(3,526)	790	(1,903)	(2,682)

			Quarter ended	
	06-30-2025	06-30-2024	Parent	
	06-30-2025	06-30-2024	06-30-2025	06-30-2024
Pretax profit	44,294	(13,929)	52,314	(8,702)
Income tax and social contribution at the combined tax rate	(15,060)	4,735	(17,787)	2,958
Permanent additions				
Nondeductible expenses	(729)	(1,080)	(724)	(1,078)
Profit sharing – Statutory and CLT officers	(1,051)	-	(1,051)	-
Insurance – Statutory and CLT officers	(23)	-	(17)	-
Share of loss of subsidiaries	89	(83)	(3,485)	(3,690)
Donations/sponsorship	(122)	(532)	(104)	(517)
Permanent deductions				
Reintegra	62	57	62	57
Deemed ICMS grant	-	1	-	-
Interest on unduly paid taxes	1,026	768	1,024	768
Fines on unduly paid taxes	-	684	-	684
Share of profit of subsidiaries	-	-	1,033	5,031
Share-based payment plan	780	2,106	780	2,106
Benefit – research and technological innovation expenses - Law 11196/05	855	-	855	-
Workers' meal program (PAT)	532	-	474	-
Deferred tax not recognized on tax loss carryforwards	-	334	-	443
Difference of tax rate relating to subsidiaries - deemed income	3,656	330	-	-
Other (additions)/deductions	(1,146)	(2,376)	(212)	(7,045)
Income tax and social contribution in profit or loss for the period	(11,131)	4,944	(19,152)	(283)
Current	(7,331)	(2,734)	(14,368)	-
Deferred	(3,800)	7,678	(4,784)	(283)

Explanatory Notes

Taurus Armas S.A.

Interim Financial Information as at June 30, 2025

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.

	06-30-2025				Consolidated 03-31-2024			
	Basis	IRPJ - 25%	CSLL - 9%	Total	Basis	IRPJ - 25%	CSLL - 9%	Total
Temporary differences								
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
Allowance for warranty	919	230	83	313	919	230	83	313
Losses with other credits	5,114	1,279	460	1,739	5,114	1,279	460	1,739
On income tax and social contribution losses								
Income tax and social contribution losses	289,434	72,359	26,049	98,408	298,810	74,703	26,893	101,595
	372,896	93,225	33,560	126,785	382,272	95,569	34,404	129,972

Explanatory Notes

Taurus Armas S.A.

Interim Financial Information as at June 30, 2025

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>	Consolidated	
	06-30-2025	12-31-2024
Buildings, land and improvements – Taurus Blindagens Nordeste	7,000	7,000
Total held-for-sale noncurrent assets	7,000	7,000

Held-for-sale asset – Helmets operation

On June 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 June 30, 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)
Assets held for sale	7,000

Taurus Armas S.A.
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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)	06-30-2025	12-31-2024
Current assets	37,345	807,872	-	4,457	16,103	7,785	218		
Non-current assets	8,479	145,557	-	819	308,641	2,628	319		
Current liabilities	35,182	165,977	-	-	11,266	8,371	918		
Non-current liabilities	3	241,208	-	220	11,329	17	226		
Share Capital	6,270	1,772	60,028	7,548	291,956	2,571	293,638		
Equity	10,638	546,244	-	5,056	302,149	2,025	(607)		
Net revenue	9,713	543,588	-	1,808	2,966	2,682	-		
Profit (loss) for the period	896	(27,353)	-	129	1,374	(546)	(222)		
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	-	2,388	300,777	1,372	-	903,206	756,996
Capital increase	-	-	-	-	-	-	-	-	3,596
Capital decrease	-	-	-	-	-	-	-	-	(2,197)
Share of profit (loss) of subsidiaries	439	(27,353)	-	63	1,374	(546)	(222)	(26,245)	9,884
Exchange rate variation on investments	(667)	(75,447)	-	(268)	-	-	-	(76,382)	143,933
Unrealized profit on inventories	-	2,817	-	-	-	11	-	2,828	(12,128)
Valuation adjustments to equity due to investee's reclassification	-	-	-	296	-	-	-	296	5,304
Reclassified to provision for negative equity (1)	-	-	-	-	-	-	222	222	(2,182)
Closing balances	5,211	493,248	-	2,479	302,151	837	-	803,925	903,206

(1) The balance of investment of subsidiary Taurus Máquinas-Ferramenta Ltda. (R\$ 222) is presented in line item "Provision for exposed liabilities" in noncurrent liabilities.

(2) The investees' equity includes profit in inventories amounting to R\$54,183, net of taxes as at June 30, 2025.

Taurus Armas S.A.*Interim Financial Information as at June 30, 2025*

The Company and its subsidiary Polimetal hold equity interests in joint ventures so as to expand their operations with strategic partners. Investments are accounted for under the equity method of accounting, in conformity with the applicable accounting standards. The table below comprises the amounts of investments in joint ventures, including equity interests, the carrying amount of investments and profit or loss recognized during the period:

	Parent	Consolidated		
	Companhia Brasileira de Cartuchos Taurus Arábia Saudita, LLC.	Jindal Defense Systems Private Limited	Taurus JM Indústria de Peças	Total
Equity	5,056	10,638	8,829	
Interest percentage	49%	49%	51%	
Investment under the equity method	2,477	5,213	4,503	12,193
Profit for the period	129	896	1,565	
Equity Profit (loss)	63	439	798	1,300
Variations				
December 31, 2024	2,388	5,439	3,705	11,532
Equity Profit (loss)	63	439	798	1,300
Exchange rate variation on investments	(270)	(665)	-	(935)
Valuation adjustments to equity due to investee's reclassification	296	-	-	296
June 30, 2025	2,477	5,213	4,503	12,193

Taurus Armas S.A.*Interim Financial Information as at June 30, 2025*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.

Taurus Armas S.A.**Explanatory Notes***Interim Financial Information as at June 30, 2025*

The tables below show the balances of Taurus JM Indústria de Peças Ltda. as at June 30, 2025:

**TAURUS JM INDÚSTRIA DE PEÇAS LTDA.
BALANCE SHEET AS AT JUNE 30, 2025**

In thousands of reais

Assets		Liabilities	
Current		Current	
Cash and cash equivalents	131	Trade payables	15,497
Trade receivables	9,690	Payroll and related taxes	857
Inventories	2,181	Taxes, fees and contributions	5,302
Recoverable taxes	3,221	Related parties	2,187
Other receivables	1,799	Other payables	1,318
	<u>17,022</u>		<u>25,161</u>
		Noncurrent	
Noncurrent		Deferred tax liabilities	27
Deferred tax assets	1,689	Related parties – Financial borrowing	3,102
Related parties – Financial loan	2,261		<u>3,129</u>
Other receivables	20	Total liabilities	<u>28,290</u>
	<u>3,970</u>		
		Equity	
Property, plant and equipment	16,127	Share Capital	4,629
Total assets	<u><u>37,119</u></u>	Advance for future capital increase	7,296
		Accumulated losses	(3,096)
		Total equity	<u>8,829</u>
		Total liabilities and equity	<u><u>37,119</u></u>

**TAURUS JM INDÚSTRIA DE PEÇAS LTDA.
STATEMENT OF PROFIT OR LOSS AS AT JUNE 30, 2025**

In thousands of reais

Revenue from sales and/or services	8,884
Cost of sales and/or services	(5,687)
General and administrative expenses	(725)
Other operating (expenses) income, net	(80)
Profit before finance income (costs), net, share of profit (loss) of subsidiaries and taxes	<u>2,392</u>
Finance income	169
Finance costs	(206)
Finance income (costs), net	<u>(37)</u>
Operating income before taxes	<u>2,355</u>
Income tax and social contribution	(573)
Income tax and social contribution - deferred	(217)
Profit for the period	<u><u>1,565</u></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).

Taurus Armas S.A.**Explanatory Notes***Interim Financial Information as at June 30, 2025*

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 JUNE 30, 2025
In thousands of reais

Assets		Liabilities	
Current		Current	
Cash and cash equivalents	3,269	Payroll and related taxes	220
Trade receivables	835		220
Prepaid expenses	353		
	<u>4,457</u>		
Noncurrent		Equity	
Deferred tax assets	728	Capital	7,548
	<u>728</u>	Accumulated losses	<u>(2,492)</u>
		Total equity	<u>5,056</u>
Property, plant and equipment	91		
Total assets	<u><u>5,276</u></u>	Total liabilities and equity	<u><u>5,276</u></u>

Companhia Brasileira de Cartuchos Taurus Arábia Saudita, LLC.
STATEMENT OF PROFIT OR LOSS AS AT JUNE 30, 2025
In thousands of reais

Revenue from Selling Goods and/or services	1,620
General and administrative expenses	<u>(1,479)</u>
Other operating income (expenses), net	<u>(11)</u>
Profit for the period	<u>130</u>

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 June 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).

Taurus Armas S.A.**Explanatory Notes***Interim Financial Information as at June 30, 2025*

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 JUNE 30, 2025

In thousands of reais

Assets		Liabilities	
Current		Current	
Cash and cash equivalents	2,953	Trade payables	4,985
Trade receivables	116	Payroll and related taxes	172
Inventories	7,227	Taxes, fees and contributions	4,614
Prepaid expenses	-	Loans with related parties	25,281
Intragroup loans	-	Advance payment from client	47
Recoverable taxes	2,492	Other payables	84
Advance payments to suppliers	441		35,183
Other receivables	-		
Escrow deposits	24,116		
	37,345	Non-current	
Noncurrent assets		Employee benefits	3
Recoverable taxes	-		3
Deferred tax assets	464	Liabilities total	35,186
Related parties	-		
Other receivables	-		
Escrow deposits	376	Net equity	
	840	Capital social	6,270
		Ajuste de Avaliação Patrimonial	3,497
		Retained earnings	871
Property, plant and equipment	7,639	Total net equity	10,638
Total Assets	45,824	Total liabilities and net equity	45,824

Jindal Defence Systems Private Limited
STATEMENT OF PROFIT OR LOSS AS AT JUNE 30, 2025

In thousands of reais

Revenue from sales and/or services	9,713
Costs of sales and/or services	(4,135)
General and administrative expenses	(2,826)
Profit before finance income (costs), net, and taxes	2,752
Finance income	512
Finance costs	(1,508)
Finance income (costs), net	(996)
Operating income before taxes	1,756
Income taxes	(860)
Profit for the period	896

Explanatory Notes

Taurus Armas S.A.

Interim Financial Information as at June 30, 2025

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.

		Consolidated
	06-30-2025	12-31-2024
Land	54,695	54,695
Buildings	1,704	1,704
	56,399	56,399

The investment properties recorded as at June 30, 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".

Explanatory Notes

Taurus Armas S.A.

Interim Financial Information as at June 30, 2025

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

Explanatory Notes

Taurus Armas S.A.

Interim Financial Information as at June 30, 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	3,329	288	-	-	29,483	-	97	33,218
Write-offs	-	(42)	(4,879)	(409)	(19)	-	-	-	-	(5,349)
Transfers	-	192	17,580	2,815	-	296	(20,338)	(545)	-	-
Effect of changes in exchange rates	(463)	(4,422)	(4,933)	(2,875)	(21)	-	(418)	(258)	(6,179)	(19,569)
Balance as at June 30, 2025	28,088	184,276	375,918	41,524	785	994	238,227	5,042	46,354	921,208
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	-	(3,818)	(11,218)	(1,535)	(50)	(76)	-	-	(2,593)	(19,290)
Write-offs	-	9	3,987	168	19	-	-	-	-	4,183
Effect of changes in exchange rates	-	1,289	3,897	1,860	18	-	-	-	2,044	9,108
Balance as at June 30, 2025	-	(67,061)	(171,956)	(25,000)	(511)	(597)	-	-	(17,247)	(282,372)
Carrying amount										
December 2024	28,551	123,986	196,199	16,212	327	177	229,500	5,845	35,738	636,535
June 2025	28,088	117,215	203,962	16,524	274	397	238,227	5,042	29,107	638,836

(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.

Taurus Armas S.A.*Interim Financial Information as at June 30, 2025***Explanatory Notes**

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 June 30, 2025, the amount receivable for the bond and the lease liability is R\$45.5 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 June 30, 2025 related to this transaction is R\$29,1 million.

								Parent	
Cost or deemed cost	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	62.204	278.613	17.648	52	698	169.856	3.816	380	533.267
Additions	-	2.119	186	-	-	11.923	-	-	14.228
Write-offs	(41)	(3.928)	(402)	(19)	-	-	-	-	(4.390)
Transfers	184	16.284	2.325	-	296	(18.363)	(726)	-	-
Balance as at June 30, 2025	62.347	293.088	19.757	33	994	163.416	3.090	380	543.105
Depreciation									
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	(25.517)	(112.906)	(8.039)	(52)	(521)	-	-	(215)	(147.250)
Depreciation in the period	(1.211)	(8.492)	(800)	-	(76)	-	-	(38)	(10.617)
Write-offs	9	3.055	162	19	-	-	-	-	3.245
Balance as at June 30, 2025	(26.719)	(118.343)	(8.677)	(33)	(597)	-	-	(253)	(154.622)
Carrying amount									
December 2024	36.687	165.707	9.609	-	177	169.856	3.816	165	386.017
March 2025	35.628	174.745	11.080	-	397	163.416	3.090	127	388.483

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.

Explanatory Notes

Taurus Armas S.A.*Interim Financial Information as at June 30, 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 intangible assets

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.

Given the relevant scenario involving the tariffs imposed by the United States, the Company continues to monitor the effects arising from such measures and impact on cash flow projections. For further details, see the disclosure in note 1, which addresses the event after the reporting period related to the tariffs imposed by the US government on purchases of products manufactured in Brazil.

Taurus Armas S.A.
Interim Financial Information as at June 30, 2025

	Consolidated					
	Software	Trademarks and patents	Customer relationship	Goodwill	Product development	Intangible assets in progress
Cost						Total
Balance as at December 31, 2023	40,034	26,606	21,036	47,562	7,847	45,925
Acquisitions	23	-	-	-	-	28,342
Transfers	3,919	-	-	-	137	15,027
Effect of changes in exchange rates	2,474	4,266	5,719	4,169	1,481	-
Balance as at December 31, 2024	46,450	30,872	26,755	51,731	9,465	89,294
Acquisitions	-	-	-	-	-	13,586
Transfers	9,378	-	-	-	62	(9,440)
Write-offs	(6)	-	-	-	(2)	-
Effect of changes in exchange rates	(1,346)	(2,321)	(3,112)	(2,269)	(806)	(4,068)
Balance as at June 30, 2025	54,476	28,551	23,643	49,462	8,719	89,372
Amortization						
Balance as at December 31, 2023	(20,521)	(7,388)	(21,036)	-	(3,731)	-
Amortization in the period	(6,141)	-	-	-	(619)	-
Effect of changes in exchange rates	(2,465)	-	(5,719)	-	(679)	-
Balance as at December 31, 2024	(29,127)	(7,388)	(26,755)	-	(5,029)	-
Amortization in the period	(2,717)	-	-	-	(294)	-
Write-offs	6	-	-	-	-	-
Effect of changes in exchange rates	1,344	-	3,112	-	388	-
Balance as at June 30, 2025	(30,494)	(7,388)	(23,643)	-	(4,935)	-
Carrying amount						
December 2024	17,323	23,484	-	51,731	4,436	89,294
June 2025	23,982	21,163	-	49,462	3,784	89,372

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					Parent
	Software	Trademarks and patents	Product development	Intangible assets in progress	Total
Cost					
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	33,362	9,485	2,673	54,930	100,450
Acquisitions	-	-	-	7,342	7,342
Transfers	9,378	-	62	(9,440)	-
Write-offs	(6)	-	(2)	-	(8)
Balance as at June 30, 2025	42,734	9,485	2,733	52,832	107,784
Amortization					
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	(17,041)	(6,840)	(1,799)	-	(25,680)
Amortization in the period	(2,655)	-	(147)	-	(2,802)
Write-offs	6	-	-	-	6
Balance as at June 30, 2025	(19,690)	(6,840)	(1,946)	-	(28,476)
Carrying amount					
December 2024	16,321	2,645	874	54,930	74,770
June 2025	23,044	2,645	787	52,832	79,308

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 June 30, 2025 and December 31, 2024:

Cash-generating unit	06-30-2025	12-31-2024
Firearms	17,718	19,107
MIM/POLI	32,624	32,624
Total CGU	50,342	51,731

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 tariffs imposed by the US government may affect the impairment test should the rate remain at 50%. The Company continues to monitor the potential impacts. For further details, see note 1 – General information.

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:

Cash-generating unit	WACC discount rate	Average growth rate between 2025 and 2029
		12/31/2024
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 December 31, 2024 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:

	Currency	Statutory interest rate	Maturity year	Consolidated			
				06-30-2025		12-31-2024	
				Contractual amount	Carrying amount	Contractual amount	Carrying amount
FINEP	R\$	TJLP (-) 0.385% p.a.	2035	162,048	153,288	162,048	154,823
Foreign exchange advances	U\$	8.10% to 10.50% p.a.	2025	445,562	445,619	553,951	553,951
Working capital - Taurus USA (1)	U\$	SOFR Day +1.95%	2026	203,222	203,222	38,764	38,764
				Total	802,129		747,538
				Current liabilities	450,804		554,318
				Noncurrent liabilities	351,325		193,220
					802,129		747,538

(1) The increase in borrowings reflects the strategic decisions focused on enhancing the capital structure.

	Currency	Statutory interest rate	Maturity year	Parent			
				06-30-2025		12-31-2024	
				Contractual amount	Carrying amount	Contractual amount	Carrying amount
FINEP	R\$	TJLP (-) 0.385% p.a.	2035	162,048	153,288	162,048	154,823
Foreign exchange advances	U\$	8.10% to 10.50% p.a.	2025	445,562	445,619	553,951	553,951
				Total	598,907		708,774
				Current liabilities	450,804		554,318
				Noncurrent liabilities	148,103		154,456
					598,907		708,774

Flow of future debt payments disclosed in noncurrent liabilities:

Maturity year	Consolidated		Parent	
	06-30-2025	12-31-2024	06-30-2025	12-31-2024
2026	211,685	52,934	8,463	14,170
2027	16,926	17,004	16,926	17,004
2028	16,926	17,004	16,926	17,004
2029 and thereafter	105,788	106,278	105,788	106,278
	351,325	193,220	148,103	154,456

The variations in borrowings are as follows:

	Consolidated	Parent
Balance as at December 31, 2023	528,976	505,835
(+) Borrowings, net of structuring cost	2,193,928	566,856
(-) Amortizations	(2,107,354)	(491,257)
(-) Interest payment	(47,850)	(45,183)
(+) Interest expense	54,310	51,643
(+/-) Exchange rate changes	125,528	120,880

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Balance as at December 31, 2024	747,538	708,774
(+) Borrowings, net of structuring cost	972,481	267,465
(-) Amortization	(849,562)	(309,004)
(-) Interest payment	(37,291)	(33,523)
(+) Interest expense	28,804	25,036
(+/-) Exchange rate changes	(59,841)	(59,841)
Balance as at June 30, 2025	802,129	598,907

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 June 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 June 30, 2025, the Company received R\$162 million related to this agreement.

Covenants

As at June 30, 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 June 30, 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 June 30, 2025, the Company was compliant with all said covenants.

20. Trade payables

	Consolidated		Parent	
	06-30-2025	12-31-2024	06-30-2025	12-31-2024
Domestic suppliers – third parties	60,899	80,240	45,286	61,229
Domestic suppliers – related parties	9,042	8,144	9,042	8,947
Foreign suppliers – third parties	58,436	72,504	7,405	9,019
Foreign suppliers – related parties	-	542	1,130	2,397
	128,377	161,430	62,863	81,592
Current	125,132	156,253	59,618	76,415
Noncurrent	3,245	5,177	3,245	5,177

21. Other payables

	Consolidated		Parent	
	06-30-2025	12-31-2024	06-30-2025	12-31-2024
Dividends payable	17,198	25,744	17,198	25,744
Commission on sales	7,463	7,842	4,679	4,051
Provision for payroll	3,457	-	3,457	-
Court decisions payable	8,222	9,071	8,222	9,071
Insurance and Transportation fee	9,847	23,375	3,048	2,681
Advance payments from clientes	14,879	24,812	11,728	13,548
Adiantamento Alienação Imóvel Taurus Nordeste	4,500	4,500	-	-
Marketing	12,030	20,874	-	-
Debts with related parties	2,260	2,154	2,308	2,988
Ganho de subvenção governamental a realizar	33,561	38,291	-	-
Provision for exposed liabilities	-	-	607	385
Other	6,025	2,372	1,681	1,421
	119,442	159,035	52,928	59,889
Current	71,244	106,233	42,060	49,350
Non-current	48,198	52,802	10,868	10,539

	Consolidated		Parent	
	06-30-2025	12-31-2024	06-30-2025	12-31-2024
Current breakdown				
Minimum mandatory dividend payable	17,198	25,744	17,198	25,744
Advance payments from clientes	14,879	24,812	11,728	13,548
Other charges	39,167	55,677	13,134	10,058
Non-current breakdown				
Debts with other related parties	2,261	2,154	2,261	2,154
Provision for exposed liabilities	-	-	607	385
Other charges	45,937	50,648	8,000	8,000
Total	119,442	159,035	52,928	59,889

22. Payroll and related taxes – social and labor liabilities

	Consolidated		Parent	
	30-06-2025	31-12-2024	30-06-2025	31-12-2024
Salaries	3,126	3,484	1,173	1,258
Provision for bonus	13,631	26,625	7,758	12,068
Contributions collectible	6,854	8,135	6,135	7,243
Provisions (vacation e 13 th salary)	22,577	16,291	19,323	13,869
	46,188	54,535	34,389	34,438

23. Taxes, fees and contributions

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		Parent	
	06-30-2025	12-31-2024	06-30-2025	12-31-2024
State VAT (ICMS)	677	1,376	-	727
Federal VAT (IPI)	7,009	5,768	6,788	5,627
Tax on revenue (PIS)	27	91	-	56
Tax on revenue (COFINS)	129	159	-	-
Special Tax – FAET (USA)	24,992	36,341	-	-
Withholding income tax (IRRF)	1,435	1,774	1,221	1,499
Income tax and social contribution	6,172	10,419	5,885	10,189
Other installment payments (*)	6,615	12,140	1,414	5,656
Other	7,409	7,635	5,794	5,905
	54,465	75,703	21,102	29,659
Current	51,527	71,549	21,021	29,578
Noncurrent	2,938	4,154	81	81

24. Provision for civil, labor, and tax risks

There were no changes in the methods used to calculate estimates related to provisions for risks, compared to the previous year. Therefore, as provided for in IAS 34 / CPC 21 (R1) – Interim Financial Statements, Management chose not to repeat, in detail, lawsuits with individually significant amounts. Therefore, it is recommended that this interim financial information, both individual and consolidated, be read in conjunction with the annual financial statements, also individual and consolidated, for the year ended December 31, 2024.

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

	Consolidated			
	06-30-2025	12-31-2024		
	Provision	Judicial deposits (1)	Net	Net
Labor	39,148	(5,968)	33,180	26,616
Civil	24,859	(6,717)	18,142	25,546
Tax	50,721	(54,783)	(4,062)	(3,010)
	114,728	(67,468)	47,260	49,152
Classified in current liabilities	62,470			
Classified in non-current liabilities	52,258			

(1) Recorded in other non-current assets..

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	06-30-2025		Parent	
			12-31-2024	
	Provision	Judicial deposits (1)	Net	Net
Labor	38,047	(5,363)	32,684	26,260
Civil	17,478	(6,717)	10,761	15,931
Tax	48,903	(54,464)	(5,561)	(4,526)
	104,428	(66,544)	37,884	37,665
Classified in current liabilities	54,425			
Classified in non-current liabilities	50,003			

(2) Recorded in other non-current assets.

Variations in the provision:

	Consolidated	
	Civil and labor	Tax
Balance as at December 31, 2024	59,830	51,773
Provisions recognized in the period	10,604	8
Provisions used in the period	(4,116)	(1,060)
Derecognition of provision	(2,311)	-
Balance as at June 30, 2025	64,007	50,721

	Parent	
	Civil and labor	Tax
Balance as at December 31, 2024	48,902	49,938
Provisions recognized in the period	10,186	-
Provisions used in the period	(1,417)	(1,035)
Derecognition of provision	(2,146)	-
Balance as at June 30, 2025	55,525	48,903

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:

	Consolidated		Parent	
	06-30-2025	12-31-2024	06-30-2025	12-31-2024
	Possible	Possible	Possible	Possible
Civil	243.462	177.014	230.582	160.231
Labor	47.357	51.720	46.259	50.651
Tax	53.157	73.219	51.147	71.327
	343.976	301.953	327.988	282.209

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.

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:

25. Related Parties

The parent Company, its subsidiaries and people related to them perform operations with one another, related to financial, commercial and operational aspects of the Company. We describe below the most relevant operations.

				Balances of subsidiaries outstanding with Parent		Effect on the results of transactions between subsidiaries and Parent	
	Current assets (ii)	Non-current assets (iii)	Assets Total	Current liabilities (i)	Liabilities total	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	255,705	-
Taurus Investimentos Imobiliários Ltda.	5,249	24,463	29,712	126	126	660	2,893
Taurus Máquinas-Ferramenta Ltda.	-	370	370	-	-	7	-
Polimetal Metalurgia e Plásticos Ltda.	2,069	3,241	5,310	700	700	651	-
AMTT Taurus Comercio Varejista Ltda	2,546	-	2,546	-	-	658	-
	56,663	28,074	84,737	2,682	2,682	257,681	2,893
June 30, 2025							
Taurus Helmets Indústria de Capacetes Ltda.	1,023	-	1,023	1	1	-	-
Taurus Holdings, Inc.	50,450	-	50,450	1,130	1,130	278,447	-
Taurus Investimentos Imobiliários Ltda.	4,664	32,899	37,563	7	7	1,743	3,222
Taurus Máquinas-Ferramenta Ltda.	-	226	226	-	-	17	-
Polimetal Metalurgia e Plásticos Ltda.	4,595	7,313	11,908	39	39	632	-
AMTT Taurus Comercio Varejista Ltda	2,657	-	2,657	-	-	691	-
	63,389	40,438	103,827	1,177	1,177	281,530	3,222

(i) Refers to amounts recorded in line items trade payables - R\$ 1.130, and other trade payables - R\$ 47

(ii) Refers to amounts recorded in line item clients - R\$ 51.977 and other trade receivables - R\$ 11.412

(iii) Refers to amounts recorded in line items financial loans - R\$ 40.438 with Parent Company Taurus Armas S.A. and are adjusted at 100% of CDI (Interbank Deposit Certificate)

(iv) Comparative balance with June 30, 2024.

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Operations involving the Company and subsidiary Taurus Holdings Inc. refer to firearm sales to be performed by the subsidiary in the north-american market.

In relation to operations involving the Company and subsidiary Polimetal Metalurgia e Plásticos Ltda., they refer to ongoing Purchase of products, since the subsidiary executes part of the productive process in the firearms segment.

Taurus Investimentos Imobiliários is the company which withholds lands and buildings where the headquarters of Taurus Armas e Polimetal (RS) and Taurus Helmets (PR) are located, as well as investment Properties in Porto Alegre (RS). Operations with this company happen through rental payments and loan operations.

Created in 1969 and headquartered in Brasília, the National Association for Firearms and Ammo Industry (ANIAM) is a civil, non-profit entity which represents the firearms and ammunition industry and market in Brazil, whose president is Mr. Salesio Nuhs, who is also the Global President of Taurus Armas. Taurus Armas S/A is associated to this entity and contributes Monthly as stated in the table below.

The Brazilian Society for Conservation of Fauna (SBCF), having it related party CBC as a keeper, is a private non-profit organization which is open to stimulate the adoption of a new strategic proposal, in order to seek for conservation and reasonable use of Brazilian fauna, alongside government entities and Society. SBCF has Mr. Salesio Nuhs as president, who also is the Global President of Taurus Armas, and Mr. Sérgio Sgrillo as Financial Director, who also is the Financial Director and International Relations Director of Taurus Armas. Taurus Armas S/A is an associate to this entity and contributes Monthly, as stated in the table below.

Transactions made with related parties foresee price and deadline conditions performed in accordance with what is agreed to between the parties and are not comparable to those practiced with other unrelated parties.

On June 30, 2025, operations involving Taurus Armas S.A. and its non-consolidated Related Parties mainly refer to the sale of firearms, Purchase of ammunition, pieces and accessories. The amount of these operations is stated below:

	Current assets (ii)	Non-current assets (iii)	Current liabilities (i)	Non-current liabilities (iv)	Revenue (*)	Expense (*)
December 31, 2024						
Companhia Brasileira de Cartuchos	1,982	-	5,106	-	11,229	8,996
CBC Brasil Comércio e Distribuição	34,804	-	-	-	84,110	-
GN Importações	-	-	1	-	8	-
Taurus JM Indústria de Peças	-	2,956	3,038	2,155	-	103
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	-	-	-	-	-	544
ABIMDE – Assoc. Bras. das Ind. de Materiais de Defesa e Segurança	-	-	-	-	-	312
	41,101	17,210	8,686	2,155	95,347	9,955
June 30, 2025						
Companhia Brasileira de Cartuchos	649	-	4,374	-	5,027	8,854
CBC Brasil Comércio e Distribuição	22,361	-	-	-	393	-
GN Importações	-	-	3	-	5	-
Taurus JM Indústria de Peças	802	3,102	4,678	2,261	188	137
Jindal Defence Systems Private Limited	4,501	12,837	-	-	-	-
CBC Taurus Arabia Holding, LLC.	-	-	-	-	-	959
ANIAM - Assoc. Nac. da Ind. de Armas e Munições	-	-	-	-	-	432
Gibraltar Incorporações e Participações Ltda.	-	-	-	-	-	385
SBCF – Soc. Bras. de Conservação da Fauna	-	-	-	-	-	84
	28,313	15,939	9,055	2,261	5,613	10,851

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- (i) Refers to amounts recorded in line item trade payables
(ii) Refers to amounts recorded in line item clients
(iii) Refers to amounts recorded in line item financial loans R\$ 15939 with parent company Taurus Armas S.A. of which R\$ 12.837 are adjusted at 6-month SOFR + 0,25% p.a. and R\$ 3102 adjusted at 100% of CDI (Interbank Deposit Certificate)
(iv) Represent loan agreement with subsidiary Taurus JM Industria de Peças Ltda. adjusted at 100% of CDI (Interbank Deposit Certificate)
(*) Comparative balance to June 30, 2024

On June 30, 2025 total balances with related parties are described below. These balances corroborated, in what's related to related parties, with line items previously presented in prior notes.

	Note	Consolidated	Parent
December 31, 2024			
Clients	9	41,101	87,518
Other assets	12	17,210	54,539
Other obligations	21	2,154	2,988
Trade payables	20	8,144	11,344
Other debits (1)		543	182
June 30, 2025			
Clients	9	27,512	79,488
Other assets	12	16,740	68,590
Other obligations	21	2,260	2,308
Trade payables	20	9,042	10,172
Other debits (1)		14	14

(1) Other debts correspond to advances from customers and/or advances from suppliers.

In March 2025, CBC Brasil Distribuidora ceased its operations as a distributor to Taurus in the Brazilian market. As part of the conditions agreed upon, the full devolution of remaining inventories under CBC's ownership was agreed upon, totaling R\$ 32.7 million, of which R\$ 2.1 million have been already returned before June 30, 2025.

For the purpose of financial settlement of the amounts involved, the Company is in the process of negotiating with its related party with a view to formalizing the necessary adjustments for the due settlement of accounts.

The segment is being serviced by companies that already operate as distributors for the Company, and some stores in Brazil will be served directly by Taurus' sales department.

Marketplace Platform

The Company operates alongside its related party and parent company Companhia Brasileira de Cartuchos (CBC) in a marketplace platform.

Marketplace is the most collective concept for online sales. In this platform, several stores may advertise their products, giving the client a wide range of options; the stores, denominated "sellers" in this operation, join the marketplace platform and pay for a fee to use the platform, as well as royalties on sales made through the platform to the marketplace operator.

In the Company's marketplace platform, one of the operating sellers is company GN Importações Ltda. (GN), which has Mr. Guilherme Nuhs and Mrs. Mara Nuhs in its shareholder board, who are related to the Company's President Mr. Salesio Nuhs, therefore being related parties.

The Company has contracts registered for usage and operation of the platform in equal market conditions to all sellers who join the platform within the conditions established by Taurus and CBC, therefore, GN has adhered to the same conditions offered to other operators.

Taurus Armas S.A.*Interim Financial Information as at June 30, 2025*

In operations performed by GN in the marketplace platform, GN pays the monthly fee to use the platform, R\$ 500,00, of which R\$ 250 go to Taurus Armas and R\$ 250 to CBC, and for sales made and trademark usage, 20% royalties – a percentage which, considering exceptions for need to make a sale discount sale and in the condition it is approved by the parties, could be lower.

Operations of directors and advisors

Directors and advisors have an immaterial percentage of shares with vote right within the Company.

Compensation for directors and advisors

Compensation for directors and advisors includes payroll, honorariums and benefits.

	Consolidated		Parent	
	06-30-2025	06-30-2024	06-30-2025	06-30-2024
Compensation and benefits of Statutory Directors	9,361	2,906	9,361	2,906
Share-based payment plan	4,504	6,988	4,504	6,988
Compensation and benefits of the Management Board	517	522	517	522
Compensation and benefits of the Tax Council	372	273	372	273
	14,754	10,689	14,754	10,689

The compensation of Statutory Directors is comprised of a fixed amount and a variable one.

Fixed Compensation – A yearly amount is established for each one of the members, which is paid in a monthly basis.

Variable Compensation – It is comprised of short-term compensation and profit sharing (when applicable), and long-term (stock grant) – Goals established by the Company and up to Management evaluation, in general, are comprised of economic goals and their permanence in the Company.

Gains in the Share-Based Payment Plan (stock grant) is linked to market share price valuation. See more details on the Share-Based Payment Plan in note 27.

RELATED-PARTY ENDORSEMENTS

Parent Company Taurus International has a credit limit in US bank institution 53RD Bank, a limit which has an additional endorsement guarantee from its Parent Taurus Armas S.A. On June 30, 2025, the guarantee debt adds up to R\$ 203,2 million (R\$ 38,8 million on December 31, 2024).

26. Equitya) Share capital

On June 30, 2025, the Company's share capital is R\$ 548,1 million (R\$ 448,1 million on December 31, 2024), represented by 139.297.877 shares, of which 51.089.845 are common shares and 88.208.032 are preferred shares, all of them nominative, secured and with no carrying amount.

In an Extraordinary General Meeting held on April 29, 2025, the increase in share capital was approved, with a bonus to shareholders, through capitalization of installments of the statutory reserve in the amount of R\$ 100 million with the issuance of 12.663.443 new shares, of which 4.644.531 are common shares and 8.018.912 are preferred shares, all of them nominative, secured and with no carrying amount, distributed without any charges to shareholders for purposes of granting bonuses, at the proportion of 1 (one) new share for every 10 (ten) shares of the same kind held by the shareholder on May 7, 2025.

Preferred shares

Preferred shares do not grant the right to particular dividends and have a preference in the liquidation of their portion of share capital.

In accordance with the Company's Social Statute, article 5th, paragraph 4th, preferred shares will grant voting rights on any General Meeting decisions related to matters stated below, in which case each preferred share corresponds to one vote:

- (i) Transformation, incorporation, merger or spin-off of the Company;
- (ii) Approval of contracts between the Company and its Controlling Shareholder, as foreseen in Level 2 Guidelines, directly or through third parties, as well as other companies in which the Controlling Shareholder holds any interest, every time such matters must be submitted to deliberations on the General Meetings part.
- (iii) Evaluation of goods destined to integration of the Company's capital increase;
- (iv) Choice of specialized company for determination of the Company's economic value, within the terms of Chapter VII of this Social Statute; and
- (v) Change of retrieval of statutory devices which alter or modify any requirements mentioned in item 4.1 of Level 2 Guidelines, unless this vote right prevails only when the Interest Contract is effective in Level 2 of Corporate Governance.

Authorized shares (in thousands of shares):

	06-30-2025	12-31-2024
Common shares	103,703	103,703
Preferred shares	207,405	207,405
	311,108	311,108

Totally integrated and issued shares

	Common	Preferred	Treasury shares (-) in thousands
	Amount in thousands	Amount in thousands	
On December 31, 2024	46,445	80,189	(323)
On June 30, 2025	51,090	88,208	(98)

*Closing price of the share on the date indicated, multiplied by the total number of shares in existence on the same date.

b) **Earning reserves and retention**

Legal reserve

It is constituted at the ratio of 5% of net profit assessed in each year-end, within the terms of article 193 of Law No. 6.404/76, limited to 20% of share capital, after the deduction of accumulated losses, within the terms of article 189 of the same law. On December 31, 2024, a legal reserve amounting to R\$ 4,0 million was constituted. On June 30, 2025, the legal reserve balance is R\$ 52.5.

Tax incentive reserve

The Company benefits from ICMS (Tax on Goods and Services) and Fundopem (Fund for the Receipt of Social Security) tax incentives. Management, in view of the enactment of Complementary Law No. 160/17 and in compliance with Law No. 6,404/76, allocated them to the tax incentive reserve in equity. The balance at December 31, 2024, and June 30, 2025, was R\$118.5 million.

Statutory reserve

The reserve aims to preserve the integrity of the Company's net equity, to front investment plans and increase in working capital, to allow repurchase programs of the Company's issuance shares, to make stock options grant plans viable, as well as other share-based compensation plans or benefits to managers and/or employees, to allow absorbance of losses when necessary and to allow the dividend distribution, as proposed by the Management Board and approvals foreseen in the Company's Statute and applicable legislation. After Legal Reserve, Tax Incentive Reserve and Minimum Mandatory Dividends receive their respective distribution, the remaining balance of profit will be destined to this statutory reserve. On June 30, 2025, the balance of this reserve is R\$ 265,6 million (R\$ 365,7 million on December 31, 2024).

Treasury Shares

The Repurchase Program aims for the acquisition of issuance shares of the Company to withhold in treasury, cancellation or later alienation of shares, with the goal of performing an efficient management of the capital structure and to maximize the value generation for the shareholder and to front Company's obligations incurring from the Stock Grant Plan, destined to managers, directors or other strategic roles within the Company.

In a Management Board meeting on March 21, 2025, the new repurchase program was approved. For the current Repurchase Program, until 300,0 thousand common shares (TASA3) and 3.003,3 thousand preferred shares (TASA4) can be acquired. Until June 30, 2025, the Company acquired 760 thousand preferred shares (TASA4) for the amount of R\$ 11,2 million and there are 98,3 thousand preferred shares held in treasury (TASA4) for the amount of R\$ 1,3 million.

c) **Dividends**

As per the Company's social statute, common and preferred shares are related to minimum mandatory dividends of 35% of adjusted profit, attributable to all other rights attributed to common shares in the same conditions.

Dividends Paid

The proposal for dividends disclosed in the financial statements for the year ended December 31, 2024 was approved in an Ordinary General Meeting (OGM) on April 29, 2025 and is stated as such:

Net Profit for 2024	76,592
Destinations:	
Constitution of Legal reserve - Art. 193	(3,830)
Equity assessment adjustment	510
Basis for dividend distribution	73,272
Mandatory dividends (35%)	25,645
Mandatory dividends per share	0,203034
Total dividends distributable	25,645
Total dividends per share - net	0,203034
Accumulated Profit	47,627
Constitution of statutory reserve - Art. 194	(47,627)

On April 29, 2025, the OGM happened, when the proposal for dividends received votes and was approved. The payment of dividends for 2024 will be made in three installments, of which two have been paid off (May and July 2025) and the payment of the third installment is set for September 2025.

d) Equity assessment adjustment

Deemed cost

Line item for equity assessment adjustment includes adjustments for adoption of deemed cost of property, plant and equipment on the date of IFRS transition. Amount reported in equity assessment adjustment are reclassified to full or partial year income or to depreciation of items to which they refer or the date of asset alienation.

Accumulated conversion adjustments

Accumulated conversion adjustment include all foreign currency differences incurring from the conversion of interim financial information on operations abroad.

Taurus Armas S.A.*Interim Financial Information as at June 30, 2025*e) Income per share

	Six months ended	
	Parent e Consolidated	
Basic number	06-30-2025	06-30-2024
Net income for the period		
Common shares	19,008	3,662
Preferred shares	32,782	6,296
	51,790	9,958
Basic denominator - Weighted average number of shares outstanding (number of shares)		
Common shares	47,805,315	46,445,314
Preferred shares	82,320,511	79,686,028
	130,125,826	126,131,342
Basic earnings per share (R\$ per share)		
Common shares	0,39761	0,07885
Preferred shares	0,39822	0,07901

	Three months ended	
	Parent e Consolidated	
Basic number	06-30-2025	06-30-2024
Net income for the period		
Common shares	12,172	(3,304)
Preferred shares	20,991	(5,681)
	33,163	(8,985)
Basic denominator - Weighted average number of shares outstanding (number of shares)		
Common shares	47,805,315	46,445,314
Preferred shares	82,320,511	79,686,028
	130,125,826	126,131,342
Basic earnings per share (R\$ per share)		
Common shares	0,25023	(0,07156)
Preferred shares	0,25070	(0,07111)

	Six months ended	
	Parent e Consolidated	
Diluted number	06-30-2025	06-30-2024

Taurus Armas S.A.*Interim Financial Information as at June 30, 2025***Net income for the period**

Common shares	19,008	3,662
Preferred shares	32,782	6,296
	51,790	9,958

Diluted denominator - Weighted average number of shares outstanding (number of shares)

Common shares	47,805,315	46,445,314
Preferred shares	82,320,511	79,686,028
	130,125,826	126,131,342

Potential increase in shares due to the share payment plan

Common shares	-	-
Preferred shares	230,468	8,429
	230,468	8,429

Diluted earnings per share (R\$ per share)

Common shares	0,39761	0,07885
Preferred shares	0,39711	0,07900

Taurus Armas S.A.*Interim Financial Information as at June 30, 2025*

	Three months ended	
	Parent e Consolidated	
Diluted number	06-30-2025	06-30-2024
Net income for the period		
Common shares	12,172	(3,304)
Preferred shares	20,991	(5,681)
	33,163	(8,985)
Diluted denominator - Weighted average number of shares outstanding (number of shares)		
Common shares	47,805,315	46,445,314
Preferred shares	82,320,511	79,686,028
	130,125,826	126,131,342
Potential increase in shares due to the share payment plan		
Common shares	-	-
Preferred shares	230,468	8,429
	230,468	8,429
Diluted earnings per share (R\$ per share)		
Common shares	0,25023	(0,07156)
Preferred shares	0,24997	(0,07112)

Taurus Armas S.A.*Interim Financial Information as at June 30, 2025***f) Capital Transactions**

The shareholder board restructuring on May 27, 2011 involving subsidiary Polimetal Metalurgia e Plásticos Ltda. and the Company resulted in a change in shareholder interest between the parties involved in the amount of R\$ 40.996, which was recognized in net equity in line item capital transaction.

27. Share-based payment

Currently, the Company exclusively maintains the Stock Grant Plan as effective instrument for share-based compensation. This plan was approved in an Extraordinary General Meeting on April 28, 2023 and is under the Management Board's jurisdiction.

Statutory directors of the Company (current or set to achieve said role) are eligible to take part in the Plan. The approval of effective participants and of the number of granted shares to each one of them will be determined by the Management Board. The grant of shares by the Participant is not subject to reaching the Participant's individual goal, or Company's global goals, but rather the permanence of the director's link with the Company.

In case there is a renounce or termination of the Participant, the Rights to Receive Shares that have been converted into Shares until the termination date, observing the observing the grace periods for the right to receive shares, they will automatically extinct of full right, regardless of notice period, and with no right to indemnity.

On April 23, 2025, the Board of Directors approved the Second Amendment to the First Share-Based Compensation Program ("Second Stock Grant Amendment"), granting the right to an additional 80,000 (eighty thousand) Preferred shares of the Company, totaling 2,328,000 (two million three hundred and twenty-eight thousand) Preferred shares granted under the First Stock Grant Program. The total number of shares eligible for delivery will be subject to adjustments due to corporate transactions, such as stock splits, reverse splits and bonuses. The shares received will have all the rights and benefits pertaining to the type of Preferred shares currently issued by the Company.

The expenses are reported in a pro rata temporis basis, on the grant date until the date in which the recipient ac

The expense is recorded on a pro rata temporis basis, from the date of grant to the date on which the beneficiary acquires the Rights to Receive Shares. The Company recognized in the income statement for the period ended June 30, 2025, a total of R\$4.5 million (R\$7.0 million at June 30, 2024).

(i) Amount of shares in the Stock Grant Plan

	Amount of shares in the		
	Type	Percentage	Stock Grant Plan
Stock Grant - 2023 – 1st Grant	Preferred	100,00%	2,184,000
Stock Grant - 2024 – 2nd Grant	Preferred	100,00%	64,000
Stock Grant - 2025 – 3rd Grant	Preferred	100,00%	80,000

(ii) Vesting period

1st Grant						
Percentage of Total Shares	20,00%	10,00%	10,00%	10,00%	10,00%	40,00%
Year-end	04/28/2024	03/31/2025	03/31/2026	03/31/2027	03/31/2028	03/31/2029
2nd Grant						
Percentage of Total Shares		24,00%	12,00%	12,00%	12,00%	40,00%
Year-end		03/31/2025	03/31/2026	03/31/2027	03/31/2028	03/31/2029
3rd Grant						
Percentage of Total Shares		25,00%	12,50%	12,50%	12,50%	37,50%
Year-end		03/31/2026	03/31/2027	03/31/2028	03/31/2029	03/31/2030

Transaction flows incurred from granted shares is presented in the table below, and demonstrates the transaction flows of the replaced stock plan.

Taurus Armas S.A.*Interim Financial Information as at June 30, 2025*

	Parent
Amount of open options/shares - 12/31/2023	2,184,000
Granted	64,000
Exercised / Delivered	(436,800)
Amount of open options/shares - 12/31/2024	1,811,200
Granted	80,000
Exercised / Delivered	(235,296)
Amount of open options/shares - 06/30/2025	1,655,904

28. Operating net revenue

In accordance with IFRS 15/CPC 47 - Receita de Contrato com Cliente, revenue is recognized When the client obtains control on the products.

Revenue from contracts with customers will be recognized to the extent that it is probable that a significant reversal in the amount of accumulated revenue will not occur. Consequently, for contracts for which the Company is unable to make a reasonable estimate of returns, the Company waits until the return period expires before revenue recognition can be made. A refund liability and a recovery asset will be recognized for these contracts and will be presented separately in the balance sheet.

Taxes on sales

Sales revenues are subject to the following taxes and contributions, at the following basic rates:

	Rates
ICMS - Imposto sobre Circulação de Mercadorias e Serviços (State VAT)	0% to 25%
IPI - Imposto sobre Produtos Industrializados (Federal VAT)	0% to 55%
COFINS - Contribuição para o Financiamento da Seguridade Social (social contribution)	3% and 7,6%
PIS - Programa de Integração Social (social contribution)	0,65% and 1,65%
Excise Tax (USA)	10% to 11%

	Six months ended	
	Consolidated	Parent
	06-30-2025	30-06-2024
Product sales	878,362	1,001,466
Service provision	876	237
Total gross revenue	879,238	1,001,703
Taxes on sales	(123,544)	(144,239)
Devolutions and write-offs	(4,155)	(687)
Total net operating revenue	751,539	856,777

	Six months ended
	Parent
	30-06-2025
	456,065
	237
	456,302
	(63,271)
	(15)
	393,016

Taurus Armas S.A.*Interim Financial Information as at June 30, 2025*

	Consolidated		Three months ended	
			Parent	
	06-30-2025	30-06-2024	30-06-2025	30-06-2024
Product sales	474,998	489,687	290,717	270,947
Service provision	616	139	447	139
Total gross revenue	475,614	489,826	291,164	271,086
Taxes on sales	(69,458)	(81,688)	(33,820)	(44,336)
Devolutions and write-offs	(3,711)	(227)	(2,888)	(8)
Total net operating revenue	402,445	407,911	254,456	226,742

The Company does not adjust the present value of the respective balances because its sales have short-term maturity and the effects of calculating the adjustment to present value are not relevant.

Taurus Armas S.A.*Interim Financial Information as at June 30, 2025***29. Other operating revenue**

	Six months ended			
	Consolidated		Parent	
	06-30-2025	06-30-2024	06-30-2025	06-30-2024
Other operating revenue				
Tax recovery	128	2,420	-	2,066
Royalties	1,425	1,191	1,425	1,191
Alienation of property, plant and equipment	840	3,190	624	3,089
Recovery of expenses with suppliers	1,410	1,458	1,403	1,458
Recovery of expired credits - PECLD	4	21	4	21
Fair value of Properties to be invested	-	4,535	-	4,535
Other revenue	8,530	3,135	1,580	1,201
	12,337	15,950	5,036	13,561

	Three months ended			
	Consolidated		Parent	
	06-30-2025	06-30-2024	06-30-2025	06-30-2024
Other operating revenue				
Tax recovery	125	2,273	-	2,066
Royalties	1,212	533	1,212	533
Alienation of property, plant and equipment	44	3,190	3	3,089
Recovery of expenses with suppliers	777	926	770	926
Recovery of expired credits - PECLD	4	9	4	9
Fair value of Properties to be invested	6,754	1,332	1,031	675
	8,916	8,263	3,020	7,298

30. Expenses by nature

	Six months ended			
	Consolidated		Parent	
	06-30-2025	06-30-2024	06-30-2025	06-30-2024
Expenses by role				
Cost of products sold	(485,784)	(567,051)	(252,938)	(249,546)
Expenses with sales	(108,246)	(104,587)	(25,909)	(22,521)
Provision for financial instruments impairment loss	(4,360)	(1,491)	(3,787)	(1,953)
General and administrative expenses	(130,579)	(96,326)	(73,312)	(54,517)
Other operating expenses	(2,288)	(3,374)	(4,718)	(5,724)
	(731,257)	(772,829)	(360,664)	(334,261)
Expenses by nature	06-30-2025	06-30-2024	06-30-2025	06-30-2024
Depreciation and amortization	(22,301)	(21,278)	(13,419)	(11,916)
Expenses with personnel	(173,345)	(155,136)	(106,484)	(103,530)
Tax expenses	(8,098)	(6,804)	(1,565)	(4,127)
Raw material and usable material	(301,121)	(366,038)	(120,700)	(129,653)
Auxiliary material, conservation and maintenance	(37,461)	(26,044)	(31,302)	(25,043)
Insurance and delivery fee	(47,822)	(47,547)	(14,758)	(13,431)
Outsourced services	(53,608)	(45,064)	(35,086)	(29,385)
Advertisement	(28,612)	(26,673)	(4,122)	(2,942)
Expenses with product warranty	(452)	(1,246)	(311)	(504)
Water and electricity	(8,705)	(21,790)	(6,395)	(6,865)
Travelling and accommodation	(5,488)	(4,567)	(3,454)	(2,892)
Expenses with commissions	(17,609)	(19,527)	(2,823)	(3,659)
Cost of decreased property, plant and equipment	(1,160)	(1,051)	(1,147)	(780)
Civil, labor and tax risks	(9,103)	10,402	(8,523)	10,199
Rent	(2,590)	(2,804)	(5,190)	(4,813)
Other expenses	(13,782)	(37,662)	(5,385)	(4,920)
	(731,257)	(772,829)	(360,664)	(334,261)

Taurus Armas S.A.*Interim Financial Information as at June 30, 2025*

	Consolidated		Three months ended	
			Parent	
	06-30-2025	06-30-2024	06-30-2025	06-30-2024
Expenses by role				
Cost of products sold	(249,597)	(263,597)	(150,683)	(137,995)
Expenses with sales	(57,055)	(51,062)	(15,212)	(11,976)
Provision for financial instruments impairment loss	(2,907)	6	(3,057)	(753)
General and administrative expenses	(62,197)	(55,295)	(35,426)	(35,538)
Other operating expenses	(1,428)	(1,972)	(2,820)	(3,133)
	(373,184)	(371,920)	(207,198)	(189,395)
Expenses by nature	06-30-2025	06-30-2024	06-30-2025	06-30-2024
Depreciation and amortization	(10,789)	(12,138)	(6,803)	(6,006)
Expenses with personnel	(98,677)	(72,375)	(55,764)	(51,622)
Tax expenses	(4,195)	(4,578)	(792)	(3,131)
Raw material and usable material	(140,858)	(169,610)	(81,391)	(77,740)
Auxiliary material, conservation and maintenance	(21,166)	(13,457)	(17,610)	(12,964)
Insurance and delivery fee	(25,754)	(23,448)	(8,473)	(7,271)
Outsourced services	(26,634)	(22,598)	(16,163)	(14,365)
Advertisement	(15,171)	(13,700)	(2,679)	(1,744)
Expenses with product warranty	(346)	(531)	(242)	(121)
Water and electricity	(4,447)	(9,086)	(3,394)	(3,596)
Travelling and accommodation	(3,147)	(2,661)	(2,107)	(1,825)
Expenses with commissions	(8,861)	(9,361)	(1,583)	(1,883)
Cost of decreased property, plant and equipment	(433)	(661)	(420)	(600)
Civil, labor and tax risks	(3,354)	(1,152)	(3,249)	(1,192)
Rent	(1,237)	(1,328)	(2,501)	(2,375)
Other expenses	(8,115)	(15,236)	(4,027)	(2,960)
	(373,184)	(371,920)	(207,198)	(189,395)

31. Financial income

The financial income mainly covers exchange rate variation on loans and accounts receivable and suppliers and interest expenses on liabilities (loans).

	Consolidated		Six months ended	
			Parent	
	06-30-2025	06-30-2024	06-30-2025	06-30-2024
Financial revenue				
Interest	20,668	11,539	19,423	10,649
Other revenue	113	2,486	31	2,094
	20,781	14,025	19,454	12,743
Financial expenses				
Interest and fines	(36,507)	(36,278)	(31,019)	(34,471)
Other expenses	(2,318)	(2,183)	(1,941)	(1,771)
	(38,825)	(38,461)	(32,960)	(36,242)
Effect of exchange rate variation				
Exchange rate variation – assets	84,956	24,517	84,772	23,991
Exchange rate variation - liabilities	(40,450)	(84,066)	(40,220)	(83,550)
	44,506	(59,549)	44,552	(59,559)
Net financial income	26,462	(83,985)	31,046	(83,058)

Taurus Armas S.A.*Interim Financial Information as at June 30, 2025*

	Consolidated		Three months ended	
	06-30-2025	06-30-2024	06-30-2025	06-30-2024
Financial revenue				
Interest	9,405	10,782	9,083	9,644
Other revenue	16	(1,798)	12	(1,088)
	9,421	8,984	9,095	8,556
Financial expenses				
Interest and fines	(18,846)	(20,465)	(15,342)	(19,539)
Other expenses	(957)	(783)	(769)	(604)
	(19,803)	(21,248)	(16,111)	(20,143)
Effect of exchange rate variation				
Exchange rate variation – assets	37,108	17,050	37,023	16,716
Exchange rate variation - liabilities	(20,872)	(62,726)	(20,758)	(62,422)
	16,236	(45,676)	16,265	(45,706)
Net financial income	5,854	(57,940)	9,249	(57,293)

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 June 30, 2025 and December 31, 2024, the balances are as follows:

	Consolidated		Parent	
	06-30-2025	12-31-2024	06-30-2025	12-31-2024
Domestic market	5,924	5,924	5,005	5,005
Foreign market	6,461	7,333	-	-
Total	12,385	13,257	5,005	5,005
Current liabilities	8,648	9,016	5,005	5,005
Noncurrent liabilities	3,737	4,241	-	-

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

Introduction

We have reviewed the accompanying interim financial information of Taurus Armas S.A. (“Company”), included in the Interim Financial Information Form (ITR), for the quarter ended June 30, 2025, which comprises the balance sheet as at June 30, 2025 and the related statements of profit and loss, of comprehensive income, of changes in equity and of cash flows for the three and six-month periods then ended, including the explanatory notes.

The Executive Board is responsible for the preparation of the 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 interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 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 interim financial information includes the statements of value added (DVA) for the nine-month period ended June 30, 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 interim financial information taken as a whole.

Convenience translation

The accompanying interim financial information have been translated into English for the convenience of readers outside Brazil.

Porto Alegre, August 8, 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 second 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 August 8, 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, August 8, 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 BOARD'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 August 8, 2025.

The Board has audited the Management Report, the Interim Financial Information for the period ended June 30, 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 June 30, 2025 and the respective Performance Report.

São Leopoldo, August 8, 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 INTERIM
FINANCIAL INFORMATION FOR THE SECOND 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 December 7, 2009, hereby declare that they have reviewed, discussed and agreed with the Interim Financial Information of Taurus Armas S.A. and consolidated companies for the period from April 1, 2025 to June 30, 2025.

São Leopoldo, August 8, 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 1st of Article 25, provisions V and VI, of CVM Instruction No. 480, of December 7, 2009, 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 Interim Financial Information for the period from April 1, 2025 to June 30, 2025, issued on August 8, 2025.

São Leopoldo, August 8, 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