

# **G2D Investments, Ltd.**

Unaudited Interim financial information for the quarter ended on March 31, 2023

G2D Investments, Ltd.  
Interim Balance Sheet as of March 31, 2023 and December 31, 2022  
(In thousands of dollars)

	<u>Note</u>	<u>03/31/2023</u> <u>(Unaudited)</u>	<u>12/31/2022</u> <u>(Unaudited)</u>		<u>Note</u>	<u>03/31/2022</u> <u>(Unaudited)</u>	<u>12/31/2022</u> <u>(Unaudited)</u>
<b>Assets</b>				<b>Liabilities</b>			
<b>Current</b>				<b>Current</b>			
Cash and cash equivalents	9	7,031	17,493	Accounts payable		346	528
Financial investments	10.4 (a)	7,456	-	Management fees	11	647	532
Others		89	9	Loans and financing	12	20,518	20,367
<b>Total current assets</b>		<u><b>14,616</b></u>	<u><b>17,502</b></u>	<b>Total current liabilities</b>		<u><b>21,511</b></u>	<u><b>21,427</b></u>
<b>Non-current</b>				<b>Total liabilities</b>		<u><b>21,511</b></u>	<u><b>21,427</b></u>
Equity portfolio	10.5	176,283	174,751	<b>Shareholders' equity</b>	13		
<b>Total non-current assets</b>		<u><b>176,283</b></u>	<u><b>174,751</b></u>	Share capital		66,074	66,074
				Share premium		61,069	61,230
				Accumulated gain		42,245	43,522
				<b>Total shareholders' equity</b>		<u><b>169,899</b></u>	<u><b>170,826</b></u>
<b>Total assets</b>		<u><b>190,899</b></u>	<u><b>192,253</b></u>	<b>Total liabilities and shareholders' equity</b>		<u><b>190,899</b></u>	<u><b>192,253</b></u>

The accompanying notes are an integral part of the interim financial information.

**G2D Investments, Ltd.**  
**Interim Statement of Income for the period ended March 31, 2023 and 2022**  
(In thousands of dollars)

	<b>Note</b>	<b>03/31/2023</b> <b>(Unaudited)</b>	<b>03/31/2022</b> <b>(Unaudited)</b>
<b>Revenues</b>			
Unrealized gain (loss) - Equity Portfolio	10.5	(465)	4,886
<b>Total revenues</b>		<b>(465)</b>	<b>4,886</b>
<b>Expenses</b>			
General and administrative	14	(95)	(137)
Management fee	14	(647)	(783)
Performance fee	14	-	(127)
<b>Total expenses</b>		<b>(742)</b>	<b>(1,047)</b>
Financial income	15	108	10
Financial expenses	15	(182)	(211)
Others	15	4	23
<b>Financial results, net</b>		<b>(70)</b>	<b>(178)</b>
<b>Net income (loss) for the period</b>		<b>(1,277)</b>	<b>3,661</b>
<b>Weighted average number of shares</b>	13 (c)	107,919,247	90,737,596
<b>Profit (loss) per share - basic and diluted</b>	13 (c)	(0.01)	(0.04)

The accompanying notes are an integral part of the interim financial information.

**G2D Investments, Ltd.**

**Interim Statement of Comprehensive Income (Loss) for the period ended March 31, 2023 and 2022**  
**(In thousands of dollars)**

	<b>03/31/2023</b>	<b>03/31/2022</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Net income (loss) for the period	(1,277)	3,661
<b>Total comprehensive income (loss)</b>	<b>(1,277)</b>	<b>3,661</b>

The accompanying notes are an integral part of the interim financial information.

**G2D Investments, Ltd.**

**Interim Statement of Changes in Shareholders' equity**  
**For the period ended March 31, 2023 and 2022**  
**(In thousands of dollars)**

---

	<b>Share capital</b>	<b>Share premium</b>	<b>Accumulated income</b>	<b>Total</b>
<b>On January 01, 2022 (Unaudited)</b>	<b>66,064</b>	<b>48,750</b>	<b>93,497</b>	<b>208,131</b>
Income for the period	-	-	3,661	3,661
<b>On March 31, 2022 (Unaudited)</b>	<b>66,064</b>	<b>48,570</b>	<b>97,158</b>	<b>211,792</b>
<b>On January 01, 2023 (Unaudited)</b>	<b>66,074</b>	<b>61,230</b>	<b>43,522</b>	<b>170,826</b>
Follow-on expenses	-	(161)	-	(161)
Loss for the period	-	-	(1,272)	(1,272)
<b>On March 31, 2023 (Unaudited)</b>	<b>66,074</b>	<b>61,069</b>	<b>42,245</b>	<b>169,388</b>

The accompanying notes are an integral part of the interim financial information.

**G2D Investments, Ltd.**

**Interim Statement of Cash Flows for the period ended March 31, 2023 and 2022**  
**(In thousands of dollars)**

	<b>03/31/2023</b>	<b>03/31/2022</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Net income (loss) for the period	(1,277)	3,661
<b>Reconciliation of net income (loss) to cash from operating activities</b>		
Depreciation (appreciation) in fair value of the investments	465	(4,886)
Accrued accounts payable	-	175
Accrued interests on loan payable	152	150
Accrued interest on financial investments	(108)	(10)
Accrued management fee	-	783
Accrued performance fee	-	128
	<b>(768)</b>	<b>-</b>
<b>Changes in assets/liabilities</b>		
Ownership acquisition - Digibee	-	(2,000)
Ownership acquisition - Stripe	(2,077)	-
Ownership disposal – Expanding Capital	80	-
Management fees	115	(734)
Performance fees	-	(9,053)
Accounts payable	(182)	(258)
Others	(80)	(1)
<b>Net cash provided by (used in) operating activities</b>	<b>(2,912)</b>	<b>(12,045)</b>
<b>Cash flows from investing activities</b>		
Acquisition of financial investments	(13,849)	-
Sale of financial investments	6,500	6,314
<b>Net cash provided by (used in) investing activities</b>	<b>(7,349)</b>	<b>6,314</b>
<b>Cash flows from financing activities</b>		
Follow-on expenses	(161)	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(10,422)</b>	<b>(5,731)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>17,493</b>	<b>20,918</b>
<b>Cash and cash equivalents at end of the period</b>	<b>7,071</b>	<b>15,187</b>

The accompanying notes are an integral part of the interim financial information.

**Notes to Interim Financial Information for the quarter ended on March 31, 2023**  
**(In thousands of US dollars, unless otherwise indicated)**

---

**1. Operating Context**

G2D Investments Ltd. (the "Company" or "G2D") is a publicly traded investment vehicle, with shares listed on the Bermuda Stock Exchange ("BSX") and Brazilian Depositary Receipts ("BDRs") on the Brazilian Stock Exchange ("B3"). It is located at 16 Burnaby Street, Hamilton, Bermuda. G2D was incorporated on July 27, 2020, with the objective of investing in innovative and high growth companies in Brazil, the United States and Europe.

The Company has no employees and has therefore delegated certain duties to GP Advisors (Bermuda) Ltd ("GP Advisors" or "Manager"), a subsidiary of GP Investments Ltd ("GP Investments"), parent company of G2D, pursuant to specific agreements listed below:

- Investment Management Agreement: discusses the services to be provided for its investment portfolio and has a duration of ten years. The Investment Management Agreement authorizes GP Advisors to make investment and divestment decisions on behalf of G2D. For this purpose, G2D pays a management fee to GP Advisors as defined in the Management Agreement and presented in note 11; and
- Administrative Services Agreement: GP Advisors provides certain administrative services to G2D which are remunerated by a fixed annual fee determined in the Administrative Services Agreement.

**2. Basis of preparation**

The financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The financial statements in IFRS are presented in Portuguese and were prepared exclusively to comply with the rules and instructions of the Brazilian Securities Commission (CVM).

The issuance of these interim financial information was authorized by Management on May 12, 2023.

Details about the Company's accounting policies, including any changes, are presented in Note 6.

**2.1 Going concern**

The interim financial information has been prepared on a going concern basis, which assumes that the Company will be able to meet its payment obligations for at least the next 12 months. As of March 31, 2023, current liabilities exceed current assets by US\$ 6,895.

Management has a range of options to meet its short-term payment obligations, including capital increases, divestments and extending the loan amortization period for an additional period. Management has already been successful in the recent past in extending the loan, as well as in the divestment in its portfolio, which have generated more than US\$ 20 million in cash since the beginning of 2021.

**3. Functional currency**

The Company's functional currency is the U.S. dollar (US\$). All balances have been rounded to the nearest thousand, unless otherwise indicated.

**4. Use of estimates and judgments**

In preparing the financial statements, management has used assumptions and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results could differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

**i. Fair value measurement**

The main area involving the use of significant estimates in the financial statements is the fair value of financial instruments. The Company has established a control structure related to fair value measurements. This includes a specific team that, together with Management has overall responsibility for reviewing all significant fair value measurements, including Level 3 instruments. The team regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of an asset, the Company uses observable market data as much as possible. Fair values are classified into different levels in a hierarchy based on the inputs used in valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets.
- Level 2: inputs, except quoted prices included in Level 1, that are observable for the asset, either directly (prices) or indirectly (derived from prices); and

## **G2D Investments, Ltd.**

### **Notes to the interim financial information as of March 31, 2023 (In thousands of US dollars, unless otherwise indicated)**

---

- Level 3: inputs for the asset that are not based on observable market data (unobservable inputs).

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change occurred.

Additional information about the assumptions used in measuring fair values is included in note 10.5 (portfolio).

#### **5. Measurement**

The financial statements have been prepared on the historical cost basis, except for non-derivative financial instruments measured at fair value through profit or loss.

#### **6. Significant accounting policies**

The Company has applied the accounting policies described below consistently for all years presented in these financial statements, unless otherwise stated.

##### **6.1 Investment entity**

In accordance with IFRS 10 - Consolidated Financial Statements, the Company was considered an investment entity and therefore was required to record its investments at fair value, and not present its investments on a consolidated basis. According to IFRS 10, an investment entity is a separate legal entity whose business purpose and activity may comprise the following: (a) obtains funds from one or more investors to provide those investors with investment management services; (b) commits to its investors that its business purpose is to invest resources exclusively for returns of capital appreciation, investment income, or both; and (c) measures and evaluates the performance of substantially all of its investments based on fair value.

##### **6.2 Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at 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.

##### **6.3 Earnings per share**

Earnings per share were calculated based on the weighted average number of shares in the period and considering dilutive effects, if any, as presented in note 13 (c).

##### **6.4 Segment information**

The Company has only the operating segment of investment vehicle related to the technology and innovation sector, which is the basis for performance evaluation and allocation of resources, therefore, there is no opening of the segment information note, according to IFRS 8 - Operating Segments.

##### **6.5 Fair value measurement**

Fair value is the price that would be received to sell an asset in an unforced transaction between market participants at the measurement date in the principal market or, in its absence, in the most advantageous market to which the Company has access at that date.

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is considered "active" if transactions for the asset occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, the Company uses valuation techniques that maximize the use of relevant observable data and minimize the use of unobservable data. The valuation technique chosen incorporates all factors that market participants would consider when pricing a transaction.



## **6.7 Financial instruments**

### **6.7.1 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" criteria) 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.

### **6.7.2 Financial assets (subsequent recognition)**

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

### **6.7.3 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.

#### **6.7.3.1 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"); and
- Available market prices for quoted securities in active markets.

The Company reviews and discuss the valuations at least once a year and may independently apply adjustments to determine the investments' fair value.

#### **6.7.3.2 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.

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.

## **G2D Investments, Ltd.**

### **Notes to the interim financial information as of March 31, 2023 (In thousands of US dollars, unless otherwise indicated)**

---

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; and
- The NAV reported by the fund being appropriately determined by the application of valuation principles as per generally accepted accounting standards.

#### **6.7.4 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.

As of March 31, 2023 and 2022, there was no derecognition of assets under pass-through agreements.

#### **6.7.5 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.

#### **6.7.6 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.

#### **6.8 Provision for contingencies**

The Company did not have any provision for legal claims, considering that, based on its legal advisors, there are no legal contingencies with a risk assessment of probable loss - subject to provision, or possible loss - subject to disclosure.

### **7. New standards and interpretations not yet effective**

Several new standards will be effective for fiscal years beginning after January 1, 2023. The Company has not adopted these standards in preparing these financial statements.

- Classification of liabilities as current or non-current (amendments to IAS 1): the amendments issued in 2020 aim to clarify the requirements for determining whether a liability is current or non-current and apply to annual periods beginning on or after January 1, 2023. However, the IASB subsequently proposed further amendments to IAS 1 and the addition of the effective date of the 2020 amendments for annual periods beginning on or after January 1, 2024. As this standard is still subject to future development, the Company cannot determine the impact of these amendments on these financial statements; and
- Other standards that are not expected to have a significant impact on the Company's financial statements:
  - IFRS 17 Insurance Contracts;
  - Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2); and
  - Definition of Accounting Estimates (Amendments to IAS 8).

### **8. Financial risk management**

The Company's investment objective is to realize long-term capital appreciation, investment income or both, by creating a portfolio of direct and indirect investments.

**Notes to Interim Financial Information for the quarter ended on March 31, 2023**  
(In thousands of US dollars, unless otherwise indicated)

The Company's activities expose it to a variety of financial risks, being market risk (including interest rate and exchange rate risk) and liquidity risk. Management observes and manages these risks periodically.

These risks may result in a reduction of the Company's Equity. The Company seeks to minimize these risks and adverse effects considering potential impacts of the financial markets and has internal guidelines and policies in place to ensure that transactions are carried out in a consistent and diligent manner.

### 8.1 Market risk

#### (i) Interest rate risk

The Company is subject to cash flow interest rate risk due to fluctuations in prevailing market interest rate levels. Changes in interest rates affect financial assets and liabilities. The Investment Manager monitors interest rates regularly and reports to the Board of Directors at its quarterly meetings.

#### (ii) Exchange rate risk

The fair value of investments is calculated in US dollars, the Company's functional currency.

The Company's underlying investments are denominated in Brazilian reais (R\$), British pounds (£) and US dollars (US\$). The Company is exposed to a certain degree of currency risk, which may adversely affect its performance. Fluctuations in exchange rates affect the fair value of investments and, therefore, the Company's financial statements. The Company may enter into foreign exchange contracts to mitigate these currency risks. As of March 31, 2023, the Company does not have any derivative contracts.

The following table summarizes the sensitivity of the fair values of investments to reasonably possible movements in the exchange rate:

		03/31/2023		
	Investment currency	Fair value	Depreciation (10%)	Appreciation (10%)
		(Unaudited)	(Unaudited)	(Unaudited)
BLU Pagamentos S.A.	R\$	19,687	17,718	21,656
Inova FIP	R\$	21,847	19,662	24,032
The Craftory, Ltd	£	106,217	95,595	116,839
		<b>147,751</b>	<b>132,975</b>	<b>162,527</b>
		12/31/2022		
	Investment currency	Fair value	Depreciation (10%)	Appreciation (10%)
		(Unaudited)	(Unaudited)	(Unaudited)
BLU Pagamentos S.A.	R\$	19,877	17,889	21,865
Inova FIP	R\$	21,344	19,210	23,478
The Craftory, Ltd	£	106,910	96,219	117,601
		<b>148,131</b>	<b>133,318</b>	<b>162,944</b>

### 8.2 Liquidity risk

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

G2D has open investment commitments with two of its underlying investments as shown below:

## G2D Investments, Ltd.

### Notes to the interim financial information as of March 31, 2023 (In thousands of US dollars, unless otherwise indicated)

Investments	03/31/2023		
	Total commitment (Unaudited)	Commitment used (Unaudited)	Investment period (Unaudited)
Expanding Capital	50,000	34,125	5
The Craftory	95,000	66,957	5
	<b>145,000</b>	<b>101,082</b>	

  

Investments	12/31/2022		
	Total commitment (Unaudited)	Commitment used (Unaudited)	Investment period (Unaudited)
Expanding Capital	50,000	34,125	5
The Craftory	95,000	66,957	5
	<b>145,000</b>	<b>101,082</b>	

Additionally, the Company has a loan with financial institution that has been in effect since July 2020. The loan agreement is intended to encourage G2D's working capital. The initial amount of the loan was US\$ 20 million (R\$ 112.8 million) with interest of 2.5% per year. The Company carried out a rollover of the loan in July 2022 and the maturity became July 2023 with an interest rate of 3% per year. More details on the movement of the loan balance are available in Note 12.

#### 9. Cash and cash equivalents

	03/31/2023 (Unaudited)	12/31/2022 (Unaudited)
US dollars - US\$	6,941	17,367
Brazilian reais - R\$	130	126
	<b>7,071</b>	<b>17,493</b>

Cash and cash equivalents comprise spot deposits, with immediate convertibility and are subject to an insignificant risk of changes in value.

#### 10. Financial investments

##### 10.1 Financial investments by category

	Assets measured at amortized cost (Unaudited)	Assets measured through profit and loss (Unaudited)	Total (Unaudited)
<b>On March 31, 2023</b>			
<i>Assets, according to the Balance Sheet</i>			
Cash and cash equivalents	7,071	-	7,071
Financial investments	-	7,456	7,456
Equity portfolio	-	176,283	176,283
	<b>7,071</b>	<b>183,739</b>	<b>190,810</b>
<b>On December 31, 2022</b>			
<i>Assets, according to the Balance Sheet</i>			
Cash and cash equivalents	17,493	-	17,493
Financial investments	-	-	-
Equity portfolio	-	174,751	174,751
	<b>17,493</b>	<b>174,751</b>	<b>192,244</b>

**Notes to Interim Financial Information for the quarter ended on March 31, 2023**  
(In thousands of US dollars, unless otherwise indicated)

	<b>Liabilities measured at amortized cost</b>
	<b>(Unaudited)</b>
<b>On March 31, 2023</b>	
<i>Liabilities, according to the Balance Sheet</i>	
Accounts payable	346
Management fee	647
Performance fees	-
Loans and financing	20,518
	<b>Liabilities measured at amortized cost</b>
	<b>(Unaudited)</b>
<b>On December 31, 2022</b>	
<i>Liabilities, according to the Balance Sheet</i>	
Accounts payable	528
Management fee	532
Performance fees	-
Loans and financing	20,367
	<b>21,427</b>

## 10.2 Financial investments measured at fair value

### 10.2.1 Description of the financial instruments measured at fair value

- i. The Craftory Ltd ("The Craftory"): a consumer-focused venture capital fund based in London and San Francisco. The Craftory is focused on growing consumer brands and providing permanent, early-stage and growth capital for brands targeting the consumer goods market segment. The investment was made in May 2018. G2D's current stake in The Craftory is 16.4% (December 31, 2022 - 16.3%).
- ii. Blu Pagamentos S.A. ("Blu"): Blu is a fintech domiciled in Rio de Janeiro that aims to reduce transaction costs between retailers and their suppliers. Blu's main products offer payment and financial solutions and tools for customer relationship management. Blu has developed a financial solutions platform that connects retailers to their suppliers and creates a market for direct negotiation between companies ("business-to-business" or "B2B"). The investment was made in October 2018 through Blu Fundo de Investimento em Participações Multiestratégia. G2D's current stake in Blu is 15.4% (December 31, 2022 - 15.4%).
- iii. Expanding Capital: is a venture capital fund based in San Francisco. Since 2016, Expanding Capital has made minority investments in venture capital companies around the world. The investment was made in August 2016. Expanding Capital invests in two funds: BBridge Capital I LP and Expanding Capital II-A LP. Currently, G2D's stake in each fund is 22.05% and 50%, respectively (December 31, 2022 - 22.05% and 50%).
- iv. Sim;paul CCVM S.A. ("Sim;paul"): Sim;paul is a Brazilian financial market brokerage platform that is starting to develop its activities in São Paulo. The broad relationship and good concept developed over the years with national and international customers and financial institutions have always supported the mission as a manager of financial assets and now as an investment platform, with many product options from the best managers in the market. The investment was made through Sim;paul Fundo de Investimento em Participações Multiestratégia in June 2020. G2D's current stake in Sim;paul is 6.4% (December 31, 2022 - 6.4%).
- v. Quero Educação Serviços de Internet S.A. ("Quero Educação"): Quero Educação is a Brazilian education platform that allows students to learn about, connect with, and enroll in higher education institutions. Students can obtain tuition discounts, while Quero Educação helps partner institutions reduce their respective vacancy rates. The investment was made in August 2019. G2D's current stake in Quero Educação is 3.2% (December 31, 2022- 3.2%).
- vi. GP Inova Fundo de Investimento em Participações Multiestratégia ("Inova FIP"): Inova FIP is an investment fund that has a stake in CERC Central de Recebíveis S.A. ("CERC") and 2TM Participações S.A. ("2TM"). CERC is a fintech that develops technology infrastructure for the credit market in Brazil. CERC's solution includes a centralized ledger for receivables, as well as associated insurance and settlement services. 2TM is the holding company for Mercado Bitcoin, which is a digital asset 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 for cryptocurrencies and digital assets, and MeuBank, a digital asset wallet. The investments were made in August 2020 and February

## G2D Investments, Ltd.

### Notes to the interim financial information as of March 31, 2023 (In thousands of US dollars, unless otherwise indicated)

2021. G2D's current stake in Inova FIP is 100%, with indirect stake in CERC being 3.1% and 2.67% in 2TM (December 31, 2022 – 3.1% and 2.89%).

- vii. Digibee USA Inc ("Digibee"): Digibee is a systems integrator focused on digital information and wholly owns Digibee Inc and Digibee Soluções em Tecnologia Eireli Ltda. The investment was made in February 2022. G2D's current stake in Digibee is 1.6% (December 31, 2022 – 1.6%).
- viii. Stripe, Inc ("Stripe"): is a payment institution that operates as an acquirer and payment manager. The investment was made in February 2023, totaling US\$ 2,077. G2D's interest in Stripe is 0.004% (December 31, 2022 – nil).

#### 10.3 Fair value measurement of financial instruments

##### i. Hierarchy of financial instruments

As of March 31, 2023 and December 31, 2022, the hierarchy of the financial instruments held by the Company is as shown in the table below. There was no transfer of hierarchy between such instruments.

	Level 03/31/2022	Level 12/31/2022
<b>Short-term financial instruments</b>		
T-Bills	1	-
<b>Long-term financial instruments</b>		
The Craftory, Ltd	3	3
BLU Pagamentos S.A.	3	3
Expanding Capital	3	3
Sim;paul	3	3
Quero Educação	3	3
Inova FIP	3	3
Digibee	3	3

##### ii. Valuation techniques and significant unobservable inputs

The Company measures the fair value of its investments once a year, normally in December of each year, and monitors its financial instruments on a quarterly basis, as well as the need for reassessment based on signs of significant change in fair value or measurement technique.

On March 31, 2023, there was no need to reassess the fair value of financial instruments and the valuation methodology remains the same used on December 31, 2022.

The table below demonstrates the valuation techniques used to measure the fair value of level 3 financial instruments on December 31, 2022, as well as the significant unobservable inputs:

<b>December 31, 2022</b>		
<b>Financial instruments long-term</b>	<b>Fair Value Assessment</b>	<b>Unobservable inputs</b>
The Craftory, Ltd	Net asset value	N/A
Blu Pagamentos S.A.	Recent transaction	(i)
Expanding Capital	Net asset value	N/A
Sim;paul	Written-off	N/A
Quero Educação	Liquidation preference	(ii)
2TM (via Inova FIP and Inova FIP II)	Recent transaction	(iii)
CERC (via Inova FIP)	Recent transaction	N/A

#### New acquisitions for the period

Stripe was acquired in February 2023 and, therefore, there was no need to reassess its fair value, its acquisition value being the best way to measure it.

**G2D Investments, Ltd.****Notes to Interim Financial Information for the quarter ended on March 31, 2023**  
**(In thousands of US dollars, unless otherwise indicated)****10.3 Instruments measured at fair value**

On March 31, 2022, the Company had financial instruments in the form of T-Bills maturing between April and July of 2023. All instruments were issued by the US Government.

**(a) Balance sheet**

	<b>03/31/2023</b>	<b>12/31/2022</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Financial investments	7,456	-
	<b>7,456</b>	<b>-</b>

**(b) Balance movement**

	<b>2023</b>
	<b>(Unaudited)</b>
On January 01, 2023	-
Acquisition	13,849
Appreciation	108
Divestments	(6,500)
On March 31, 2023	<b>7,457</b>
	<b>2022</b>
	<b>(Unaudited)</b>
On January 01, 2022	10,346
Appreciation	14
Divestments	(10,360)
On March 31, 2022	<b>-</b>

**Notes to Interim Financial Information for the quarter ended on March 31, 2023**  
(In thousands of US dollars, unless otherwise indicated)

**10.5 Long-term financial instruments measured at fair value**

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

		03/31/2023			12/31/2022		Net change in unrealized gain	
		Unaudited			Unaudited		(loss) with equity	
	Total direct and			Total direct and			portfolio for the period	
	indirect - %	Cost	Fair value	indirect - %	Cost	Fair value	03/31/2023	03/31/2022
Investments Portfolio							Unaudited	Unaudited
G2D Investments, Ltd – Level III								
The Craftory, Ltd.	16.4	66,978	106,217	16.4	66,978	106,910	(693)	(1,690)
BLU Pagamentos S.A.	15.4	12,067	19,687	15.7	12,067	19,877	(190)	5,010
Expanding Capital (*)	*	18,688	18,898	*	18,768	19,063	(85)	-
Sim;paul	6.4	2,553	-	6.4	2,553	-	-	(4)
Quero Educação	3.2	5,450	5,557	3.2	5,450	5,557	-	-
Inova FIP (**)	**	7,465	21,847	**	7,465	21,344	503	1,570
Digibee	1.6	2,000	2,000	1.6	2,000	2,000	-	-
Stripe	0.0	2,077	2,077	-	-	-	-	-
Total		115,201	176,283		115,281	174,751	(465)	4,886

(\*) Expanding Capital invests in two funds: BBridge Capital I LP and Expanding Capital II-A LP. On March 31, 2023, the Company's indirect interest percentages in each fund are 22.05% and 50%, respectively (December 31, 2022 – 22.05% and 50%).

(\*\*) Inova FIP invests in CERC and 2TM. The holdings are represented by 3.1% and 2.7%, respectively (December 31, 2022 – 3.1% and 2.9%).



## G2D Investments, Ltd.

### Notes to the interim financial information as of March 31, 2023 (In thousands of US dollars, unless otherwise indicated)

The changes in investments were as follows:

	<b>03/31/2023</b>	<b>03/31/2022</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>At the beginning of the period</b>	<b>174,751</b>	<b>207,185</b>
Appreciation (depreciation) in fair value of investments	(465)	4,886
Ownership acquisition - Digibee	-	2,000
Ownership acquisition - Stripe	2,077	-
Capital Call - Expanding Capital	(80)	-
<b>At the end of the period</b>	<b>176,283</b>	<b>214,071</b>

#### 10.6 Relevant transaction during the period

##### Capital Contribution - Expanding Capital

In February 2023, G2D contributed US\$1,000 to Expanding Capital, as per the Subscription and Shareholders Agreement.

##### Contribution – Stripe Inc

In February 2023, G2D made an investment in Stripe Inc, which is a payment institution that operates in the form of acquirer and payment management. The investment was US\$ 2,077, according to the Sale and Purchase Agreement.

#### 11. Related parties – Management and Performance Fee

<b>Description</b>	<b>Nature</b>	<b>Note</b>	<b>3/31/2022</b>	<b>12/31/2022</b>
	Liabilities		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Management fee		(i)	647	532
			<b>647</b>	<b>532</b>

  

<b>Description</b>	<b>Nature</b>	<b>Note</b>	<b>3/31/2022</b>	<b>12/31/2022</b>
	Result		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Management Remuneration			13	-
			<b>13</b>	<b>-</b>

- (i) The management fee is calculated based on 1.5% of the Company's NAV, calculated each quarter based on the Shareholders' Equity of the previous quarter. Management fee expenses for the period ended March 31, 2023 and 2022 are available in Note 14.

**Notes to Interim Financial Information for the quarter ended on March 31, 2023**  
(In thousands of US dollars, unless otherwise indicated)

**12. Loans****(a) Balance sheet**

	<b>Note</b>	<b>Currency</b>	<b>Rate (%)</b>	<b>03/31/2022</b> <b>(Unaudited)</b>	<b>12/31/2022</b> <b>(Unaudited)</b>
Loans	(i)	US\$	3% a.a.	20,518	20,367
				<b>20,518</b>	<b>20,367</b>

- (i) The loan balance is maintained in current liabilities. The initial loan would have matured in July 2022, but the contract was extended until July 2023 with an interest rate of 3% per year.

**(b) Balance movement**

	<b>2022</b> <b>(Unaudited)</b>
On January 01, 2023	20,367
Interest accrued	151
Amortization	-
On March 31, 2023	<b>20,518</b>
	<b>2022</b> <b>(Unaudited)</b>
On January 01, 2022	20,252
Interest accrued	150
On March 31, 2022	<b>20,402</b>

Management assessed and did not identify any financial covenants in its loan agreement.

**13. Shareholders' Equity****(a) Share capital and share premium**

The Company's share capital and share premium for the respective period is as below:

	<b>03/31/2023</b> <b>(Unaudited)</b>	<b>12/31/2022</b> <b>(Unaudited)</b>
Share capital	66,074	66,074
Share premium	61,069	61,230
	<b>127,143</b>	<b>127,304</b>

In December 2022, the Company completed a capital increase of approximately US\$ 13.521 (R\$ 70.051) million in a follow-on, of which US\$ 10 (R\$ 51) is accounted for in share capital and US\$ 13.511 (R\$ 70.000) million, in share premium. The contribution was made mainly by the controlling shareholder (GP Investments and subsidiaries). The total of 9,776,537 shares (BDRs) were issued at the price of R\$ 7.16.

To carry out the follow-on, the Company incurred approximately R\$4.4 million in costs with legal fees, audit and bank expenses.

The amounts of shares per class in the period is summarized below:

	<b>Class A</b> <b>(Unaudited)</b>	<b>Class B</b> <b>(Unaudited)</b>	<b>Total</b> <b>(Unaudited)</b>	<b>Ownership</b> <b>(Unaudited)</b>
<b>On March 31, 2023</b>				
Subsidiaries of GP Investments	18,950,669	66,025,326	84,975,995	73.9%
Float	30,080,393		30,080,393	26.1%
<b>Total</b>	<b>49,031,062</b>	<b>66,025,326</b>	<b>115,056,388</b>	<b>100%</b>

## G2D Investments, Ltd.

### Notes to the interim financial information as of March 31, 2023 (In thousands of US dollars, unless otherwise indicated)

	<b>Class A</b>	<b>Class B</b>	<b>Total</b>	<b>Ownership</b>
<i>On December 31, 2022</i>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Subsidiaries of GP Investments	18,950,669	66,025,326	84,975,995	73.9%
Float	30,080,393		30,080,393	26.1%
<b>Total</b>	<b>49,031,062</b>	<b>66,025,326</b>	<b>115,056,388</b>	<b>100%</b>

Class A shares are restricted voting common shares and have a par value of \$0.001 per share. Class B shares are common shares and have a par value of \$1.00 per share. The Company's share capital is represented by the total number of class A and class B shares multiplied by the par value of such shares. The share premium is represented by the total number of class A shares multiplied by the issuance price of the shares of the Company's initial public offering.

Pursuant to the Company's Byelaws, Class A and Class B shareholders have the same economic rights, while Class A shareholders are entitled to participate and vote on specific matters. The Company's BDRs are backed by Class A common shares.

Under Bermuda law, the Board of Directors may only distribute dividends if it meets the following conditions: (i) the Company must not be or become insolvent as a result of 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.

#### (b) Earnings per share

Earnings per share for the period ended March 31, 2023 and 2022 were calculated based on the weighted average of shares, according to the table below (in thousands of dollars, except for the number of shares). There was no dilutive effect on earnings per share as of March 2023 and 2022.

	<b>03/31/2023</b>	<b>03/31/2022</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Net income (loss) for the period	(1,277)	(3,661)
Weighted average common shares outstanding	107,919,247	100,052,424
<b>Profit (loss) per share in US\$ – basic and diluted</b>	<b>(0.01)</b>	<b>(0.04)</b>

#### 14. Expenses

The breakdown of expense balances by nature on March 31, 2023 and 2022 is shown below:

	<b>03/31/2023</b>	<b>03/31/2022</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Management compensation	13	13
Auditing and consulting	22	30
Tax expenses	28	59
Projects	1	-
Travel	5	-
Office	1	2
Others	25	34
<b>Total general and administrative expenses</b>	<b>95</b>	<b>138</b>
Management fee	647	783
<b>Total management fee</b>	<b>647</b>	<b>783</b>
Performance fee	-	127
<b>Total performance fee</b>	<b>-</b>	<b>127</b>
	<b>742</b>	<b>1,049</b>

#### 15. Financial result

The breakdown of financial results balances by nature on March 31, 2023 and 2022 is shown below:

**Notes to Interim Financial Information for the quarter ended on March 31, 2023**  
(In thousands of US dollars, unless otherwise indicated)

	<b>03/31/2023</b>	<b>03/31/2022</b>
Interest income	108	10
<b>Total financial income</b>	<b>108</b>	<b>10</b>
Interest expenses	(152)	(150)
Custody fee	(28)	(59)
Others	(2)	(3)
<b>Total financial expenses</b>	<b>(182)</b>	<b>(212)</b>
Exchange variation	3	23
<b>Total others</b>	<b>3</b>	<b>23</b>
	<b>(71)</b>	<b>(179)</b>

#### 16. Subsequent Events

The Company's Management carried out the analysis of subsequent events and did not identify subsequent transactions or events that would impact the Interim Financial Information on March 31, 2023.

\* \* \*