

TECHNOS GROUP ANNOUNCES 23.9% GROWTH IN GROSS REVENUE AND 25.5% EXPANSION IN ADJUSTED EBITDA IN THE SECOND QUARTER OF 2025.

Rio de Janeiro, August 11, 2025 – Technos Group (B3: TECN3) announces its results for the first quarter of 2025 (2Q25). The following financial and operational information is presented on a consolidated basis, in compliance with Brazilian Corporate Law, unless otherwise indicated.

DATE

08/11/2025

CLOSING PRICE

R\$6,30/share

MARKET CAP

R\$ 389,7 million

CONFERENCE CALL

[Link WebCast 2Q25](#)

08/12/2025 10:00 a.m. Brasília

IR CONTACTS

Daniela Pires - CFO and IR Officer

Danielle Younes -- Planning and IR Coordinator

ri@grupotechnos.com.br

www.grupotechnos.com.br/ri

+55 (21) 2131-8672

QUARTER HIGHLIGHTS

- Net revenue at R\$ 121.9 million, 22.5% higher versus 2Q24.
- Gross profit of R\$ 67.9 million, 24.1% higher versus 2Q24.
- SG&A of R\$ 39.5 million, 8.4% higher versus 2Q24.
- Adjusted EBITDA of R\$ 32.1 million, 25.5% higher versus 2Q24.

R\$ million	1Q24	1Q25	%	1S24	1S25	%
Gross Revenue	115.4	143.0	23.9%	194.7	244.7	25.7%
Net Revenue	99.6	121.9	22.5%	168.3	208.6	23.9%
Gross Profit	54.7	67.9	24.1%	91.3	114.2	25.2%
Gross Margin	55.0%	55.7%	0.7p.p.	54.2%	54.8%	0.5p.p.
SG&A	-36.4	-39.5	8.4%	-68.4	-76.5	11.8%
Net Income	20.1	19.1	-4.9%	25.9	23.6	-9.1%
Net Margin	20.2%	15.7%	-4.5p.p.	15.4%	11.3%	-4.1p.p.
Adjusted EBITDA	25.6	32.1	25.5%	35.5	44.2	24.6%
Adjusted EBITDA Margin	25.7%	26.3%	0.6p.p.	21.1%	21.2%	0.1p.p.
Number of Watches (000s)	580	609	5.1%	987	1.097	11.1%
Average Price (R\$/product)	199	235	17.9%	197	223	13.1%

Adjusted EBITDA - Represents CVM EBITDA (net income plus depreciation and amortization, financial expenses, financial income, current and deferred taxes), adjusted for the present value adjustment on sales and sales taxes, non-operational contingency provisions, nonrecurring results, extraordinary, and stock option plan.

In the second quarter of 2025, the Technos Group recorded solid growth in revenue and gross profit, achieving the best second quarter and first half of its history in terms of Adjusted EBITDA. This was the 19th consecutive quarter of expansion in this indicator, demonstrating the consistency of the Company's results even in a challenging macroeconomic and geopolitical environment.

In the quarter, Gross Profit was 23.9% higher than the second quarter of 2024. The robust growth in Gross Profit occurred together with the increase of gross margin showing that the company remains committed to defending a healthy margin for our products through rationalization of merchandise costs, selective price pass-throughs and currency hedging policies. In addition, sales growth was driven by a 5.1% increase in the volume of watches sold and a 17.9% increase in the average price.

In the quarter, gross profit was 24.1% higher than in the second quarter of 2024. This robust growth resulted from a significant increase in sales, combined with a 0.7 p.p. increase in gross margin—reflecting the appreciation of higher value-added collections, the rationalization of merchandise costs, and greater efficiency in technical assistance and raw material freight costs. This evolution reinforces the Company's commitment to maintaining a balance between revenue growth and margin preservation.

In the quarter, Selling and Administrative Expenses grew 8.4% versus the same quarter of the previous year. This increase in expenses is mainly the result of higher expenses directly related to sales, such as commercial remuneration, freight, gifts and investment in marketing. As mentioned in previous reports, the Technos Group remains focused on maintaining a lean and efficient expense base.

In the quarter, adjusted EBITDA totalled R\$32.1 million, an increase of 25.5% compared to the second quarter of 2024. The sequence of 19 quarters showing growth in adjusted EBITDA demonstrates the robustness and consistency of the business model implemented by management.

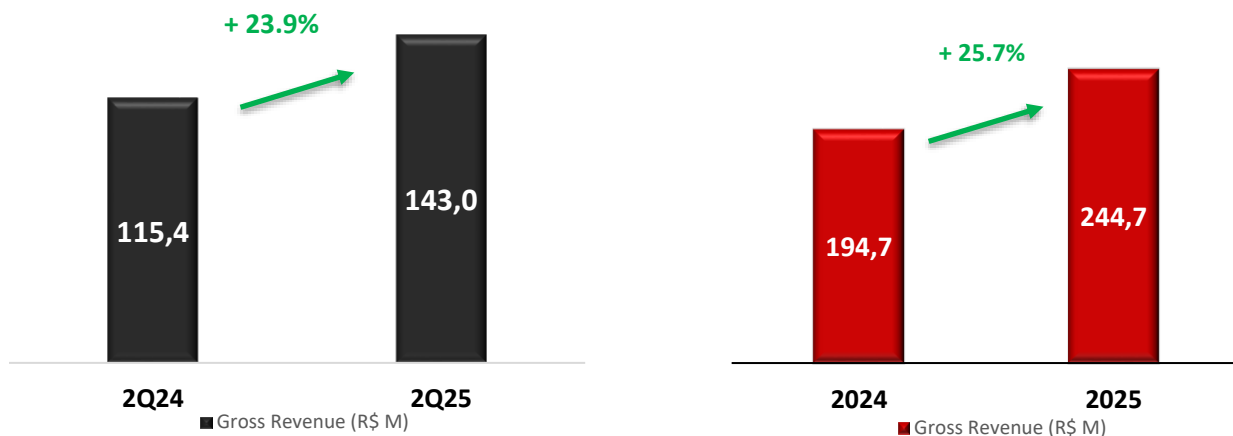
In the second quarter of 2025, despite solid operating performance, Technos Group's net income was R\$ 19.1 million, representing a 4.9% decrease compared to the same period last year. This decline is due to a temporary and largely non-cash effect on the financial result related to the update of the estimated future impact of foreign exchange hedging operations. The Company adopts a consistent hedging policy aimed at mitigating risks arising from currency exposure and cushioning the cash impact of short-term fluctuations in the dollar. However, in highly volatile scenarios, maintaining these contracts can generate temporary effects on the financial result, without a significant impact on cash.

In this quarter, the Company recorded a cash balance of R\$66.6 million and gross debt of R\$97.2 million with an average maturity of 16 months, resulting in net debt of R\$30.6 million. During the period, the Company repurchased shares totaling R\$12.9 million, corresponding to 2.1 million shares. In May, the Company approved the cancellation of 1,500,000 million treasury shares, without reducing its capital stock. After the cancellation of shares, the Company's capital stock is now divided into 61,856,215 common shares.

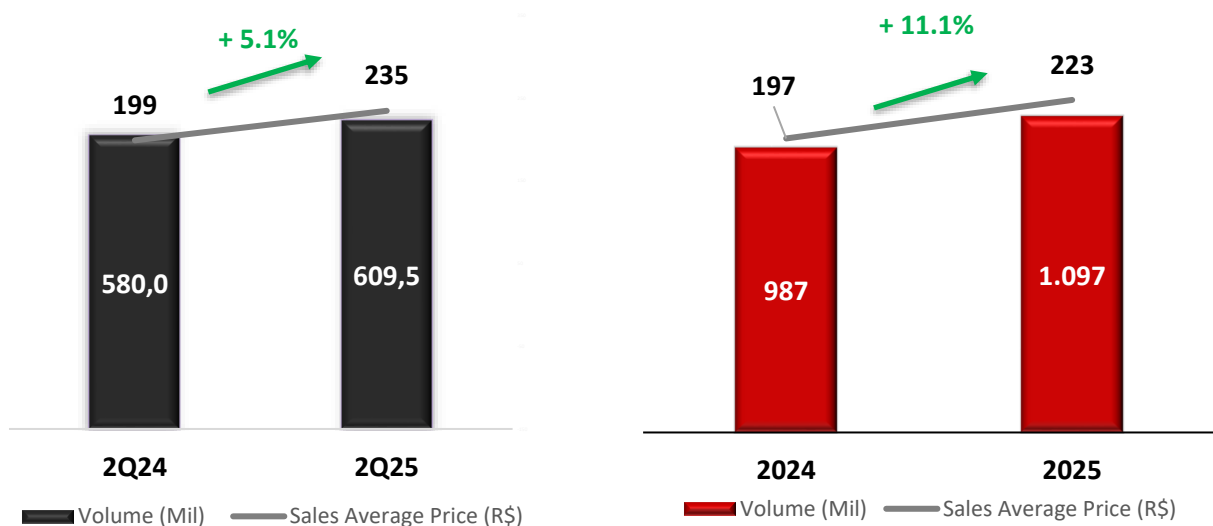
With regard to 2025, the Technos Group plans to continue with its objective of fostering growth with efficiency, seeking market share gains in the traditional watches category and market expansion in the smartwatches category. The company will also continue to invest in expanding its distribution channels in both wholesale and retail, opening up new horizons for growth beyond its core channel. Revenue growth, coupled with the maintenance of efficiency gains achieved in previous periods, are important elements for future operating gains in the long term.

GROSS REVENUE

In the quarter, gross revenue grew by 23.9% versus the same quarter from last year. The strong sales acceleration is the result of growth in almost all of the company's brands and distribution channels and represents a significant gain in market share in the traditional watch category.



In the quarter, the average price reached R\$235, an increase of 17.9% compared to the same period in 2024. The volume totaled 609.5 thousand, with 5.1% growth versus the same period in 2024.



In the quarter, Net Revenue reached R\$121.9 million, an increase of 22.5% versus the same period in 2024.

Sales taxes grew 24.0% in 2Q25, due to both the increase in sales and the legislative change that, from 2024 onwards, treats donations and subsidies (in the case of Technos, the ICMS tax incentive credit from Zona Franca de Manaus) as a taxable calculation basis for PIS/COFINS.

It is important to highlight that as of the first quarter of 2021, a tax benefit was approved which allowed the company to enjoy an increased use of ICMS tax benefit. This additional benefit, initially approved for 2021, has already been renewed twice and currently runs until December 2026. In 2Q25, we had an impact of R\$5.5 million compared to R\$3.4 million in 1Q24.

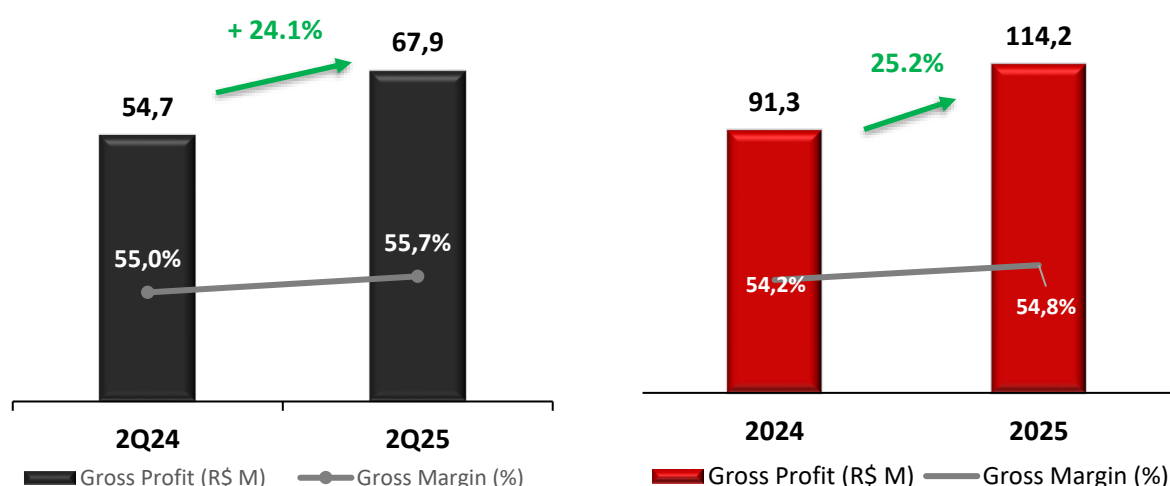
R\$ Million	2Q24	2Q25	Var %	Var R\$	1S24	1S25	Var %	Var R\$
Gross Revenue	115.4	143.0	23.9%	27.6	194.7	244.7	25.7%	50.0
Present Value Adjustment on Sales	(3.7)	(6.1)	67.3%	(2.5)	(6.4)	(10.2)	59.5%	(3.8)
Sales Taxes	(12.5)	(15.5)	24.0%	(3.0)	(20.5)	(26.8)	30.6%	(6.3)
Present Value Adjustment on Taxes	0.4	0.6	65.4%	0.2	0.6	1.0	60.4%	0.4
Net Revenue	99.6	121.9	22.5%	22.4	168.3	208.6	23.9%	40.3



GROSS PROFIT AND GROSS MARGIN

In 2Q25, the Company recorded Gross Profit at R\$ 67.9 million with 55.7% Gross Margin, showing growth in Gross Profit of 24.1% and an increase in Gross Margin of 0.7 p.p.

It is important to note that the company remains committed to defending a healthy margin for our products by rationalizing merchandise costs, selective price transfers and currency hedging policies.



SELLING AND ADMINISTRATIVE EXPENSES

In the quarter, selling and administrative expenses amounted to R\$39.5 million, 8.4% increase versus 2Q24. Expenses represented 32.4% of net revenue in the quarter versus 36.6% in the second quarter of 2024.

Selling expenses increased 13.4%, or R\$3.5 million, compared to the same quarter in 2024. This growth was due to expenses with media, higher investment to foster sales, freight, commercial travel, commercial compensation and inflation.

General and administrative expenses decreased R\$0.4 million or 3.7% compared to 2024. Such decrease is a result of lower administrative expenses.

Other operating results, net totaled an expense of R\$5.1 million in the quarter, versus a gain of R\$0.8 million in the same period of the previous year.

In the second quarter of 2024, this account was positively impacted by R\$ 2.6 million due to the reversal of a contingency, whereas in the second quarter of 2025, it was impacted by a provision for other operating expenses.



EBITDA AND ADJUSTED EBITDA



In the second quarter, Adjusted EBITDA went from R\$25.6 million in 2024 to R\$32.1 million in 2025, a growth of 25.5% mainly due to the relevant sales growth. EBITDA margin reached 26.3% in the quarter compared to 25.7% in the second quarter of 2024.

R\$ million	2Q24	2Q25	1S24	1S25
(=) Net income	20.1	19.1	25.9	23.6
(+) Amortization and Depreciation	(2.5)	(2.8)	(4.9)	(5.5)
(+/-) Financial Result	6.3	(1.0)	11.4	(0.9)
(+) Current Taxes	(1.7)	(6.8)	(2.5)	(12.9)
(+/-) Deferred Taxes	(3.7)	2.6	(6.5)	8.0
(=) EBITDA (CVM 527/12)	21.6	26.1	28.4	33.8
(+/-) Provision for Non-recurring Contingencies	(0.6)	(0.5)	(1.2)	(1.1)
(+) Other Non-Cash Expenses ²	0.0	0.0	0.0	0.0
(+) Impact of Present Value Adjustment on Operational Result ³	(3.3)	(5.5)	(5.8)	(9.2)
(=) Adjusted EBITDA	25.6	32.1	35.5	44.2

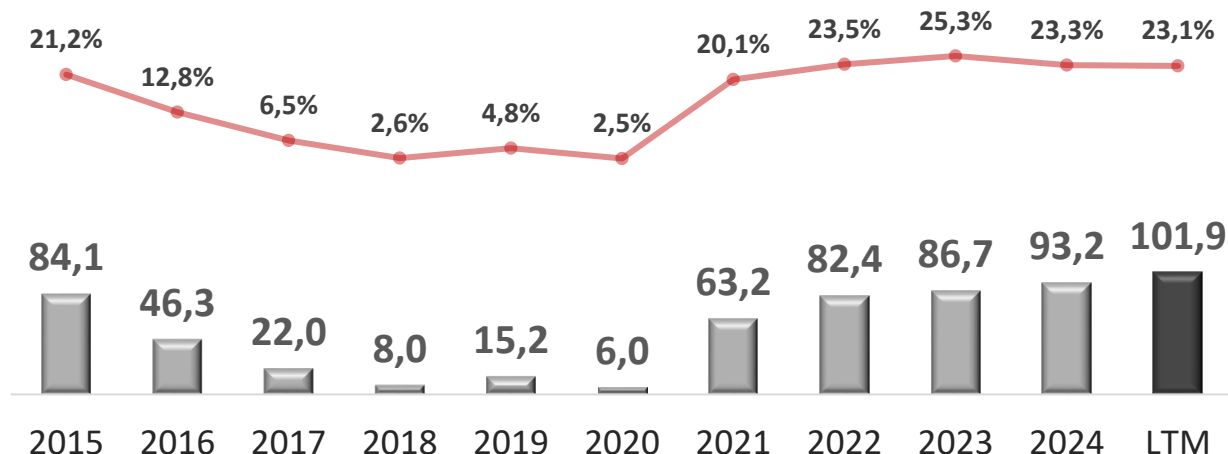
Adjustment of tax on provision for obsolete inventory

² Non-recurring or non-operational expenses

³ Present value adjustment that results in a decrease in the Company's gross revenue (affecting CVM EBITDA) and an increase in the Company's financial income (not affecting CVM EBITDA), leading to a mismatch in connection with the CVM EBITDA view

Adjusted EBITDA in LTM was R\$101.9 million, representing the highest adjusted EBITDA level in the company's history. The EBITDA margin was 23.1%.

Adjusted EBITDA and EBITDA Margin



NET FINANCIAL RESULT

In the second quarter of 2025, the net financial result was R\$0.0 million versus a positive R\$6.3 million in the same quarter of 2024, mainly due to a higher expense of R\$6.7 million with exchange rate variation and hedging.

It is important to emphasise that the exchange rate impact reported is primarily due to a temporary, non-cash effect on the financial result, resulting from updating the estimated future impact of the exchange rate hedge. We work with a consistent hedging policy, which aims to mitigate the risks arising from foreign exchange exposure and cushion the cash impact of short-term fluctuations in the dollar. On the other hand, maintaining hedge contracts generates temporary effects on the financial result whenever there is high exchange rate volatility. In the quarter, the dollar went from R\$5.74 at the end of March 2025 to R\$5.46 at the end of June, a devaluation of the dollar of close to 5% (versus an appreciation of approximately 10% in the previous year). The impact of this on hedge contracts in effect at the end of June 2025 is the main reason for the change in financial results compared to the same period in 2024. It should be noted that these transactions are strictly protective in nature, are contracted consistently and independently of short-term currency volatility, in line with the company's risk management policy.

R\$ Million	2Q24	2Q25	Var %	Var R\$	1S24	1S25	Var %	Var R\$
Expenses	-1.8	-3.6	101.0%	-1.8	-3.3	-7.2	116.7%	-3.9
Revenues	2.9	3.6	24.1%	0.7	6.3	7.9	26.4%	1.7
Revenues - PVA Reversal	3.1	4.6	45.9%	1.4	6.4	8.4	30.6%	2.0
Exchange rate impact	2.0	-4.6	-326.1%	-6.7	2.0	-8.9	-536.2%	-11.0
Net Financial Revenues/(Expenses)	6.3	0.0	-99.8%	-6.3	11.4	0.2	-98.4%	-11.2

NET INCOME

In the quarter, the Company recorded a net income of R\$ 19.1 million, 4.9% lower compared to the second quarter of last year, mainly due to the estimated future adjustments related to hedge contracts entered into by the Company. During this quarter, there was a significant depreciation of the U.S. dollar, which required a substantial non-cash negative adjustment in the financial result, as detailed in previous sections.

WORKING CAPITAL

R\$ million	2Q24	Days	2Q25	Days
(+) Accounts Receivable	154.0	154	193.9	158
(+) Inventories	113.0	250	164.5	298
(-) Accounts Payable	36.7	81	52.7	96
(=) Working Capital	230.3	323	305.7	361

The Company's working capital totaled R\$305.7 million in the second quarter of 2025, representing an increase of R\$75.4 million or 32.7% compared to the same period in the previous year. In days, working capital totaled 361 in the last 12 months ending this quarter, a increase of 38 days compared to the second quarter of 2024.

The Company's balance of Accounts Receivable amounted to R\$ 193.9 million compared to R\$ 154.0 million in the previous year. The average sales term in the last twelve months shows a 4-day increase as compared to the same period of the previous year, mainly due to the sharp increase in sales during the last quarter. The average sales term for the year was 5 days longer than the previous year, and we continue to maintain a stable and healthy default rate compared to the historical performance of the indicator.

Inventory closed the period with a balance of R\$164.5 million, R\$51.5 million higher than in the second quarter of 2024 and at an ideal level from a supply perspective, mainly due to the sales increase in the last quarter.

The Company presented a Supplier balance of R\$52.7 million versus R\$36.7 million in the same period of 2024, mainly due to the acceleration of the purchasing flow to replenish inventory in a stronger sales scenario.

CASH BALANCE

Technos Group ended the second quarter of 2025 with net debt of R\$30.6 million, a decrease of R\$18.3 million in net cash compared to the first quarter of 2025. During the period, share buybacks totaled R\$12.9 million.

R\$ million	2Q24	1Q25	2Q25
Gross Debt	(86.0)	(101.3)	(97.2)
(-) Cash	94.3	89.0	66.6
(=) (Debt)/Net Cash	8.3	(12.3)	(30.6)

INCOME STATEMENT



R\$ Thousand

QUARTER

	Consolidated	
	2Q24	2Q25
Net Revenue	99.556	121.913
Cost of goods sold	-44.817	-53.985
Gross Profit	54.739	67.928
Sales expenses	-25.880	-29.347
Administrative expenses	-10.547	-10.156
Others, net	823	-5.146
Operating profit	19.135	23.280
Financial result, net	6.329	13
Financial income	9.780	11.062
Financial expenses	-3.451	-11.049
Income before income tax and social contribution	25.465	23.293
Income tax and social contribution	-5.393	-4.197
Current	-1.726	-6.054
Deferred	-3.667	1.857
Net income	20.071	19.096

YEAR-TO-DATE

	Consolidated	
	1S24	1S25
Net Revenue	168.322	208.594
Cost of goods sold	-77.072	-94.368
Gross Profit	91.250	114.226
Sales expenses	-47.822	-56.182
Administrative expenses	-20.536	-20.268
Others, net	588	-9.456
Operating profit	23.480	28.320
Financial result, net	11.385	178
Financial income	16.203	18.863
Financial expenses	-4.818	-18.685
Income before income tax and social contribution	34.865	28.498
Income tax and social contribution	-13.826	-4.916
Current	-2.451	-12.133
Deferred	-6.473	7.218
Net income	21.039	23.583

BALANCE SHEET



R\$ Thousand

	Consolidated	
	June 30, 2024	June 30, 2025
Assets		
Current		
Cash and cash equivalents	93.939	66.138
Restricted cash	322	440
Accounts receivable	154.034	193.932
Inventories	112.982	164.493
Income tax and social contribution recoverable	10.625	2.308
Taxes recoverable	14.325	12.305
Derivative financial instruments	3.069	215
Other assets	17.719	16.732
	407.015	456.563
Non-current		
Advances to suppliers	687	0
Taxes recoverable	3.252	3.318
Judicial deposits	6.824	9.475
	10.763	12.793
Investments		
Intangible assets	191.623	192.209
Property and Equipment	27.479	26.689
	219.102	218.898
Total assets	636.880	688.254

BALANCE SHEET

	Consolidated	
	June 30, 2024	June 30, 2025
Liabilities		
Current		
Borrowings	16.980	53.179
Accounts payable	36.670	52.734
Obligations payable for purchasing goods	54	0
Taxes and fees payable	5.557	5.063
Withholding income tax and contributions	504	568
Salaries and social charges payable	10.505	12.811
Dividends payable	129	140
Derivative financial instruments	0	5.856
Lease payment	1.676	1.661
Other payables	7.719	12.076
	79.794	144.088
Non-current		
Borrowings	69.021	44.009
Income tax and social contributions payable (Note 14)	1.311	1.132
Deferred income tax and social contribution	33.286	28.343
Provision for contingencies	47.483	49.582
Lease Payment	2.403	1.536
Provision for success fees	1.709	1.709
	155.213	126.311
Total liabilities	235.007	270.399
Equity		
Capital stock	130.583	130.583
Treasury shares	-11.477	-4.929
Share issuance expenses	-10.870	-10.870
Capital reserves	160.202	122.236
Profit reserves	26.209	59.482
Equity valuation adjustment	-14.335	-14.409
Profit/loss for the period	25.941	23.582
Other comprehensive income	-	-280
Reflective tax incentive profit reserve	95.620	112.180
Total equity	401.873	417.855
Total liabilities and equity	636.880	688.254

CASH FLOW

R\$ thousand	QUARTER	Consolidated	
		2Q24	2Q25
Income before income tax and social contribution		25.465	23.293
Adjustments for non-cash items			
Amortization and Depreciation		2.513	2.843
Allowance for recoverable value of inventory		296	707
Allowance for recoverable value of accounts receivable		-307	762
Provision for contingencies (reversal)		-3.500	256
Results from disposal of permanent assets		-43	224
Interest on loans		2.826	3.258
Other interest expenses and foreign exchange variation		102	-230
Derivative financial instruments		-3.232	3.380
Stock option premium		859	1.732
Other		-380	483
Changes in assets and liabilities			
Decrease (increase) in accounts receivable		-17.592	-18.338
Decrease (increase) in inventories		8.028	-3.481
Decrease (increase) in taxes recoverable		684	5.490
(Decrease) increase in other assets		-1.035	-806
Increase (decrease) in suppliers and accounts payable		-5.319	-7.356
Increase (decrease) in salaries and social charges payable		2.464	4.178
Increase (decrease) in taxes, rates and social contributions payable		-1.963	-7.341
Interest paid		-3.176	-2.788
Income tax and social contribution paid		-1.847	-6.908
Net cash (used in) generated by operating activities		4.843	-2.266
Cash flow from investing activities			
Purchases of property and equipment		-2.017	-2.041
Amount received from the sale of property and equipment		277	553
Purchases of intangible assets		-1.730	-2.255
Net cash (used in) generated by investing activities		-3.470	-3.743
Cash flow from financing activities			
Deposits as collaterals - restricted cash		-225	-67
Payment of borrowings		-3.885	-4.357
Lease paid		-334	-374
Acquisition of own shares held in treasury		-16.503	-12.877
Stock Option exercise		1.185	1.184
Net cash used in financing activities		-19.762	-16.491
Increase (decrease) in cash and cash equivalents		-18.389	-22.500
Cash and cash equivalents at the beginning of period		112.328	88.638
Cash and cash equivalents at the end of period		93.939	66.138

	1S24	1S25
Income before income tax and social contribution	34.865	28.498
Adjustments for non-cash items		
Amortization and Depreciation	4.950	5.534
Allowance for recoverable value of inventory	-62	1.756
Allowance for recoverable value of accounts receivable	131	1.295
Provision for contingencies (reversal)	-9.079	848
Results from disposal of permanent assets	-42	109
Interest on loans	6.309	6.511
Other interest expenses and foreign exchange variation	215	-2.919
Derivative financial instruments	-4.353	13.224
Stock option premium	1.855	2.887
Other	-462	636
Changes in assets and liabilities		
Decrease (increase) in accounts receivable	-2.054	-5.041
Decrease (increase) in inventories	4.605	-23.313
Decrease (increase) in taxes recoverable	3.283	13.327
(Decrease) increase in other assets	-2.643	-2.264
Increase (decrease) in suppliers and accounts payable	-9.258	-19.351
Increase (decrease) in salaries and social charges payable	-275	-304
Increase (decrease) in taxes, rates and social contributions payable	-4.944	-13.591
Interest paid	-6.573	-5.741
Income tax and social contribution paid	-1.962	-9.726
Net cash (used in) generated by operating activities	14.506	-7.625
Cash flow from investing activities		
Purchases of property and equipment	-3.020	-3.847
Amount received from the sale of property and equipment	279	846
Purchases of intangible assets	-2.843	-3.027
Net cash (used in) generated by investing activities	-5.584	-6.028
Cash flow from financing activities		
Deposits as collaterals - restricted cash	-203	-74
Payment of borrowings	-7.769	-8.425
Lease paid	-683	-718
Acquisition of own shares held in treasury	-24.455	-17.102
Dividends paid to Company's shareholders	-10.226	-14.987
Stock Option exercise	3.201	1.184
Net cash used in financing activities	-40.135	-40.122
Increase (decrease) in cash and cash equivalents	-31.213	-53.775
Cash and cash equivalents at the beginning of period	125.152	119.913
Cash and cash equivalents at the end of period	93.939	66.138

