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Audited Carve-out Financial Statements as of and for the Years Ended December 31, 2020, 2019 and 2018

G2D Investments, Ltd.

Carve-out Financial Statements for the Year Ended December 31, 2020 and Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT ON THE CARVE-OUT FINANCIAL STATEMENTS

To the Management and Shareholders of
G2D Investments, Ltd.

Opinion

We have audited the carve-out financial statements of G2D Investments, Ltd. (the "Company"), which comprise the balance sheet as at December 31, 2020, and the related statements of operations, of comprehensive income (loss), of changes in equity and of cash flows for the year then ended, and notes to the carve-out financial statements, including a summary of significant accounting policies.

In our opinion, the carve-out financial statements referred to above present fairly, in all material respects, the financial position of G2D Investments, Ltd. as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB").

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the carve-out financial statements" section of our report. We are independent of the Company in accordance with the relevant ethical requirements in the Code of Ethics for Professional Accountants and the professional standards issued by the Brazilian Federal Accounting Council ("CFC"), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of matter

Preparation of carve-out financial statements

We draw attention to note 2.b) to the carve-out financial statements, which describes the basis of preparation of the carve-out financial statements. The carve-out financial statements were prepared and presented exclusively to demonstrate the financial position, financial performance and cash flows of the Company, as if it was incorporated as of January 1st, 2018 and may not be suitable for another purpose. The carve-out financial statements were derived from the accounting records of the parent Company GP Investments, Ltd, which include assets, liabilities, revenues, expenses and cash flows related to certain investments that were part of GP Investments, Ltd. financial statements. Our opinion is not qualified in respect of this matter.

Key audit matters

Key audit matters ("KAM) are those matters that, in our professional judgment, were of most significance in our audit of the carve-out financial statements of the current period. These matters were addressed in the context of our audit of the carve-out financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Fair value of investments

As explained in notes 2.f) and 6 to the carve-out financial statements, the carve-out financial statements include investments in shares of private entities measured at fair value amounting to US$85,312 thousand, whose fair values have been estimated by Management in the absence of readily determinable fair values. Management’s estimates are based on information provided by the fund or vehicle managers, which usually is derived from the most recent orderly transaction, adjusted to consider events that could impact the fair value on the measurement date, and corroborated through other methodologies such as net asset value (“NAV”), discounted cash flows or sector comparable multiples, when applicable. The measurement of the fair value of the Company’s investments in private entities is relevant in the context of the carve-out financial statements and it involves a high level of judgment on the part of Management, as it depends on valuation techniques based on subjective business and valuation assumptions and with a high degree of uncertainty. Accordingly, we consider this matter to be an area of focus in our audit approach.

Our audit procedures included, among others: (i) understanding and evaluation of the design and implementation of internal controls related to the process for review and approval of the fair value measurement; (ii) inspection of the recent orderly transactions and analysis of the events between the transaction date and the measurement date that could impact the fair value; (iii) involvement of our valuation internal specialists to support the analysis of the reasonableness of the valuation methodology used, the mathematical calculation and the valuation assumptions as the discount rate and comparison with industry multiples, when applicable; (iv) comparison of the such amounts with the net asset value (“NAV”) as disclosed by the fund or vehicle, when applicable; (v) certain procedures to assess the net asset value of the investment level; and (vi) analysis of the adequacy of the disclosures in the carve-out financial statements.

Based on the audit procedures mentioned above and on audit evidence obtained, we consider that the assumptions and criteria used by Management, based on the recent orderly transactions and other methodologies to determine fair value, are acceptable in the context of the carve-out financial statements taken as a whole.

Other information accompanying the carve-out financial statements and the independent auditor’s report

Management is responsible for the other information. The other information comprises the Management Report.

Our opinion on the carve-out financial statements does not cover the Management Report and we do not express any form of audit conclusion thereon.

In connection with our audit of the carve-out financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the carve-out financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.

Management’s responsibilities and those charged with governance for the carve-out financial statements

Management is responsible for the preparation and fair presentation of the carve-out financial statements in accordance with IFRSs issued by the IASB, and for such internal control as Management determines is necessary to enable the preparation of carve-out financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the carve-out financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the carve-out financial statements

Our objectives are to obtain reasonable assurance about whether the carve-out financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these carve-out financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the carve-out financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the carve-out financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the carve-out financial statements, including the disclosures, and whether the carve-out financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the carve-out financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the carve-out financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, March 11, 2021

DELOITTE TOUCHE TOHMATSU
Auditores Independentes

Guilherme Jorge Dagli Júnior
Engagement Partner

G2D Investments, Ltd.

Carve-out balance sheets
as of December 31, 2020, 2019 and 2018
In thousands of US dollars

	Note	December, 31 2020	December 31, 2019	December 31, 2018		Note	December, 31 2020	December 31, 2019	December 31, 2018
Assets					**Liabilities and shareholders' equity**				
Cash and Cash Equivalents	5	331	-	-	Loan	7	20,248		
					Accounts payable	8	343		
					Shareholders				
					Contribution from shareholders	9	-	42,018	13,309
					Share capital	10	66,026	-	-
Equity Investments	6	93,068	42,018	13,309	Accumulated income (loss)		6,781	-	-
							72,807	42,018	13,309
Total assets		93,399	42,018	13,309	**Total liabilities and shareholders' equity**		93,399	42,018	13,309

The accompanying notes are an integral part of these carve-out financial statements.

G2D Investments, Ltd.

Carve-out statements of operations
For the years ended December 31 2020, 2019 and 2018
In thousands US dollars

	Notes	December, 31 2020	December, 31 2019	December, 31 2018
Unrealized gain (loss)	6	19,921	9,221	354
Total income (loss)		**19,921**	**9,221**	**354**
Loan issuance costs	7	(240)		
Management fee expense	8	(852)	(325)	(113)
Audit fees		(286)		
Legal and consulting fees		(784)		
Banking fees		(2)		
Custody fees, annual fees, tax		(104)		
Others		(174)		
Total expenses		(2,440)	(325)	(113)
Financial results				
Financial income		54		
Financial expenses		(248)		
Other financial results		0		
Total financial results		(194)	-	-
Net income for the year		**17,286**	**8,896**	**241**
Shares		**66.025**		
EPS		**0.26**		

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The accompanying notes are an integral part of these carve-out financial statements.

G2D Investments, Ltd.

Carve-out statements of comprehensive income
For the years ended December 31, 2020, 2019 and 2018
In thousands of US dollars

	2020	2019	2018
Net income (loss) for the year	17,286	8,896	241
Comprehensive income (loss)	17,286	8,896	241
Attributable to			
Shareholders of G2D Investments, Ltd.	17,286	8,896	241

The accompanying notes are an integral part of these carve-out financial statements.

G2D Investments, Ltd.

Carve-out statements of changes in shareholders' equity
For the years ended on December 31, 2020, 2019 and 2018
In Thousand US dollars

	Notes	Contribution from shareholders	Share capital	Accumulated income (loss)	Total Equity
Balance as of December 31, 2017		**4,421**	**-**	**-**	**4,421**
Net contribution from shareholders	9	8,647	-	-	8,647
Income for the year		241	-	-	241
Balance as of December 31, 2018		**13,309**			**13,309**
Net contribution from shareholders	9	19,812			19,812
Income for the year		8,896			8,896
Balance as of December 31, 2019		**42,018**	**-**	**-**	**42,018**
Capital contribution from shareholders	9	20,253			20,253
Capital decrease or distribution of capital	6	(6,750)	-		(6,750)
Incorporation G2D - July 27		(10)	10		-
Income (loss) for the year		10,505		6,781	17,286
Capital increase on G2D		(66,016)	66,016		-
Balance as of December 31, 2020		**0**	**66,026**	**6,781**	**72,807**

The accompanying notes are an integral part of these carve-out financial statements.

G2D Investments, Ltd.

Carve-out statement of cash flows
For the year ended December 31, 2020
In Thousand US dollars, unless otherwise stated

	Note	2020	2019	2018
Cash flows from operating activities				
Net income (loss)		17,286	8,896	241
Net cash provided by (used in) operating activities				
Reconciliation of net income (loss) to cash from operating				
Unrealized (gain) loss in fair value of investments		(19,921)	(9,221)	(354)
Interest on loans	7	(248)		
Interest on cash		54		
Changes in assets and liabilities				
Decrease (increase) in Accounts payable		343		
Others		88		
Net cash (used in) provided by operating activities		(2,398)	(325)	(113)
Cash flows from investing activities				
Purchase of interest and capital increase on investments	6	(37,525)	(19,487)	(8,534)
Sale of investments				
Net cash provided by (used in) investing activities		(37,525)	(19,487)	(8,534)
Cash flows from financing activities				
Share Capital		20,253	19,812	8,647
Loan obtained	7	20,000		
Net cash provided by (used in) financing activities		40,254	19,812	8,647
Net change in Cash and Cash Equivalents		331	-	-
Net increase (decrease) in cash and cash equivalents				
Cash and cash equivalents at beginning of the year		-	-	-
Cash and cash equivalents at the end of the year		331	-	-

1 General information

G2D Investments, Ltd. (the "Company" or "G2D"), a Company ultimately controlled by GP Investments, Ltd. ("GP") was incorporated on July 27, 2020, in Bermuda, with the objective of investing in innovative and high-growth companies 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 in order to perform its investment activity it has delegated the relevant tasks to GP Advisors (Bermuda) Ltd, a company controlled by GP through an Investment Management Agreement. In 2020, G2D Investments, Ltd entered into an Investment Management Agreement with GP Advisors (Bermuda) Ltd in respect to services to be provided for its investment portfolio. The Investment Management Agreement empowers, inter alia, GP Advisors (Bermuda) Ltd to take investment decisions on behalf of G2D. The agreement has an initial life of 10 years.

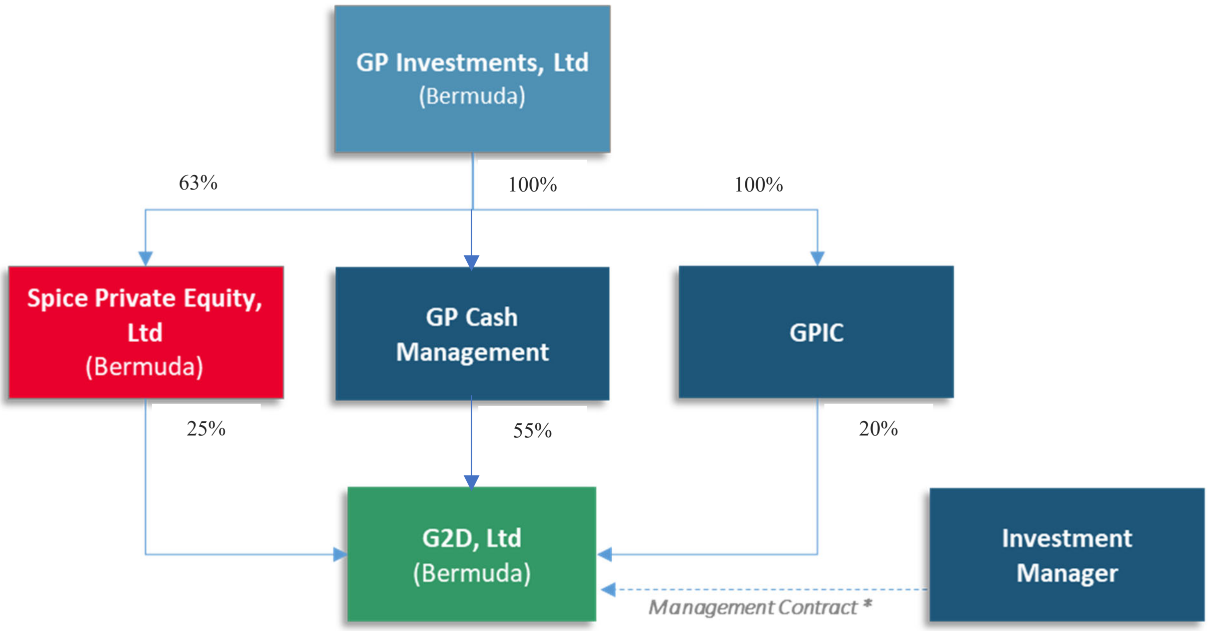
These financial statements reflect an administration fee as defined in the investment management and administrative services contract.
According to the agreement, all investments and divestments are proposed by the Investment Committee and approved by the Company's Board of Directors.

On July 31, 2020, GP Investments, Ltd and Spice Private Equity Ltd. ("Spice"), indirect controlling shareholders of the Company, carried out a corporate restructuring, through their vehicles, in order to contribute the assets of innovative companies already in their portfolio to the capital of the Company. The financial assets contributed to the Company were the equity investments measured at fair value through profit and loss in the following companies: Blu Meios de Pagamentos S.A. ("Blu"), N.I.B.S.P.E. Empreendimentos e Participações S.A. ("Sim;paul"), The Craftory Limited ("The Craftory"), BBridge Capital I, LP, Expanding Capital II-A, LP (in conjunction with BBridge Investments, LLC, "Expanding Capital") and Quero Educação Serviços de Internet Ltda. ("Quero Educação", and in conjunction with Blu, Sim;paul, The Craftory and Expanding Capital, "G2D Portfolio"). In addition to the G2D Portfolio, the Company intends to acquire new equity interests and conclude new investments in the coming years.

GP Cash Management, Ltd. ("GP Cash"), Spice Private Equity (Bermuda), Ltd. ("Spice Bermuda") and GPIC, Ltd. ("GPIC") were responsible for the contributions of the G2D Portfolio to the capital of the Company.

GP Cash contributed the participation held in GPCM, LLC, responsible for investing in Blu and Sim;paul. Spice Bermuda was responsible for the contribution its stake held 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 December 31, 2020:



*Investment Management Agreement between G2D Investments, Ltd and GP Advisors (Bermuda) Ltd.

As of December 31, 2020, G2D portfolio consists of investments in six innovative assets as described below:

Blu is a fintech that proposes to reduce transaction costs between retailers and suppliers in specific segments, such as furniture, mattresses and clothes by anticipating receivables, in addition to offering installments and promoting credit for the beginning storekeeper. Blu's digital platform offers simple and advantageous solutions that help retailers to grow and reduce transaction costs, while allowing industries to sell more, mitigating default risks.

The Craftory is a permanent capital investment holding company that seeks to invest in innovative consumer goods companies and brands that have a major cause and socio-environmental impact.

Expanding Capital is a venture capital fund based in San Francisco, California, whose objective is to invest in technology companies. Since then, Expanding Capital has managed to invest in companies led by the main venture capital funds in the world, with a very robust pipeline.

Sim;paul is a fintech with the objective of innovating the financial market and the experience of its clients by offering investment advice with simplicity, freedom and transparency. Sim;paul intends to offer a brokerage platform with a unique value proposal for AAIs (Autonomous Investment Agent), through a partnership model.

Quero Educação operates an educational marketplace that connects students to courses, schools and colleges in Brazil. Its platform allows students to find information about courses, schools and colleges where they wish to study, compare university programs and options, learn about tuition and scholarships, apply and enroll in educational programs.

Finally, CERC or Central de Recebíveis, is a fintech based in São Paulo operating in the documentary receivables area, which seeks to streamline documentary receivables in Brazil, including, for example, seeking the creation of an insurance register and a settlement chamber.

2 Accounting policies

(a) Basis of presentation

The accompanying carved-out financial statements of the Company for the years ended December 31, 2020, 2019 and 2018 have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Investment company

In accordance with IFRS 10, the company was deemed to be an investment company; and accordingly, have been required to report their investments at fair value, and do not consolidate their 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 these investors investment management services; (b) commits to its investors that its business purpose is 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 operates as an investment structure and invests and undertakes to invest in several portfolio companies.

The carve-out financial statements were approved by the Board on March 09, 2021.

(b) The carve out financial statements were prepared to demonstrate the carve out financial position, results and cash flows of G2D investments, Ltd. as if it was incorporated on January 1st, 2018. G2D's carve-out financial statements were derived from the accounting records and financial statements of GP Investments, Ltd. prepared based on IFRS, issued by the IASB.

During all the years and years presented, G2D investments were part of the GP investment's consolidated financial statements.

For the purpose of the carve out financial statements, the methodologies described below were used to segregate assets and liabilities, revenues, expenses and cash flows between G2D's operations and the other activities of GP Investments, Ltd.

G2D's assets, liabilities and results of activities have been determined using specific identification based on GP Investments, Ltd.'s existing historical records and organizational division.

(c) Significant accounting estimates and judgements

The preparation of carve-out financial statements requires the Board of Directors to make estimates and assumptions and exercise judgement that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting year. In certain circumstances, actual results could differ from those estimates.

The area involving assumptions and estimates that are significant to the carve-out financial statements is fair value of financial instruments and investments. The fair value measurements of financial instruments and investments that are not traded in an active market are determined by using valuation techniques Management uses its judgment to select an appropriate method and make assumptions that are not always supported by observable market prices or rates. The use of valuation techniques requires management to make estimates.

In Thousand US dollars, unless otherwise stated

Changes in assumptions could affect the reported fair value of these financial instruments and investments for which fair values were determined using valuation techniques amounted to USD 85.3 million, USD 42 million and USD 13 million for the years ended December 31, 2020, 2019, and 2018, respectively.

(d) New standards

The following standards, amendments and interpretations to existing standards have been published and were implemented, when applicable, during the year ended December 31, 2020, 2019 and 2018:

IFRS 16 – Leases (adoption December 31, 2019)

In accordance with IFRS 16, the new definition of lease reflects a concept of "control" instead of the current concept of "risks and benefits". IFRS also establishes that leases are included in the balance sheet. The following steps should be used to identify and recognize a lease:

- Identify an asset
- Segregate the lease and non-lease components
- Identify the lease term
- Identify the discount rate

The implementation of IFRS 16 had no impact on the financial statements.

The following standards, amendments and interpretations to existing standards have been published and were implemented – when applicable - during the financial year 2020. All amendments to standards have been adopted as applicable and had no effect on the financial statements.

New IFRS pronouncement	Title	Effective for the year ended December 31,
Amendments to IFRS 3	Business Combinations	2020
Amendments to IAS 1 and IAS 8	Presentation of Financial Statements	2020
Amendments to IFRS 7 and IFRS 9	Financial Instruments: Disclosures	2020
Amendments to References to the Conceptual Framework in IFRS Standards		2020

The following standards, amendments and interpretations to existing standards have been published but are not yet effective. The Company has assessed the impact of the below-mentioned standards and interpretations. Based on the analysis performed, the Company concludes that the new standard has no material impact on the Company's accounting policies, its overall results and financial position.

New IFRS pronouncement	Title	Effective for the year ended December 31
Amendment to IFRS 3	Business Combinations	2022
Amendments to IAS 16	Property, Plant and Equipment	2022
Amendments to IAS 37	Provisions, contingent liabilities and contingent assets	2022
Amendments to IAS 1	Presentation of Financial statements	2023
IFRS 17	Insurance Contracts	2023

In respect to the new standards, amendments and interpretations that have been published but are not yet effective, the Company has assessed their impact and concluded that the new standard will have no impact on the Company's accounting policies, its overall results and financial position.

(e) Summary of accounting policies

(i) Functional and presentation currency

The functional currency of the Company is the USD. The presentation currency of the carve-out financial statements of the Company is USD.

(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.

(f) Financial Instruments

(i) Financial Assets (initial recognition and measurement)

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 are based on the G2D business model for managing the financial assets.

G2D classifies the following financial assets at fair value through profit or loss:

(a) Equity investments held for trading; and equity investments for which it did not choose to recognize gains and losses through other comprehensive income.

Purchases or sales of financial assets within a time frame established by regulation or convention in the marketplace (regular way purchases) are recognized on the settlement date. The Company's financial assets includes unquoted financial instruments.

(ii) Financial Assets (subsequent recognition)

Financial assets at fair value through profit or loss. 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 as described below. The responsibility for approving the fair values lies with the Board of Directors. The General partners of funds in which the Company invests, and the Investment Manager of the Company's direct investments provide valuations of these investments. 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, valuation of financial liabilities as well as to a much lesser extent the valuation of remaining asset and liability line items. 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 that particular company and industry):

(a) Result of multiple analysis;
(b) Result of discounted cash flow analysis;
(c) Reference to transaction prices (including subsequent financing rounds);
(d) Reference to the valuation of other investors;
(e) Reference to comparable companies;
(f) Reference to calculation of net assets values ("NAV")
(g) Available market prices for quoted securities in active markets.

The Board of Directors reviews and discuss 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 by using proper fair value principles as per generally accepted accounting standards. The Board of Directors reviews and approves the NAV provided by the 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. Investment valuations are further generally based on previous quarter ended (compared to the reporting date) 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;

- NAV reported by the fund has not been appropriately determined by applying the valuation principles as per generally accepted accounting standards. Further, when information is used based on data different from the reporting date, capital drawdowns and capital distribution activity of the remaining year until year-end is being added to or subtracted from the valuation as appropriate. Where more recent reporting is not available, valuations are based on the latest capital accounts provided by portfolio funds, with capital drawdowns and capital contributions activity being added to or subtracted from the valuation.

(iv) Derecognition (financial asset)

A financial asset is primarily derecognized when the contractual rights to receive cash flows from the asset have expired or the 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) the G2D has transferred substantially all the risks and rewards of the asset; or (b) the 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) Derecognition (financial liabilities)

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.

(g) Management and Performance fee

Based on the investment management agreement, the management fee payable is calculated quarterly as 1/4 of 1.5% of the Company's previous quarter NAV.

GP Advisors (Bermuda) Ltd will be entitled to a performance fee of 10% of the increase, if any, in the Company's NAV after a 5% hurdle and conditioned to the listing of G2D. No performance fees have been accrued or paid during the years ended December 31, 2020, 2019 and 2018.

(h) 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 Instruments

(a) 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.

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.

(b) 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 mainly 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. The Company's underlying investments are largely 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 December 31, 2020, December 31, 2019 and December 31, 2018, the Company did not have any derivative contracts.

(c) 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.

4 Equity Investments and Fair Value estimation

In addition to the fair value approach highlighted in Note 2 (a) and (e), 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 estimation. Investments that are included in this category include investments in privately held entities.

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.

5 Cash and cash equivalents

Denomination	**December 31,**		
	2020	2019	2018
US Dollars (USD)	309	-	-
Real (R$)	22	-	-
Total	**331**	**-**	**-**

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.

In Thousand US dollars, unless otherwise stated

6 Investments

The following table summarizes the Company's investments measured at fair value on a recurring basis by the above fair value hierarchy levels:

		December 31, 2020			December 31, 2019			December 31, 2018			Net change in unrealized gain (loss) on investment for the year ended December 31,		
	Note	**Total direct and indirect - %**	**Cost**	**Fair value**	**Total direct and indirect - %**	**Cost**	**Fair value**	**Total direct and indirect - %**	**Cost**	**Fair value**	**2020**	**2019**	**2018**
Level III													
Expanding Capital	I	*	9,760	11,036	*	13,500	13,500	*	8,600	8,045	1,275	-	424
Blu	II	24.3%	12,067	31,385	24.3%	3,168	11,764	7.1%	3,168	3,098	10,722	555	(70)
The Craftory	III	16.4%	32,771	40,528	16.4%	11,754	11,754	21.6%	2,166	2,166	7,756	- 8,666	-
Quero	IV	3.2%	5,000	5,107	3.2%	5,000	5,000				107	-	-
Sim;paul	V	5.0%	1,882	1,949		-	-		-	-	67	-	-
CERC	VI	3.4%	3,072	3,064		-	-		-	-	(7)	-	-
Total			64,553	93,068		33,422	42,018		13,934	13,309	19,921	9,221	354

* In December 31, 2019 - Represented by approximately 51.28% of BBridge Capital I LP.
** In December 31, 2020 – Represented by approximately 25.6% of Bbridge Capital I LP and 50% of Expanding Capital II-A LP.

(I) Expanding Capital is a venture capital fund based in San Francisco, California, whose objective is to invest in technology companies. Since then, Expanding Capital has managed to invest in companies led by the main venture capital funds in the world, with a very robust pipeline. The Company is investing on Expanding Capital Funds (B Bridge Capital I LP and Expanding Capital II A LP) since 2016 and as of December 31, 2020, the total amount invested is USD 9.7 million. The total commitment for Expanding Capital is USD 25 million.

In March 2020, the Company sold half of its stake corresponding to USD 6.8 million on BBridge Capital I LP for USD 6.8 million.

In October 2020 the Company invested US$ 1,6 million on Expanding Capital for future investments.

In December 2020 the Company had invested USD 9.7 million of a total commitment of USD 25 million (USD 13.5 million of a total commitment of USD 50 million – December 31, 2019).

The valuation technique utilized for this investment was the recent price transaction and net asset value (“NAV”).

(II) Blu is a fintech that proposes to reduce transaction costs between retailers and suppliers in specific segments, such as furniture, mattresses and clothes by anticipating receivables, in addition to offering installments and promoting credit for the beginning storekeeper. Blu's digital platform offers simple and advantageous solutions that help retailers to grow and reduce transaction costs, while allowing industries to sell more, mitigating default risks. The initial investment on the amount of USD 3.2 million occurred during 2018. During 2019, there were transactions with third parties and Blu was revalued with an impact for the Company amounting to USD 8.6 million. The investment of company is through Blu fund, that holds convertible notes into shares. In March 2020, the Company acquired more USD 8.9 million of convertible notes through Blu Fund.

The valuation technique utilized for this investment was recent price transaction, net asset value (“NAV”), discounted cash flow method and multiple analysis technique.

(III) The Craftory is a permanent capital investment holding company that seeks to invest in innovative consumer goods companies and brands that have a major cause and socio-environmental impact. As of December 31, 2020, the total amount invested was USD 32.7 million from a total of USD 60 million commitment.

In the first quarter of 2020, the Company made a capital contribution of USD 4.5 million accompanying other investors in a round of capital call.

In the third quarter of 2020 the Company made a capital contribution of USD 16.5 million accompanying other investors in a round of capital call.

The valuation technique utilized for this investment was recent price transaction and net asset value (“NAV”).

(IV) Quero Educação operates an educational marketplace that connects students to courses, schools and colleges in Brazil. Its platform allows students to find information about courses, schools and colleges where they wish to study, compare university programs and options, learn about tuition and scholarships, apply and enroll in educational programs. This investment was acquired during 2019 for USD 5 million, through convertible notes, equivalent to a 3.2% of Quero’s shares.

The valuation technique utilized for this investment was recent price transaction and multiples analysis.

In Thousand US dollars, unless otherwise stated

(V) On July 2020, the Company acquired 5% stake through convertible notes of Sim;paul for approximately USD 1.8 million, a fintech with the objective of innovating the financial market and the experience of its clients by offering investment advice with simplicity, freedom and transparency. Sim;paul intends to offer a brokerage platform with a unique value proposal for AAIs (Autonomous Investment Agent), through a partnership model. This investment was made through the Simpaul Fundo de Investimento em Participações Multiestratégia.

(VI) On August 2020, the Company acquired 3.4% stake, through convertible notes of CERC for approximately USD 3 million. CERC is a fintech based in São Paulo operating in the documentary receivables area, which seeks to streamline documentary receivables in Brazil, including, for example, seeking the creation of an insurance register and a settlement chamber. This investment was made through the GP Inova Fundo de Investimento em Participações Multiestratégia.

The valuation technique utilized for this investment was recent price transaction.

As of December 31, 2020, the investments in Expanding Capital, The Craftory, Quero Educação, Sim;paul, Blu and CERC were classified as Level III. In the cases of these unlisted entities, fair values were based on unobservable inputs, calculated, among others, the income approach (i.e. multiples of EBTIDA) or last recent price on arms-length transactions executed with non-related party investors and net asset value (NAV) approach.

The COVID-19 pandemic added a new source of uncertainty to global economic activity. Authorities around the world have taken measures to try to contain the spread of the disease, since the virus has spread globally. Restrictions will likely remain in place, suppressing activity, if the contagion does not subside. G2D's underlining assets have not been heavily impacted by the virus since they are mostly in the technology industry that have shown resilience and some even growth during this pandemic period.

The changes in the equity investments were as follows:

Equity investments - Level III

	2020	**2019**	**2018**
At the beginning of the year	42,018	13,309	4,421
Acquisition/capital increase of Expanding Capital's shares/quotes	3,010	4,900	3,200
Acquisition/capital increase of Blu's shares/quotes	8,898		3,168
Acquisition/capital increase of The Craftory's shares/quotes	21,018	9,588	2,166
Acquisition/capital increase of Quero's shares/quotes	-	5,000	
Acquisition/capital increase of Sim;paul's shares/quotes	1,882		
Acquisition of CERC's shares/quotes	3,072		
Partial sale of Expanding Capital's shares/quotes	(6,750)		
Unrealized gain (loss) in fair value of investments	19,920	9,221	354
	93,068	42,018	13,309

In Thousand US dollars, unless otherwise stated

7 Loan payables

On July 31, 2020, the Company obtained a loan with BTG on the amount of USD 20 million, due in July 2021 with a remuneration of 2.5% a.a. The cost related to the issuance of this loan amounts to USD 240 and has been recognized in the Company's results.

The accrued interest related to the loan as of December, 2020 is USD 248.

8 Management fee expense

Management fee is calculated based on 1.5% of its NAV, calculated every quarter based on each previous quarter's NAV. The management fee expenses for the years ended December 31, 2020, 2019 and 2018 were USD 852, USD 325 and USD 113, respectively.

9 Contribution from shareholders

The carve out financial statements were prepared to demonstrate the carve out financial position, results and cash flows of G2D investments, Ltd. as if it was incorporated on January 1st, 2018. As a result, the shareholders contributed the investments in exchange of G2D's capital. The contributed capital from shareholders as of December 31, 2020, 2019 and 2018 were USD 20,253, USD 19,812 and USD 8,647, respectively.

10 Share capital

The Company was incorporated on July 27, 2020 with 10 thousand of common shares with a par value of USD 1 each.

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

I. 5,000,000 shares to GPIC, Ltd. for the contribution of the investment in Quero Educação;

II. 8,136,198 shares to GPIC, Ltd. for the contribution of the investment in BBridge (Expanding Capital);

III. 16,290,945 shares to Spice Private Equity (Bermuda) Ltd. for the contribution of investment in the Craftory investment.

IV. 36,588,182 shares to GP Cash Management, Ltd. for the contribution of the investment in Blu Meio de Pagamentos, Sim;paul and cash.

Company's share capital, on December 31, 2020:

Shareholder	Shares	%
GPIC, Ltd.	13,137	20%
Spice Private Equity (Bermuda Ltd.)	16,291	25%
GP Cash Management, Ltd.	36,598	55%
	66,026	

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.

In Thousand US dollars, unless otherwise stated

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

Mercado Bitcoin

On February 1, 2021, the Company invested approximately USD 2,5 million to 2TM Participações S.A., the controlling company of Mercado Bitcoin. The Company has a total participation of approximately 3.5% on the investment.

BTG Loan

On January 20, 2021, the Company obtained, in addition to the first loan with BTG, the amount of US $ 12 million, maturing in July 2021 and with an interest rate of 2.5%.

The total investment balance, considering subsequent events, totals USD 95,568 thousand, as shown below:

Investments - Level III	**Fair value**
Expanding Capital	11,036
The Craftory	40,528
Blu	31,385
Quero	5,107
Sim;paul	1,949
CERC	3,064
Mercado Bitcoin	2,500
Total	**95,568**