



**TAURUS ARMAS S.A.**  
**PUBLICLY-TRADED COMPANY**  
**National Registry of Legal Entities/Ministry of Finance no. 92.781.335/0001-02**  
**NIRE 43 3 0000739 1**

**MATERIAL FACT**

**São Leopoldo, January 27, 2020** – Taurus Armas S.A., (“Company” or “Taurus”), listed at level 2 by B3 (Symbols: TASA3, TASA4), in compliance with the provision of Law 6,404, dated December 15, 1976, amended by the Stock Corporations Act, and in the regulations of the Brazilian Securities and Exchange Commission (CVM, Portuguese acronym), particularly CVM instruction no. 358, dated January 3, 2002, in continuation to the Relevant Facts published on February 18, August 22 and November 25, 2019, hereby informs its shareholders and the market that, following the completion of viability studies and authorization from the Board of Directors at a meeting held on January 22, 2020, a definitive agreement was signed on this date for the creation of a joint venture for the manufacture and sale of firearms in India. The association agreement sets out precedent conditions.

The signing of the partnership took place during a trade mission by the Bolsonaro government, ratifying the importance of this operation between Brazil and India.

Jindal Group, the largest steel manufacturer in India and one of the ten biggest in the world, with annual sales of over US\$ 24 billion and 200,000 employees worldwide, is now a partner with Taurus and holds 51% of the joint venture capital, while Taurus will maintain 49%. The joint venture will see the establishment of a firearms manufacturing plant in India, producing assault rifles, pistols and revolvers for the civil, public security and military markets.

This agreement is an important step in Taurus’ global strategy and will place the company in a privileged position in the world arms market, attesting that the company’s current management is in line with the sector’s global movements. Taurus remains firm in its restructuring process based on sustainable profitability, quality and improved financial and operational indicators, along with major investments in the development of new products and technologies.

Taurus will keep its shareholders and the market duly informed about any breaking news with regards to the information in this Relevant Fact.

**SERGIO CASTILHO SGRILLO FILHO**  
ADMINISTRATIVE AND FINANCIAL DIRECTOR  
DIRECTOR OF INVESTOR RELATIONS  
**TAURUS ARMAS S.A.**