

# GP Investments, Ltd.

**Consolidated interim financial information for the  
period ended September 30, 2023**

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# GP Investments

**Third Quarter of 2023**  
Earnings Release

## 3Q23 Highlights

**November 14, 2023 - GP Investments, Ltd.** ("GP") [B3: **GPIV33**] reports its results for the 3<sup>rd</sup> quarter of 2023.

GP recorded a **net loss** of USD 32.4M in Q3 2023, and the company's **Net Asset Value** ("NAV") at the end of the period was USD 191.8M.

The main events in Q3 2023 were:

**BR Properties:** In September, BR Properties completed a capital reduction of BRL 732.1M. Subsequently, a cancellation tender offer process was successfully carried out, and on October 19<sup>th</sup> the company's shares ceased trading on B3.

**G2D Results:** The company recorded a net loss of USD 3.2M in Q3 2023, and G2D's NAV at the end of the quarter was USD 166.6M.

## GP Investments – Portfolio Overview

### GP Investments



## Net Asset Value (NAV)

The table below exhibits GP Investments' NAV composition as of September 2023, determined by the proportional stake in G2D investments:

Value of Investments (in USD million)	GP	G2D	GP + G2D
<b>Equity Portfolio</b>	<b>121.5</b>	<b>181.3</b>	<b>302.8</b>
Publicly Traded Companies	22.4	-	22.4
BR Properties <sup>1</sup>	2.1	-	2.1
Centauro <sup>2</sup>	20.3	-	20.3
Privately-Held Companies	99.0	181.3	280.3
Akad	35.0	-	35.0
Bravo Brio + VDC	32.5	-	32.5
2TM	14.7	-	14.7
Legacy Portfolio	13.0	-	13.0
Real Estate Investments	3.9	-	3.9
G2D Investments' Portfolio	-	181.3	181.3
<b>Assets and Liabilities</b>	<b>(12.0)</b>	<b>(99.0)</b>	<b>(111.0)</b>
Cash and Cash Equivalents	168.3	4.0	172.4
Financial Investments	15.6	-	15.6
Loans and Receivables	24.3	-	24.3
Other Assets	23.0	0.3	23.2
Liabilities <sup>3</sup>	(233.1)	(19.0)	(252.1)
Minority Interest	(10.1)	(84.3)	(94.4)
<b>NAV (Shareholders' Equity)</b>	<b>109.5</b>	<b>82.3</b>	<b>191.8</b>

(1) The value of the investment is based on the company's acquisition cost of the company valued at the exchange rate of 30/09/2023 of 5.0076 BRL/USD.

(2) The value of the investment is based on the company's market capitalization on September 30, 2023.

(3) On 30/09/2023, GP's debt was composed of perpetual bonds with a balance of USD 74.8M and a loan at Slabs level with a balance of USD 149.3M. In October, GP Investments amortized USD 143M of the Slabs loan balance with cash proceeds that resulted from the capital reduction implemented by BR Properties.

### NAV Change Breakdown

(In USD million)



As of September 30, 2023, the total net asset value of GP Investments stood at USD 191.8M. The primary reason for the decline in NAV during the quarter was the unrealized losses in our portfolio, mostly because of the devaluation of Grupo SBF shares. Net Financial Result was mainly affected by interest expenses associated with the financing of the voluntary tender offer launched for the acquisition of BR Properties.

### Investor Relations

Rodrigo Boscolo, CFO and Investor Relations Officer

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## **Report on the review of consolidated interim financial information**

To  
The Shareholders, Board Members and Management of  
**GP Investments, Ltd.**  
São Paulo - SP

### **Introduction**

We have reviewed the accompanying consolidated interim financial information of GP Investments, Ltd. ("Company"), which comprise the balance sheet as of September 30, 2023 and the related statements of income and of comprehensive income for the three and nine month periods then ended, statements of changes in shareholders' equity and of cash flows for nine months period then ended, including explanatory notes.

Company's management is responsible for the preparation of the consolidated interim financial information in accordance with CPC 21(R1) and IAS 34 - Interim Financial Reporting issued by International Accounting Standards Board – IASB. Our responsibility is to express a conclusion on this interim financial information based on our review.

### **Scope of the review**

We conducted our review according to the Brazilian and international review standards of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). A review of interim financial information consists of making inquires, primarily of person responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion on consolidated interim information**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information referred to above was not prepared, in all the material respects, in accordance with CPC 21(R1) and IAS 34, issued by IASB.

São Paulo, November 14, 2023

KPMG Auditores Independentes Ltda.  
CRC 2SP-027685/O-0 F SP

  
João Paulo Dal Poz Alouche  
Accountant CRC 1SP245785/O-2

**GP Investments, Ltd.**

Consolidated balance sheet as of September 30, 2023, and December 31, 2022

(In thousands of US dollars, unless otherwise indicated)

	Note	09/30/2023	12/31/2022		Note	09/30/2023	12/31/2022
<b>Assets</b>				<b>Liabilities</b>			
<b>Current</b>				<b>Current</b>			
Cash and cash equivalents	9	166,418	40,866	Accounts payable		1,632	1,984
Financial instruments	10.3	58,019	78,097	Taxes payable		748	622
Management and performance fees	11	50	49	Payroll accruals, bonuses and related charges	11	1,915	2,440
Receivables from related parties	11	1,581	1,937	Accrued interest on perpetual notes	13	1,392	1,393
Prepaid expenses		293	547	Loans and financings	12	161,124	30,368
Other assets		3,097	2,738	Payables to related parties	11	-	10
<b>Total current assets</b>		<b>229,458</b>	<b>124,234</b>	Other liabilities		1	1,455
<b>Non-current</b>				<b>Total current liabilities</b>		<b>166,812</b>	<b>38,272</b>
Financial instruments - Portfolio	10.4 (i)	354,065	391,735	<b>Non-current</b>			
Financial instruments	10.4 (iii)	-	3,594	Loans and financings	12	10,176	-
Receivables from related parties	11	2,956	2,847	Perpetual notes	13	74,862	74,842
Receivables from employees and shareholders	11	6,694	6,282	Provision for contingencies	14	19,440	21,363
Furniture and equipment		957	768	<b>Total non-current liabilities</b>		<b>104,478</b>	<b>96,205</b>
Other assets		389	633	<b>Total liabilities</b>		<b>271,290</b>	<b>134,477</b>
<b>Total non-current assets</b>		<b>365,061</b>	<b>405,859</b>	<b>Shareholders' equity</b>			
				Share capital	15	194	193
				Share premium	15	596,939	594,531
				Accumulated losses		(379,053)	(326,835)
				Accumulated other comprehensive loss		(26,292)	(26,929)
				<b>Total shareholders' equity</b>		<b>191,788</b>	<b>240,960</b>
				Attributable to GP Investments Ltd		191,788	240,960
				Non-controlling interest		131,441	154,656
<b>Total assets</b>		<b>594,519</b>	<b>530,093</b>	<b>Total liabilities and shareholders' equity</b>		<b>594,519</b>	<b>530,093</b>



## GP Investments, Ltd.

### Consolidated statement of income (loss)

for the period ended September 30, 2023, and 2022

(In thousands of US dollars, unless otherwise indicated)

	Note	Nine-month period		Three-month period	
		01/01/2023 to 09/30/2023	01/01/2022 to 09/30/2022	07/01/2023 to 09/30/2023	07/01/2022 to 09/30/2022
<b>Revenues</b>					
Unrealized depreciation – Financial instruments - Portfolio	10.4(i)	(27,077)	(88,540)	(41,783)	1,262
Realized losses – Financial instruments - Portfolio	10.4(ii)	(16,476)	(2,538)	(6,465)	(49)
Management fees		1,455	3,001	-	1,022
Dividends		726	1,175	579	1,033
Other		1	-	(1)	-
<b>Total revenues</b>		<b>(41,371)</b>	<b>(86,902)</b>	<b>(47,670)</b>	<b>3,268</b>
<b>Expenses</b>					
General and administrative	17	(14,603)	(14,974)	(4,699)	(4,769)
Contingencies	17	1,541	805	397	514
Bonuses	17	(914)	(783)	(300)	(304)
<b>Total expenses</b>		<b>(13,976)</b>	<b>(14,952)</b>	<b>(4,602)</b>	<b>(4,559)</b>
Financial income	18	5,363	2,606	956	1,020
Financial expenses	18	(27,311)	(10,658)	(13,264)	(2,989)
<b>Financial expenses, net</b>		<b>(21,948)</b>	<b>(8,052)</b>	<b>(12,308)</b>	<b>(1,969)</b>
<b>Net loss before taxes</b>		<b>(77,295)</b>	<b>(109,906)</b>	<b>(64,580)</b>	<b>(3,260)</b>
Income taxes	19	(269)	(872)	(43)	(98)
<b>Net loss for the period</b>		<b>(77,564)</b>	<b>(110,778)</b>	<b>(64,623)</b>	<b>(3,358)</b>
<b>Results attributable to</b>					
GP Investments, Ltd		(52,218)	(78,361)	(32,380)	(5,898)
Non-controlling shareholders		(25,346)	(32,417)	(32,243)	2,540
		<b>(77,564)</b>	<b>(110,778)</b>	<b>(64,623)</b>	<b>(3,358)</b>
<b>Weighted average number of shares – basic</b>		<b>77,893,474</b>	<b>79,209,539</b>	<b>77,893,474</b>	<b>79,209,539</b>
<b>Loss attributable to GP Investments Ltd -basic (in US\$)</b>	15.c	<b>(0.67)</b>	<b>(0.99)</b>	<b>(0.42)</b>	<b>(0.07)</b>
<b>Weighted average number of shares – diluted</b>		<b>77,893,474</b>	<b>79,209,539</b>	<b>77,893,474</b>	<b>79,209,539</b>
<b>Loss attributable to GP Investments Ltd -diluted (in US\$)</b>	15.c	<b>(0.67)</b>	<b>(0.99)</b>	<b>(0.42)</b>	<b>(0.07)</b>

**GP Investments, Ltd.****Consolidated statement of comprehensive income (loss)****for the period ended September 30, 2023, and 2022***(In thousands of US dollars, unless otherwise indicated)*

	<u>Nine-month period</u>		<u>Three-month period</u>	
	<u>01/01/2023</u>	<u>01/01/2022</u>	<u>07/01/2023</u>	<u>07/01/2022</u>
	<u>to</u>	<u>to</u>	<u>to</u>	<u>to</u>
	<u>09/30/2023</u>	<u>09/30/2022</u>	<u>09/30/2023</u>	<u>09/30/2022</u>
Net loss for the period	(77,564)	(110,778)	(64,623)	(3,358)
<b>Items that will not be subsequently reclassified to the statement income</b>				
Cumulative translation adjustment	637	437	290	404
<b>Total comprehensive for the period</b>	<u>637</u>	<u>437</u>	<u>290</u>	<u>404</u>
<b>Total comprehensive loss for the period, net of taxes</b>	<u>(76,927)</u>	<u>(110,341)</u>	<u>(64,333)</u>	<u>(2,954)</u>
<b>Results attributable to</b>				
GP Investments, Ltd	(51,581)	(77,924)	(32,090)	(5,494)
Non-controlling shareholders	<u>(25,346)</u>	<u>(32,417)</u>	<u>(32,243)</u>	<u>2,540</u>
	<u>(76,927)</u>	<u>(110,341)</u>	<u>(64,333)</u>	<u>(2,954)</u>

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

**GP Investments, Ltd.**

**Consolidated statement of changes**

**In shareholders' equity for the period ended September 30, 2023, and 2022**

*(In thousands of US dollars, unless otherwise indicated)*

	<u>Share capital</u>	<u>Share premium</u>	<u>Accumulated losses</u>	<u>Treasury share</u>	<u>Accumulated other comprehensive loss</u>	<u>Total attributable to controlling shareholders</u>	<u>Non-controlling interest</u>	<u>Total</u>
<b>On January 01, 2022</b>	<b>198</b>	<b>567,028</b>	<b>(197,958)</b>	-	<b>(27,750)</b>	<b>341,518</b>	<b>241,481</b>	<b>582,999</b>
Repurchase of shares from non controlling - Spice	-	-	-	-	-	-	(19,445)	(19,445)
Capital increase	-	120	-	-	-	120	5,000	5,120
Capital reduction of minorities	-	-	-	-	-	-	(132)	(132)
Changes in non-controlling interest	-	-	-	-	-	-	751	751
Acquisition of treasury shares through Spice	-	-	-	-	-	-	(3,201)	(3,201)
Acquisition of treasury shares Share-based compensation expenses	-	2,200	-	-	-	2,200	-	2,200
Income (loss) for the period	-	-	(78,361)	-	-	(78,361)	(32,417)	(110,778)
Gain on dilution of participation of minorities shareholders	-	28,473	-	-	-	28,473	(28,473)	-
Cumulative translation adjustment	-	-	-	-	437	437	-	437
<b>On September 30, 2022</b>	<b>198</b>	<b>597,821</b>	<b>(276,319)</b>	<b>(1,705)</b>	<b>(27,313)</b>	<b>292,682</b>	<b>163,564</b>	<b>456,246</b>

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

**GP Investments, Ltd.**

**Consolidated statement of changes**

**In shareholders' equity for the period ended September 30, 2023, and 2022**

*(In thousands of US dollars, unless otherwise indicated)*

	<u>Share capital</u>	<u>Share premium</u>	<u>Accumulated losses</u>	<u>Accumulated other comprehensive loss</u>	<u>Total attributable to controlling shareholders</u>	<u>Non-controlling interest</u>	<u>Total</u>
<b>On January 01, 2023</b>	<b>193</b>	<b>594,531</b>	<b>(326,835)</b>	<b>(26,929)</b>	<b>240,960</b>	<b>154,656</b>	<b>395,616</b>
Distribution to Limited Partners	-	-	-	-	-	(259)	(259)
Repurchase of shares from non-controlling – Spice	-	-	-	-	-	(1,558)	(1,558)
Payment in shares to the Board of Directors	1	119	-	-	120	-	120
Changes in non-controlling interest	-	-	-	-	-	4,895	4,895
Stock option plans' expenses	-	1,342	-	-	1,342	-	1,342
Loss for the period	-	-	(52,218)	-	(52,218)	(25,346)	(77,564)
Gain on dilution of participation of minorities shareholders	-	947	-	-	947	(947)	-
Cumulative translation adjustment	-	-	-	637	637	-	637
<b>On September 30, 2023</b>	<b>194</b>	<b>596,939</b>	<b>(379,053)</b>	<b>(26,292)</b>	<b>191,788</b>	<b>131,441</b>	<b>323,229</b>

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

## GP Investments, Ltd.

### Consolidated statement of Cash Flow

for the period ended September 30, 2023, and 2022

(In thousands of US dollars, unless otherwise indicated)

	Note	09/30/2023	09/30/2022
<b>Cash flows from operating activities</b>			
Net loss for the period		(77,564)	(110,778)
<b>Reconciliation of net loss to cash from operating activities</b>			
Accrued prepaid expenses		254	627
Accrued interests on current financial instruments	10.3	(1,758)	1,853
Accrued interests on non-current financial investments		-	(124)
Unrealized appreciation of financial instruments	10.3	(1,024)	-
Unrealized depreciation of financial instruments non-current	10.4	3,594	-
Unrealized depreciation of non-current financial instruments - Portfolio	10.4	27,077	88,540
Realized losses on non-current financial instruments - Portfolio	10.4	16,476	2,538
Depreciation of furniture and equipment		60	50
Accrued interests on loans and financings	12	11,922	455
Interests on perpetual notes	13.b	5,653	-
Accrued provision for contingencies	14	(1,923)	(805)
Share based compensation expenses	17	1,343	2,199
Accrued receivables from employees and shareholders		-	413
Compensation in shares to the Board of Directors		120	-
<b>Adjusted loss for the period</b>		<b>(15,770)</b>	<b>(15,032)</b>
<b>Cash flows from operating activities</b>			
Usage of cash reserves	10.3	2,620	725
Transfer to Investment's vehicles for payment of expenses	10.4	(190)	(708)
Ownership acquisition of investments owned through Spice - Portfolio	10.4	(3,804)	(42,098)
Ownership acquisition - Portfolio - Investments owned through G2D - Digibee	10.4	(835)	(2,000)
Ownership acquisition - Portfolio - Investments owned through G2D - Expanding Capital	10.4	1,580	256
Ownership acquisition - Portfolio - Investments owned through G2D - Stripe	10.4	(2,077)	-
Ownership acquisition - Portfolio - Investments owned through G2D - The Craftory	10.4	(5,407)	(6,535)
Ownership acquisition - Portfolio - Investments owned through G2D - Quero Educação		-	(450)
Ownership acquisition - Portfolio - Investments owned through G2D - Rain Technologies	10.4	(1,000)	-
Change of investments - Portfolio - Other investments		-	(352)
Ownership acquisition - Portfolio - Investments owned through G2D - Simpaul	10.4	(9)	-
Ownership disposal - BR Properties	10.4	7,605	-
Proceeds from capital reduction BR Properties	10.4	145,637	-
Acquisition of investment - BR Properties	10.4	(151,538)	-
Acquisition of investment - BR Properties Corporate Offices FIIC	10.4	(4,736)	-
Proceeds from sale of BR Properties Corporate Offices FII	10.4	3,306	-
Receivables from related parties		249	(1,209)
Management and performance fees		(1)	1
Receivables from employees and shareholders		(412)	(1,041)
Other current assets		(359)	(1,583)
Other non-current assets		244	(44)
Accounts payable		(352)	(458)
Taxes payable		126	111
Payroll accruals, bonuses and related charges		(525)	(3,531)
Other liabilities		(1,465)	1,305
<b>Net cash used in operating activities</b>		<b>(27,113)</b>	<b>(72,643)</b>

**GP Investments, Ltd.****Consolidated statement of Cash Flow****for the period ended September 30, 2023, and 2022***(In thousands of US dollars, unless otherwise indicated)*

	<u>Note</u>	<u>09/30/2023</u>	<u>09/30/2022</u>
<b>Cash flows from investing activities</b>			
Proceeds from disposal of current financial instruments	10.3	47,284	14,963
Acquisition of current financial instruments	10.3	(27,044)	(5,949)
Acquisition of non-current financial		-	701
Acquisition of furniture, properties and equipment		(248)	(58)
<b>Net cash provided by investing activities</b>		<b><u>19,992</u></b>	<b><u>9,657</u></b>
<b>Cash flows from financing activities</b>			
Capital subscription		-	120
Distribution to Limited Partners		(259)	-
Capital reduction of minorities		-	(132)
Capital contribution from minorities		-	5,000
Acquisition of treasury shares		-	(1,705)
Acquisition of treasury shares through Spice		-	(3,201)
Payment of interest on perpetual notes	13.b	(5,634)	-
Proceeds from loans and financing	12.b	156,830	10,002
Repayments of loans and financings	12.b	(22,159)	(492)
Repurchase of shares from non-controlling - Spice		(1,558)	(19,445)
<b>Net cash provided by (used in) financing activities</b>		<b><u>127,220</u></b>	<b><u>(9,853)</u></b>
<b>Effects of exchange rate changes</b>		<b>5,453</b>	<b>775</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b><u>125,552</u></b>	<b><u>(72,064)</u></b>
<b>Cash and cash equivalents at beginning of the period</b>		<b><u>40,866</u></b>	<b><u>120,396</u></b>
<b>Cash and cash equivalents at end of the period</b>		<b><u>166,418</u></b>	<b><u>48,332</u></b>

**Notes to the consolidated interim financial information**  
*(In thousands of US dollars, unless otherwise indicated)*

**1 Business**

GP Investments, Ltd. (“Company” or “GP”) is a company domiciled in the Islands of Bermuda (“Bermuda”) with shares listed on the Luxembourg Stock Exchange and traded on the Euro MTF market and listed and traded in the form of Brazilian Depositary Receipts (BDR) on the Brazilian Stock Exchange (B3). It is located at 16 Burnaby Street, Hamilton, Bermuda.

The Company’s operations comprise of private equity, real estate and direct investment activities including the management of Limited Partnerships. GP’s business is conducted through its wholly owned subsidiaries: GP North America, LLC (“GP North America”), GP UK Corporate, Ltd. (“GP UK Corporate”), GP Cash Management, Ltd. (“GP Cash”), GPAM, Ltd. (“GPAM”) and GPIC, LLC. (“GPIC”).

The Company conducts its private equity and real estate business through GPIC, either directly or through private equity and real estate funds managed by the Company. “The private equity funds” are comprised by GP Capital Partners IV, LP (“GPCP IV”), GP Capital Partners V, LP (“GPCP V”), GP Capital Partners VI, LP (“GPCP VI”). “The real estate funds” are comprised by GP Real Estate A, LP (“GPRE A”), GP Real Estate B, LP (“GPRE B”), GP Real Estate C, LP (“GPRE C”). The direct investments are made through its subsidiaries Spice Private Equity (Bermuda), Ltd. (“Spice Bermuda”), Spice Private Equity (Delaware), LLC. (“Spice Delaware”) and G2D Investments, Ltd. (“G2D”).

**Ownership summary**

	Country	Ownership %	
		09/30/2023	12/31/2022
<b>Wholly owned subsidiaries</b>			
GP North America, LLC	United States	100%	100%
GP UK Corporate, Ltd	United Kingdom	100%	100%
GPAM, Ltd	Cayman Islands	100%	100%
GP Cash Management, Ltd	Bahamas	100%	100%
GPIC, LLC	United States	100%	100%
<b>Private Equity Funds</b>			
GP Capital Partners IV, LP*	Cayman Islands	31.56%	31.56%
GP Capital Partners V, LP*	Cayman Islands	47.51%	47.51%
GP Capital Partners VI, LP*	United States	3.17%	3.17%
<b>Real Estate Funds</b>			
GP Real Estate A, LP*	Cayman Islands	39.06%	39.06%
GP Real Estate B, LP*	Cayman Islands	28.79%	28.79%
GP Real Estate C, LP*	Cayman Islands	64.95%	64.95%
<b>Direct Investments</b>			
Spice Private Equity, Ltd. (in liquidation)	Switzerland	100%	98.01%
Spice Private Equity (Bermuda), Ltd.	Bermuda	100%	0%
Spice Private Equity (Delaware), LLC	Delaware	100%	0%
G2D Investments, Ltd	Bermudas	73.86%	73.86%

(\*) Ownership calculated based on the capital commitment of GP’s subsidiaries.

**1.1 Private Equity Funds**

- GP Capital Partners IV, LP

GP Capital Partners IV, LP is a Cayman Islands based limited partnership (“GPCP IV Partnership”), registered under the Private Funds Act of the Cayman Islands. The acquisition of portfolio companies is organized by GP Investments IV, Ltd. (“GP IV” or “GPCP IV General Partner”), advised by GP Investimentos Ltda according to the terms of the “Advisory Agreement” dated July 1, 2007.

The GPCP IV General Partner held the two closings amounting to US\$ 1,267,275. The ownership of the GPCP IV General Partner is represented by 0.0008%.

Pursuant to the Limited Partnership Agreement (“GPCP IV LPA”), the terms of GPCP IV Partnership commenced on July 1, 2007 (“GPCP IV Initial Closing”) and continued for a period of ten years after the date of the GPCP IV Initial Closing. The GPCP IV General Partner could extend the term of the GPCP IV Partnership for one or two successive additional one-year periods, subject to approval by the majority of the Advisory Committee representatives. The Advisory Committee approved one-year extensions until July 2019. On July 1, 2019, GPCP IV commenced its winding up period.

- GP Capital Partners V, LP

GP Capital Partners V, LP is a Cayman Islands based limited partnership (“GPCP V Partnership”), registered under the Private Funds Act of the Cayman Islands. The acquisition of portfolio companies is organized by GP Investments V, Ltd. (“GP V” or “GPCP V General Partner”), advised by GP Investimentos Ltda according to the terms of the “Advisory Agreement” dated July 31, 2008.

The GPCP V General Partner held four closings amounting to US\$ 1,052,426. The ownership of the GPCP V General Partner is represented by 0.0009%.

Pursuant to the Limited Partnership Agreement (“GPCP V LPA”), the terms of GPCP V Partnership commenced on April 4, 2008 (“GPCP V Initial Closing”) and continued for a period of ten years commencing on the date of the GPCP V Initial Closing. The GPCP V General Partner could extend the term of the GPCP V Partnership for one or two successive additional one-year periods, subject to approval by the majority of the Advisory Committee representatives. The Advisory Committee approved the one-year extensions up to July 31, 2021. On August 1, 2021, GPCP V commenced its winding up period.

- GP Capital Partners VI, LP

GPCP VI, LP is a Delaware based limited partnership formed pursuant to a Limited Partnership Agreement (“GPCP VI LPA”) dated March 9, 2016, between GP Investments VI, Ltd. (“GP VI” or “GPCP VI General Partner”) and its Limited Partners.

The GPCP VI General Partner held two closings amounting to US\$ 641,250. In July 2017, the GPCP VI Partnership have completed the follow-on contribution to the fund in the amount of US\$ 209,043 (including GPIC). The ownership of the GPCP VI General Partner is represented by less than 0.0001%.

## 1.2 Real Estate Funds

GP Real Estate A, B and C, LP are Cayman Islands based limited partnerships (“GPRE Partnerships” or “GPRE Funds”), registered under the Private Funds Act of the Cayman Islands. The acquisition of portfolio companies is organized by GP Real Estate I, Ltd. (“GP RE I” or “GPRE General Partner”).

GPRE A was established in the Cayman Islands through the Limited Partnership Agreement (“GPRE A LPA”) dated December 22, 2010. GPRE B and GPRE C were established in the Cayman Islands through the Limited Partnership Agreement dated April 19, 2011 (“GPRE B LPA” and “GPRE C LPA”).

The GPRE Partnership held three closings amounting to US\$ 116,950.

## 1.3 Direct investments

- G2D Investments, Ltd

G2D Investments, Ltd. is an investment company located on 16 Burnaby Street, Hamilton, HM 11, Bermuda. G2D has shares listed on the Bermuda Stock Exchange and Brazilian Depositary Receipts (BDRs) on the Brazilian Stock Exchange (“B3”). G2D was incorporated on July 27, 2020, in Bermuda, with the objective of investing in innovative and high growth companies primarily in Brazil, the United States and Europe.

- Spice Private Equity, Ltd., Spice Private Equity (Bermuda), Ltd. and Spice Private Equity (Delaware), LLC

Spice Private Equity Ltd. (“Spice”) is an investment company located in Switzerland. Spice is established under the relevant provisions of the Swiss Code of Obligations and domiciled in Zug. The Company’s shares were listed on the SIX Swiss Exchange until April 19, 2023 (“Tender-Offer”), following the announcement that Spice would delist from SIX made to the investors on April 03, 2023. Spice Bermuda and Spice Delaware were subsidiaries of Spice until June 29, 2023 and both of them held its underlying investments.

GP, as controlling shareholder of Spice, decided to simplify Spice Swiss’s structure after the tender offer. GP Swiss Ltd (“GP Swiss”), one of GP’s subsidiaries, acquired 100% of Spice’s shares at a price of US\$ 16.25 per share. Spice’s investments, held through its subsidiaries Spice Bermuda and Spice Delaware, were transferred to GPIC on June 29, 2023. Spice was put into liquidation on July 7, 2023.

## 2 Basis of preparation

The consolidated interim financial information was prepared in accordance with the International Standard IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (“IASB”).

The consolidated interim financial information was prepared on a going concern basis, which assumes that the Company will be able to meet its payment obligations in the short-term.



The Company's Management have authorized the issuance of the consolidated interim financial information on November 14, 2023.

Details on the Company's accounting policies, including any changes, are presented in note 7.

All relevant information specific to the consolidated interim financial information, and only them, are being evidenced, and correspond to those used by Management in its management.

### **3 Functional and presentation currency**

The Company's functional currency is the US dollars, which is also the presentation currency of these interim financial information. All balances have been rounded to the nearest thousands, except as otherwise indicated.

### **4 Estimates and critical accounting premises**

In preparing the interim financial information, Management used assumptions and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

#### **4.1 Fair value measurement**

The main area involving the use of significant estimates in interim financial information is the fair value of financial instruments. The Company established an internal control structure related to fair value measurement. This includes a team that has overall responsibility for reviewing all significant fair value measurements, including Level 3 fair value. The team regularly reviews significant unobservable inputs, effects and valuation adjustments at least once a year.

When measuring the fair value of an asset and liabilities, the Company uses observable market data as much as possible. Fair values are classified at different levels in a hierarchy based on the inputs used in the 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, which are observable for an asset, either directly (prices) or indirectly (derived from prices).
- Level 3: inputs for an asset that are not based on observable market information (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 note 10.2 (ii).

#### **4.2 Provision for contingencies**

Information about uncertainties related to assumptions and estimates at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next fiscal year is included in note 14, regarding the recognition and measurement of contingencies provisions, including main premises on the probability and magnitude of outflow of resources.

### **5 Measurement basis**

The interim financial information was prepared based on historical cost, except for financial instruments measured at fair value through profit or loss.

### **6 Significant accounting policies**

The Company has consistently applied the accounting policies described below for all years presented in this interim financial information, unless otherwise indicated.

#### **6.1 Investment entity and consolidation**

##### **Investment entity**

The Company (comprised by all private equity and real estate funds and direct investments managed by the Company) has multiple independent investors and holds multiple investments. The General Partner of each Partnership has determined that the Partnerships meet the definition of an investment entity under IFRS 10, subject to the following conditions:

- The Partnerships raised funds for the purpose of providing investors with professional investment management services.
- The Partnerships' business objective, which was communicated directly to investors, is to value capital and investment income.

- Investments are measured and valued at fair value.

## **Consolidation**

The consolidated interim financial information includes the accounts of the Company and its wholly owned subsidiaries GPIC, GP Cash, GP North America, GP UK Corporate, GPAM, Spice Bermuda, Spice Delaware and G2D, and its Private Equity Funds (GPCP IV and GPCP V) and Real Estate Funds (GPRE A, GPRE, B and GPRE C).

The financial instruments (Portfolio) of the subsidiaries and consolidated funds are measured at fair value through profit or loss and are not consolidated, in accordance with IFRS 10 – Consolidated financial information. The fair value of controlled investments is determined consistently with all other investments measured at fair value through profit or loss, as described in the fair value estimation note (Note 10.2(ii)).

The Company operates as an investment structure and invests and commits to invest in various portfolio companies.

All balances and transactions between the Company and its subsidiaries, and vice versa, are eliminated on consolidation.

Intra-group balances and transactions, and any unrealized income or expenses (except for foreign currency transaction gains or losses) derived from intra-group transactions, are eliminated. Unrealized gains arising from transactions with investees recorded using the equity method are eliminated against the investment in proportion to the Company's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of an impairment loss.

## **6.2 Conversion of foreign currency**

The US dollar is the functional and the presenting currency of the Company is Brazilian Real since the Company operates the majority of its business in US dollars. The controlled entities domiciled in Brazil use the real as their functional currency and controlled entities domiciled in the United Kingdom use the pounds as their functional currency.

Accordingly, all assets and liabilities of the subsidiaries companies, which do not use the US dollar as their functional currency, are translated into US dollars at balance sheet exchange rates, and statements of income (loss) and of cash flow at the exchange rate at the date of the transaction or the quarterly average exchange rates. The related translation adjustments are recorded directly to the cumulative translation adjustment account in accumulated other comprehensive income (loss) in shareholders' equity.

## **6.3 Provisions**

The recognition, measurement and disclosure of contingent assets and liabilities and legal obligations are carried out in accordance with the following criteria:

- Tax and social security contingencies - based on the information and assessments of the Company's legal advisors, Management measured and recognized provisions, taking into account that they are constituted taking into account the opinion of legal advisors, the nature of the actions, similarity with previous lawsuits, complexity and the positioning of courts, whenever the loss is evaluated as probable, which would cause a probable outflow of resources for the settlement of obligations and when the amounts involved can be measured with sufficient security.
- Labor contingencies - are recognized whenever the loss is assessed as probable and when the amounts involved can be measured with sufficient certainty, based on the information and evaluations of its legal advisors, Management measured and recognized these provisions. in its assessment supported by its legal advisors. The recognition of these provisions considers outstanding claims and the historical average of losses. When there are a series of similar obligations, the probability of settling them is determined, taking into account the class of obligations as a whole. A provision is recognized even if the probability of settlement relating to any individual item included in the same class of liabilities is small.

## **6.4 Income taxes**

The current income tax and social contribution charge is calculated based on the tax laws enacted, or substantially enacted, on the balance sheet date of the countries in which the Company operates and generates taxable income.

Bermuda, GP's domicile, does not levy taxes on income, corporate or capital gains. Thus, no provision for income taxes was recorded in the primary interim financial information in relation to the Company, GPIC and GP Cash.

GPCP IV, GPCP V, GPCP VI, and GP Holdings are companies incorporated in the Cayman Islands and Delaware, therefore are exempted from taxes.

Income tax in Brazil comprises corporate income tax (25%) and social contribution on net income (9%), in accordance with current legislation. For taxpayers subject to the taxable income calculation regime, the combined rate is 34%. As permitted by tax legislation, certain taxpayers, with annual revenues lower than a certain amount, opt for the presumed profit calculation method. For these taxpayers, income tax and social contribution are calculated on an amount that corresponds to 32% of gross income plus financial income. The rates of 25% and 9%, respectively, are applied to this amount.

Deferred income tax and social contribution are recognized using the liability method on temporary differences arising from differences between the tax bases of assets and liabilities and their carrying amounts in the interim financial information. Deferred income tax is recorded according to the realization perspective at the individual level of each company comprising the consolidated interim financial information, observing the following criteria:

- Deferred income tax and social contribution are recognized using the liability method on temporary differences arising from differences between the tax bases of assets and liabilities and their carrying amounts in the interim financial information.
- Deferred income tax and social contribution assets are recognized only in proportion to the probability that future taxable income will be available and against which the temporary differences can be used.
- Deferred income taxes are recognized on temporary differences arising from investments in subsidiaries and associates, except when the timing of the reversal of temporary differences is controlled by the companies, and provided that it is probable that the temporary difference will not be reversed in a foreseeable future.

## **6.5 Stock option plan**

The Company adopts IFRS 2, which requires that all share-based payments to employees, including the granting of a stock option plan, be recognized in the primary financial information based on their fair value.

The Company grants benefits to its employees to be settled in shares. In these equity instrument option plans, the benefit cost of the premium paid to the employee is based on the fair value of the option and recognized over the period of service provided with the corresponding credit to equity. The period of service provided is the period during which the employee provides the service in exchange for the award, considered as the vesting period.

The amounts received upon exercising the option, net of any directly attributable transaction costs, are credited to the capital stock (par value).

## **6.6 Bonuses**

As approved by the Company's Nomination and Compensation Committee, the Company's employees, associates, and officers may be eligible to receive a Bonus based on each individual's performance as determined annually by the Company's senior management. The Bonus is composed of different groups, which mainly include: (i) 50% of the performance fee received by the GPCP IV, GPCP V, GPCP VI, GPPE Funds and any new Funds, (ii) 10% of the capital gain from direct investments, (iii) 20% of the capital gain between the fair values on December 31, 2017, and the net cash from the sale of GPCP IV and GPCP V investments. On each balance sheet date, the Company, when applicable, records the balance in Current Liabilities as "Payroll accruals, bonuses and related charges".

## **6.7 Share capital**

The Company's shares are divided into Class A and Class B. Shareholders of Class A shares have limited ownership and voting rights that are defined in the Bylaws. Shareholders holding Class B shares will be entitled to vote on all matters referred to at shareholders' meetings. Class A shareholders and Class B shareholders may receive dividends when approved by the Board of Directors.

Shares repurchased are classified as treasury shares and are presented as a deduction from shareholders' equity. When treasury shares are subsequently sold or reissued, the amount received is recognized as an increase in equity, and the gain or loss resulting from the transaction is presented as a capital reserve.

Incremental costs directly attributable to the issuance of new shares or options are shown in equity as a deduction from the amount raised.

## **6.8 Income recognition**

Revenue comprises the fair value of the consideration received or receivable for the provision of services in the normal course of the Company's activities and unrealized gains on the fair value of its investments. The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow and when specific criteria have been met for each of the Company's activities.

- Management fee

Income from management fees comes from the services provided by the investment manager of the private equity funds ("General Partner") or from investment management contracts with the direct investees G2D Investments, Ltd and Spice Private Equity, Ltd ("direct investees"). Management fees are determined by the equity values of managed funds or direct investees. Management fees are calculated quarterly, based on the equity of the previous quarter, and paid at the beginning of the subsequent quarter. Revenue is recognized when it transfers control over the service provided to Private Equity funds or direct investees.

- Performance fee

Performance fees are evaluated and recognized, including whether the transaction price is accounted for in part or in the total amount of the variable consideration estimated in accordance with IFRS 15 - Revenue from contracts with customers, only to the extent that it is highly probable that a reversal significant increase in the amount of accumulated revenue recognized does not occur when the uncertainty associated with the variable consideration is subsequently resolved.

- Financial income

Financial income is recognized according to the term elapsed, using the effective interest rate method. The financial income is related to the appreciation on the fair value of financial instruments, which are measured at amortized cost.

- Dividend income

For investments classified as fair value through profit or loss, dividend income is recognized when the right to receive payment is established.

## **6.9 Financial instruments**

### **6.9.1 Classification, recognition, and measurement**

GP classifies its financial assets under the following measurement categories:

- Measured at fair value (either through other comprehensive income or through profit or loss); and
- Measured at amortized cost.

The classification depends on the business model for managing the financial assets and the contractual terms of the cash flows. GP classifies the following financial assets at fair value through profit or loss: equity investments held for trading and equity investments for which it did not choose to recognize gains and losses through other comprehensive income.

The Company classifies its financial assets measured at fair value Level I through profit or loss.

Regular purchases and sales of financial assets are recognized on the trade date, the date on which GP commits to buy or sell the asset. Financial assets are derecognized when the rights to receive cash flows have expired or have been transferred and GP has transferred substantially all the risks and rewards of ownership.

On initial recognition, GP measures a financial asset at fair value and financial liabilities are measured at amortized cost.

### **6.9.2 Derecognition**

- **Financial Assets**

The Company derecognizes a financial asset when contractual rights to the asset's cash flows expire; or transfers contractual rights of receipt to contractual cash flows on a financial asset in a transaction where: (i) substantially all the risks and rewards of ownership of the financial asset are transferred or (ii) the Company neither transfers nor maintains substantially all the risks and rewards of ownership of the financial asset and also does not retain control over the financial asset.

- **Financial Liabilities**

The Company derecognizes a financial liability when its contractual obligation is discharged, canceled or expires. The Company also derecognizes a financial liability when the terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the extinguished carrying amount and the consideration paid (including transferred non-cash assets or liabilities assumed) is recognized in the result.

### **6.9.3 Fair value measurement**

The IFRS defines fair market value and establish a framework for measuring fair market value and disclosing the basis for measuring fair value. Among other determinations, the use of fair value assessment techniques that maximize the use of observable criteria and that reduce the adoption of unobservable criteria is required.

Fair value for unlisted entities is determined by management using valuation techniques. This valuation technique includes discounted cash flows (based on expected future cash flows adjusted to an appropriate discount rate), multiples analysis, net asset value ("NAV") analysis and/or trading comparatives. The Company adjusts the valuation model as necessary. The valuation techniques also consider the original transaction price and consider relevant developments since the acquisition of the investments and other factors relevant to

the valuation of the investments, with reference to such rights in relation to the realization, recent transactions by third parties of comparable types of instruments and reliable indicative offers from potential buyers.

To determine fair value, the Company may rely on the financial data of the portfolio companies and on the estimates of the management of the portfolio companies as to the effect of future developments. Although management uses its best judgment and cross-references the results of primary valuation models against secondary models in estimating the fair value of investments, there are inherent limitations in any estimation techniques.

Although the fair value estimates presented show the amount that the Company could realize in a current transaction, the final realization may be different, as future events will also affect the current fair value estimates. The effect of these events on fair value estimates, including the final settlement of investments, may be material to the consolidated interim financial information.

#### **6.10 Liabilities measured at amortized cost**

Loans and financing are initially recognized at fair value, net of costs incurred in the transaction and are subsequently stated at amortized cost. Any difference between the amounts raised (net of transaction costs) and the liquidation value is recognized in the income statement during the period in which the loans are outstanding, using the effective interest rate method. Fees paid on the borrowing date are recognized as transaction costs for the borrowing, as it is probable that part or all of the borrowing will be drawn down.

Financial instruments, including perpetual bonds that are mandatorily redeemable on a specific date, are classified as liabilities measured at amortized cost.

#### **6.11 Cash and cash equivalents**

Cash and cash equivalents include cash, bank deposits and other short-term highly liquid investments that are readily convertible into known amounts of cash and have an insignificant risk of changes in value.

### **7 New standards not yet effective**

A series of new standards will be effective for years beginning after January 1, 2023. The Company has not adopted these standards in preparing this interim financial information.

- Classification of liabilities as current or non-current (amendments to IAS 1): the amendments issued in 2020 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 amendment of the effective date of the 2020 amendments for annual periods beginning on or after 1 January 2024. As this standard is still subject to future developments, the Company cannot determine the impact of these changes on this interim financial information.
- Other standards that are not expected to have a significant impact on the Company's interim financial information:
  - IFRS 17 Insurance Contracts;
  - Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
  - Definition of Accounting Estimates (Amendments to IAS 8);
  - Deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12).

### **8 Risks and risk management**

#### **8.1 Risks**

The main risks related to financial instruments are credit risk, market risk, liquidity risk, currency risk, interest rate variation risk and capital management. The management of these risks is a process that involves different levels of the Company and encompasses various policies and strategies. In addition to the Company's investment in shares and its interest in GPCP IV, GPCP V and GPCP VI, as of September 30, 2023, and December 31, 2022, there was no significant concentration of credit, market, liquidity and currency risk with respect to banks and financial investment funds.

##### **8.1.1 Credit Risk**

Credit risk is the risk that arises from the possibility of loss resulting from the non-receipt, by counterparties or creditors, of the amounts they have agreed to pay to the Company. The Company mitigates credit risks related to banks and financial investment funds by investing in short-term securities financial institutions and funds managed by investment managers.

##### **8.1.2 Market Risk**

Market risk is related to the possibility of loss due to fluctuations in rates related to unprotected terms, currencies and indices in the Company's portfolio. The Company acquires interests in privately held companies, the sale of which may take some time and the amounts realized may be lower than the appraisal value. The Company only has a diversified portfolio of investments and, therefore, its revenue may be affected by an unfavorable performance.

### 8.1.3 Liquidity Risk

Liquidity risk management is designed to control the risk related to mismatched settlement periods of the Company's rights and obligations. Knowledge and monitoring of this risk are crucial to enable the Company to settle transactions in a timely and secure manner. Liquidity risk management involves a set of controls, mainly related to the establishment of technical limits, and the positions taken are constantly evaluated.

Due to the specific nature of the private equity funds in which the Company invests, it is not always possible to immediately and fully invest in the fund's underlying investments. The Company then commits to invest an agreed amount in a certain period of time, as defined in the Subscription and Shareholders' Agreement.

G2D has commitments, including uncalled capital, with underlying investments as shown below:

<b>Investment</b>	<b>09/30/2023</b>		
	<b>Total commitment</b>	<b>Capital called</b>	<b>Investment period (years)</b>
Expanding Capital	25,000	17,063	5
The Craftory	95,000	72,363	5
	<b>120,000</b>	<b>89,426</b>	

  

<b>Investment</b>	<b>12/31/2022</b>		
	<b>Total commitment</b>	<b>Capital called</b>	<b>Investment period (years)</b>
Expanding Capital	25,000	16,058	5
The Craftory	95,000	66,957	5
	<b>120,000</b>	<b>83,015</b>	

On September 30, 2023, the total commitment amount amounted to US\$ 120,000 (December 31, 2022 – US\$ 120,000) and the capital already called amounted to US\$ 89,426 (December 31, 2022 – US\$83,015).

The commitment in The Craftory was initially US\$60,000 in 2018, fully called during the investment period and in 2022 an additional commitment of US\$ 35,000 was agreed of which US\$10,000 was already called. The initial commitment in Expanding Capital was US\$ 10,000, of which US\$ 8,438 was called during the investment period and in 2020 an additional commitment of US\$ 15,000 was agreed, of which US\$ 8,625 was already called.

Additionally, on September 30, 2023, the Company had a loan with financial institution amounting to US\$ 18,020, maturing in February 2025 with an annual interest rate of SOFR ("Secured Overnight Financing Rate") plus 4.45% per annum.

In April and May 2023, GP (via Slabs Investimentos Ltda), obtained a loan originally in Reais from a financial institution which was segregated in three series, the first amounted to US\$ 133,169 (R\$ 666,856) with an interest rate of CDI+ 3.4% per annum which are due in October 2023, the second series amounted to US\$ 7,189 (R\$ 36,000) with an interest rate of CDI + 1.5% per annum, which was already matured and paid in June 2023, and lastly, the third one amounted to US\$ 6,790 (R\$34,003) with an interest rate of CDI + 3.4% per annum. This last loan was partially paid in September 2023, bringing its amount to US\$ 5,991 (R\$ 30,000), and extended to March 2024 with the same rate agreed in the original contract.

In July 2023, GP obtained two series of convertible promissory notes issued with an aggregated principal amount of US\$ 3,750 with a simple interest rate of 4.8% per annum. Both series mature in May 2024.

In September 2023, GP (via Slabs Investimentos Ltda.), obtained a loan originally in Reais from a financial institution amounting to US\$ 176 (R\$ 881), with an interest rate of 10.58% per annum. The loan will be matured in September 2025. Further details on the loans are available in note 12.

### 8.1.4 Currency Risk

As a portion of the implied market value of private equity investments is denominated in Reais and in British pounds, the Company is exposed to foreign exchange risks. The Company is exposed to a certain degree of foreign exchange risk, which may affect performance. Fluctuations in exchange rates affect the net asset value of investments and, therefore, the Company's consolidated interim financial information. The Company may have derivative contracts to mitigate these foreign exchange risks. As of September 30, 2023, and December 31, 2022, 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:

<b>Investment</b>	<b>Currency</b>	<b>Fair Value</b>	<b>Depreciation (10%)</b>	<b>09/30/2023</b>
				<b>Appreciation (10%)</b>
Centauro	R\$	43,476	4,348	(4,348)
BR Properties	R\$	2,145	215	(215)
Inova II FIP	R\$	14,688	1,469	(1,469)
The Craftory, Ltd (*)	£	112,349	11,235	(11,235)
Blu FIP Multiestratégia	R\$	19,972	1,997	(1,997)
Inova FIP	R\$	21,125	2,113	(2,113)
Quero Educação	R\$	5,557	556	(556)
		<b>219,312</b>	<b>21,933</b>	<b>(21,933)</b>

<b>Investment</b>	<b>Currency</b>	<b>Fair Value</b>	<b>Depreciation (10%)</b>	<b>12/31/2022</b>
				<b>Appreciation (10%)</b>
Centauro	R\$	78,189	7,819	(7,819)
BR Properties	R\$	11,316	1,132	(1,132)
Inova II FIP	R\$	14,189	1,419	(1,419)
The Craftory, Ltd (*)	£	106,910	10,691	(10,691)
Blu FIP Multiestratégia	R\$	19,877	1,988	(1,988)
Inova FIP	R\$	21,344	2,134	(2,134)
Quero Educação	R\$	5,557	556	(556)
		<b>257,382</b>	<b>25,739</b>	<b>(25,739)</b>

(\*) The investment in The Craftory is made in sterling pound (£), thus, it will be affected by exchange rate variations against the dollar, and after it will be converted to the presentation currency (R\$).

### 8.1.5 Interest rate variation 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 informs the Board of Directors at its quarterly meetings.

### 8.2 Capital Management

GP's capital management policy considers the fulfillment of current and future commitments related to the Company's activities, the maintenance of capital levels consistent with the debt profile and the fulfillment of the share buyback plan issued by GP, in the form approved by the Board of Directors. In line with these objectives, short-term cash and cash equivalents are used to obtain the best possible rate of return, investing predominantly in conservative investments, without jeopardizing the liquidity necessary to meet current commitments and futures inherent to GP's activities.

GP's (individual) financial leverage ratios can be summarized as follows:

	<b>09/30/2023</b>	<b>12/31/2022</b>
<b>Current liabilities</b>		
Accrued interests on perpetual notes	1,392	1,393
Loans and financings	161,124	30,368
<b>Non-current liabilities</b>		
Perpetual notes	74,862	74,842
Loans and financings	10,176	-
<b>Total Company's debt</b>	<b>247,554</b>	<b>106,603</b>
(-) GP (individual) Cash and cash equivalents	(256)	(233)
<b>(-) GP (individual) Cash and cash equivalents</b>	<b>247,298</b>	<b>106,370</b>
Shareholders' capital	597,133	594,724
<b>Percentual</b>	<b>41.41%</b>	<b>17.89%</b>

On September 30, 2023, the financial leverage ratio (net debt divided by total capital) ranged from 17.89% on December 31, 2022, to 41.41%. In May 2008, the Company's Board of Directors approved the General Guidelines and Policies of the Company (General Guidelines and Policies) defining that GP should always seek to maintain its maximum level of financial leverage at 50%. The variation between the periods presented is considered healthy and normal by management, given that the financial leverage ratio complies with the policy defined by the Board of Directors.

GP's capital, as well as market risks, is managed independently from the companies invested in by the private equity funds managed by GP. Capital is not managed at the consolidated level, which includes funding operations and loans to portfolio companies. In addition, GP is not the guarantor of any debt or loans of companies invested in by private equity funds.

## 9 Cash and cash equivalents

The cash position of the Company as of September 30, 2023, and December 31, 2022, is mainly in US Dollars, as per below:

	<u>Note</u>	<u>09/30/2023</u>	<u>12/31/2022</u>
US dollars - US\$	(i)	21,939	35,265
Brazilian reais - R\$	(ii)	144,357	1,149
Swiss francs - CHF	(iii)	122	4,452
		<u>166,418</u>	<u>40,866</u>

- (i) The cash denominated in US dollars is concentrated in readily available bank accounts;  
(ii) The cash denominated in Brazilian reais is deposited in bank accounts; and  
(iii) The cash denominated in Swiss francs is deposited in bank accounts.

## 10 Financial instruments

### 10.1 Financial instruments per category

The Company's assets are categorized in amortized cost and measured at fair value through profit and loss, as follows:

	<u>Assets at amortized cost</u>	<u>Assets at fair value through profit and loss</u>	<u>Total</u>
<b>On September 30, 2023</b>			
<i>Assets, according to the Balance Sheet</i>			
Cash and cash equivalents	166,418	-	166,418
Financial instruments – current and non-current	-	58,019	58,019
Management and performance fees	50	-	50
Receivables from related parties	4,537	-	4,537
Receivables from employees and shareholders	6,694	-	6,694
Other receivables	3,779	-	3,779
Financial instruments - Portfolio	-	354,065	354,065
	<u>181,478</u>	<u>412,084</u>	<u>593,562</u>
	<u>Assets at amortized cost</u>	<u>Assets at fair value through profit and loss</u>	<u>Total</u>
<b>On December 31, 2022</b>			
<i>Assets, according to the Balance Sheet</i>			
Cash and cash equivalents	40,866	-	40,866
Financial instruments – current and non-current	-	81,691	81,691
Management fees	49	-	49
Receivables from related parties	2,847	-	2,847
Receivables from employees and shareholders	6,282	-	6,282
Other receivables	5,855	-	5,855
Financial instruments – Portfolio	-	391,735	391,735
	<u>55,899</u>	<u>473,426</u>	<u>529,325</u>



The Company's liabilities are categorized in amortized cost, as follows:

	<b>Liabilities at amortized cost</b>
<b>On September 30, 2023</b>	
<i>Liabilities, according to the Balance Sheet</i>	
Accounts payable	1,632
Loans and financings	171,300
Perpetual notes and Accrued interest on perpetual notes	76,254
Others	1
	<b>249,187</b>
	<b>Liabilities at amortized cost</b>
<b>On December 31, 2022</b>	
<i>Liabilities, according to the Balance Sheet</i>	
Accounts payable	1,984
Loans and financings	30,368
Perpetual notes	76,235
Others	1,465
	<b>110,052</b>

## 10.2 Measurement of the fair value of financial instruments

### (i) Hierarchy of financial instruments

The table below presents the assets measured at fair value as of September 30, 2023, classified according to the fair value measurement levels:

	<b>09/30/2023</b>			
	<b>Level I</b>	<b>Level II</b>	<b>Level III</b>	<b>Total</b>
Financial instruments - Portfolio – Private Equity and Direct Investments	43,476	-	300,548	344,024
Financial instruments - Portfolio – Real Estate	-	-	7,204	7,204
Financial instruments - Portfolio – Other investments	-	-	2,837	2,837
	<b>43,476</b>	-	<b>310,589</b>	<b>354,065</b>
Financial instruments – current, excluding cash reserve	8,700	-	-	8,700
	<b>8,700</b>	-	-	-
<b>Total assets at fair value through profit and loss</b>	<b>52,176</b>	-	<b>310,589</b>	<b>362,765</b>

The table below presents the assets measured at fair value as of December 31, 2022, classified according to the fair value measurement levels:

	<b>12/31/2022</b>			
	<b>Level I</b>	<b>Level II</b>	<b>Level III</b>	<b>Total</b>
Financial instruments - Portfolio – Private Equity and Direct Investments	89,505	-	292,781	382,286
Financial instruments - Portfolio – Real Estate	-	-	6,613	6,613
Financial instruments - Portfolio – Other investments	-	-	2,836	2,836
	<b>89,505</b>	-	<b>302,230</b>	<b>391,735</b>
Financial instruments – current, excluding cash reserves	27,182	-	-	27,182
Financial instruments – non-current	-	-	3,594	3,594
	<b>27,182</b>	-	<b>3,594</b>	<b>30,776</b>
<b>Total assets at fair value through profit and loss</b>	<b>116,687</b>	-	<b>305,824</b>	<b>422,511</b>

Investments whose values are based on quoted market prices in active markets and therefore classified as Level I, include listed equities.

The Company does not adjust the quoted price for these instruments.

**(ii) Valuation techniques**

The Company measures the fair value of its investments once a year, normally in December of each year, usually at the last quarter of each exercise, which is approved by the board of directors, unless there is a significant event, as liquidation or significant change in the analyzes prepared by the board, once the monitoring is carried out quarterly.

On September 30, 2023, Management concluded that the fair value assessment related to December 31, 2022, is still reflecting the current market conditions and the underlying investments performance, except for the valuation of BR Properties, since there was an acquisition of 96.3% of its shares by Slabs Investimentos Ltda, a subsidiary of GPIC, LLC. Therefore, the investment is now measured by the price of acquisition (R\$ 64.00 per share). More details on the transaction are available in “relevant transactions held during 2023” section.

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>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.	EV - Sales and comparable multiples	(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)	EV - Sales and comparable multiples	(iii)
CERC (via Inova FIP)	Recent transaction	N/A
Digibee	Recent transaction	N/A
Real Estate	Discounted cash flow	(iv)
	Market share price and EV - Sales and comparable multiples	
Direct Co-Investments		N/A
Global EM Funds Portfolio	Net asset value	N/A
Latin American Portfolio	Net asset value	N/A
Asia-Pacific Funds Portfolio	Net asset value	N/A

- (i) 2.8x multiple in 2022 estimated revenue;
- (ii) According to the subscription agreement, G2D has liquidation preference of 1x the subscribed capital;
- (iii) 11.9x multiple in 2023 and 2024 estimated revenue;
- (iv) Discount rate of 12.37%.

**(iii) Relevant transactions held during 2023**

**BR Properties Reorganization**

On January 3, 2023, BR Properties announced to the market an event comprising a capital reduction that resulted in a distribution to its shareholders in both cash and through the delivery of quotas of a real estate fund BRPR Corporate Offices Fundo de Investimento Imobiliário (“FII”), which were received by GP. In addition, in a notice sent to BR Properties on January 13, 2023, GPIC, LLC and THB JV S.À R.L informed that GPIC, LLC (or one of its affiliates, including Slabs Investimentos Ltda) (“Offeror” and “Slabs”), and THB JV S.À R.L (“Limited Partner A”), and, as intervening consenting parties, GPCP VI (“Seller”) and GP Investments VI (Cayman), Ltd. (“General Partner”), executed a binding Voting and Other Covenants Agreement (“Voting Agreement”), through which the Offeror undertook to launch a voluntary tender offer for the purchase of the Company’s shares and the Limited Partner A undertook to cause the Seller to sell the common shares issued by the BR Properties in the context of the Offeror’s voluntary tender offer. The tender offer was launched on March 10, 2023 and the auction was concluded on April 11, 2023, in which Slabs acquired 89.74% of BR Properties, including 100% of the shares previously held by GPCP VI, at a price per share of R\$ 64.00. Within the 30-day period following the conclusion of the auction, shareholders who have not participated in the offer auction and wished to sell their shares to the Offeror could do so, and after this period Slabs now holds shares representing 96.30% of the common shares issued by BR Properties.

In order to buy these shares, GP (via Slabs Investimentos Ltda) obtained a loan originally in Reais from a financial institution which was segregated in three series, the first amounted to US\$ 133,169 (R\$ 666,856) with an interest rate of CDI+ 3.4% per annum which are due in October 2023, the second series amounted to US\$ 7,189 (R\$ 36,000) with an interest rate of CDI + 1.5% per annum, which was already matured and paid in June 2023, and lastly, the third one amounted to US\$ 6,790 (R\$34,003) with an interest rate of CDI + 3.4% per annum. This last loan was partially paid in September 2023, bringing its amount to US\$ 5,991 (R\$ 30,000), and extended to March 2024 with the same rate agreed in the original contract.

On June 09, 2023, BR Properties announced to the market its “Simplification of the Company Structure and Tender Offer for Cancellation” plan that, among others, covers the intention of Slabs to launch another public tender-offer to buy the remaining stake in BR Properties and close its capital. The request of registration of the tender offer for cancellation of publicly-traded company registration

of BR Properties S.A. (“cancellation tender offer”) was filed on July 13, 2023, and the price attributed to each share object of the cancellation tender offer was the same price per share offered in the previous offer (R\$ 64.00) accrued by the SELIC interest rate up to the settlement date of the cancellation tender offer, discounted/adjusted by any proceeds and changes on the share capital and number of shares.

On June 30, 2023, BR Properties announced to the market that it had approved a capital reduction that was carried out upon a refund to the shareholders of approximately R\$ 63.05 per share, considering a total of 11,610,812 shares of which 11,180,688 are owned by Slabs, generating proceeds of approximately R\$ 704,942 (approximately US\$ 146,278). The capital reduction became effective sixty days after the publication of the minutes of the AGE approving the reduction, without opposition from creditors, under the terms of Law 6,404/76.

On August 30, 2023, GPIC LLC transferred its remaining stake in GPCP VI to the Limited Partner A, as per the Omnibus Agreement signed by the parties.

#### **Spice restructuring**

GP, as controlling shareholder of Spice, decided to simplify Spice Swiss’s structure after the tender offer. GP Swiss Ltd (“GP Swiss”), one of GP’s subsidiaries, acquired 100% of Spice’s shares at a price of US\$ 16.25 per share. Spice’s investments, held through its subsidiaries Spice Bermuda and Spice Delaware, were transferred to GPIC on June 29, 2023. The transaction didn’t had effect on the result for the period.

#### **Capital contribution – Digibee**

In June 2023, G2D invested US\$ 835 at Digibee, in the context of the recent Series B transaction.

#### **Capital contribution and return of capital – Expanding Capital**

In January 2023, Expanding Capital called part of the unused commitment, amounting to US\$ 1,005, as per the Subscription Agreement. In June 2023, Expanding Capital’s investment vehicle returned an excess of capital of US\$ 1,580 to G2D.

#### **Capital contribution – The Craftory**

In May 2023 and August 2023, Expanding Capital called part of the unused commitment, amounting to US\$ 2,865 and to US\$ 2,542, respectively as per the Subscription Agreement.

#### **Ownership acquisition – Stripe**

In February 2023, G2D invested in Stripe, a payment institution. The investment was US\$ 2,077, according to the Investment Agreement.

#### **Ownership acquisition – Rain Technologies**

In September 2023, G2D invested US\$ 1,000 in Rain Technologies through a SAFE (Simple Agreement for Future Equity). Rain is a fintech offering early wage access and financial wellness benefits to employees of mid-market companies operating in the American market.

#### **Capital contribution – Akad**

In July 2023, GP invested US\$ 3.800 at Akad, in the context of a share capital increase.

### **10.3 Current financial instruments measured at fair value through profit and loss**

#### **a. Balance composition**

	<u>Note</u>	<u>Currency</u>	<u>09/30/2023</u>	<u>12/31/2022</u>
Investments in funds		R\$	4,309	3,993
Stocks	(i)	US\$	4,391	2,647
Time deposits	(ii)	US\$	-	20,542
Cash reserves	(iii)	US\$	49,319	50,915
			<u>58,019</u>	<u>78,097</u>

- (i) Diverse stock portfolio held by the Company, through GP Cash;
- (ii) Time deposits held by the Company through Spice; and
- (iii) Cash reserves relates to the amount retained at the GPCP IV Fund level for potential liabilities that may arise during the liquidation process of GPCP IV.

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**b. Balance movement**

	<b>2023</b>
<b>On January 01, 2023</b>	78,097
Investments	27,044
Appreciation	1,758
Divestments	(47,284)
Usage of the cash reserve	(2,620)
Interest of the cash reserve	1,024
<b>On September 30, 2023</b>	<b>58,019</b>
	<b>2022</b>
<b>On January 01, 2022</b>	86,324
Reclassification from non-current to current	4,389
Investments	5,949
Depreciation	(1,853)
Divestments	(14,963)
Usage of the cash reserve	(725)
<b>On September 30, 2022</b>	<b>79,121</b>

**10.4 Non-current financial instruments measured at fair value through profit and loss**

**(i) Financial Instruments portfolio**

On September 30, the Company Financial instruments - Portfolio consists primarily of investments made by the funds GPCP IV, GPCP V, GPCP VI, GPRE and by the subsidiaries G2D and GPIC, LLC.

	Note	Total direct and indirect - %	09/30/2023		Total direct and indirect - %	12/31/2022		Net change in unrealized gain (loss) with equity portfolio for the period ended	
			Cost	General partner's valuation		Cost	General partner's valuation	09/30/2023	09/30/2022
<b>Private Equity Funds</b>									
Level I									
Centauro	(a)	13.2	127,071	43,476	13.2	127,071	78,189	(34,713)	(10,028)
BR Properties	(b)	-	-	-	1.9	22,502	11,316	11,186	2,054
<b>Total Level I</b>			<b>127,071</b>	<b>43,476</b>		<b>149,573</b>	<b>89,505</b>	<b>(23,527)</b>	<b>(7,974)</b>
Level III									
Lácteos Brasil (LBR)	(c)	38.9	261,801	-	38.9	261,666	-	(135)	(615)
San Antonio	(d)	57.7	354,401	-	57.7	354,401	-	-	-
			<b>616,202</b>	<b>-</b>		<b>616,067</b>	<b>-</b>	<b>(135)</b>	<b>(615)</b>

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	Note	Total direct and indirect - %	09/30/2023		Total direct and indirect - %	12/31/2022		Net change in unrealized gain (loss) with equity portfolio for the period ended	
			Cost	General partner's valuation		Cost	General partner's valuation	09/30/2023	09/30/2022
<b>Direct investments</b>									
GPCM II - Level III									
Inova II FIP	(e)	3.2	3,138	14,688	3.5	3,138	14,189	499	(20,086)
Investments through G2D									
– Level III									
The Craftory	(f)	16.4	72,385	112,349	16.4	66,978	106,910	32	(30,068)
BLU Pagamentos	(g)	15.4	12,067	19,972	15.7	12,067	19,877	95	(9,033)
Expanding Capital	(h)	*	17,147	16,611	*	18,737	19,063	(862)	(4,058)
Sim;paul	(i)	6.4	2,562	-	6.4	2,553	-	(9)	(16)
Quero Educação	(j)	3.2	5,450	5,557	3.2	5,450	5,557	-	-
Inova FIP	(k)	**	7,465	21,125	**	7,465	21,344	(219)	(20,670)
Digibee	(l)	1.6	2,835	2,835	1.6	2,000	2,000	-	-
Stripe	(m)	0.0	2,077	2,077	-	-	-	-	-
Rain Technologies	(n)	***	1,000	1,000	-	-	-	-	-
GPIC LLC - Level III									
BR Properties	(b)	96.3	5,075	2,145	-	-	-	(3,081)	-
Akad	(o)	87.5	43,246	43,246	-	-	-	-	-
Bravo Brio	(p)	34.8	121,394	45,976	-	-	-	(75,418)	-
Direct Co-Investments	(q)	5.6	5,043	5,252	-	-	-	209	-
Global EM Funds Portfolio	(r)	6.5	8,730	7,715	-	-	-	(1,015)	-
Investments through Spice									
- Level III									
Direct Co-Investments	(s)	-	-	-	98	-	-	-	-
Global EM Funds Portfolio						170,942	95,827	75,115	575
Latin American Portfolio						8,730	8,014	716	1,135
Asia-Pacific Funds Portfolio						-	-	-	17
						-	-	-	2,939

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Note	Total direct and indirect - %	09/30/2023		Total direct and indirect - %	12/31/2022		Net change in unrealized gain (loss) with equity portfolio for the period ended	
		Cost	General partner's valuation		Cost	General partner's valuation	09/30/2023	09/30/2022
Other investments		2,839	2,837		2,842	2,836	4	(4)
Real Estate Funds		57,819	7,204		57,747	6,613	519	(682)
<b>Total Level III</b>		<b>986,474</b>	<b>310,589</b>		<b>974,716</b>	<b>302,230</b>	<b>(3,550)</b>	<b>(80,566)</b>
<b>Total financial instruments –Portfolio</b>		<b>1,113,545</b>	<b>354,065</b>		<b>1,124,289</b>	<b>391,735</b>	<b>(27,077)</b>	<b>(88,540)</b>

(\*) Expanding Capital invests in two funds: BBridge Capital I LP and Expanding Capital II-A LP. As of September 30, 2023, the ownership in each fund was 25.6% and 50%, respectively (December 31, 2022 – 22.05% and 50%).

(\*\*) Inova FIP invests in CERC and 2TM. The holdings are represented by 2.8% and 2.67%, respectively (December 31, 2022 – 3.1% and 2.89%).

(\*\*\*) GP invested, via G2D, in a SAFE (Simple Agreement for Future Equity), meaning the amount invested will be automatically converted into preferred stock in the next equity financing round. As such, G2D does not currently hold Rain's stock, but the right to convert this cash investment into equity (December 31, 2022 - nil).

**(ii) Description of the financial instruments - Portfolio**

- (a) Grupo SBF S.A. (“Centaurus”): Grupo SBF S.A. retails sporting goods. It offers apparels, footwear, and other related products in Brazil. The investment was made via GPCP V, LP and GP’s current stake is 13.2% (December 31, 2022, is 13.2%).
- (b) BR Properties S.A. (“BR Properties”): BR Properties is a Brazil-based company engaged in the real estate sector. Its focus is on the acquisition, management, leasing and sale of commercial properties in Brazil, mainly office buildings, retail premises, as well as industrial and logistics warehouses. The investment was initially made via GPCP VI, LP and sold, through a tender-offer to Slabs Investimentos Ltda. Considering these events, the GP’s current stake is 96.30% via Slabs. Further details are in note 10.2 (iii), “relevant transactions held on 2023” section.
- (c) Lacteos Brasil S.A. (“LBR”): in April 2008, GPCP IV signed an agreement to acquire Laticnios Morrinhos Ind. Com. Ltda, (“Leitbom”), a Brazilian dairy company. On July 8, 2010, Monticiano Participaes S, A, (“Monticiano”), an investment vehicle held by GP Dairy I, announced a capital increase through the consortium formed by the facilities of Leitbom, Gloria and Ibituruna, both subsidiaries of LAEP Investments Ltd. These three dairy producers shared industrial facilities and worked together to maximize the potential of all their brands. As a result of this transaction, GPCP IV’s indirect interest in Leitbom was diluted from 95,8% to 38,3%. GP Dairy I is an investment vehicle held by GPCP IV. In December 2010, Monticiano, the holding company of Leitbom, announced the merger of its subsidiary with Laticnios Bom Gosto Ltda, to create Lacteos Brasil S.A. (“LBR”), Binding documents were signed on December 22, 2010, and the transaction closed on January 4, 2011. This investment is classified as a Level III investment. LBR and the whole Brazilian dairy industry faced difficult years and, in February 2013, as an attempt to protect its operations and carry out a debt restructuring process, LBR had no alternative but to file judicial recovery. Despite having a successful year in 2013 (when LBR managed to optimize operations, restructure a significant part of its liabilities with the approval of the judicial recovery plan in October, and turnaround financial results), LBR’s ability to generate cash flow from operations continued to suffer from an archaic tax system in which LBR pays duties when acquiring raw materials and is exempted when selling most of its finished goods, hence accumulating tax credits. Without the due reimbursement of such credits by the Government, and the drying up of traditional sources of funding, LBR was forced to turn to expensive lines of credit which burdened LBR’s free cash flow. In continuation of the judicial recovery process, LBR implemented a court approved judicial asset sale process in 2014. The judicial asset sale process was successful and LBR creditors’ General Assembly unanimously approved the sale of all the 14 production units on August 21, 2014. The combined bid totaled R\$531 million, which has been used to amortize debt. Winning bidders include Lactalis (one of the world’s largest dairy producers) as well as local players. All the manufacturing employees from the operations sold, together with a large part of the overhead personnel, were transferred to the buyers. Part of the proceeds from the judicial asset sale has been placed into an escrow account with the mandate to pay creditors under the Judicial Recovery Plan. LBR has also been working on mitigating its fiscal and labor contingencies, but bankruptcy will continue to be a significant risk to be dealt with going forward. Given the risks associated with the investment, the Company is maintaining LBR’s FMV marked at zero. GP’s current stake in LBR is 38.9% (December 31, 2022, is 38.9%).
- (d) San Antonio (“SAI”): SAI was Latin America’s leading oil and gas field services company, providing drilling/workover services and a wide range of E&P services to complete, maintain and enhance production of oil and gas wells across Latin America. SAI was acquired by GPCPIV and co-investors in August 2007. It was negatively affected by the 2008 financial crisis as demand for its services were severely impacted, culminating with SAI defaulting on its debt. As part of a two-year comprehensive debt restructuring effort under which maturities were extended and part of the debt was converted into preferred equity, GPCPIV and co-investors invested additional capital in mid-2010. The political situation in Argentina deteriorated after 2011 and the restriction on the remittance of capital from Argentina to SAI’s holdings caused a new debt default. In 2012, SAI completed a second restructuring, resulting in the segregation of the SAI assets into two blocks: (i) a minority stake in Lupatech, due to the merger of SAI’s Brazilian operations into Lupatech, made pursuant to an Investment Agreement entered into between Lupatech, SAI, SAI subsidiaries and GP Investments (the “Investment Agreement”), and (ii) the stake in the subsidiary, San Antonio Oil & Gas Ltd (“SAOG”), through which the operations outside of Brazil continued to be held. In 2014 and after a new default, SAOG’s creditors exercised their guarantees, foreclosing on SAI’s shares in SAOG causing GPCPIV to mark the investment down to zero. In December 2018, the winding up proceeding of SAOG began in the Courts of Bermuda. SAI still holds a stake in Lupatech which in turn, suffered serious financial difficulties because of the crisis that Petrobras went through during the last few years. Lupatech entered a Chapter 11 process in 2014 which is still underway. In 2017, Lupatech filed an arbitration claim against SAI, its investment vehicles and GP Investments with a total claim for compensation of BRL 200 mn (or USD50 mn), in which Lupatech claims that SAI failed to comply with the Investment Agreement. Lupatech argues that the defendants failed to disclose contingencies, and breached obligations, declarations and guarantees provided in the Investment Agreement. GP’s current stake in SAI is 57.7% (December 31, 2022, is 57.7%).
- (e) GP Inova II Fundo de Investimento em Participaes Multiestratgia (“Inova II FIP”): Inova II FIP is an investment fund that has a stake 2TM Participaes S.A. (“2TM”). 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 2021. GP’s current stake in Inova FIP II is 100%, with an indirect stake in 2TM at 3.2% (December 31, 2022, is 3.5%).
- (f) 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. GP’s current stake in The Craftory is 16.4% via



G2D (December 31, 2022, is 16.4%).

- (g) 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. GP's current stake in Blu is 15.4% via G2D (December 31, 2022, is 15.7%).
- (h) 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. The Craftory invests in two funds: BBridge Capital I LP and Expanding Capital II-A LP. Currently, GP's stake in each fund is 25.6% and 50%, respectively, via G2D (December 31, 2022, is 22.05% and 50%).
- (i) 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 Simpaul Fundo de Investimento em Participações Multiestratégia in June 2020. GP's current stake in Sim;paul is 6.4% via G2D (December 31, 2022 is 6.4%).
- (j) 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. GP's current stake in Quero Educação is 3.2% via G2D (December 31, 2022, is 3.2%).
- (k) 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 2021. GP's current stake in Inova FIP is 100%, with an indirect stake in 2TM at 2.67% and in CERC at 2.8%, via G2D (December 31, 2022, is 2.89% and 3.1%).
- (l) 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. GP's current stake in Digibee is 1.6%, via G2D (December 32, 2022, is 1.6%).
- (m) Stripe Inc, LL (“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).
- (n) Rain Technologies, Inc (“Rain Technologies”): Created in 2019, Rain Technologies has been at the forefront of developing cutting edge cloud-based solutions as innovative tools – like Budget Manager (a cutting-edge SaaS solution specifically tailored to meet the needs of the client, streamlining budget tracking and management) - that streamline processes and enhance financial management to public sector. GP invested, via G2D, in a SAFE (Simple Agreement for Future Equity), meaning the amount invested will be automatically converted into preferred stock in the next equity financing round. As such, G2D does not currently hold Rain Technologies’ stock, but the right to convert this cash investment into equity (December 32, 2022 - nil).
- (o) Akad Seguros: is a Brazilian security company that operates in the damage field in all territories authorized by the Conselho Nacional de Seguros Privados (CNSP) and Superintendência de Seguros Privados (SUSEP), as well as exercise any other ancillary or complementary activity necessary for such purpose. The company was mainly held by Spice before its restructuring, after that, Akad Seguros became part of GPIC’s portfolio. GP's current stake in Akad Seguros is 87.5% via GPIC (on December 31, 2022, the investment was held through Spice and disclosed as Direct Co-Investments).
- (p) Bravo Brio Holdings LLC (“Bravo Brio”): is a leading owner and operator of two distinct Italian restaurant brands, BRAVO! Cucina Italiana and BRIO Tuscan Grille. Bravo Brio Restaurant Group (BBRG) has positioned its brands as multifaceted culinary destinations that deliver the ambiance, design elements and food quality reminiscent of fine dining restaurants at a value typically offered by casual dining establishments, a combination known as the upscale affordable dining segment. Each of BBRG's brands provides its guests with a fine dining experience and value by serving affordable cuisine prepared using fresh flavorful ingredients and authentic Italian cooking methods, combined with attentive service in an attractive, lively atmosphere. GP’s current stake in Bravo Brio is 34.8% (on December 31, 2022, the investment was held through Spice).
- (q) Direct Co-Investments: investments from the former Spice’s structure, currently held by Spice Private Equity (Bermuda), Ltd. The portfolio is comprised of public listed shares of Africa Oil Corporation and G2D Investments, Ltd., this last one is also partially held by Spice Private Equity (Delaware), LLC.

- (r) Global EM Funds Portfolio: investments from the former Spice's structure, currently held by Spice Private Equity (Bermuda), Ltd. The portfolio is comprised of quotas of GPCP V, Tara India Fund III, LLC and NYLIM Jacob Ballas India Fund III, LLC funds.
- (s) Spice Private Equity Ltd. (in liquidation) ("Spice"): GP, as controlling shareholder of Spice, decided to simplify Spice Swiss's structure after the tender offer. GP Swiss Ltd ("GP Swiss"), one of GP's subsidiaries, acquired 100% of Spice's shares at a price of US\$ 16.25 per share. Spice's investments, held through its subsidiaries Spice Bermuda and Spice Delaware, were transferred to GPIC on June 29, 2023. The transaction didn't had effect on the result for the period. Spice was put into liquidation on July 07, 2023.

The changes in the financial instruments account were as follows:

	<u>09/30/2023</u>	<u>09/30/2022</u>
<b>At the beginning of the year</b>	<b>391,735</b>	<b>480,774</b>
Unrealized depreciation of Portfolio	(27,077)	(88,540)
Realized losses - Portfolio	(16,476)	-
Transfer to Investment's vehicles for payment of expenses	190	708
Change of investments - Other investments	-	352
Ownership acquisition via G2D - Digibee	835	2,000
Ownership acquisition via G2D - Stripe	2,077	-
Ownership acquisition via G2D - Rain Technologies	1,000	-
Ownership disposal via G2D - Expanding Capital	(1,580)	-
Capital call via G2D - Quero Educação	-	450
Ownership acquisition via G2D - The Craftory	5,407	6,535
Ownership acquisition via G2D - Simpaul	9	-
Others - Investments through G2D	-	205
Ownership disposal - BR Properties	(7,605)	-
Proceeds from capital reduction BR Properties	(145,637)	-
Acquisition of investment - BR Properties Corporate Offices FII	4,736	-
Proceeds from sale of BR Properties Corporate Offices FII	(3,306)	-
Acquisition of investment - BR Properties	151,538	-
Ownership acquisition via Spice - Akad	3,804	39,435
Ownership disposal via Spice - Spice FIP	-	2,756
Ownership disposal via Spice - Other investments	-	(3,108)
Effects of exchange rate	(5,585)	-
<b>At the end of the period</b>	<b><u>354,065</u></b>	<b><u>441,567</u></b>

The Company considers as realized gains or losses transactions of sale of investments carried out both in the level of investment vehicles as well as direct investments. The total realized losses during the period ended September 30, 2023, and 2022 are as follows:

	<u>Nine-month period</u>		<u>Three-month period</u>	
	<u>01/01/2023 to 09/30/2023</u>	<u>01/01/2022 to 09/30/2022</u>	<u>07/01/2023 to 09/30/2023</u>	<u>07/01/2022 to 09/30/2022</u>
GP Portfolio	(16,476)	25	(6,465)	-
G2D Portfolio	-	450	-	-
Spice	-	(3,013)	-	(49)
	<b><u>(16,476)</u></b>	<b><u>(2,538)</u></b>	<b><u>(6,465)</u></b>	<b><u>(49)</u></b>

(iii) Financial instruments

a. Balance composition

		<b>09/30/2023</b>			
	<b>Currency</b>	<b>Domicile</b>	<b>Fair Value</b>	<b>Cost</b>	<b>Unrealized gain (loss)</b>
<b>Level III</b>					
Logística Brasil	R\$	Brazil	-	-	(143)
Empreendedor Brasil	R\$	Brazil	-	-	(691)
Brasil Agronegócio FIP	R\$	Brazil	-	-	(203)
Brasil Sustentabilidade FIP	R\$	Brazil	-	-	(155)
Brasil Portos e Ativos Logísticos FIP	R\$	Brazil	-	-	253
			<b>-</b>	<b>-</b>	<b>(939)</b>
		<b>12/31/2022</b>			
	<b>Currency</b>	<b>Domicile</b>	<b>Fair Value</b>	<b>Cost</b>	<b>Unrealized gain (loss)</b>
<b>Level III</b>					
Logística Brasil	R\$	Brazil	174	31	(378)
Empreendedor Brasil	R\$	Brazil	910	219	57
Brasil Agronegócio FIP	R\$	Brazil	1,510	1,307	189
Brasil Sustentabilidade FIP	R\$	Brazil	324	169	66
Brasil Portos e Ativos Logísticos FIP	R\$	Brazil	676	929	(36)
Terras Brasil	R\$	Brazil	-	-	131
			<b>3,594</b>	<b>2,655</b>	<b>29</b>

**b. Balance movement**

	<u>09/30/2023</u>	<u>09/30/2022</u>
<b>At the beginning of the year</b>	<b>3,594</b>	<b>8,011</b>
Reclassification from non-current to current	-	(3,962)
Unrealized appreciation (depreciation) in fair value of investments	(1,336)	22
Ownership disposal - Logística Brasil	(41)	(36)
Ownership disposal - Empreendedor Brasil	(392)	(13)
Ownership disposal - Brasil Agronegócio	(1,156)	(223)
Ownership disposal - Brasil Sustentabilidade	(339)	(17)
Ownership disposal - Brasil Portos e Ativos Logísticos	(330)	(95)
Ownership disposal - Terras Brasil FIP	-	(215)
<b>At the end of the period</b>	<b>-</b>	<b>3,472</b>

**11 Related parties' transactions**

The balances held with related parties as of September 30, 2023, and December 31, 2022, are comprised of receivables and obligations that GP Investments has with the companies that are in its portfolio, as well as key personnel.

	<u>Note</u>	<u>Nature</u>	<u>09/30/2023</u>	<u>12/31/2022</u>
Management and performance fees	(i)	Assets	50	49
Receivables from employees and shareholders	(ii)	Assets	6,694	6,282
Receivables from related parties	(iii)	Assets	4,537	4,784
Payables to related parties	(iv)	Liabilities	-	(10)
Payroll accruals, bonuses and related charges	(v)	Liabilities	(1,915)	(2,440)
			<u>9,366</u>	<u>8,665</u>

	<u>Note</u>	<u>Nature</u>	<u>Nine-month period</u>		<u>Three-month period</u>	
			<u>01/01/2023 to 09/30/2023</u>	<u>01/01/2022 to 09/30/2022</u>	<u>07/01/2023 to 09/30/2023</u>	<u>07/01/2022 to 09/30/2022</u>
Management fees		P&L	1,455	3,001	-	1,022
Management remuneration		P&L	1,903	1,138	546	520
			<u>3,358</u>	<u>4,139</u>	<u>546</u>	<u>1,542</u>

- (i) Management and performance fees receivable from the funds, as per the Management and Performance fee Agreements
- (ii) These loans are remunerated based on interest rates of federal public securities and interest rates obtained by the Company on its financial investments. These loans were granted as retaining and alignment of Key Persons. Expenses related to receivables from employees and shareholders are recognized as financial income
- (iii) These receivables are related to LBR
- (iv) Payables related to the Spice's restructure
- (v) The provision for performance bonuses on realized gain recorded in "Payroll accruals, bonuses and related charges" is defined according to the metrics determined by the Nomination and Compensation Committee

**12 Loans and financing**

**a. Balance composition**

	<u>Note</u>	<u>Currency</u>	<u>09/30/2023</u>	<u>12/31/2022</u>
Loans and financings	(i)	US\$	21,807	30,368
Loans and financings	(ii)	R\$	149,493	-
			<u>171,300</u>	<u>30,368</u>

**(i) Loans obtained originally in USD currency:**

In September 2023, the amount of loans obtained originally in USD currency was US\$ 21,807 (R\$ 109,200), which is broken down in current and non-current liabilities within two contracts, as below:

The Company, via G2D, had a loan with financial institutions that has been effective since July 2020 (with interest of 2.5% per annum). The loan was extended until July 2023 (with an interest rate of 3% per annum). In June 2023, the Company carried out a new debt

rollover, with maturity postponed to February 2025 with an annual interest rate of SOFR + 4.45% per annum (“Secured Overnight Financing Rate”)

In July 2023, GP obtained a new loan divided into two series of convertible promissory notes issued with an aggregated principal amount of US\$ 3,750 with a simple interest rate of 4.8% per annum. Both series mature in May 2024.

**(ii) Loans obtained originally in BRL currency:**

In September 2023, the amount of loans obtained originally in BRL currency was US\$ 149,493 (R\$ 748,602), which is broken down in current and non-current liabilities within two contracts, as below:

In April and May 2023, GP (via Slabs Investimentos Ltda), obtained a loan from a financial institution which was segregated in three series, the first amounted to US\$ 133,169 (R\$ 666,856) with an interest rate of 3.4% per annum which are due in October 2023, which was paid on October 02, 2023, according to note 22, the second series amounted to US\$ 7,189 (R\$ 36,000) with an interest rate of 1.5% per annum, which was already matured and paid in June 2023, and lastly, the third one amounted to US\$ 6,790 (R\$34,003) with an interest rate of 3.4% per annum. This last loan was partially paid in September 2023, bringing its amount to US\$ 5,991 (R\$ 30,000), and extended to March 2024 with the same rate agreed in the original contract.

In September 2023, GP (via Slabs Investimentos Ltda.), obtained a loan originally in Reais from a financial institution amounting to US\$ 176 (R\$ 881), with an interest rate of 10.58% per annum. The loan will be matured in September 2025.

**b. Loans segregated by maturity period**

	09/30/2023	12/31/2022
Less than 90 days for the maturity	145,346	-
More than 90 and less than 360 days for the maturity	15,778	30,368
More than 360 days for the maturity	10,176	-
<b>Total</b>	<b>171,300</b>	<b>30,368</b>
Current	161,124	30,368
Non-current	10,176	-
<b>Total</b>	<b>171,300</b>	<b>30,368</b>

**c. Balance movement**

	2023
<b>On January 01, 2023</b>	30,368
Loans raised	156,830
Accrued interests	11,922
Amortization of loans and financings	(22,159)
FX effect	(5,661)
<b>On September 30, 2023</b>	<b>171,300</b>
	<b>2022</b>
<b>On January 01, 2022</b>	20,252
Loans raised	10,002
Accrued interests	455
Amortization of loans and financing	(492)
<b>On September 30, 2022</b>	<b>30,217</b>

**13 Perpetual notes and accrued interest**

**a. Balance composition**

	Currency	Annual interest	09/30/2023	12/31/2022
Perpetual notes	US\$	10%	74,862	74,842
Accrued interest on perpetual notes	US\$	10%	1,392	1,393
			<b>76,254</b>	<b>76,235</b>

**b. Balance movement**

	<b>2023</b>
<b>On January 01, 2023</b>	76,235
Accrued interest	5,653
Payment of perpetual bond interest	(5,634)
<b>On September 30, 2023</b>	<b>76,254</b>
	<b>2022</b>
<b>On January 01, 2022</b>	74,997
<b>On September 30, 2022</b>	<b>74,997</b>

Perpetual notes as of September 30, 2023, amounted to US\$ 74,862 (December 31, 2022 - US\$ 74,842) and are recorded as non-current liabilities. The accrued interest related to the perpetual notes is presented in the "Accrued interest on perpetual notes" account and the corresponding amount as of September 30, 2023, is US\$ 1,392. (December 31, 2022 – US\$ 1,393).

**14 Provision for contingencies**

The Company's subsidiaries are party of certain legal proceedings arising in the normal course of business, and the Company, when applicable, has made provisions or recorded losses on the sale of its investments, whenever management believes that such losses are probable and can be reasonably estimated. Most of the amounts presented below refers to contingencies (civil and labor) generated from portfolio companies and the corporate veil disregard doctrine, in which third parties pursue the Company's joint liability for portfolio companies' debts.

	<b>09/30/2023</b>	<b>12/31/2022</b>
Provision for contingencies	19,440	21,363
	<b>19,440</b>	<b>21,363</b>

The change in the total provision for contingencies are related to a review of contingencies in conjunction with its legal advisors. The major amount of provision for contingencies is related to civil litigations, US\$ 19,440 as of September 2023 (December 31, 2022 – US\$ 21,363).

In accordance with the Company's measurement, considering the information and evaluations of its legal advisors, Management understands that the existing provisions are sufficient to cover any probable losses from the ongoing processes.

**(i) Possible Losses, not recorded in the balance sheet**

As of September 30, 2023, the Company had civil, labor and tax litigations involving risks of losses classified by management as possible, amounting to US\$ 13,197 US\$ 204 and US\$ 26,702 (December 31, 2022 – US\$ 16,257, US\$ 12 and US\$ 25,199), respectively, which are based on the evaluation of the Company's legal advisors.

**15 Shareholders' equity**

**a. Share capital and share premium**

The Company's subscribed and paid-in capital for the respective period/year is below:

	<b>09/30/2023</b>	<b>12/31/2022</b>
Share capital	194	193
Share premium	596,939	594,531
	<b>597,133</b>	<b>594,724</b>

There were changes in the number of shares during the nine-month period ended September 30, 2023, as follows:

	<b>09/30/2023</b>	<b>12/31/2022</b>
Class A - at the end of the period/year	43,245,895	42,975,755
Class B - at the end of the period/year	34,424,288	34,424,288
<b>Total - at the end of the period/year</b>	<b>77,670,183</b>	<b>77,400,043</b>

On May 12, 2023, the Board of Directors approved the issuance of 135,070 Class A shares of the Company to the benefit of each Independent Director as form of compensation, totaling 270,140 Class A shares of the Company. As a result, the Company's share capital consists of 43,245,895 issued Class A shares with a par value US\$ 0.0025 each and 34,424,288 Class B shares with a par value US\$ 0.0025 each.

The issuance was approved as compensation of the Independent Directors for the period commencing on 30 April 2023 and ending on 30 April 2024 in the amount of US\$ 120 to be paid to each independent Director.

**b. Accumulated other comprehensive loss**

The balances that make up the valuation adjustment refer to the differences between the conversion rate of assets and liabilities and the result. Such differences are recognized as a separate component in equity, in the account "Cumulative translation adjustment".

**c. Earnings per share**

Earnings per share for the period ended September 30, 2023, and 2022 are based upon the weighted average number of shares (in thousands, except share amounts), as follows:

	<b>Nine-month period</b>		<b>Three-month period</b>	
	<b>01/01/2023 to 09/30/2023</b>	<b>01/01/2022 to 09/30/2022</b>	<b>07/01/2023 to 09/30/2023</b>	<b>07/01/2022 to 09/30/2022</b>
Loss for the period attributable to GP Investments	(52,218)	(78,361)	(32,380)	(5,898)
Weighted average common shares outstanding - basic	77,893,474	79,209,539	77,893,474	79,209,539
Weighted average common shares outstanding - diluted	77,893,474	79,209,539	77,893,474	79,209,539
<b>Loss per share in US\$ – basic</b>	<b>(0.67)</b>	<b>(0.99)</b>	<b>(0.42)</b>	<b>(0.07)</b>
<b>Loss per share in US\$ – diluted</b>	<b>(0.67)</b>	<b>(0.99)</b>	<b>(0.42)</b>	<b>(0.07)</b>

There was no dilutive effect in the earnings per share calculated for both September 2023, due to the fair market value be lower than the strike price of the stock options.

**d. Non-controlling interest**

The Company has non-controlling interests from minority shareholders, mainly represented by Limited Partners of the Private Equity and Real Estate funds and the free float of G2D, amounting to US\$ 131,441 (December 31, 2022 – US\$ 154,656).

**e. Repurchase of shares from non-controlling shareholders – Spice**

On September 30, 2023, the total of US\$ 1,558 refers to the squeeze-out of the remaining shares of Spice, in order to close its capital.

**16 Stock options**

As of September 30, 2023, and December 31, 2022, the existing Stock Option Programs are:

**2016 Program**

In 2016, the Board of Directors approved and adopted, with the concurrence of the Nomination and Compensation Committee, the Stock Purchase Option Program ("2016 Program") and the form of agreements to be entered into between the Company and each beneficiary.

The options granted had five years vesting period (20% per year) and will expire after ten years of the grant date. On September 30, 2023, 6,191,667 options were outstanding (December 31, 2022 – 8,000,000).

The information related to the number of options outstanding to employees is as follows:

	<b>Number of outstanding options to employees</b>	<b>Vested</b>	<b>Non-vested</b>	<b>Exercise price (US\$)</b>	<b>Option fair market value (US\$)</b>
As of September 30,	6,191,667	3,076,668	3,144,999		
Options granted in 2018	1,000,000	1,000,000	- 200,000	1.68	0.58
Options granted in 2021	5,191,667	2,076,668	3,144,999	1.10	0.58

	<b>Number of outstanding options to employees</b>
As of December 31, 2022	8,000,000
Options forfeited	(1,808,333)
As of September 30, 2023	<b>6,191,667</b>

Pursuant to the Black-Scholes options pricing method, the fair value of the options granted under the 2016 Program was measured at the grant date. For calculation purposes, the following assumptions were used:

	<b>Exercise price (US\$)</b>	<b>Dividends yield</b>	<b>Expected average annual volatility (i)</b>	<b>Risk free rate (ii)</b>	<b>Option fair market value (US\$)</b>
Options granted in 2018	1.68	5.00	37.83	3.00	0,58
Options granted in 2021	1.10	-	58.91	1.28	0,58

- (i) The expected stock price volatility assumption was determined using the volatility of the Company's Class A shares.
- (ii) The interest rate is based on the US Treasury Bills rate for a period similar to the expected term of the options.

There was no intrinsic value of the 2016 program as of December 31, 2021, due to the fair market value of US\$ 0.58 be lower than the strike price of the options.

For the nine-month period ended September 30, 2023, an expense of US\$ 766 was recorded in respect to the 2016 Program (September 30, 2022 – US\$ 1,366) and is presented in "General and administrative expenses".

### 2021 Program

On August 25, 2021, the Board of Directors approved and adopted, with the concurrence of the Nomination and Compensation Committee, a new stock option plan for the award of 5,000,000 Class A Shares. The options granted have three years vesting period (33.33% per year) starting August 2024 and will expire after ten years of the grant date.

On September 30, 2023, 3,708,333 options were outstanding (December 31, 2022 – 5,000,000).

	<b>Number of outstanding options to employees</b>	<b>Vested</b>	<b>Non-vested</b>	<b>Exercise price (US\$)</b>	<b>Option fair market value (US\$)</b>
As of September 30, 2023	3,708,333	-	3,708,333		
Options granted in August 2015	3,708,333	-	3,708,333	1.10	0.58

  

	<b>Number of outstanding options to employees</b>
As of December 31, 2022	5,000,000
Options forfeited	(1,291,667)
As of September 30, 2023	<b>3,708,333</b>



	Exercise price (US\$)	Dividends yield	Expected average annual volatility (i)	Risk free rate (ii)	Option fair market value (US\$)
Options granted in 2021	1.10	-	58.91	1.28	0.58

- (i) The expected stock price volatility assumption was determined using the volatility of the Company’s Class A shares.
- (ii) The interest rate is based on the US Treasury Bills rate for a period similar to the expected term of the options.

There was intrinsic value of the 2021 program as of December 31, 2022, due to the fair market value of US\$ 0.58 be lower than the strike price of the options.

For the period ended September 30, 2023, an expense of US\$ 577 was recorded in respect to the 2021 Program (September 30, 2022 – 833) and is presented in “General and administrative expenses”.

## 17 Expenses

The breakdown of expenses as of September 30, 2023, and 2022 is shown below:

	Note	Nine-month period		Three-month period	
		01/01/2023 to 09/30/2023	01/01/2022 to 09/30/2022	07/01/2023 to 09/30/2023	07/01/2022 to 09/30/2022
Salaries		(5,251)	(4,591)	(1,757)	(1,569)
Tax expense		(1,086)	(1,174)	(509)	(141)
Legal fees		(339)	(631)	(175)	(145)
Projects		(2,400)	(642)	(648)	(407)
Stock options	16	(1,343)	(2,199)	(418)	(599)
Audit and consulting		(1,836)	(2,283)	(593)	(960)
Rental expenses		(699)	(709)	(237)	(228)
Restricted stock options		-	(408)	-	-
Travel expenses		(317)	(224)	(65)	(82)
Insurance		(663)	(709)	(271)	(183)
Office		(24)	(270)	123	(126)
Other		(645)	(1,134)	(149)	(329)
<b>Total expenses general and administrative</b>		<b>(14,603)</b>	<b>(14,974)</b>	<b>(4,699)</b>	<b>(4,769)</b>
Contingencies		1,541	805	397	514
<b>Total contingencies</b>		<b>1,541</b>	<b>805</b>	<b>397</b>	<b>514</b>
Bonuses and carried on realized gain		(914)	(783)	(300)	(304)
<b>Total bonuses and carried on realized gain</b>		<b>(914)</b>	<b>(783)</b>	<b>(300)</b>	<b>(304)</b>
		<b>(13,976)</b>	<b>(14,952)</b>	<b>(4,602)</b>	<b>(4,559)</b>

**18 Financial results**

The breakdown of financial results as of September 30, 2023, and 2022 is shown below:

	<b>Nine-month period</b>		<b>Three-month period</b>	
	<b>01/01/2023 to 09/30/2023</b>	<b>01/01/2022 to 09/30/2022</b>	<b>07/01/2023 to 09/30/2023</b>	<b>07/01/2022 to 09/30/2022</b>
<b>Financial income</b>				
Investment funds	1,265	1,188	164	256
Stocks	792	(1,006)	(267)	-
Interest on financial investments	2,276	-	1,187	-
Others	817	2,424	393	764
Effects of exchange rates	213	-	(521)	-
<b>Total financial income</b>	<b>5,363</b>	<b>2,606</b>	<b>956</b>	<b>1,020</b>
	<b>Nine-month period</b>		<b>Three-month period</b>	
	<b>01/01/2023 to 09/30/2023</b>	<b>01/01/2022 to 09/30/2022</b>	<b>07/01/2023 to 09/30/2023</b>	<b>07/01/2022 to 09/30/2022</b>
<b>Financial expenses</b>				
Losses on investments	-	(1,412)	-	-
Interest on perpetual bonds	(5,645)	(5,625)	(1,888)	(1,875)
Capital loss	(6,738)	(1,255)	(4,983)	(213)
Effects of exchange rates	-	(624)	-	(287)
Interest on loans	(12,180)	(1,742)	(6,389)	(614)
Others	(2,748)	-	(4)	-
<b>Total financial expenses</b>	<b>(27,311)</b>	<b>(10,658)</b>	<b>(13,264)</b>	<b>(2,989)</b>

**19 Income taxes**

As of September 30, 2022, some Brazilian subsidiaries had tax losses that amounted to US\$ 3,622 (December 31, 2022 – US\$ 4,784) available for compensation against future taxable profits, for which the Company chose not to register the respective deferred tax assets for not meeting all conditions of realization.

	<b>Nine-month period</b>		<b>Three-month period</b>	
	<b>01/01/2023 to 09/30/2023</b>	<b>01/01/2022 to 09/30/2022</b>	<b>07/01/2023 to 09/30/2023</b>	<b>07/01/2023 to 09/30/2023</b>
Income tax expenses	198	637	31	72
Social contribution expense	71	235	12	26
	<b>269</b>	<b>872</b>	<b>43</b>	<b>98</b>

A full valuation allowance has been provided by the Company, Income tax and social contribution amounts for the periods ended September 30, 2023, and 2022, presented in the statements of operations are reconciled to their nominal rates as follows:

	Nine-month period		Three-month period	
	01/01/2023 to 09/30/2023	01/01/2022 to 09/30/2022	07/01/2023 to 09/30/2023	07/01/2022 to 09/30/2022
Net loss for the period before income taxes	(77,295)	(109,096)	(64,580)	(3,260)
Net income (loss) generated by subsidiaries domiciled in the Bahamas, Bermuda and Cayman Islands (non-taxable income/non-deductible expenses)	79,060	112,432	65,186	3,434
Taxable income attributable to the Brazilian subsidiaries of GP Investments, Ltd. before income taxes	1,765	2,526	606	174
Income tax and social contribution benefit expense at nominal rates in Brazil - 34%	(600)	(859)	(206)	(59)
Adjustments to obtain the effective rates Net effect of the presumed profit tax regime in Brazil	331	(13)	163	(39)
Income taxes	(269)	(872)	(43)	(98)

## 20 Commitments

As of September 30, 2023, the Company had already fulfilled its investments commitment in GPCP IV.

Unfunded committed capital from the limited partners is not shown on the balance sheet, as the GP has no unconditional right to receive cash as long as it has not identified an investment to invest in:

	09/30/2023	12/31/2022
<b>Outstanding commitments</b>		
GP Real Estate A, LP	4,568	4,583
GP Real Estate B, LP	5,251	5,121
GP Real Estate C, LP	4,064	4,179
GPCP V, LP	193,639	193,957
	207,522	207,840

## 21 Segment information

The Company's operations are managed through two operating segments: the private equity business and the real estate business, which represent the segment information available and used by executive management to assess performance and to allocate resources. These segments were established based on the nature of investment activities in each fund, including the specific type of investment made, the frequency of trading, and the level of control over the investment.

The financial results for the segments are as follows:

**GP Investments, Ltd.**  
Consolidated interim financial information  
as of September 30, 2023

**Nine-month period**

	01/01/2023 to 09/30/2023			01/01/2022 to 09/30/2022		
	Real Estate	Private Equity	Total	Real Estate	Private Equity	Total
	<b>Revenues</b>					
Unrealized appreciation (depreciation) – Financial Instruments Portfolio	520	(27,597)	(27,077)	1,465	(90,005)	(88,540)
Realized gains (losses) - Financial Instruments Portfolio	-	(16,476)	(16,476)	-	(2,538)	(2,538)
Management fees	-	1,455	1,455	-	3,001	3,001
Dividends	-	726	726	-	1,175	1,175
Other	-	1	1	-	-	-
<b>Total revenues</b>	<b>520</b>	<b>(41,891)</b>	<b>(41,371)</b>	<b>1,465</b>	<b>(88,367)</b>	<b>(86,902)</b>
<b>Expenses</b>						
General and administrative	(221)	(14,382)	(14,603)	388	(15,362)	(14,974)
Contingencies	-	1,541	1,541	-	805	805
Bonuses and carried on realized gain	-	(914)	(914)	-	(783)	(783)
<b>Total expenses</b>	<b>(221)</b>	<b>(13,755)</b>	<b>(13,976)</b>	<b>388</b>	<b>(15,340)</b>	<b>(14,952)</b>
Financial income	-	5,363	5,363	-	2,606	2,606
Financial expenses	-	(27,311)	(27,311)	-	(10,658)	(10,658)
<b>Financial expenses, net</b>	<b>-</b>	<b>(21,948)</b>	<b>(21,948)</b>	<b>-</b>	<b>(8,052)</b>	<b>(8,052)</b>
<b>Net income (loss) before taxes</b>	<b>299</b>	<b>(77,594)</b>	<b>(77,295)</b>	<b>1,853</b>	<b>(111,759)</b>	<b>(109,906)</b>
Income taxes	-	(269)	(269)	-	(872)	(872)
<b>Net income (loss) for the period</b>	<b>299</b>	<b>(77,863)</b>	<b>(77,564)</b>	<b>1,853</b>	<b>(112,631)</b>	<b>(110,778)</b>

**Three-month period ending**

	07/01/2023 to 09/30/2023			07/01/2022 to 09/30/2022		
	Real Estate	Private Equity	Total	Real Estate	Private Equity	Total
	<b>Revenues</b>					
Unrealized appreciation (depreciation) – Financial Instruments Portfolio	(232)	(41,551)	(41,783)	2	1,260	1,262
Realized gains (losses) - Financial Instruments Portfolio	-	(6,486)	(6,465)	-	(49)	(49)
Management fees	-	-	-	-	1,022	1,022
Dividends	-	579	579	-	1,033	1,033
Other	-	(1)	(1)	-	-	-
<b>Total revenues</b>	<b>(232)</b>	<b>(47,459)</b>	<b>(47,670)</b>	<b>2</b>	<b>3,266</b>	<b>3,268</b>

	<u>Real Estate</u>	<u>Private Equity</u>	<u>Total</u>	<u>Real Estate</u>	<u>Private Equity</u>	<u>Total</u>
<b>Expenses</b>						
General and administrative	(40)	(4,659)	(4,699)	137	(4,906)	(4,769)
Contingencies	-	397	397	-	514	514
Bonuses and carried on realized gain	-	(300)	(300)	-	(304)	(304)
<b>Total expenses</b>	<b>(40)</b>	<b>(4,562)</b>	<b>(4,602)</b>	<b>137</b>	<b>(4,696)</b>	<b>(4,559)</b>
Financial income	-	956	956	-	1,020	1,020
Financial expenses	-	(13,243)	(13,264)	-	(2,989)	(2,989)
<b>Financial expenses, net</b>	<b>-</b>	<b>(12,287)</b>	<b>(12,308)</b>	<b>-</b>	<b>(1,969)</b>	<b>(1,969)</b>
<b>Net income (loss) before taxes</b>	<b>(272)</b>	<b>(64,308)</b>	<b>(64,580)</b>	<b>139</b>	<b>(3,399)</b>	<b>(3,260)</b>
Income taxes	-	(43)	(43)	-	(98)	(98)
<b>Net income (loss) for the period</b>	<b>(272)</b>	<b>(64,351)</b>	<b>(64,623)</b>	<b>139</b>	<b>(3,497)</b>	<b>(3,358)</b>

The most relevant balance sheet items by segment are as follows:

	<u>09/30/2023</u>		
	<u>Real Estate</u>	<u>Private Equity</u>	<u>Total</u>
Investments at fair value	7,204	346,861	354,065
<b>Total assets</b>	<b>7,204</b>	<b>587,315</b>	<b>594,519</b>
	<u>12/31/2022</u>		
	<u>Real Estate</u>	<u>Private Equity</u>	<u>Total</u>
Investments at fair value	6,613	385,122	391,735
<b>Total assets</b>	<b>6,613</b>	<b>523,480</b>	<b>530,093</b>

## 22 Subsequent events

### ***Payment of Loan – Slabs Investimentos Ltda.***

On October 02, 2023, Slabs Investimentos Ltda. settled the first series of the loan obtained in April, amounting to US\$ 133,169 plus interest (R\$ 666,856 plus interest).

### ***Cancellation tender offer and squeeze-out of remaining BR Properties' shareholders***

The auction of cancellation tender offer was concluded on October 16, 2023, in which Slabs acquired 4 BR Properties' shares. After the completion of the tender offer, BR Properties followed the procedures necessary to close its capital, and on October 19, 2023, it approved the squeeze-out of remaining shareholders through the redemption of shares, that occurred on October 31, 2023. After this date Slabs now holds shares representing 100.00% of the common shares issued by BR Properties.

### ***Investment round – The Craftory***

On November 07, 2023, G2D announced to the market The Craftory led an investment round of Needed, amounting to US\$ 14.05 (R\$ 68.6 million).

### ***Share Buyback Plan***

On November 06, 2023, GP announced to the market the following approvals (i) ending of the program of GP's shares buyback approved in 2022, once the established period had expired, and (ii) acquisition of 20 million GP's Class A shares (maximum) by the Company, including BDRs shares, for 365 days.