(Convenience translation into English from the original previously issued in Portuguese)

GETNINJAS ATIVIDADES DE INTERNET S.A.

Independent auditor's report

Financial statements
As at December 31, 2020, 2019 and 2018

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Contents

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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

To the
Shareholders and Management of
GetNinjas Atividades de Internet S.A.
São Paulo – SP

Opinion on the financial statements

We have audited the financial statements of GetNinjas Atividades de Internet S.A. ("Company"), which comprise the statement of financial position as at December 31, 2020, 2019 and 2018 and the respective statements of operations, comprehensive income (loss), changes in equity and cash flows for the years then ended, as well as the corresponding notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of GetNinjas Atividades de Internet S.A. as at December 31, 2020, 2019 and 2018, its financial performance and its cash flows for the year then ended in accordance with Brazilian accounting practices and International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB).

Basis for opinion on the financial statements

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the years ended December 31, 2020, 2019 and 2018. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

The Company's revenue results from the intermediation of contact between users and service providers, with the purpose of easing the contact of the parties via a virtual platform that connects the service provider to the one requesting the service.

The Company's monetization model considers that the platform's professionals acquire currency packages and use this currency to unlock requests from potential clients. Accordingly, the professionals acquire the currency packages via card or payment form and their currency usage will depend on their needs within the term of 12 months after the purchase, as per the terms of use. In this model, the platform's professionals make the full payment of the package, however, the Company's service rendering depends on the use of their balances.

As per Note 2.14, the Company's revenue includes a fee charged for service rendering (intermediation of contact between users and service providers) over the normal course of the Company's activities.

Due to the complexity in determining the adequate moment for revenue recognition, in calculating the transaction value and the volume of highly dispersed transactions, we consider this to be a key audit matter.

Audit response

Regarding this matter, we mainly adopted the following audit procedures, among others:

(i) Understanding, by means of questionings of Management, of the sales process and of the internal control environment for the recognition of revenue and its respective accounts receivable;
(ii) Reading the contract model entered into by the Company and its clients;
(iii) Evaluating the accounting policies adopted by the Company for recognition of revenue, advances from customers and accounts receivables;
(iv) Selecting sales transactions made, on a sampling basis, so as to observe whether the revenue was recognized on the proper accrual period, considering the analysis of the date of supporting documentation on to the actual service rendering;
(v) Selecting transactions of advances from customers, on a sampling basis, so as to observe supporting documentation of the actual financial receipt;
(vi) Conducting cut-off test procedures for revenue, with the analysis of the accrual basis of accounting records;
(vii) Evaluating adequate disclosure in the Notes 2.14 and 19 to the financial statements.

The results of our procedures generated audit evidence indicating that revenue is recognized, in all material respects, at the amounts agreed upon with clients and in the proper accounting periods. Thus, we consider that the transactions are recorded at amounts corresponding to the documentation tested and in the proper accrual period.

Other matters

Statements of value added

The statements of value added for the years ended December 31, 2020, 2019 and 2018, prepared under the responsibility of the Company's Management, and presented as supplementary information for IFRS purposes, were submitted to the same audit procedures followed for the audit of the Company's financial statements. In order to form an opinion, we have checked whether these statements are reconciled with the financial statements and accounting records, as applicable, and whether their form and contents meet the criteria established in Technical Pronouncement NBC TG 09 - Statement of Value Added. In our opinion, the statements of value added were properly prepared, in all material respects, in accordance with the criteria established in that Technical Pronouncement and are consistent with the financial statements taken as a whole.

Responsibilities of Management and those charged with governance for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements taken as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing (ISAs) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users that are taken based on these financial statements.

As part of an audit in accordance with Brazilian standards and ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and disclosures made by Management;
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

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

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

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

The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

BDO RCS Auditores Independentes SS
CRC 2 SP 013846/O-1

Jairo da Rocha Soares
Accountant CRC 1 SP 120458/O-6

GETNINJAS ATIVIDADE DE INTERNET S.A.

Statements of financial position
For the years ended December 31, 2020, 2019 and 2018
(In thousands of Brazilian Reais)

Assets

	Note	31/12/2020	31/12/2019	31/12/2018
Current				
Cash and cash equivalents	6	1,405	135	1,883
Accounts receivable	7	4,195	3,061	1,726
Recoverable taxes	8	787	10	56
Advances to suppliers		82	51	33
Other assets	9	835	153	82
		7,303	3,409	3,780
Noncurrent				
Recoverable taxes	8	-	796	278
Other assets		59	44	34
		59	840	312
Fixed assets	10	778	964	507
Intangible assets		-	1	2
		778	965	509
Total assets		8,140	5,214	4,602

Liabilities and equity (deficit)

	Note	31/12/2020	31/12/2019	31/12/2018
Current				
Loans and financing		-	-	31
Trade accounts payable	11	5,215	1,595	572
Labor liabilities	12	2,258	1,401	1,118
Tax liabilities	13	319	468	147
Advances from customers	14	4,613	5,187	3,159
Accounts payable	-	862	469	509
Leases payable	15	-	168	-
		13,267	9,288	5,536
Noncurrent				
Related-party transactions	16	-	181	259
Provision for legal claims	17	45	26	87
		45	207	346
Equity (deficit)				
Capital stock	18	34,681	34,681	34,681
Accumulated losses	-	(39,852)	(38,962)	(35,961)
Total equity (deficit)		(5,171)	(4,281)	(1,280)
Total liabilities and equity (deficit)		8,140	5,214	4,602

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

GETNINJAS ATIVIDADE DE INTERNET S.A.

Statements of operations
For the years ended December 31, 2020, 2019 and 2018
(In thousands of Brazilian Reais)

	Note	31/12/2020	31/12/2019	31/12/2018
Net operating revenue	19	41,806	22,029	13,349
Operating costs	20	(3,425)	(1,778)	(1,775)
Gross profit		38,381	20,251	11,574
Operating revenues and expenses				
Selling expenses	20	(18,256)	(11,425)	(8,111)
General and administrative expenses	20	(20,748)	(11,520)	(10,375)
Other revenues and expenses, net	20	-	(34)	(115)
		(39,004)	(22,979)	(18,601)
Net financial income (loss)				
Financial revenues	21	114	143	280
Financial expenses	21	(250)	(237)	(134)
		(136)	(94)	146
Income (loss) before Income and Social Contribution taxes		(759)	(2,822)	(6,881)
Current Income and Social Contribution taxes	22	(132)	(179)	-
Loss for the year		(890)	(3,001)	(6,881)
Basic and diluted loss per thousand shares - in Brazilian Reais		(0.0284)	(0.0957)	(0.4387)

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

GETNINJAS ATIVIDADE DE INTERNET S.A.

Statements of comprehensive income (loss)
For the years ended December 31, 2020, 2019 and 2018
(In thousands of Brazilian Reais)

	31/12/2020	31/12/2019	31/12/2018
Loss for the year	(890)	(3,001)	(6,881)
Total comprehensive income (loss)	(890)	(3,001)	(6,881)

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

GETNINJAS ATIVIDADE DE INTERNET S.A.

Statements of changes in equity
For the years ended December 31, 2020, 2019 and 2018
(In thousands of Brazilian Reais)

	Capital stock	Accumulated losses	Total
Balances as at December 31, 2017	30,892	(29,080)	1,812
Increase in capital stock	3,789	-	3,789
Loss for the year	-	(6,881)	(6,881)
Balances as at December 31, 2018	34,681	(35,961)	(1,280)
Loss for the year	-	(3,001)	(3,001)
Balances as at December 31, 2019	34,681	(38,962)	(4,281)
Loss for the year	-	(890)	(890)
Balances as at December 31, 2020	34,681	(39,852)	(5,171)

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

GETNINJAS ATIVIDADE DE INTERNET S.A.

Demonstrações dos fluxos de caixa
For the years ended December 31, 2020, 2019 and 2018
(In thousands of Brazilian Reais)

	31/12/2020	31/12/2019	31/12/2018
Cash flows from operating activities			
Loss for the year	(890)	(3,001)	(6,881)
Noncash items:			
Depreciation and amortization - Note 10	385	497	95
Provision for contingencies - Note 17	19	(61)	27
Fixed-asset write-off – Note 10	39	34	150
Income (loss) from exchange rate gains (losses) and monetary variations – Note 21	6	(16)	(12)
Interest on loans and leases – Note 15	3	40	-
Increase/(decrease) in asset and liability accounts			
Accounts receivable - Note 6	(1,134)	(1,335)	(321)
Recoverable taxes - Note 8	19	(472)	56
Advances to suppliers – Note 9	(31)	(18)	12
Other assets	(697)	(81)	(44)
Trade accounts payable - Note 11	3,614	1,024	(151)
Labor liabilities - Note 12	857	283	(186)
Tax liabilities - Note 13	(149)	321	(282)
Advances from customers - Note 14	(574)	2,028	1,692
Accounts payable	395	(23)	483
Other liabilities	-	(30)	30
Cash from operating activities	1,861	(810)	(5,332)
Cash flows from investing activities			
Acquisition of fixed and intangible assets - Note 10	(239)	(511)	(154)
Cash from investing activities	(239)	(511)	(154)
Cash flows from financing activities			
Related-party transactions – Note 16	(181)	(78)	259
Lease payments – Note 15	(171)	(348)	-
Capital contribution	-	-	3,789
Cash from financing activities	(352)	(426)	4,048
Net increase/(decrease) in cash and cash equivalents	1,270	(1,748)	(1,438)
Cash and cash equivalents at beginning of period	135	1,883	3,321
Cash and cash equivalents at end of period	1,405	135	1,883
Net increase/(decrease) in cash and cash equivalents	1,270	(1,748)	(1,438)

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

GETNINJAS ATIVIDADE DE INTERNET S.A.

Statements of value added
For the years ended December 31, 2020, 2019 and 2018
(In thousands of Brazilian Reais)

	31/12/2020	31/12/2019	31/12/2018
Revenues	47,264	26,154	15,927
Services rendered – Domestic market	47,264	26,154	15,927
Inputs acquired from third parties (including Taxes on Sales - PIS, COFINS and State VAT - ICMS)	(26,940)	(13,482)	(10,186)
Cost of services rendered	(3,787)	(2,243)	(2,154)
Materials, energy, third-party services and others	(23,152)	(11,239)	(8,031)
Gross value added	20,325	12,672	5,741
	(385)	(292)	(147)
Depreciation and amortization	(385)	(292)	(147)
Net value added generated by the Entity	19,940	12,380	5,594
Value added received in transfer	75	111	196
Financial revenues	114	143	280
Others	(39)	(32)	(84)
Total value added to be distributed	20,015	12,491	5,790
Value added distribution			
Personnel and charges	13,948	10,355	8,909
Direct compensation	11,427	8,486	7,374
Benefits	1,731	1,285	993
Severance Pay Fund (FGTS)	789	584	542
Taxes, fees and contributions	6,351	4,771	3,277
Federal	4,980	3,934	2,814
Municipal	1,371	837	463
Return on debt capital	607	366	485
Interest	250	163	134
Rents	357	203	351
Return on equity capital	(890)	(3,001)	(6,881)
Absorbed losses	(890)	(3,001)	(6,881)
Value added distribution	20,015	12,491	5,790

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

1. General information

GetNinjas Atividades de Internet S.A. (“Company”), located at Avenida Rebouças, 2.472 – Pinheiros, at the municipality of São Paulo, was established on July 25, 2011. The Company is mainly engaged in: a) rendering of services related to the design, development and creation of internet websites; b) maintenance of portals and content providers; and c) other information technology services related to the Internet.

On June 22, 2018, on the minute formalizing its corporate structure, the Company, previously classified as limited liability company, became a corporation (“Company”) and changed its corporate name.

The Company is a platform connecting users to service providers with the purpose of easing the contact between self-employed professionals and their clients.

Corporate structure

- On June 25, 2011, Fosthall Holdings LLC acquired 1,250,000 new shares of the Company, corresponding to R$ 1,250,000. Fosthall, located in Delaware, is a LLC that is intermediate in the corporate structure, whose totality of ownership interest is held by GetNinjas Holdings LTD.
- On September 10, 2012, Fosthall Holdings LLC acquired 5,505,680 new shares of the Company, corresponding to R$ 5,505,680.
- On September 24, 2014, Fosthall Holdings LLC acquired 19,740,080 new shares of the Company, corresponding to R$ 19,740,080.
- On September 08, 2015, Fosthall Holdings LLC acquired 77,250 new shares of the Company, corresponding to R$ 77,250.
- On September 27, 2017, Fosthall Holdings LLC acquired 4,353,750 new shares of the Company, corresponding to R$ 4,353,750.
- On June 22, 2018, the change in corporate structure from limited liability company to corporation was approved, with the change of the Company’s corporate name to GetNinjas Atividades de Internet S.A.
- On June 22, 2018, Saint-Gobain Participações acquired 475,258 new shares of the Company, corresponding to R$ 3,789,100.

Plan for profitability and cash generation

In 2020, the Company presented loss of R$ 890 (R$ 3,001 as at December 31, 2019, and R$ 6,881 as at December 31, 2018), negative net working capital of R$ 5,964 (R$ 5,879 as at December 31, 2019, and R$ 1,756 as at December 31, 2018), deficit in equity of R$ 5,172 as at December 31, 2020 (R$ 4,282 as at December 31, 2019 and R$ 1,280 as at December 31, 2018) and operating cash flows of R$ 1,861 (negative operating cash flows of R$ 810 and R$ 5,332 as at December 31, 2019 and 2018, respectively).

As per previous years, the Company's Management plans to capitalize on contributions made by new investors to continue investing in marketing and personnel in amounts higher than revenues, in order to be stabilized in 2021/2022. Additionally, the platform is being improved with a mix of categories and adjustment of currency prices. The Company increased net sales by 90% in the year as at December 31, 2020, in comparison with the year as at December 31, 2019, and by 65% in comparison with the year as at December 31, 2018.

1.1. Impacts of COVID-19

On January 31, 2020, the World Health Organization (WHO) announced that the coronavirus (COVID-19) was a global health emergency. The outbreak triggered significant decisions by governments and private sector entities that, added to the potential impact of the outbreak, increase the degree of uncertainty for economic agents and may generate relevant impacts on the amounts recognized in the condensed interim financial information.

The financial statements were prepared on the assumption of the Company's going concern, considering the realization and recovery of assets, as well as the payment of obligations over the Company's normal course of business. They do not include any adjustments that would be required for the presentation of its assets and liabilities in case the measures adopted are unsuccessful.

Due to the pandemic caused by the COVID-19, GetNinjas' Management continues to evaluate possible impacts from this pandemic on its financial position and operations. Accordingly, the Company adopted certain preventive measures in line with the guidelines of health authorities, which are as follows, among others:

- Implementing remote work for professionals;
- Cancelling domestic and foreign travels;
- Adopting the plans offered by the government (extension of terms for taxes and decrease in work hours and salaries).

On the other hand, the pandemic period generated new opportunities to the Company regarding products and strategic changes. Along with the effects of the Coronavirus outbreak in the market, we were able to create new categories and adjust our prices in our app. This period also resulted in a significant increase in the search for services and registration of professionals in our base. These initiatives positively affected income (loss) and provided a perspective of possible accelerated growth from the recovery of the economy after the pandemic.

Some examples of initiatives taken during the pandemic are as follows:

- In order to maintain its services even remotely, the Company launched GetNinjas Remoto, in which it is possible to hire minor services via video or call;
- The Company created a promotion denominated "Member Get Member" in the beginning of 2020 with the purpose of leveraging currency sales. This program showed more results in March 2020 with evidence of the pandemic and, accordingly, several advertisements were made and continue to be made. The promotion consists of stimulating recommendations by active professionals for the registration of new professionals in the base by means of awarding currency.
- In the marketing area, we launched 200 new subcategories focusing on online services.

The financial statements were prepared in the normal course of business. Management evaluates the Company's ability to continue as a going concern during the preparation of the financial statements.

2. Summary of main accounting practices

The financial statements were prepared according to the Brazilian accounting practices (BR GAAP), which comprise the standards issued by Brazilian Securities and Exchange Commission (CVM) and the pronouncements issued by the Committee of Accounting Pronouncements (CPC), and in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared considering the historical cost as base value (unless a different criterion is required) and adjusted to reflect the evaluation of assets and liabilities measured at fair value or considering mark-to-market, when these evaluations are required by the IFRS.

The main accounting policies applied in the preparation of these financial statements are set forth below. These policies have been consistently applied to the reported years, unless otherwise stated.

The issue of these financial statements was authorized by the members of the Board of Directors on February 01, 2021.

2.1. Basis of preparation

The financial statements have been prepared in accordance with various valuation bases used for accounting estimates. The accounting estimates involved in the preparation of the financial statements were based on objective and subjective factors and Management’s judgment to determine the proper fair value to be recorded in the financial statements. Significant items subject to these estimates and assumptions include determining the useful lives of fixed assets and their recoverability in operations, as well as analyzing other risks to determine other provisions, including for contingencies. Asset and liability financial instruments are recognized at fair value in the statement of operations.

Transaction settlement involving those estimates may result in amounts significantly different from those recorded in the financial statements, due to the inherent inaccuracy of the estimates. Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the financial years ended December 31, 2020, 2019 and 2018 are included in the following notes:

- Note 9 – Determining the useful life of fixed assets;
- Note 16 – Recognition and measurement of provisions and contingencies: Main assumptions on likelihood and extent of fund outflows.
-

The Company reviews these estimates and assumptions at least once a year.

2.2. Classification of current versus noncurrent

The Company presents assets and liabilities in the statement of financial position based on the classification of current or noncurrent. An asset is classified as current when:

- Its realization is expected, or the asset is intended for sale/consumption over the entity’s regular operating cycle.
- The asset is held mainly for the purpose of being negotiated. Its realization is expected within twelve months after the reporting date; and
- It is a cash or cash equivalent (as per Technical Pronouncement CPC 03 – Statement of Cash Flows), unless its exchange or use to settle liabilities is forbidden for at least twelve months after reporting date.

All other assets are classified as noncurrent.

A liability is classified as current when:

- Its settlement is expected during the entity's regular operating cycle;
- It is held mainly for the purpose of being negotiated;
- It must be settled in a period of up to twelve months after reporting date and the entity has no unconditional right to defer its settlement for at least twelve months after the reporting date.
- The conditions of a liability that may, depending on the counterparty's option, result in its settlement by means of issuing equity instruments, do not affect its classification.

The Company classifies all other liabilities as noncurrent.

2.3. Segment information reporting

The Company's Management identified only one operating segment corresponding to consideration related to the service offering a platform that connects clients requesting services to service providers, therefore, easing the contact between self-employed professionals and service companies, which are mainly small companies and their clients. The Company monitors its activities, evaluates its performance and conducts the decision making for allocation of funds to service request level.

2.4. Foreign currency translation

(a) Functional and reporting currency

These financial statements are presented in Brazilian Reais, which is the functional currency of the Company. All financial information presented in Brazilian Reais was rounded to the next unit, unless otherwise stated.

(b) Transactions and balances

Transactions in foreign currency are translated into the functional currency at the exchange rates in effect on the dates of the transactions or valuation.

Exchange rate gains or losses in monetary items are the difference between the amortized cost of the functional currency at the beginning of the year, adjusted by effective interest and payments during the year, and the amortized cost in foreign currency at the exchange rate at the end of the reporting year.

The differences in foreign currencies resulting from the translation related to loans and financing are recognized in income (loss) for the year as financial revenues or expenses.

2.5. Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and other highly-liquid short-term investments, with original maturities of three months or less with no restriction for its use and subject to an insignificant risk of change in value.

2.6. Financial instruments

(a) Financial instruments - Classification

Upon initial recognition, a financial asset is classified as measured: (i) at amortized cost; (ii) at fair value through other comprehensive income (loss) ("VJORA"); or (iii) at fair value through income (loss) ("VJR"). A financial asset is measured at amortized cost if it meets both of the following conditions: (i) the asset is held in a business model in order to raise contractual cash flows; and (ii) the contractual terms of the financial asset give rise, on specific dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset is measured at VJR only if it meets both of the following conditions: (i) the asset is held in a business model whose purpose is met by raised contractual cash flows or by the sale of financial assets; and (ii) the contractual terms of the financial asset give rise, on specific dates, to cash flows that represent payments of principal and interest on the principal amount outstanding.

All other financial assets are classified as measured at fair value through income (loss). Furthermore, upon initial recognition, the Company may irrevocably designate a financial asset that meets the requirements to be measured at amortized cost, at VJORA or even VJR. This designation has the purpose of significantly eliminating or reducing a possible accounting mismatch arising from the result of the respective asset.

(b) Financial assets - Recognition and measurement

Purchases and sales of financial assets are recognized on the negotiation date. Investments are firstly recognized at fair value, and then added to the transaction costs for all financial assets not classified at fair value recognized in income (loss).

Financial assets at fair value through income (loss) are initially recognized at fair value, and transaction costs are charged to the statement of operations for the period in which they occurred.

The fair value of investments with public listing is based on the current purchase price. If the market for a financial asset is not active, the Company establishes the fair value through valuation techniques. These techniques include recent third-party transactions, reference to other instruments that are substantially the same, the analysis of discounted cash flows and option pricing models, favoring information generated by the market and minimizing the use of information generated by the Company's Management.

(c) Impairment of financial assets – Measured at amortized cost

At the end of each year, the Company evaluates if there is objective evidence that a financial asset or a group of financial assets is impaired. The criteria used by the Company to determine if there is objective evidence of impairment include: (i) significant financial difficulties of the issuer or debtor; (ii) a breach of contract, such as default or late payments of interest or principal; (iii) possibility of the debtor going bankrupt or filing for financial reorganization; and (iv) extinction of the active market of that financial asset due to financial problems.

(d) Derecognition (write-off) of financial assets

A financial asset (or, if applicable, a part of a financial asset or part of a group of similar financial assets) is written off when:

- The rights to receive cash flows from assets expire;
- The Company transferred its rights to receive cash flows from the asset or assumed an obligation to pay cash flows received in full, with no significant delay, to a third party under a "transfer" arrangement; and (i) the Company substantially transferred all the risks and benefits of ownership of the asset, or (ii) the Company neither transferred nor retained substantially all the risks and benefits of ownership, but transferred the control over the asset.

(e) Financial liabilities - Classification

A financial liability is classified as measured at fair value through income (loss) when it is designated as held for trading or designated as such at initial recognition.

Transaction costs are recognized in income (loss) as incurred. These financial liabilities are measured at fair value, and possible changes in fair value, including gains on interest and dividends, are recognized in income (loss) for the year. The Company's financial liabilities are first recognized at fair value, including trade accounts payable, other accounts payable and loans, plus the directly related cost of the transaction.

(f) Financial liabilities – Subsequent measurement

After initial recognition, trade accounts payable and accounts payable are subsequently measured at amortized cost using the effective interest rate method.

(g) Financial instrument offset

Financial assets and liabilities are presented net at the statement of financial position, only if there is a current and applicable legal right to offset the recognized amounts and if there is an intention to offset or realize the asset and settle the liability simultaneously.

2.7. Accounts receivable

These are recorded at the amount billed, net of the allowance for doubtful accounts.

The Company’s accounts receivable are represented mainly by sales financed by credit card companies. Management considers that the risk of default is low.

2.8. Fixed assets

Recognition and measurement

Fixed asset items are measured at historical acquisition cost, less accumulated depreciation and impairment.

Fixed asset costs consist of expenses directly attributable to the acquisition/construction of assets, including costs on materials, direct labor and any other costs to bring the assets to the location and condition necessary for them to operate.

If parts of a fixed asset item have different useful lives, they are accounted for as separate items (main components) of fixed assets.

Any gains or losses arising from the disposal of a fixed asset item are determined as the difference between the estimated net disposal proceeds and the book value of the item and should be recognized net as other revenues or expenses in the statement of operations.

Other expenses are capitalized only when there is an increase in economic benefits of the fixed asset item to which they refer, if not, they are recognized as expenses in income (loss).

Subsequent costs

Subsequent costs are capitalized only when it is probable that future economic benefits associated with the expenses will be obtained by the Company. Recurring maintenance and repair expenses are recognized in income (loss) when incurred.

Depreciation

Fixed asset items are depreciated as from the date they are installed and available for use.

The depreciation is calculated based on item depreciable amount, using the straight-line method, at rates that consider the economic useful lives of items. Useful life and residual values are periodically reviewed.

The estimated useful lives of significant fixed asset items for the current and comparative years are as follows:

	Years
Electronic devices	5
Machinery and equipment	10
Furniture and fixtures	10

Depreciation methods, useful lives and residual amounts are reviewed at every reporting date and possible adjustments are recognized as a change in accounting estimates. Regarding the previous year, there were no changes in the useful lives and residual amounts of assets.

2.9. Trade accounts payable

Trade accounts payable are obligations payable for assets or services acquired in the ordinary course of business. They are classified as current liabilities if payment is due in the period of up to one year. Otherwise, trade accounts payable are presented as noncurrent liabilities.

They are initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method.

2.10. Provisions

Provisions for legal claims (civil, labor and tax) are recognized when: The Company has a present or informal obligation (constructive obligation) as a result of past events; it is probable that an outflow of funds is required to settle the obligation; and the amount has been reliably estimated. The provisions are not recognized in regard to future operating losses.

In case a series of similar obligations exists, the likelihood of settlement is determined considering the class of obligations as a whole. A provision is recognized even when the likelihood of settlement related to any individual item included in the same class of obligations is small.

The provisions are measured at the present value of the expenses required to settle the obligation, at a rate before taxes that reflects the current market evaluations of the time value of money and of the specific risks of the obligation. The increase in liabilities over time is recorded as a financial expense.

2.11. Other assets and liabilities

An asset is recognized in the statement of financial position when it is probable that future economic benefits will be generated in favor of the Company and its cost or value can be determined with certainty. A liability is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and funds are likely to be necessary to settle the obligation. The related charge and monetary variations are added when applicable. The provisions are recorded based on the best estimates of the risks involved.

2.12. Employee benefits

Obligations for employees benefits are measured on a nondiscounted basis and are incurred as expenses to the extent the related service is rendered. The liability is recognized at the expected amount to be paid under short-term cash bonus plans or profit sharing if there is a legal or constructive obligation to pay this amount on account of a past service rendered by the employee and the obligation can be reliably estimated.

2.13. Capital Stock

Common shares are classified as equity. Additional costs directly attributable to the issuance of shares and share options are recognized as deduction from equity, net of any tax effects.

2.14. Revenue recognition

Revenue is the fair value of the consideration received or receivable for rendering services over the Company’s normal course of activities. Revenue is stated net of taxes, returns, rebates and discounts.

The Company earns revenue from intermediation via digital platform. Revenue is recognized when performance obligations are met, in accordance with CPC 47/IFRS 15.

CPC 47 (effective as from January 01, 2018) replaced all current revenue recognition requirements, as per all CPC standards. The new standard established a five-step model for recognition of revenue from contracts.

According to CPC 47, revenue must be recognized at an amount that reflects the consideration a company is expected to be entitled to in exchange for the transfer of goods or services to a client.

The Company made analyses in the five steps of the new revenue recognition model and identified impacts on the recognition previously adopted. Making the necessary adjustments, the Company started recognizing revenue upon the conclusion of its services, characterized by the use of currency by the professionals that will render the services to the clients.

2.15. Taxation

Current and deferred Income and Social Contribution taxes are calculated at the following rates: 15% plus a 10% surtax on any taxable income exceeding R$ 240 per year in the case of Income Tax, and 9% on taxable income in the case of Social Contribution Tax, considering, where applicable, Income and Social Contribution tax loss carry forwards of up to 30% of taxable income.

Income and Social Contribution tax expenses include current and deferred taxes. Current and deferred taxes are recognized in the statement of operations, unless it refers to items directly recognized in equity or in other comprehensive income (loss).

Current tax

Current tax expenses are the estimated tax payable or receivable calculated on taxable income or loss for the year, as well as any adjustment to payable taxes from prior years. The amount of current taxes payable or receivable is recognized in the statement of financial position as tax asset or liability at the best estimate of expected amount of taxes to be paid or received which reflects the uncertainties related to its calculation, if any. It is measured based on tax rates established at the reporting date.

Current Income Tax rates are calculated according to enacted or substantially enacted tax laws at the end of the current year in the countries where the Company’s controlled companies and associates operate and generate taxable income. Management periodically evaluates the legislation, which is subject to interpretation, and establishes provisions, if necessary, based on amounts that shall be paid to tax authorities.

Current tax assets and liabilities are offset only if certain criteria are met.

The Company did not recognize tax credits considered Income and Social Contribution tax losses and the temporary differences generated in the current period, due to uncertainties on the generation of future taxable income.

Given that Income and Social Contribution tax calculation bases include not only future income, but also nontaxable income, nondeductible expenses, tax incentives and other variables, there is no immediate relation between the Company's net income and the results of Income and Social Contribution taxes.

Considering the Company's current operating scenario and offsetting limitations on the mentioned tax losses, and adopting a conservative basis, Management chose not to recognize the mentioned tax credits in the financial statements until its operations become profitable and enable a proper projection of future taxable income.

2.16. Earnings (losses) per share

Basic earnings (losses) per share are calculated by dividing the income for the year attributed to the Company's controlling shareholders by the weighted average number of outstanding shares in the year. Diluted earnings (losses) per share are calculated by the income (loss) for the year attributable to controlling shareholders, adjusted by the effects of instruments that would potentially affect income (loss) for the year and by the average number of outstanding shares, adjusted by instruments potentially convertible into shares with dilution effect for the presented years, as per CPC 41/IAS 33.

At the Company, basic earnings (losses) per share correspond to diluted ones, seeing there are no financial instruments with dilution potential.

2.17. Leases

The standard IFRS 16/CPC 06 (R2) has the purpose of unifying the lease accounting model, with requirements for lessees to recognize liabilities assumed as an offset account of the related assets corresponding to its right of use for all lease agreements.

(In thousands of Brazilian Reais)

IFRS 16 determines whether an agreement contains a lease based on whether the client obtains the right to control the use of an identified asset for a period of time in exchange of consideration.

Short-term leases (lease term of twelve months or less) and leases of low-value assets (such as personal computers and office furniture) are recognized as lease expenses on a straight-line basis, as provided for by IFRS 16.

2.18. Statements of value added

This statement has the purpose of evidencing the wealth generated by the Company and its distribution during a determined period, being required by Brazilian accounting practices and presented as supplementary information to the financial statements for IFRS purposes.

The statement of value added was prepared based on information obtained from the accounting records that serve as a basis for preparing the annual information and following the provisions contained in CPC 09 - Statement of Value Added. In the first part, it presents the wealth generated through gross sales revenues (including taxes levied, other revenues and effects of allowance for doubtful accounts), inputs acquired from third parties (material acquisition and sales costs, electricity and third-party services, as well as taxes included upon acquisition, effect of losses and recovery of assets, depreciation and amortization), and value added received from third parties (equity in earnings (losses) of controlled companies, financial revenues and other revenues). The second part of the statement of value added presents the distribution of the wealth among personnel, taxes, fees and contributions, return on debt capital and return on equity capital.

2.19. Changes in accounting policies and disclosures

Maintaining the permanent process of revising accounting standards, IASB and, consequently, CPC issued new standards and revisions of existing standards. The amendments to standards that were adopted as at the year beginning on January 01, 2020, are indicated below.

Standards and amendments to standards	Description of the standard	Mandatory adoption beginning on or after
IFRS 03	Business combinations	January 01, 2020
Interest Rate Benchmark Reform – “Stage 2” - IBOR	Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	January 01, 2020

Amendment to the standard IFRS 3

Definition of business. It clarifies aspects for the definition of business to explain when a transaction should receive accounting treatment of business combination or acquisition of assets. This amendment to the standard is effective for years beginning on or after January 01, 2020. The Company had no significant impacts on possible future business combinations or acquisition of assets.

Interest Rate Benchmark Reform – Phase 2 – IBOR (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16):

The amendments are mandatory and in effect for periods beginning as from January 01, 2021, and the Company opted out of the early adoption of these standards for the current period.

3. Standards in effect as from January 01, 2021

There are several standards, amendments to standards and interpretations issued by IASB that are effective for future accounting years for which the Company opted out of early adoption and for which it expects no significant impacts on its financial statements.

The following amendments are effective for periods beginning on January 01, 2022:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37);
- Fixed assets: Proceeds before Intended Use (Amendments to IAS 16);
- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41);
- Reference to the Conceptual Framework (Amendments to IFRS 3).

In January 2020, IASB issued amendments to IAS 1, clarifying the criteria used to determine whether liabilities are classified as current or noncurrent. These amendments explain that the classification of current or noncurrent is based on whether the entity has the right, at reporting period end, to defer the settlement of the liability for at least twelve months after the reporting period. They also explain that “settlement” includes transfer of cash, assets, services or equity instruments, unless the obligation of transferring equity instruments arises from a translation characteristic classified as equity instrument separately from the liability component of a compound financial instrument. The amendments were initially effective for annual reporting periods beginning on or after January 01, 2022. However, on May 2020, the effective date was postponed for annual reporting periods beginning on or after January 01, 2023.

GetNinjas is currently evaluating the impact of these new accounting standards and amendments. Management does not expect the amendments to IAS 1 to significantly affect the classification of its liabilities.

4. Financial risk management

4.1. Financial risk factors

The Company is exposed to some financial risks: Market risk (interest rate and exchange rate risks), credit risk and liquidity risk. The Company's risk management program focuses on the identification of these risks in finance markets and aims to reduce possible adverse effects on the Company's financial performance.

Risk management is performed by the Company's Management and according to policies approved by shareholders. The Company's Management identifies, evaluates and hedges the Company against eventual financial risks.

(a) Market risk

The Company has its app on iOS and Android systems and it advertises its app and website in search engines and social media and, therefore, it is exposed to changes in the dynamics of these platforms. Its market is also full of innovation and possible new competitors.

(i) Interest rate risk

The risk is due to the possibility of the Company incurring losses on account of interest rate fluctuations pegged to the Interbank Deposit (DI) rate of financial investments entered into in Brazilian Reais and/or to the rates pegged to financial expenses on loans and financing raised in the market. The Company did not have debts with financial institutions as at December 31, 2020.

(i) Exchange rate risk

Exchange rate risk refers to the risk of changes in costs of contracts in foreign currency and, therefore, may affect future cash flows arising from transactions with suppliers due to the changes in exchange rates. There are no outstanding amounts with suppliers in foreign currency as at December 31, 2020.

(In thousands of Brazilian Reais)

(b) Credit risk

Credit risk arises from cash and cash equivalents, deposits in banks and financial institutions, as well as exposures to clients' credit. In the case of banks and financial institutions, only notes from top-tier institutions are accepted.

Credit risk related to trade accounts receivable is minimized, since the Company's sales are made using debit and credit cards. The Company seeks to operate only with card companies whose market evaluation is good.

(c) Liquidity risk

Cash flow forecasts are calculated by the Company's Management.

Management monitors the continual projections of liquidity requirements of the Company to guarantee that it has sufficient cash to meet its operating needs.

This forecast considers the plans of financing for the Company's debt, compliance with contractual clauses, meeting internal targets of statement of financial position ratio and, if applicable, external or legal requirements, such as currency restrictions.

The table below demonstrates the Company's nonderivative financial liabilities, according to maturity ranges corresponding to the remaining period counted from the date of preparation of the statement of financial position to the contractual maturity date. Amounts disclosed in the table are contracted undiscounted cash flows.

- As at December 31, 2020:

	Maturity		
	Less than 1 year	Between 1 and 2 years	Total
Trade accounts payable	5,215	-	5,215
Labor liabilities	2,258	-	2,258
Tax liabilities	319	-	319
Accounts payable	862	-	862

(In thousands of Brazilian Reais)

- As at December 31, 2019:

	Maturity Less than 1 year	Between 1 and 2 years	Total
Trade accounts payable	1,595	-	1,595
Leases payable	168	-	168
Labor liabilities	1,401	-	1,401
Tax liabilities	468	-	468
Related-party transactions	-	181	181
Accounts payable	469	-	469

- As at December 31, 2018:

	Maturity Less than 1 year	Between 1 and 2 years	Total
Loans and financing	31	-	31
Trade accounts payable	572	-	572
Labor liabilities	1,118		1,118
Tax liabilities	147	-	147
Related-party transactions	-	259	259
Accounts payable	509	-	509

(d) Operational risk

Operational risk is the risk of direct or indirect losses due to a range of causes connected with the Company’s proceedings, personnel, technology, infrastructure and external factors, except credit, market and liquidity risks, as those resulting from statutory and regulatory requirements and generally accepted business standards. The purpose of the Company is to manage its operational risk to avoid financial losses and damage to their reputation.

4.2. Capital management

The Company’s purposes in managing its capital are guaranteeing its going concern capacity upon transactions in order to bring gains to shareholders and benefits to the other interested parties, in addition to keeping an ideal capital structure to reduce costs. The Company monitors capital based on financial leverage indexes. This index corresponds to net debt divided by total capital. Net debt corresponds to total loans (including short-term and long-term loans, as shown in the statement of financial position), less the amount of cash and cash equivalents. Total capital is calculated by the sum of equity, as presented in the statement of financial position, with the net debt. The financial leverage indexes as at December 31, 2020, 2019 and 2018 can be summarized as follows:

(In thousands of Brazilian Reais)

	2020	2019	2018
Total loans	-	-	31
Less: Cash and cash equivalents	(1,405)	(135)	(1,883)
Negative net debt	(1,405)	(135)	(1,852)
Total equity	(4,802)	(4,282)	(1,280)

4.3 Sensitivity analysis

We present below a table of sensitivity analysis of financial instruments that may generate significant impacts to the Company, considering Technical Pronouncement CPC 40 (R1) - Financial Instruments: Disclosure and the balances of main financial instruments using a projected rate for final settlement of each contract, adjusted to market value (Scenario I), with a 25% appreciation (Scenario II) and with a 50% appreciation (Scenario III).

Regarding financial assets pegged to the Interbank Deposit Certificates (CDI) index, scenario I considers the maintenance of the CDI rate as at December 2020, at 2.75% p.a. Scenarios II and III consider a decrease in the rate by 25% (3.30% p.a.) and 50% (2.20% p.a.), respectively.

As at December 31, 2020

Instrument	Index	Exposure	Scenario 1	Decrease of 25% in index	Decrease of 50% in index	Increase of 25% in index	Increase of 50% in index
Investment assets	CDI	1,390	38	29	19	48	57

The amounts above were summarized. The sensitivity analysis has as purpose to measure the impact of changes in market variables on the Company's financial instruments, considering all other market indicators. Their settlement may be result in amounts different than the one stated due to the estimates used in the preparation process.

5. Financial instruments by category

a) Financial instruments are recognized in the Company's financial statements, as shown in the following tables:

Assets	Classification	Note	2020	2019	2018
Trade accounts receivable	Amortized cost	7	4,195	3,061	1,726
Other assets	Amortized cost	9	894	197	116
Cash and cash equivalents	Amortized cost	6	1,405	135	1,883
			6,494	3,393	3,725

Liabilities and equity	Classification	Note	2020	2019	2018
Loans and financing	Amortized cost	-	-	-	31
Trade accounts payable	Amortized cost	11	5,215	1,595	572
Related-party transactions	Amortized cost	16	-	181	259
Accounts payable	Amortized cost	-	862	469	509
			6,077	2,245	1,371

(In thousands of Brazilian Reais)

b) Fair-value hierarchy of assets and liabilities valued at income (loss)

The Company classifies the measurement of fair value in accordance with hierarchical levels that reflect the importance of the indexes used in this measurement, except for the ones with short-term maturities, equity instruments with no active markets and contracts with discretionary characteristics whose fair value cannot be reliably measured as per the following levels:

- Level 1: Prices quoted (not adjusted) in active markets for identical assets and liabilities;
- Level 2: Other available information, except those of Level 1, where quoted prices relate to similar assets and liabilities, whether directly, by obtaining prices in active markets, or indirectly, such as valuation techniques using active market data;
- Level 3: The indexes used for the calculation do not derive from an active market. The Company does not have instruments in this measurement level.

6. Cash and cash equivalents

	12/31/2020	12/31/2019	12/31/2018
Bank checking accounts	15	6	5
Financial investments	1,390	129	1,878
Total	1,405	135	1,883

Financial investments refer to short-term, highly-liquid financial investments, readily convertible into a known cash amount and subject to an immaterial risk of changes in value. Financial investments in Bank Deposit Certificates (CDB) bear interest at the fixed rate ranging from 90% to 105% of CDI as at December 31, 2020 (90% to 105% as at December 31, 2019 and 2018).

7. Accounts receivable

	2020	2019	2018
Accounts receivable	4,195	3,061	1,726
Total	4,195	3,061	1,726

Breakdown per maturity of falling due amounts:

	2020	2019	2018
Falling due	4,195	3,061	1,726
	4,195	3,061	1,726

(In thousands of Brazilian Reais)

The Company estimates expected losses from doubtful accounts based on the simplified model, as permitted by CPC 48/IFRS 9, considering the aging of its notes receivable and expected future losses. The Company has no history of losses on accounts receivable, since this credit is mainly on credit cards, that is, effective purchases and, therefore, there is no significant impact of expected losses on accounts receivable.

8. Recoverable taxes

	2020	2019	2018
Withholding Income Tax (IRRF)	73	64	96
Taxes on Sales (PIS and COFINS)	645	366	109
Tax on Services (ISS)	8	190	65
Social security contribution	3	174	59
Others	58	12	5
Total	787	806	334
Current	787	10	56
Noncurrent	-	796	278
	787	806	334

9. Other assets

	12/31/2020	12/31/2019	12/31/2018
Transaction costs incurred – Initial Public Offering (IPO) (i)	645	-	-
Prepaid expenses	141	114	55
Others	49	39	27
Total	835	153	82

(i) This refers to costs on the issue of public offer of the Company’s shares, related to accounting and legal consulting services and audit services, incurred in 2020.

10. Fixed assets

(a) Breakdown:

	12/31/2020			12/31/2019
	Cost	Accumulated depreciation	Net	Net
Furniture and fixtures	231	(74)	157	155
Facilities	-	-	-	44
Electronic devices	1,239	(618)	621	607
Right of use - Buildings	476	(476)	-	158
Total	1,946	(1,168)	778	964

(In thousands of Brazilian Reais)

	12/31/2019			12/31/2018
	Cost	Accumulated depreciation	Net	Net
Facilities	52	(8)	44	31
Furniture and fixtures	206	(51)	155	103
Electronic devices	1024	(417)	607	373
Right of use - Buildings	476	(318)	158	-
Total	1,758	(794)	964	507

	12/31/2018			12/31/2017
	Cost	Accumulated depreciation	Net	Net
Facilities	35	(4)	31	17
Furniture and fixtures	158	(55)	103	120
Electronic devices	634	(261)	373	460
Total	827	(320)	507	597

(In thousands of Brazilian Reais)

(b) Changes in fixed assets:

	Depreciation rate (%)	12/31/2019	Additions	Write-offs	Depreciation	12/31/2020
Facilities	10%	44	-	(39)	(5)	-
Furniture and fixtures	20%	154	25	-	(22)	157
Electronic devices	10%	607	214	-	(200)	621
Total		806	239	(39)	(227)	778
Right of use - Buildings		158	-	-	(158)	-
Total		964	239	(39)	(385)	778

	Depreciation rate (%)	12/31/2018	Additions	Write-offs	Depreciation	12/31/2019
Facilities	10%	31	17	-	(4)	44
Furniture and fixtures	20%	103	104	(34)	(19)	154
Electronic devices	10%	373	390	-	(156)	607
Total		507	511	(34)	(179)	806
Right of use - Buildings		-	476	-	(318)	158
Total		507	987	(34)	(497)	964

	Depreciation rate (%)	12/31/2017	Additions	Write-offs	Depreciation	12/31/2018
Facilities	10%	17	15	-	(2)	31
Furniture and fixtures	20%	120	-	-	(17)	103
Electronic devices	10%	460	139	(150)	(76)	373
Total		597	154	(150)	(95)	507

(In thousands of Brazilian Reais)

11. Trade accounts payable

	2020	2019	2018
Other domestic trade accounts payable	1,032	135	111
Google Brasil Internet Ltda.	4,183	1,460	461
	5,215	1,595	572

The Company has a supplier portfolio focused on the supplier Google Brasil Internet Ltda. and the other suppliers are widespread and mainly represented by suppliers of technology and internet support, among others. As at December 31, 2020, 2019 and 2018, there are no significant outstanding amounts, with no concentration or dependence on the supply of materials and/or services from third parties.

12. Labor liabilities

	2020	2019	2018
Salaries payable	522	336	260
Management compensation payable	102	86	44
Provision for vacation pay	731	421	447
IRRF	445	287	192
Severance Pay Fund (FGTS)	107	73	51
Social Security Funding (INSS)	351	198	124
Total	2,258	1,401	1,118

13. Tax liabilities

	2020	2019	2018
COFINS	138	141	72
PIS	25	29	16
Income and Social Contribution taxes	-	221	-
IRRF	18	1	1
ISS	109	58	43
Others	29	18	15
Total	319	468	147

14. Advances from customers

	2020	2019	2018
Domestic market	4,613	5,187	3,159
	4,613	5,187	3,159

The Company's monetization model considers that the platform's professionals acquire currency packages and use this currency to unlock requests from potential clients. Accordingly, the professionals acquire the currency packages via card or payment form and their currency usage will depend on their needs within the term of 12 months after the purchase, as per the terms of use.

In this model, the platform's professionals make the full payment of the package, however, the Company's service rendering depends on the use of their balances.

Thus, the professional's available currency converted into monetary value is allocated to Advances from customers until the professional uses the platform service in its totality.

15. Leases payable

Until 2018, leases of fixed asset items were classified as finance or operating leases. For 2019, the Company chose to apply the modified retrospective approach, which does not require the restatement of amounts corresponding to these leases on initial application date. Therefore, as from January 01, 2019, leases are recognized as right-of-use assets and their corresponding liabilities on the date in which the leased asset becomes available for use by the Company.

Each lease payment is allocated between liabilities and financial expenses. Financial expenses are recognized in income (loss) during the lease term. Right-of-use assets are depreciated during the asset's useful life or lease term, whichever is lower, under the straight-line method.

The Company had a rental agreement fitting the description of a lease according to the criteria of CPC 06 (R2), whose effective term was postponed to June 30, 2020, due to the pandemic caused by the Coronavirus (COVID-19).

Another property was previously rented, with effective term of six months, amounting to R$ 2 monthly, which did not fit the definition established by CPC 06 (R2).

(In thousands of Brazilian Reais)

The details on changes in lease agreements are presented below:

		Fixed assets items - 2019			Fixed assets items - 2020		
Agreement	Effective until	Initial adoption	Amortization of right of use	Balance 2019	Beginning balance	Amortization of right of use	Balance 2020
Real estate lease	Jun/20	476	(318)	158	158	(158)	0
Total		476	(318)	158	158	(158)	0

		Lease liabilities payable - 2019				Lease liabilities payable - 2020			
Agreement	Effective until	Initial adoption	Interest	Payments	Balance 2019	Beginning balance	Interest	Payments	Balance 2020
Real estate lease	Jun/20	476	40	(348)	168	168	3	(171)	-
Total		476	40	(348)	168	168	3	(171)	-

The interest rate used to bring the mentioned agreement to present value is the incremental loan rate, calculated on the average weighted capital cost the Company would have to pay in a loan to obtain the funds necessary to acquire an asset of similar value in a similar economic environment, with equivalent terms and conditions. For 2020, the rate considered was 12.46% p.a.

16. Related-party transactions

The balances of liabilities as at December 31, 2020, 2019 and 2018, as well as transactions affecting income (loss) for the period, referring to related parties and key management personnel, arise from intercompany operations conducted under conditions agreed between the parties by means of contracts.

Related-party transactions are as follows:

- Intercompany loan – Fosthall Holdings LLC

Breakdown

Noncurrent liabilities Intercompany loan	2020	2019	2018
Fosthall Holdings, LLC. (i)	-	181	259
	-	181	259

Income (loss) Revenue	2020	2018	2017
Saint-Gobain Do Brasil Prods. Industrs. Constr. Ltda. (ii)	285	569	302
	285	569	302

(In thousands of Brazilian Reais)

(i) This refers to an intercompany loan of R$ 181 as at December 31, 2019, with no levy of interest rate and maturing on May 30, 2020
(ii) This refers to the publication of an advertisement by means of a commercial partnership agreement with Saint-Gobain do Brasil for the acquisition of advertisement at the platform, made by SMS instant messaging, Whatsapp and email campaigns.

The equity changes in the intercompany loan are shown below:

	Value
Balances as at December 31, 2018	259
Fund raising	-
Payment	(78)
Balances as at December 31, 2019	181
Fund raising	-
Payment	(181)
Balances as at December 31, 2020	-

Compensation of key personnel

The compensation of key management personnel includes compensation and benefits amounting to R$ 3,746 as at December 31, 2020 (R$ 1,655 as at 2019 and R$ 1,549 as at 2018), as shown below:

	2020	2019	2018
Management compensation - Salaries	2,938	1,433	1,309
Management compensation – Benefits (financial aid for education, health and meals)	809	222	240
Total for the year	3,746	1,655	1,549

The related amounts were recorded under the caption “Administrative expenses” in the statement of operations.

The Company does not grant other long-term benefits to Management, different from the ones mentioned above.

17. Provision for legal claims

	2020	2019	2018
Civil	45	26	87
	45	26	87

(In thousands of Brazilian Reais)

The change in the provision along the year is demonstrated below:

	2019	Additions	Write-offs	2020
Civil	26	19	-	45
Total	26	19	-	45

	2018	Additions	Write-offs	2019
Civil	87	-	(61)	26
Total	87	-	(61)	26

The provisions were recognized based on the various legal proceedings filed along the ordinary course of business, including only civil causes, and are considered sufficient by Management to cover possible payments in the event of an unfavorable decision.

Those amounts are annually booked according to an estimate of the Company's legal advisors of actions rated as probable losses.

Possible contingencies

The ongoing legal and administrative proceedings rated by the Company's legal advisors as possible losses amount to R$ 435 as at December 31, 2020 (R$ 696 as at December 31, 2019, and R$ 58 as at December 31, 2018).

	2020	2019	2018
Civil	435	696	58
Total	435	696	58

18. Equity

a) Capital stock

As at December 31, 2020, the amount of capital stock fully paid-in is R$ 34,681 (R$ 34,681 as at December 31, 2019 and 2018), represented by 34,681 (34,681 as at December 31, 2019 and 2018) shares, divided into 34,681 shares with par value of R$ 1.00 each and 475 shares with par value of R$ 7.97 each. As per the minute of the shareholders' meeting on June 22, 2018, capital stock was increased by the amount of R$ 3,789 with the issue of 474,258 new registered common shares with no par value, to be fully subscribed by Saint-Gobain Participações Ltda.

(In thousands of Brazilian Reais)

The Company's shareholding structure as at December 31, 2020, 2019 and 2018, is as follows (number of shares):

	12/31/2020		
	Shares	Value	Ownership interest
Fosthall Holdings	30,891,758	30,892	98.48%
Saint Gobain Participações Ltda.	475,258	3,789	1.52%
Eduardo Orlando L Hottellier	2	-	0.00%
	31,367,018	34,681	100%

	12/31/2019		
	Shares	Value	Ownership interest
Fosthall Holdings	30,891,758	30,892	98.48%
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Eduardo Orlando L Hottellier	2	-	0.00%
	31,367,018	34,681	100%

	12/31/2018		
	Shares	Value	Ownership interest
Fosthall Holdings	30,891,758	30,892	98.48%
Saint Gobain Participações Ltda.	475,258	3,789	1.52%
Eduardo Orlando L Hottellier	2	-	0.00%
	31,367,018	34,681	100%

b) Statutory reserve

The statutory reserve is recognized at the rate of 5% of annual net income, pursuant to article 193 of Law No. 6.404/76, up to the limit of 20% of capital stock.

c) Distributed dividends

The articles of organization and bylaws establish that 1% of income calculated for each social year shall be distributed as mandatory minimum dividends, pursuant to Law No. 6.404/76.

The Company did not earn profits for the years ended December 31, 2020, 2019 and 2018, to recognize mandatory minimum dividends.

19. Net operating revenue

The reconciliation of gross revenue with net revenue from services rendered is as follows:

	2020	2019	2018
Gross revenue	47,264	26,154	15,927
(-) Taxes on sales	(5,458)	(4,125)	(2,578)
Net revenue	41,806	22,029	13,349

(In thousands of Brazilian Reais)

20. Nature of the expenses recognized in the statement of operations

	2020	2019	2018
Salaries and other compensations to employees	(12,728)	(8,558)	(7,462)
Other costs – Production of services	(3,425)	(1,778)	(1,775)
Advertising and publicity	(18,308)	(9,640)	(6,488)
Rendering of services	(1,515)	(508)	(804)
Labor provisions and social charges	(1,828)	(913)	(1,149)
Labor benefits	(1,709)	(1,184)	(953)
Other operating expenses	(2,166)	(1,015)	(852)
Taxes, fees and other contributions	(150)	(120)	(92)
Depreciation and amortization	(385)	(292)	(147)
Commissions and brokerages on sales	(187)	(502)	(424)
Maintenance of vehicles, assets and facilities	-	(149)	(40)
Other operating revenues and expenses	-	(34)	(115)
Low-value fixed asset items	(28)	(27)	(52)
Service rendering by natural persons – No affiliation	-	(37)	(23)
	(42,429)	(24,757)	(20,376)
Classified as:			
Operating costs	(3,425)	(1,778)	(1,775)
Selling expenses	(18,256)	(11,425)	(8,111)
General and administrative expenses	(20,748)	(11,520)	(10,375)
Other revenues and expenses	-	(34)	(115)
	(42,429)	(24,757)	(20,376)

21. Financial income (loss)

	2020	2019	2018
Financial revenues			
Exchange rate gains	4	29	13
Return on financial investments	30	114	251
Other financial revenues	80	-	16
	114	143	280
Financial expenses			
Exchange rate losses	(10)	(13)	(26)
Interest losses	(12)	(97)	(29)
Bank expenses	(18)	(64)	(18)
Tax on Financial Transactions (IOF)	(140)	(41)	(50)
Discounts granted	(48)	(22)	(11)
Other expenses	(19)	-	-
	(250)	(237)	(134)
Financial revenues/(expenses), net	(136)	(94)	146

22. Income and Social Contribution taxes

The Company records in accounting the tax effects of its transactions and of other events through the recognition of asset or liability temporary differences and of deferred tax assets or liabilities upon the presentation of Income and Social Contribution taxes in the financial statements and disclosure of information on such taxes.

(In thousands of Brazilian Reais)

The differences affecting or that may affect the calculation of Income and Social Contribution taxes arising from temporary differences between the tax bases of an asset or liability and its book value in the statement of financial position are recorded as temporary differences. Deferred tax assets or liabilities are recorded as amounts recoverable or payable in future periods.

Deferred Income Tax is recorded at a rate of 15%, plus 10% surtax. Deferred Social Contribution Tax is determined at a rate of 9%.

(a) Reconciliation of Income and Social Contribution tax expenses

	Quarterly calculation - 2020			
Description	1st quarter	2nd quarter	3rd quarter	4th quarter
Loss before Income and Social Contribution taxes	222	414	1,355	(2,750)
Reconciliation of effective rate:				
Additions				
(+) Nondeductible expenses	264	816	95	1,535
(+) Depreciation of asset subject to finance lease at lessee	87	96	91	75
(+) Financial expenses taken by lessee in finance lease agreement	4	3	2	1
Deductions				
(-) Reversal of provision for impairment loss	(260)	(2)	(788)	-
(-) Reversal of provision for expenses	(386)	0	-	-
(-) Lease payments	(86)	(87)	(89)	-
(-) Good law No. 11.196/05	-	(852)	(731)	(90)
Income (loss) before offsetting	(155)	388	(65)	(1,229)
(=) Calculation basis	(155)	388	(65)	(1,229)
Effective tax rate	34%	34%	34%	34%
(=) Income and Social Contribution taxes calculated	-	132	-	-
Current taxes	-	132	-	-
Effective rate (%)	-	34%	-	-
Unrecognized tax losses	(155)	-	(65)	(1,229)

	Quarterly calculation - 2019			
Description	1st quarter	2nd quarter	3rd quarter	4th quarter
Loss before Income and Social Contribution taxes	(385)	(963)	(809)	(665)
Reconciliation of effective rate:				
Add-backs				
(+) Nondeductible expenses	752	832	1.251	543
(+) Loss on fixed-asset write-off	-	34	-	-
(+) Provision for impairment loss	-	-	-	311
(+) Other additions	83	-	30	99
Deductions				
(-) Reversal of provision for impairment loss				
(-) Reversal of provision for expenses	(189)	(484)	(177)	(430)
(-) Lease payments	-	-	(29)	(86)
(-) Good law No. 11.196/05	-	-	-	-
Income (loss) before offsetting	261	(581)	266	(228)
(=) Calculation basis	261	(581)	266	(228)
Effective tax rate	34%	34%	34%	34%
(=) Income and Social Contribution taxes calculated	89	-	90	-
Current taxes	89	-	90	-
Effective rate (%)	34%	0%	34%	0%
Unrecognized tax losses	-	(581)	-	(228)

(In thousands of Brazilian Reais)

Estimated annual calculation

Description		2018
Loss before Income and Social Contribution taxes		(6,881)
Reconciliation of effective rate:		
Add-backs		
(+) Nondeductible expenses		2,477
Deductions		
(-) Reversal of provision for expenses		(780)
Income (loss) before offsetting		(5,184)
(=) Income and Social contribution tax losses		(5,184)
Effective tax rate	34%	
(=) Income and Social Contribution taxes calculated		-
Current taxes		-
Effective rate (%)		0%
Unrecognized tax losses		(5,184)

(b) Breakdown of tax losses (not recognized in the financial statements)

Description	2020	2019	2018
Unrecognized tax losses	(33,322)	(33,412)	(33,182)

23. Basic and diluted loss per share

Basic loss per share is determined by dividing the loss attributable to the Company's shareholders by the weighted average number of common and preferred shares issued in the year. Preferred shares entitle the right to 10% extra dividends in relation to common ones:

	2020	2019	2018
Loss available to holders of common shares	(890)	(3,001)	(6,881)
Weighted average of number of common shares	31,367	31,367	15,684
Basic and diluted loss per share	(0.0284)	(0.0957)	(0.4387)

There are no outstanding common shares that could cause dilution or debt convertible into common shares. As a result, basic and diluted earnings per share are the same at the Company.

24. Subsequent events

(i) Change in shareholding structure

The Company changed its head office to Avenida Brigadeiro Faria Lima, 1903, in the municipality of São Paulo and changed its corporate name to "GETNINJAS S.A." by means of changing its articles of organization and bylaws on December 28, 2020, currently under registration with the State of São Paulo's Division of Corporations (JUCESP).

(ii) Initial Public Offering (IPO)

The Company started the process with CVM to register its request for public offering of primary and secondary distribution.

(iii) Capital increase

On the Extraordinary General Meeting (AGE) held on January 29, 2021, the Company's shareholders unanimously approved the increase in capital stock of R$ 38,857 thousand, changing the Company's capital stock from R$ 34,681 to R$ 73,538 thousand, with the issue of new common registered shares with no par value, fully intended to the capital stock account and fully paid-in in domestic currency.