

G2D Investments, Ltd.
Interim financial statements for the period
ended September 30, 2021

G2D Investments, Ltd.

Balance sheet

As of September 30, 2021 and December 31, 2020

In thousands of US dollars

Assets	Note	September 30,	December 31,	Liabilities and shareholders' equity	Note	September 30,	December 31,
		2021	2020			2021	2020
Current assets				Current liabilities			
Cash and cash equivalents	5	22,244	331	Accounts payable		314	344
Financial investments	6	13,545		Management and performance fee		8,095	
				Loans and financings	8	20,098	20,248
		35,788	331			28,507	20,592
Non-current assets				Shareholders' equity	10		
Investments				Share capital		66,065	66,026
Equity portfolio	7	187,972	93,068	Share premium		48,570	
				Accumulated gains		80,619	6,781
		187,972	93,068			195,253	72,807
Total assets		223,760	93,399			223,760	93,399

G2D Investments, Ltd.

Statements of income For the period ended September 30, 2021 In thousands of US dollars

		Nine-month period ended	Three-month period ended
	Note	September 30, 2021	September 30, 2021
Revenues			
Unrealized gain - equity portfolio	7	64,198	62,612
Reversal of unrealized fair value on disposal of equity portfolio	7	(1,392)	(423)
Realized gain – private equity, net		<u>20,370</u>	<u>14,331</u>
Total revenues		<u>83,175</u>	<u>76,519</u>
Expenses			
General and administrative		(524)	(148)
Management fee	9	(301)	(480)
Performance fee	9	<u>(7,614)</u>	<u>(7,614)</u>
Total expenses		<u>(8,439)</u>	<u>(8,243)</u>
Financial expenses		<u>(899)</u>	<u>(543)</u>
Financial expenses, net		<u>(899)</u>	<u>(543)</u>
Net income before taxes		<u>73,838</u>	<u>67,734</u>
Net income for the period		<u>73,838</u>	<u>67,734</u>
Weighted average number of shares - basic	10	<u>85,818,892</u>	<u>105,279,851</u>
Profit per share in US\$ - basic		<u>0.86</u>	<u>0.64</u>

G2D Investments, Ltd.

Statements of comprehensive income
For the period ended September 30, 2021
In thousands of US dollars

	<u>Nine-month period ended</u>	<u>Three-month period ended</u>
	<u>September 30, 2021</u>	<u>September 30, 2021</u>
Net income for the period	<u>73,838</u>	<u>67,734</u>
Comprehensive income	<u><u>73,838</u></u>	<u><u>67,734</u></u>

G2D Investments, Ltd.

Statements of changes in the shareholders' equity

For the period ended September 30, 2021

In thousands of US dollars

	<u>Share capital</u>	<u>Share premium</u>	<u>Accumulated income</u>	<u>Total</u>
At December 31, 2020	66,026		6,781	72,807
Capital increase	39	48,570		48,609
Income for the period			73,838	73,838
At September 30, 2021	<u>66,065</u>	<u>48,570</u>	<u>80,619</u>	<u>195,253</u>

G2D Investments, Ltd.

Statements of the cash flows For the period ended September 30, 2021 In thousands of US dollars

		Nine-month period ended	Three-month period ended
	Note	2021	2021
Net income for the period		73,838	67,734
Reconciliation of net income to cash from operating activities			
Appreciation in fair value of the investments	7	(64,198)	(62,612)
Reversal of unrealized fair value on disposal of investments	7	1,392	423
Realized gains		(20,370)	(14,331)
Accrued interests on loan payable		584	153
		(8,753)	(8,633)
Changes in assets/liabilities			
Management fees		481	265
Performance fee		7,614	7,614
Accounts payable		(30)	(252)
Net cash provided by operating activities		(688)	(1,006)
Cash flows from investing activities			
Acquisition of financial investments	6	(20,406)	-
Sale of financial investments	6	6,778	6,778
Accrued interest on financial investments	6	83	46
Proceeds from partial disposal of investments - 2TM		3,806	3,806
Proceeds from partial disposal of investments - Blu		10,186	10,186
Ownership acquisition - Expanding Capital	7	(8,978)	(2,186)
Ownership disposal - Expanding Capital	7	7,260	685
Ownership acquisition - Inova FIP	7	(9,428)	(3,842)
Ownership disposal - Inova FIP	7	3,237	-
Ownership acquisition - The Craftory	7	(17,267)	(10,250)
Ownership acquisition - Sim paul	7	(544)	(544)
Net cash used in investing activities		(25,274)	4,678
Cash flows from financing activities			
Proceeds from loans and financing	8	12,000	-
Repayments of loans and financings	8	(12,734)	(605)
Capital increase	10	48,984	-
IPO/Green Shoe expenses	10	(376)	(376)
Net cash provided by financing activities		47,874	(981)
Net increase in cash and cash equivalents		21,912	2,693
Cash and cash equivalents at beginning of the period		331	19,551
Cash and cash equivalents at end of the period		22,244	22,244

G2D Investments, Ltd.

Notes to the interim financial statements for the period ended September 30, 2021

In thousands of US dollars, unless otherwise stated

1 General information

G2D Investments, Ltd. (the “Company” or “G2D”) is a Company indirectly owned by GP Investments Ltd (“GP”) and has shares listed on the Bermuda Stock Exchange (BSX) and Brazilian Depositary Receipts (BDRs) on the Brazilian Stock Exchange (“B3” - Brasil, Bolsa e Balcão). G2D was incorporated on July 27, 2020, in Bermuda, with the objective of investing in innovative and high growth companies primarily in Brazil, the United States and Europe. The Company is located on 16 Burnaby Street, Hamilton, HM 11, Bermuda.

The Company has no employees, and therefore, to perform its investment activity, it has delegated the relevant tasks to GP Advisors (Bermuda) Ltd (“GP Advisors” or “Investment Manager”), a company controlled by GP. In 2020, G2D entered into an Investment Management Agreement (the “Agreement”) with GP Advisors in respect to services to be provided for its investment portfolio. The Agreement empowers, inter alia, GP Advisors to take investment and divestment decisions on behalf of G2D. To this end, G2D pays a management fee to GP Advisors as defined in the Agreement and stated in note 9.

On July 31, 2020, GP Cash Management, Ltd. (“GP Cash”) and GPIC, Ltd. (“GPIC”), wholly owned subsidiaries of GP Investments, Ltd. (“GP Investments”), and Spice Private Equity (Bermuda), Ltd. (“Spice Bermuda”), a wholly owned subsidiary of Spice Private Equity, Ltd. (“Spice PE”), a subsidiary of GP Investments, approved contributions of certain financial assets to the Company's capital.

The financial assets contributed to the Company were equity investments measured at fair value through profit and loss in the following companies: Blu Pagamentos S.A. (“Blu”), N.I.B.S.P.E. Empreendimentos e Participações SA (“Sim;paul), The Craftory Limited (“The Craftory”), BBridge Capital I, LP, Expanding Capital II-A, LP (together with Bbridge capital I, LP, “Expanding Capital”) and Quero Educação Serviços de Internet Ltd. (“Quero Educação”, and in conjunction with Blu, Sim;paul, The Craftory and Expanding Capital, “G2D Portfolio”). In addition to managing the G2D Portfolio, the Company intends to acquire new equity interests and conclude new investments in companies with a similar profile in the coming years.

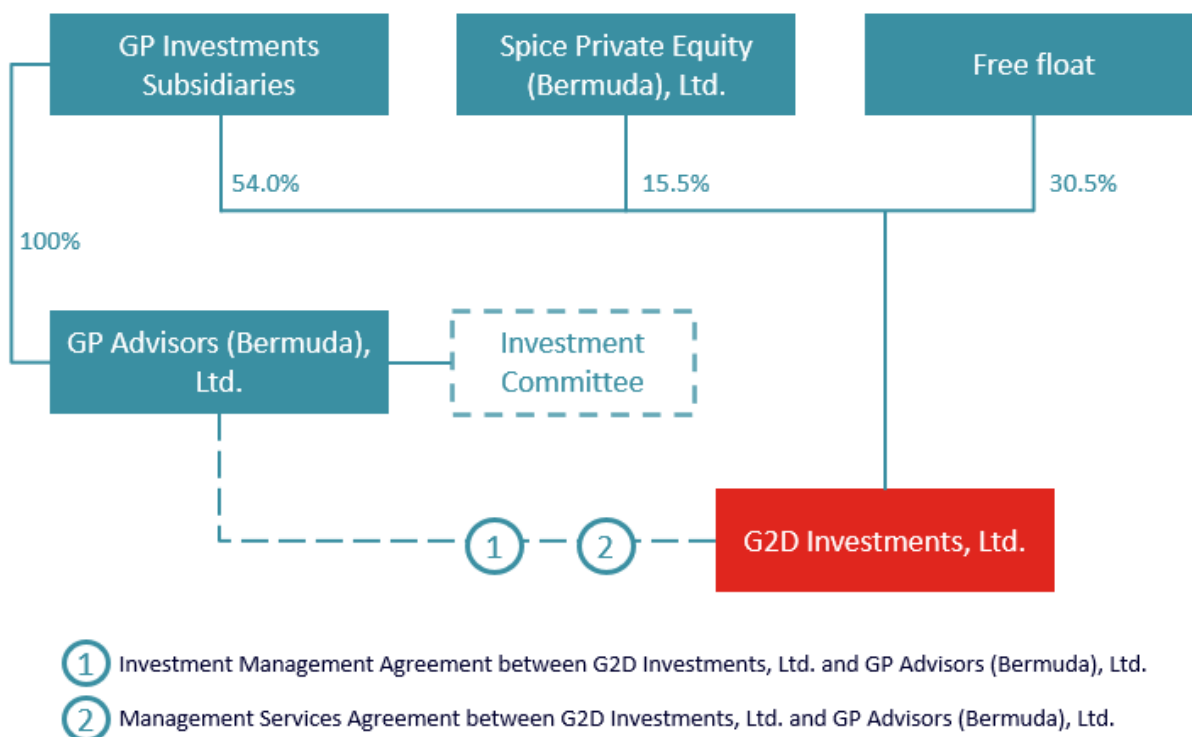
GP Cash contributed its stake in GPCM, LLC, responsible for investing in Blu, Sim;paul and Inova FIP (responsible for investments in CERC - Central de Recebíveis SA “CERC” and 2TM Participações SA “2TM”, parent company of Mercado Bitcoin). Spice Bermuda was responsible for the contribution of its interest in The Craftory and, finally, GPIC was responsible for the contribution of the shares held in Expanding Capital and Quero Educação.

The following chart demonstrates G2D’s ownership structure as of September 30, 2021:

G2D Investments, Ltd.

Notes to the interim financial statements for the period ended September 30, 2021

In thousands of US dollars, unless otherwise stated



As of September 30, 2021, G2D Portfolio consisted of six investments as described below:

- **Blu Pagamentos S.A.:** Blu is a Brazilian fintech based in Rio de Janeiro, aimed at reducing transaction costs between retailers and suppliers. Blu’s main products offer payment and financial solutions and tools for customer relationship management. Blu developed a financial solutions platform that connects retailers to their suppliers and creates a direct trading market between companies (“business-to-business” or “B2B”). Blu has a strong presence in sectors with long-term payment cycles such as furniture, mattresses and clothing, and is rapidly expanding into other segments.

- **The Craftory, Ltd.:** The Craftory is a consumer-oriented investment company, based in London and San Francisco. The Craftory is exclusively focused on expanding the world's boldest consumer brands and providing permanent, early-stage and growth capital to brands aimed at the consumer-packaged goods market segment (“CPG”). The Craftory invests in companies that offer products that positively impact the categories for which they are destined, our society and the planet. GP Investments was one of the investor founders at The Craftory in May 2018. The Craftory is a “Certified B Corporation” certified by B Lab, a non-profit organization that grants such certification to companies that serve the highest performance standards and social and environmental impact, public transparency and legal and social responsibility balancing profit and purpose. The “Certified B Corporations” are companies recognized for accelerating a global culture change to redefine business success and build a more inclusive and sustainable economy.

- **Expanding Capital:** Expanding Capital is a venture capital firm headquartered in San Francisco, California. Since 2016, Expanding Capital has made minority investments in companies backed by leading venture capital funds around the world.

- **Sim;paul:** Sim;paul is a digital native Brazilian brokerage platform. Sim;paul is redesigning the way the consumers learn about and access financial products and it intends to support the offering of more personalized advice through Independent Financial Advisors (“IFA”). Sim;paul’s technology has been developed in the open banking model, bringing simplicity, freedom and transparency to the financial markets.

G2D Investments, Ltd.

Notes to the interim financial statements for the period ended September 30, 2021

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- Inova FIP: Inova FIP is an equity investment fund, which invests in CERC and in 2TM (the parent company of Mercado Bitcoin). CERC is a fintech developing the technological infrastructure for credit markets in Brazil. CERC's solutions include a centralized registry for receivables as well as associated insurance and settlement services. Mercado Bitcoin is a digital assets platform, where users can buy and sell cryptocurrencies and other digital assets, such as tokens that represent real assets. Its parent company also created Bitrust, a qualified custodian of cryptocurrencies and digital assets, and MeuBank, a portfolio of digital assets.

- Quero Educação: Quero Educação is a Brazilian education platform that allows students to learn about, connect to and enroll in higher education institutions. Students can obtain discounts on tuition, while partnering institutions achieve meaningful reductions in their vacancy rates.

These interim financial statements were approved by Management on November 10, 2021.

2 Accounting policies

2.1 Basis of preparation

These interim financial statements were prepared in accordance with the international standard IAS 34 - "Interim Financial Reporting" issued by the "International Accounting Standards Board - IASB" applicable to the preparation of the quarterly information.

All relevant information to the interim financial information, is being evidenced, and corresponds to that used by Management.

2.1.1 Investment entity

In accordance with IFRS 10 – Consolidated Financial Statements ("IFRS 10"), the Company was deemed to be an investment company; and accordingly, has been required to report its investments at fair value, instead of consolidating its portfolio investments. As per IFRS 10, an investment company is a separate legal entity whose business purpose and activity comprise of the following: (a) obtains funds from one or more investors in order to provide them with investment management services; (b) commits to its investors that its business purpose is to invest resources exclusively for capital appreciation returns, revenue from investments or both; and (c) measures and evaluates the performance of substantially all of its investments with based on fair value.

The Company invests, and commits to invest, in several companies that comprise its investment portfolio.

2.2 Significant accounting judgments and estimates

The preparation of interim financial statements requires Management to make estimates, determine assumptions and exercise judgment that affects the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the interim financial information and the recognized amounts of income and expenses in the date of the interim financial information. In certain circumstances, actual results may differ from these estimates.

The main area involving significant assumptions and estimates in the interim financial information is the fair value of financial instruments. The fair value measures of financial instruments that are not traded in an active market is determined using valuation techniques. Management uses its judgment to select an appropriate method and define assumptions that are not always supported by observable prices or market rates.

Changes in assumptions could affect the reported fair value in the amount of US\$ 188 million as of September 30, 2021 of these investments for which fair values were determined.

G2D Investments, Ltd.

Notes to the interim financial statements for the period ended September 30, 2021

In thousands of US dollars, unless otherwise stated

2.2.1 New accounting pronouncements

The following standards, amendments and interpretations of existing standards have been published, but are not yet in force. The Company assessed the impact of the standards and interpretations mentioned below. Based on the analysis carried out, the Company concludes that the new standard has no material impact on the Company's accounting policies, global results, and financial position.

New IFRS Standard	Title	Effective for the year ended December 31,
Ammendments to the IFRS 3	Business Combination	2022
Ammendments to the 16	Property, Plant and Equipment	2022
Ammendments to the IAS 37	Provision, contingent liabilities and contingente assets	2022
Ammendments to the IAS 1	Presentation of financial statements	2023
IFRS 17	Insurance	2023

2.3 Summary of the accounting policies

(i) Functional and presentation currency

The functional and presentation currency of the Company is the US dollar (US\$).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing on the dates of the transactions.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined.

2.3.1 Financial instruments

(i) Financial assets (initial recognition)

On initial recognition, financial assets are classified as instruments measured at amortized cost, fair value through other comprehensive income ("FVOCI") and fair value through profit and loss ("FVPL").

The classification of financial assets at initial recognition is based on either (i) the Company's business model for managing the financial assets and (ii) the instruments' contractual cash flows characteristics.

For a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are 'Solely Payments of Principal and Interest' (the "SPPI" criterion) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The recognition and measurement of financial assets are based on G2D's business model for managing financial assets. Therefore, G2D classifies its equity investments held for trading, as well as investments for which it does not recognize gains and losses in other comprehensive income, at fair value through profit and loss.

Acquisitions and disposals of financial assets are recognized on the trade date.

Purchases or disposals of financial assets within a period established by regulation or market convention (regular purchases) are recognized on the settlement date. The Company's financial assets include financial instruments not quoted in an active market.

(ii) Financial assets (subsequent recognition)

All financial assets are subsequently measured at fair value through profit or loss.

(iii) Financial assets (determination of fair value)

The Company's investments are primarily non-current financial assets and market quotations are not readily available, therefore these investments are measured at their fair value using the most appropriate valuation techniques.

The responsibility for approving measurements of fair value lies with the Board of Directors. The managers of the funds in which the Company invests, and the managers of the Company's direct investments provide investment appraisals.

Due to inherent uncertainties, fair valuations may differ significantly from values that would have been used in actual market transactions. The main driver of fair value of the Company is the valuation of its investment portfolio assets. The valuation assumptions and techniques are therefore disclosed hereafter.

a) Direct investments

In estimating the fair value of unquoted direct investments, the Company considers the most appropriate market valuation techniques, using observable inputs where possible. This analysis will typically be based on one of the following methods (depending on what is appropriate for a particular company and industry):

- Result of multiple analysis;
- Result of discounted cash flow analysis;
- Reference to transaction prices (including subsequent financing rounds);
- Reference to the valuation attributed by other investors;
- Reference to comparable companies;
- Reference to calculation of net assets values ("NAV");
- Available market prices for quoted securities in active markets.

The Board of Directors reviews and discusses the valuations at least once a year and may independently apply adjustments to determine the investments' fair value.

b) Fund investments

The valuation of Fund Investments is generally based on the latest available Net Asset Value ("NAV") of the fund reported by the corresponding fund manager provided the NAV has been appropriately determined using proper fair value principles as per the IFRS 13 – Fair Value Measurement.

The Board of Directors reviews and approves the NAV provided by each fund's General Partners unless the Board of Directors is aware of reasons that such a valuation may not be the best approximation of fair value. In general, NAV is adjusted by capital calls and distributions falling between the date of the latest NAV of the fund and the reporting date of the Company.

Additionally, a mark to market adjustment is applied if funds are invested in listed quoted securities which are traded in active markets. Finally, investment valuations are generally based on reports from previous quarters (compared to the reporting date) of capital accounts.

Adjustments to the valuation are considered when either of the following applies:

- The Company becoming aware of changes in the fair values of underlying companies;
- New/amended features of the fund agreement that might affect distributions;
- Changes to market or other economic conditions impacting the value of the fund;
- The NAV reported by the fund being appropriately determined by the application of valuation principles as per generally accepted accounting standards.

(iv) Financial assets (derecognition)

A financial asset is derecognized when the contractual rights to receive cash flows from the asset has expired or G2D has transferred its contractual rights to receive cash flows from the asset or has assumed a contractual obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) G2D has transferred substantially all the risks and rewards of the asset; or (b) G2D has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(v) Financial liabilities

Financial liabilities are classified, at initial recognition, as amortized cost.

All financial liabilities are recognized initially at fair value and net of directly attributable transaction costs.

(vi) Financial liabilities (derecognition)

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of income.

2.3.2 Earnings per share

Earnings per share were calculated based on the weighted average number of shares in the period.

There is no dilutive effect on the result attributable to shareholders.

2.3.3 Management, performance and administrative services fees

Based on the administrative service agreement, the Company should pay GP Advisors US\$ 100,000 per year. On September 30, 2021 the administrative service fees payable amounted to US\$ 96.

Based on the investment management agreement, the management fee payable is calculated as 1/4 of 1.5% of the Company's previous calendar quarter NAV. On September 30, 2021, the management fee payable is US\$ 481,000.

Besides administrative services fees and management fees, GP Advisors will be entitled to a performance fee of 10% of the increase, if any, in the Company's NAV after a 5% annual hurdle (minimum rate of return). On September 30, 2021, the accrued performance fee is US\$ 7.6 million.

2.3.4 Segment information

The Company has only the private equity operating segment related to the technology and innovation sector, which is the basis for assessing performance and allocating resources.

3 Financial risk management

3.1 Strategy in using financial instruments

The investment objective of the Company is to realize long-term capital appreciation, investment income or both by creating a portfolio of Direct Investments and Fund Investments in the private equity sector.

Notes to the interim financial statements for the period ended September 30, 2021

In thousands of US dollars, unless otherwise stated

The Company's activities expose it to a variety of financial risks, namely market risk (including interest rate risk, currency risk and other price risks) and liquidity risk. Management observes and manages these risks. These risks could result in a reduction of the Company's net assets. The Company seeks to minimize these risks and adverse effects by considering potential impacts from the financial markets. The Company manages these risks, where necessary, via collaboration with service partners that are market leaders in their respective area of expertise. Additionally, the Company has internal guidelines and policies in place to ensure that transactions are executed in a consistent and diligent manner.

3.1.1 Market risk

(i) Interest rate risk

The Company is subject to cash flow interest rate risk due to fluctuations in the prevailing levels of market interest rates. Changes in interest rates affect financial assets as well as financial liabilities. The Investment Manager monitors interest rates on a regular basis and informs the Board of Directors accordingly at its quarterly meetings.

(ii) Currency risk

The Net Asset Value per share is calculated in USD, the functional currency of the Company. A meaningful share of the Company's underlying investments are denominated in Reais (R\$). The Company is exposed to a certain degree of currency risk, which can adversely affect performance. Fluctuations in foreign currency exchange rates affect the Net Asset Value of the investments and therefore the Company. The Company can enter into currency contracts to mitigate these currency risks. As of September 30, 2021, the Company did not have any derivative contracts.

3.1.2 Liquidity risk

Due to the specific nature of private equity funds of the type through which the Company invests, immediate and full investment of assets is not always possible. Commitments made by a private equity investor in a private equity fund typically result in actual investments being made over a year of up to five years.

On September 30, 2021, the Company had uncalled commitments of US\$ 22 million, of which US\$ 11 million can be invested by June 2026 and US\$ 9.9 million with no time limit to be invested

Besides the uncalled commitments, the Company had on September 30, 2021, a loan amounted to US\$ 20.1 million due in July 2022 and with an annual interest rate of 3%, as per note 8.

4 Fair value estimate

In addition to the fair value approach highlighted in Note 2.3.1, the IFRS requires the Company to disclose fair value measurements by level of the following fair value measurement hierarchy:

Level 1 – inputs to the valuation methodology are quoted prices available in active markets as of the reporting date. The type of investments listed under Level 1, include unrestricted securities listed in active markets.

Level 2 – inputs to the valuation methodology are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date. Investments which are included in this category include restricted securities listed in active markets, securities traded in other than active markets, derivatives, corporate bonds and loans.

Level 3 – inputs to the valuation methodology are unobservable and significant to overall fair value measurement. The inputs into the determination of fair value require significant management judgment or estimate. Investments that are included in this category include investments in privately held entities.

G2D Investments, Ltd.

Notes to the interim financial statements for the period ended September 30, 2021

In thousands of US dollars, unless otherwise stated

Management's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment. The Company classifies its portfolio investments as follows:

Original investment currency	Level	September 30,	December 31,
		2021	2020
		Fair Value	Fair Value
Investment's portfolio			
Expanding Capital	US\$	17,740	11,036
BLU Pagamentos S.A.	R\$	28,968	31,385
The Craftory, LTD	GBP	81,714	40,527
Quero Educação	US\$	5,107	5,107
Sim;paul	R\$	2,363	1,949
Inova FIP	R\$	52,080	3,064
Financial investments			
Corporate Bonds	US\$	13,545	-

5 Cash and cash equivalents

Currency	September 30, 2021	December 31, 2020
US dollars (US\$)	22,114	309
Reais (R\$)	130	22
	<u>22,244</u>	<u>331</u>

Cash includes cash on hand and cash equivalents. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, with original maturities of three months or less, and that are subject to an insignificant risk of change of value.

6 Financial investments

Measured at fair value through profit and loss	Level	Currency	September 30, 2021	December 31, 2020
Financial instruments - Bonds	I	US\$	13,545	
			<u>13,545</u>	<u></u>

G2D Investments, Ltd.

Notes to the interim financial statements for the period ended September 30, 2021

In thousands of US dollars, unless otherwise stated

The Company classifies all its financial instruments up to September 30, 2021 as level I assets. All the financial instruments were issued by public companies and all of them are due by May, 2022. Part of the financial investments matured by September 30, 2021 and generated proceeds of US\$ 6.8 million.

G2D Investments, Ltd.

Notes to the interim financial statements for the period ended September 30, 2021

In thousands of US dollars, unless otherwise stated

7 Investments

The following table summarizes the Company's investments measured at fair value through profit and loss by the above fair value hierarchy levels:

	<u>September 30, 2021</u>		<u>December 31, 2020</u>		<u>Net change in unrealized gain (loss) with equity portfolio for the period ended</u>		
	<u>Total direct and indirect - %</u>	<u>Cost</u>	<u>Fair value</u>	<u>Total direct and indirect - %</u>	<u>Cost</u>	<u>Fair value</u>	<u>September 30, 2021</u>
Investment held directly by the Company							
G2D Investments, Ltd – Level III							
(i) The Craftory, Ltd	16.4%	50,038	81,714	16.4%	32,771	40,527	23,920
(ii) Blu Pagamentos S.A.	24.3%	12,067	28,968	24.3%	12,067	31,385	(2,417)
(iii) Expanding Capital (*)		17,856	17,740		9,761	11,036	(1,391)
(iv) Sim;paul	5.0%	2,534	2,363	5.0%	1,989	1,949	(131)
(v) Quero Educação	3.2%	5,000	5,107	3.2%	5,000	5,107	-
(vi) Inova FIP (**)		9,266	52,080		3,072	3,064	42,825
Total		<u>96,761</u>	<u>187,972</u>		<u>64,660</u>	<u>93,068</u>	<u>62,806</u>

(*) On September 30, 2021, represented by approximately 25.6% of BBridge Capital I LP and 50% of Expanding Capital II-A LP.

(**) Inova FIP invests in CERC and 2TM. On September 30, 2021, ownership stakes are represented by approximately 4.6% and 2.9%, respectively.

G2D Investments, Ltd.

Notes to the interim financial statements for the period ended September 30, 2021

In thousands of US dollars, unless otherwise stated

- (i) The Craftory is a consumer-oriented investment company, based in London and San Francisco. It is exclusively focused on expanding the world's boldest consumer brands and providing permanent, early-stage and growth capital to brands operating in the consumer-packaged goods sector.

In the first semester of 2021, the Company invested US\$ 7 million in The Craftory. In the third quarter of 2021, the Company invested US\$ 10.2 million.

As of September 30, 2021, the total amount invested was US\$ 50 million from a total of US\$ 60 million commitment, with a fair market value of US\$ 81.7 million. At the end of the third quarter of 2021, one of the investee companies of The Craftory was revaluated, increasing its fair market value by approximately US\$ 29 million.

The valuation technique used for this investment was recent transactions as well as the NAV as provided by The Craftory.

- (ii) Blu is a Brazilian fintech based in Rio de Janeiro, aimed at reducing transaction costs between retailers and suppliers. Blu's main products offer payment and financial solutions and tools for customer relationship management. The company developed a financial solutions platform that connects retailers to their suppliers and creates a direct trading market between companies ("business-to-business" or "B2B").

The initial investment of approximately US\$ 3.2 million occurred during 2018. During 2020, an additional investment amounting to approximately US\$ 8.9 million was made.

At the beginning of the third quarter of 2021, G2D's interest in Blu was revalued from US\$ 29 million to US\$ 39 million. The revaluation is the result of a Series B investment round. In this transaction, G2D received approximately US\$ 10.1 million and its remaining stake in Blu is currently valued at approximately US\$ 29 million. As part of the transaction, G2D's debentures were converted into shares.

The valuation technique used for this investment was based on a recent transaction.

- (iii) Expanding Capital is a venture capital firm headquartered in San Francisco, California. Since 2016, Expanding Capital has made minority investments in companies backed by leading venture capital funds around the world.

On the second quarter of 2021, the Company received proceeds of US\$ 6.5 million regarding the sale of one of Expanding Capital's investment and the same amount was reinvested in the fund. On the third quarter of 2021, the Company invested US\$ 1.7 million in Expanding Capital. The total outstanding commitment as of September 2021 was US\$ 11 million.

The valuation technique used for this investment was recent transactions as well as the NAV as provided by Expanding Capital.

- (iv) On July 2020, the Company acquired convertible notes of Sim;paul for approximately US\$ 1.8 million, representing an ownership stake of 5%. Sim;paul is a digital native Brazilian brokerage platform. Sim;paul is redesigning the way the consumers learn about and access financial products and it intends to support the offering of more personalized advice through Independent Financial Advisors ("IFA"). Sim;paul's technology has been developed in the open banking model, bringing simplicity, freedom and transparency to the financial markets.

During the third quarter of 2021, the Company invested US\$ 0.5 in Sim;paul.

The valuation technique used for this investment was a recent transaction.

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In thousands of US dollars, unless otherwise stated

Quero Educação is a Brazilian education platform that allows students to learn about, connect to and enroll in higher education institutions. Students can obtain discounts on tuition, while partnering institutions achieve meaningful reductions in their vacancy rates.

The original investment in Quero Educação was made in 2019 in the form of US\$ 5 million in convertible notes, equivalent to 3.2% of Quero.

A study was conducted on the fair value of the investment, using cash flow techniques and multiple analysis. The Company concluded that both valuation techniques are in line with the value of the last recent transaction, held in July 2020, the date of the conversion of debentures into Quero shares.

- (v) In August 2020, the Company acquired a stake in CERC, through Inova FIP, in the amount of approximately US\$ 3 million, corresponding to 3.4% of the investee. CERC is a fintech developing the technological infrastructure for credit markets in Brazil. CERC's solutions include a centralized registry for receivables as well as associated insurance and settlement services. In February 2021, the Company acquired a 3.5% stake in 2TM Participações S.A., controller of the Mercado Bitcoin, through Inova FIP, for approximately US\$ 2.5 million. Mercado Bitcoin is a digital assets platform, where users can buy and sell cryptocurrencies and other digital assets, such as tokens that represent real assets. Its parent company also created Bitrust, a qualified custodian of cryptocurrencies and digital assets, and MeuBank, a portfolio of digital assets.

At the beginning of the third quarter of 2021, there was a new round of investment in 2TM which revalued G2D's original investment in 2TM to approximately US\$ 52 million. After the revaluation of the investment, approximately 7.5% of G2D's stake in 2TM was sold, generating US\$ 3.8 million in cash proceeds to the Company. The Company's current stake in 2TM is valued at approximately US\$ 44 million.

In September 2021, a new round of investment in CERC was carried out, in which G2D contributed US\$ 3.7 million to CERC. As part of the transaction, G2D's September 2021 investment was revalued to US\$ 8 million.

The valuation technique used for this investment was based on recent.

The changes in the investments are stated as follows:

	September 30, 2021	December 31, 2020
At the beginning of the period	93,068	42,018
Appreciation (depreciation) in fair value of investments, net	64,198	19,920
Reversal of unrealized fair value on disposal of investments	(1,392)	
Ownership acquisition – Expanding Capital	8,976	3,010
Ownership disposal – Expanding Capital	(881)	(6,750)
Ownership acquisition – Blu		8,898
Ownership acquisition – The Craftory	17,267	21,018
Ownership acquisition – CERC		3,072
Ownership acquisition – Sim;paul	545	1,882
Ownership acquisition – Inova FIP	9,428	16,540
Ownership disposal – Inova FIP	(3,237)	
At the end of the period	<u>187,972</u>	<u>93,608</u>

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8 Loans

	<u>Currency</u>	<u>September 30, 2021</u>	<u>December 31, 2020</u>
Loans	US dollar	<u>20,098</u>	<u>20,248</u>
		<u>20,098</u>	<u>20,248</u>

On July 31, 2020, the Company obtained a loan with BTG in the amount of US\$ 20 million with maturity in July 2021 and interest rate of 2.5% per year. The cost of issuing this loan was US\$ 240,000 and has been recognized in the Company's results.

On January 20, 2021, the Company obtained an additional loan in the amount of U\$ 12 million with the same terms and conditions of the original loan. The cost of issuing this additional loan was US\$ 240,000 and has been recognized in the Company's results.

Subsequently, the terms of both loans with BTG were renegotiated in a new contract, setting the maturity to July 2022 and updating the interest rate to 3% per year.

In June 2021, the Company paid a portion of US\$12 million of the total loans held with BTG.

The accrued interest recognized on September 30, 2021 amounted to US\$ 605,000 and was recognized in the Company's results.

9 Management and performance fees

The management fee is calculated based on 1.5% of the Company's NAV, calculated every quarter based on each previous quarter's NAV.

For the periods preceding the initial public offering ("IPO"), an estimated management fee expense was calculated and recognized in G2D's results. On June 30, 2021 the management fee was recalculated based on the actual NAV for the period after the IPO as per the Agreement and recognized as an expense, whereas the estimated management fee was reversed from the Company's results. The actual management fee expenses for the period between the IPO and September 30, 2021 was US\$ 480.

The performance fee is calculated based on the Company's NAV on the day of its initial public offering (IPO), with the addition of a minimum annual rate of return of 5% (hurdle rate), compared to the NAV at each fiscal year-end. At the end of each quarter, if the current NAV outweighs the one at the time of the IPO, on the difference between them, the rate of 10% is calculated and accounted for as a performance fee provision, being recalculated and adjusted quarterly. Payment will take place up to 90 days after the end of each fiscal year. Actual performance fee accruals for the period between the IPO and September 30, 2021 were US\$ 7.6 million.

10 Shareholders' equity

(a) Changes in the share capital

The changes in the share capital at the presented period are summarized below:

G2D Investments, Ltd.

Notes to the interim financial statements for the period ended September 30, 2021

In thousands of US dollars, unless otherwise stated

	<u>September 30, 2021</u>	<u>December 31, 2020</u>
Class A	39,254,525	
Class B	66,025,326	66,025,326
Total	<u>105,279,851</u>	<u>66,025,326</u>

According to the Company's By-Laws, the Class A and Class B shareholders have the same economic rights, but the Class A shareholders have restricted rights to participate and may vote in specific matters only.

(b) Earnings per share

The earnings per share for the nine-month period ended September 30, 2021 were calculated based on the weighted average of shares, according to the table below (in thousands of US dollars, except for the number of shares):

	<u>Nine-month period ended</u>	<u>Three-month period ended</u>
	<u>September 30, 2021</u>	<u>September 30, 2021</u>
Net income for the period attributable to G2D	73,838	67,734
Weighted average common shares outstanding - basic	85,818,892	66,025,326
Weighted average common shares outstanding - diluted	85,818,892	66,025,326
Profit per share in US\$ - basic	0.86	0.64
Profit per share in US\$ – diluted	0.86	0.64

(c) Company's incorporation

The Company was incorporated on July 27, 2020 with 10,000 of common shares with a par value of US\$ 1 each.

On July 31, 2020, occurred an increase of capital through an investment of assets with the corresponding issue of 66,016,000 common shares with a par value of US\$ 1.00 each, as shown below:

- (i) 5,000,000 shares to GPIC for the contribution of the investment in Quero Educação;
- (ii) 8,136,198 shares to GPIC for the contribution of the investment in Expanding Capital;
- (iii) 16,290,945 shares to Spice Bermuda for the contribution of investment in The Craftory;
- (iv) 36,598,182 shares to GP Cash for the contribution of the investment in Blu Meio de Pagamentos, Sim;paul and cash.

On May 13, 2021, G2D priced its Initial Public Offering at R\$ 7.16 per share, representing a 25% implicit premium on the value of its net assets in December 2020. The offer generated proceeds totaling approximately US\$49 million.

As of September 30, 2021, the Company's share capital and share premium amounted to US\$ 115 million.

The breakdown of the share capital as of September 30, 2021 is demonstrated below:

G2D Investments, Ltd.

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In thousands of US dollars, unless otherwise stated

Shareholders	Class A shares	Class B shares	Total shares	Ownership stake (%)
GP Investments' subsidiaries	7,013,212	66,025,326	73,128,538	69.5%
Free float	32,151,313		32,151,313	30.5%
Total	39,254,525	66,025,326	105,279,851	100%

According to the Company's bylaws, shareholders of Class A and Class B shares have the same economic rights, whereas the Class A shareholders are not generally entitled to attend and vote at General Meeting and have restricted voting rights as set out in the Company's By-Laws. The Company's Bylaws provide that the Board of Directors will decide the periodicity of the distribution of dividends to the holders of Class A and Class B common shares, in proportion to the shares held by them. The Company's BDRs are backed by Class A common shares.

Under Bermuda law, the Board of Directors can only distribute dividends if it meets the following conditions: (i) the Company should not be or become insolvent due to the payment of dividends as they are due; and (ii) the realizable value of the assets cannot become insufficient to satisfy the Company's liabilities.

11 Subsequent events

There are no subsequent events to be reported after September 30, 2021.
