



## Gávea Investment Fund IV

### Executive Summary #41

From inception to and for the quarter ended on  
September 30, 2021 - CONFIDENTIAL

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All information contained herein is proprietary, is subject to the confidentiality clause of the Fund's Limited Partnership Agreement and is intended only for the use of the Investors of the Fund. Therefore, it shall not be used or quoted to others without the written consent of the General Partner or the Manager of the Fund.

Dear Investor,

As reported in the previous edition of this Letter, the Fund has negotiated the sale of 80% of OR Brasília land for approximately US\$4.6 million, of which US\$2.3 million was received by the Fund after the end of the quarter. In October, the Fund sold the remaining 20% of the land for US\$1.1 million. The proceeds from this last sale and from the remaining value of previous sale have already been collected by the investment vehicle that held the land and is waiting clearance of certain statutory requirements to be transferred to the Fund.

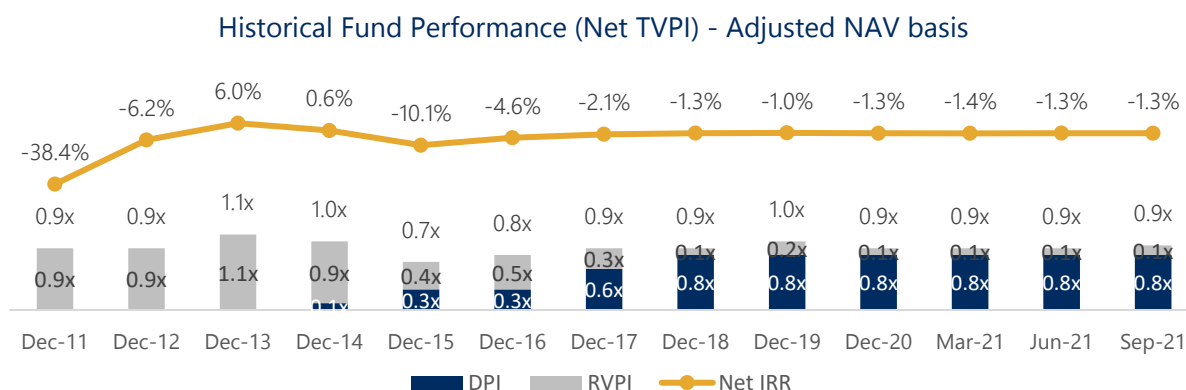
After the sale of the OR Brasília land, the Fund will have fully divested from its real estate portfolio; to note that part of the proceeds from the sale of the HDunant project is yet to be received (judicial collection). Fund's estimated gross IRR and C-o-C in the real estate portfolio (judicial receivable from HDunant marked as null) is -8.1% and 0.7x, respectively (4.8% and 1.2x in BRL terms).

Multiterminais (the remaining PE position in the portfolio) continues to benefit from the recovery in economic activity in the state of Rio de Janeiro, especially within the Oil and Gas sector, and the expansion of the non-containerized segment. The increasing demand for consumer goods in Brazil and abroad are also playing an important role in the Company's trajectory of recovery.

Net revenues reached R\$143.1 million in the 3Q21, reflecting an increase of 59.5% compared to the same period of 2020. YTD net revenues are also satisfactory - R\$ 425.9 million (+45.5% YoY).

## 1. Fund Performance

From inception to September 2021, Fund's Net IRR and Net TVPI reached -1.3% and 0.9x, respectively. The chart below displays the evolution of Fund's performance<sup>1, 2</sup> over time:



<sup>1</sup> "TVPI": Total Value to Paid-In – The ratio of the total net distributions to date plus the current adjusted NAV to the total called capital to date.

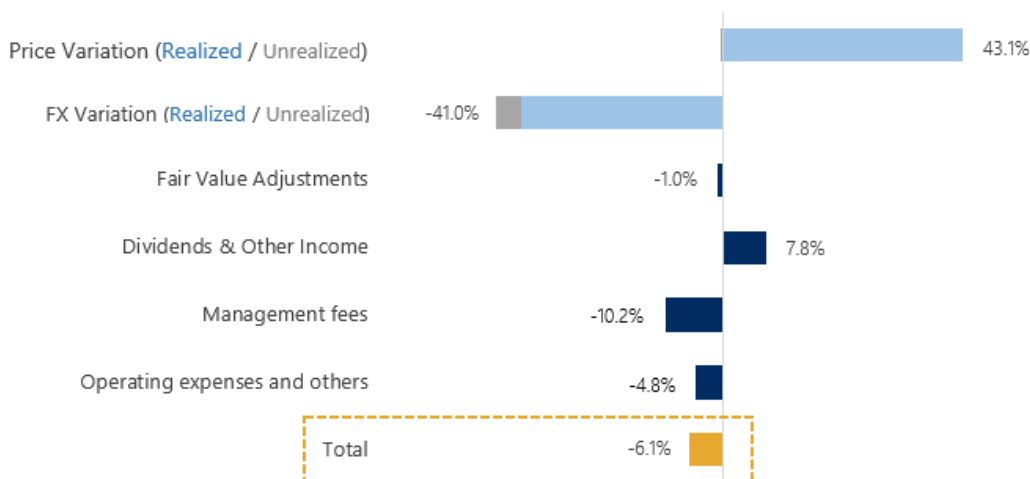
"DPI": Distributions to Paid-In – The ratio of total net distributions to date to the total called capital to date.

"RVPI": Residual Value to Paid-In – The ratio of the current adjusted NAV to the total called capital to date.

<sup>2</sup> Please refer to section "NAV Statement and Reporting" for disclosure of valuation and calculation methodologies presented in this Investor Letter.

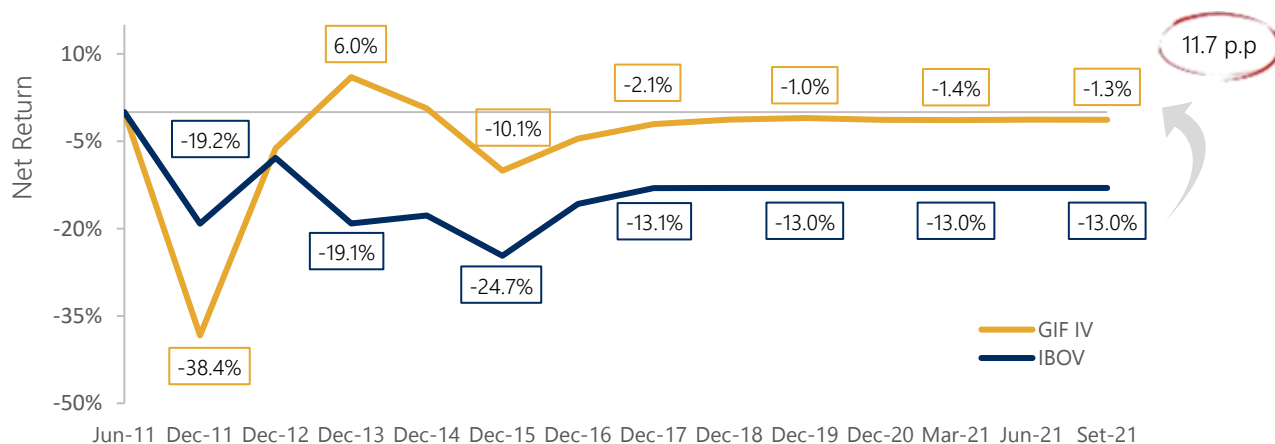
The main components contributing to Fund's Net TVPI return are as follows:

Net TVPI Return Composition - From Inception to September 30, 2021



A comparative analysis between Fund's net return and the Brazilian stock market index ("IBOV") is exhibited below<sup>3</sup>. Since December 2012, the Fund has been consistently outperforming IBOV, and from inception to September 30, 2021 posted an 11.7 p.p. excess return (in BRL terms, the Fund accounted a net return of 11.6%, corresponding to an 11.7 p.p. excess return over IBOV).

Fund vs IBOV <sup>(a)</sup>

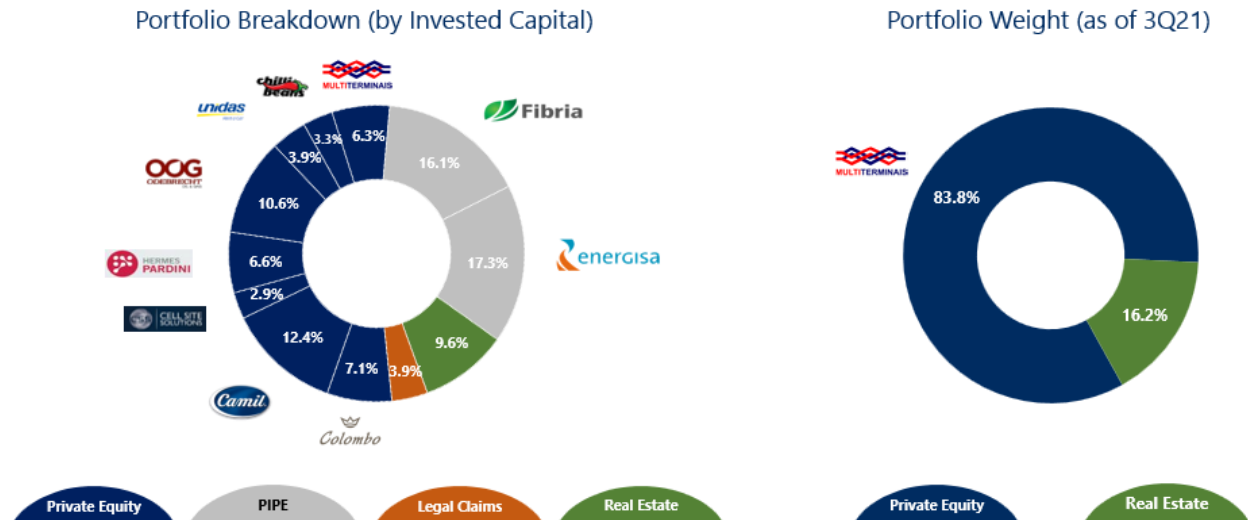


<sup>(a)</sup> In the beginning of Fund's life, its net returns suffer a disproportional negative impact since they are calculated basically over organizational expenses. The burden of such expenses on net returns is diluted over time as results from portfolio investments are captured on Fund's NAV.

<sup>3</sup> The methodology used for comparison consists in applying the Brazilian stock market index to Fund's cash inflows and outflows (contributions & distributions) so that every contribution stands for a purchase and every distribution stands for a sale. Consequently, if the quantity related to total distributions, i.e. sold by the Fund, is bigger than the quantity related to total contributions, i.e. bought by the Fund, the Fund is outperforming the index (and vice-versa). The General Partner does not endorse this performance comparison. The simulated returns of IBOV do not represent actual investment results.

## 2. Portfolio Performance

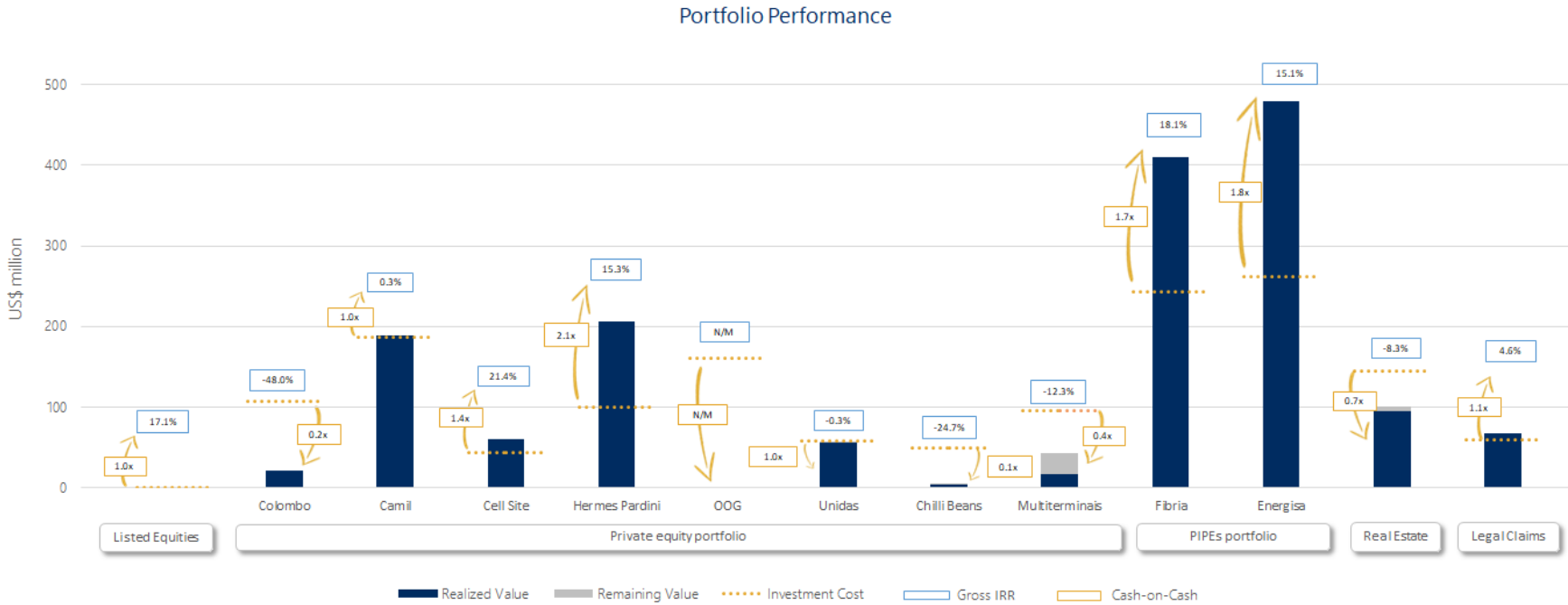
The total invested capital broken-down by investment and the current portfolio weight of the remaining investments are displayed as follows:



The table and the chart below summarize the Fund's portfolios performance from inception to September 30, 2021:

PORTFOLIO SUMMARY										
US\$ million	Investment Cost		Unrealized Result		Estimated Value in the Fund				Adjusted NAV basis	
	Original	Current	FX	Fair Value Adjustment	Restricted Cash and Receivables	Remaining Value	Realized Value	Total	Gross C-o-c	Gross IRR
Listed illiquid equities	0.1	-	-	-	-	-	0.1	0.1	1.0x	17.1%
Private equity	803.3	95.9	(59.0)	(10.8)	2.4	26.1	556.7	585.2	0.7x	-6.3%
PIPEs	504.3	-	-	-	-	-	889.2	889.2	1.8x	16.5%
Real estate	145.6	22.1	(12.1)	(5.0)	-	5.0	95.6	100.6	0.7x	-8.3%
Legal claims	59.4	-	-	-	-	-	67.3	67.3	1.1x	4.6%
<b>Total Fund's Portfolio</b>	<b>1,512.7</b>	<b>118.0</b>	<b>(71.1)</b>	<b>(15.8)</b>	<b>2.4</b>	<b>31.1</b>	<b>1,608.9</b>	<b>1,642.4</b>	<b>1.1x</b>	<b>1.9%</b>

1 - Comprised of Unidas' escrow account (US\$1.0 million) and Chilli Beans' receivable from sale (US\$1.4 million)

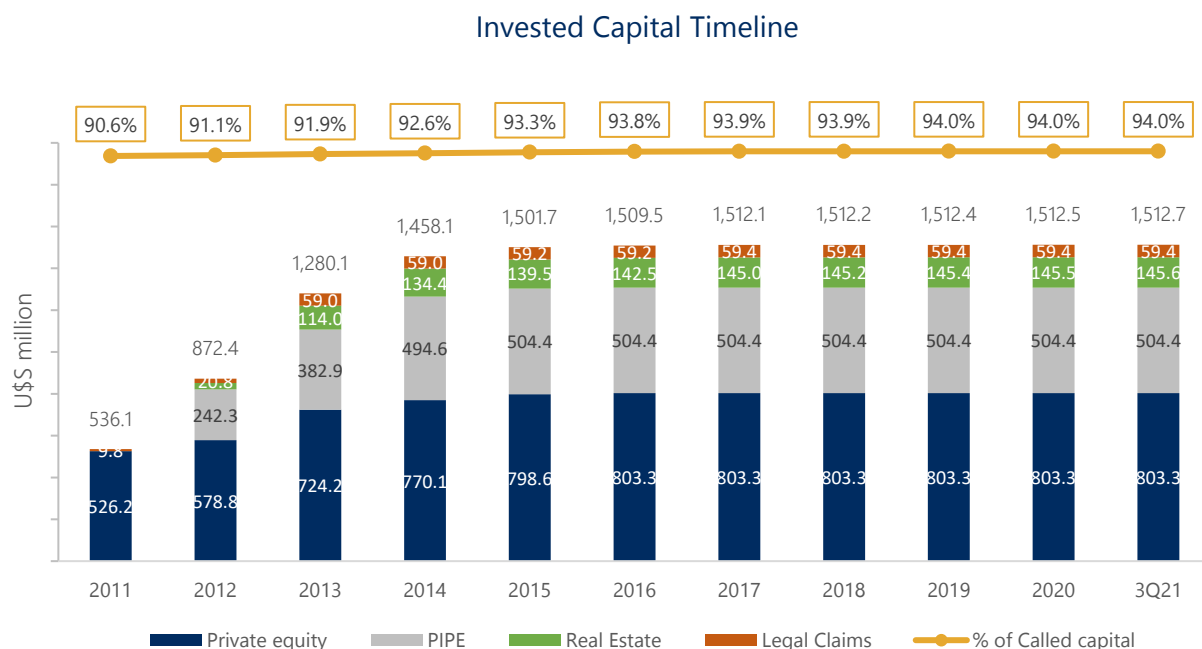


### 3. Fund Activities

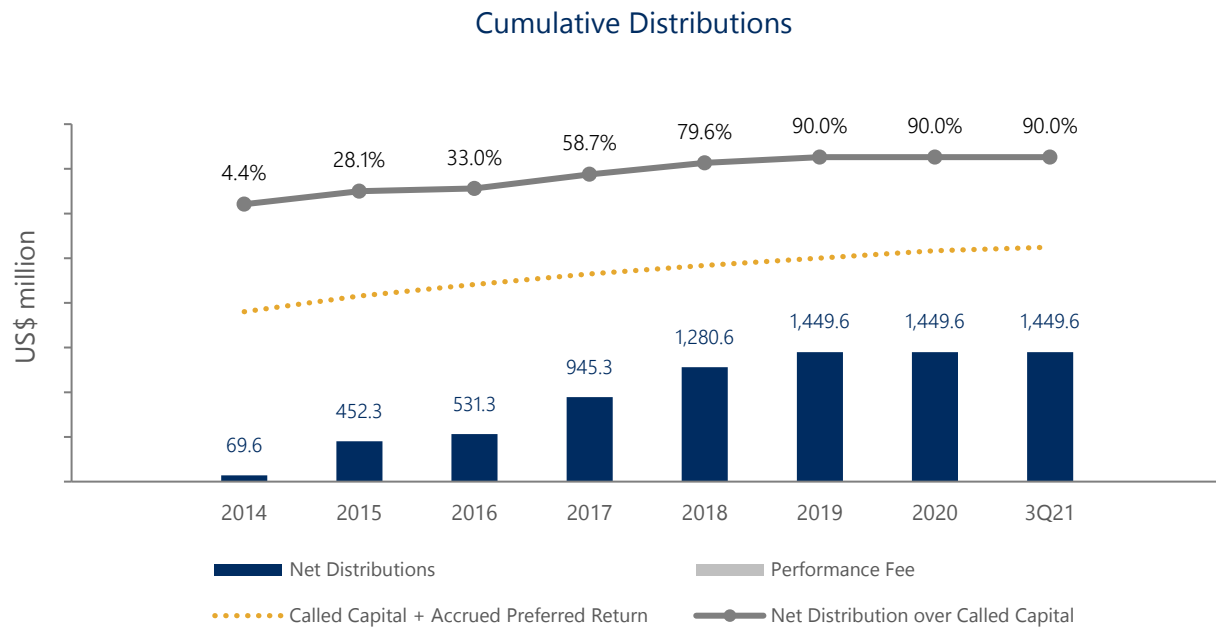
Fund's main financial information and Investors account activity from inception to September 30, 2021 are presented below:

	US\$ million
<b>Investors account activity</b>	
Committed capital	1,740.3
Called capital	1,609.8
% of Committed capital	92.5%
Distributions:	
Gross	(1,449.6)
% of Called capital	90.0%
<b>Adjusted NAV basis</b>	
Remaining value of portfolio investments	31.1
Net asset value	64.1
Net result	(96.1)
Unrealized portfolio result	(86.9)
<b>Cash flow</b>	
Realized value from portfolio investments	1,608.9
Invested capital in portfolio investments	(1,512.7)
Management fees	(158.2)

The following chart illustrates Fund's invested capital as a ratio of the called capital over time:



From inception to September 30, 2021, the Fund distributed to Investors 90.0% of the called capital (gross and net of performance fees).



The original term of the Fund, which would end in October 2021, was extended for three years, to October 2024, by the consent of the majority of the Limited Partners in each of the Feeders that comprise the Fund.

During the term extension, the management fee charge will be of 0.5% per year, calculated over the Fund's NAV basis (without including FV adjustments).

Further in this Investor Letter, please find Fund's unaudited financial data and additional information on the portfolio investments.

Best Regards,

**Apoena PE Investments IV Ltd.**  
(the General Partner of the Fund)

Released on November 17, 2021

## 1. Fund's unaudited financial data

NAV BREAKDOWN		
US\$ million	As of September 30, 2021	Change from Last Quarter
<b>Remaining Value</b>	<b>31.1</b>	<b>(2.9)</b>
Private equity portfolio	26.1	(2.4)
Real estate portfolio	5.0	(0.5)
<b>Restricted cash and receivables from sale of investments</b>	<b>2.4</b>	<b>(0.2)</b>
Unidas	1.0	(0.1)
Henri Dunant	-	-
Chilli Beans	1.4	(0.1)
<b>Other payables/receivables</b>	<b>(2.5)</b>	<b>(0.1)</b>
<b>Cash and cash equivalents</b>	<b>33.1</b>	<b>(0.7)</b>
<b>Net Asset Value</b>	<b>64.1</b>	<b>(3.9)</b>

NAV BREAKDOWN		
US\$ million	From Inception to September 30, 2021	Change from Last Quarter
Called capital	1,609.8	-
Distributions	(1,449.6)	-
Net result	(96.1)	(3.9)
<b>Adjusted NAV basis</b>	<b>64.1</b>	<b>(3.9)</b>

Fund's NAV excluding the FV adjustments (US\$-15.8 million) is US\$79.9 million ("LPA NAV basis").

NET RESULT		
US\$ million	From Inception to September 30, 2021	Change from Last Quarter
<b>Financial Income</b>	<b>8.4</b>	<b>0.1</b>
<b>Operating expenses</b>	<b>(58.8)</b>	<b>(0.3)</b>
Tax charges (IOF)	(19.4)	-
Third parties expenses	(21.0)	(0.3)
Administration fees	(12.2)	-
Others	(6.2)	-
<b>Management fees</b>	<b>(158.4)</b>	<b>(0.2)</b>
<b>Result from portfolio investments</b>	<b>129.7</b>	<b>(3.0)</b>
Dividends and other income	112.4	0.1
Realized gains (losses)	106.8	-
Unrealized gains (losses)	(86.9)	(2.9)
Unrealized gains (losses) over Restricted cash and Receivables	(2.6)	(0.2)
<b>FX on cash and cash equivalents</b>	<b>(17.0)</b>	<b>(0.5)</b>
<b>Net Result</b>	<b>(96.1)</b>	<b>(3.9)</b>



CASH FLOW STATEMENT		
US\$ million	From Inception to September 30, 2021	Change from Last Quarter
<b>Investors account</b>	<b>162.9</b>	-
Called capital	1,609.8	-
Distributions	(1,446.9)	-
<b>Portfolio investments</b>	<b>96.2</b>	<b>0.1</b>
Acquisition cost	(1,512.7)	-
Realized value from divestments	1,496.5	-
Dividends and other income	112.4	0.1
<b>Other income (expenses)</b>	<b>(209.0)</b>	<b>(0.3)</b>
Operating expenses	(59.2)	(0.2)
Management fees	(158.2)	(0.2)
Financial income	8.4	0.1
<b>FX on cash and cash equivalents</b>	<b>(17.0)</b>	<b>(0.5)</b>
<b>Ending Cash Position</b>	<b>33.1</b>	<b>(0.7)</b>

At the end of the quarter, there were US\$2.7 million pending to be released to Investors due to AML approval.

CAPITAL CALLS			
Date	Reference	US\$ million	As a % of Total Committed Capital
2011	1 <sup>st</sup> - 4 <sup>th</sup>	591.7	34.0%
2012	5 <sup>th</sup> - 8 <sup>th</sup>	365.5	21.0%
2013	9 <sup>th</sup> - 12 <sup>th</sup>	435.1	25.0%
2014	13 <sup>th</sup> - 16 <sup>th</sup>	182.7	10.5%
2015	17 <sup>th</sup>	34.8	2.0%
<b>Total</b>		<b>1,609.8</b>	<b>92.5%</b>

DISTRIBUTIONS		
Date	Reference	US\$ million (Gross and net of performance fees)
2014	1 <sup>st</sup> - 2 <sup>nd</sup>	69.6
2015	3 <sup>rd</sup> - 8 <sup>th</sup>	382.7
2016	9 <sup>th</sup> - 10 <sup>th</sup>	79.0
2017	11 <sup>th</sup> - 16 <sup>th</sup>	414.0
2018	17 <sup>th</sup> - 20 <sup>th</sup>	335.3
2019	21 <sup>st</sup> - 23 <sup>rd</sup>	169.0
<b>Total</b>		<b>1,449.6</b>
<b>% of Called capital</b>		<b>90.0%</b>

## 2. Portfolio additional information

US\$ million (Except where otherwise indicated)												
Schedule of Portfolio Investments - From Inception to September 30, 2021												
	Investment Cost		Fund Current Ownership	Restricted Cash and Receivables	Remaining Value	Realized Value	Total Estimated Value in the Fund	in US\$		in R\$		
	Original	Current						Gross C-o-c	Gross IRR	Gross C-o-c	Gross IRR	
Fully Realized Portfolio	1,394.7	-		2.4	-	1,592.3	1,594.7					
Listed illiquid equities portfolio	0.1	-	n.a	-	-	0.1	0.1	1.0x	17.1%	1.7x	35.5%	
Private equity portfolio												
Colombo Equity stake and Debentures	107.3	-	n.a	-	-	22.2	22.2	0.2x	-48.0%	0.3x	-37.2%	
Camil	187.0	-	n.a	-	-	189.7	189.7	1.0x	0.3%	1.8x	11.1%	
Cell Site Solutions	43.5	-	n.a	-	-	60.3	60.3	1.4x	21.4%	1.8x	45.5%	
Hermes Pardini	100.4	-	n.a	-	-	206.4	206.4	2.1x	15.3%	3.4x	27.4%	
OOG	160.4	-	n.a	- <sup>1</sup>	-	-	-	N/M	N/M	N/M	N/M	
Unidas	58.9	-	n.a	1.0 <sup>2</sup>	-	56.7	57.7	1.0x	-0.3%	2.1x	12.2%	
Chilli Beans	49.9	-	n.a	1.4	-	4.8	6.2	0.1x	-24.7%	0.3x	-16.1%	
PIPEs portfolio												
Fibria	242.8	-	n.a	-	-	410.0	410.0	1.7x	18.1%	3.0x	40.9%	
Energisa	261.5	-	n.a	-	-	479.2	479.2	1.8x	15.1%	2.9x	27.8%	
Real estate portfolio												
Henri Dunant	24.0	-	n.a	- <sup>3</sup>	-	19.4	19.4	0.8x	-7.2%	1.2x	6.5%	
Ciarog	10.8	-	n.a	-	-	7.8	7.8	0.7x	-11.0%	1.3x	11.2%	
Calila	88.7	-	n.a	-	-	68.4	68.4	0.8x	-5.4%	1.4x	7.5%	
Legal claims portfolio	59.4	-	n.a	-	-	67.3	67.3	1.1x	4.6%	1.7x	19.5%	
Unrealized Portfolio	118.0	118.0		-	31.1	16.6	47.7					
Private equity portfolio												
Multiterminais	95.9	95.9	11.4%	-	26.1	16.6	42.7	0.4x	-12.3%	0.9x	-1.0%	
Real estate portfolio												
OR Brasília	22.1	22.1	45.8%	-	5.0	-	5.0	0.2x	-18.9%	0.5x	-9.5%	
Total Fund's Portfolio	1,512.7	118.0		2.4	31.1	1,608.9	1,642.4	1.1x	1.9%	1.8x	15.7%	

1- Escrow account (settlement in 2021)

2 - Receivable from sale

3 - Full impairment provision booked over the US\$7.4 million receivable from sale



## Current Portfolio

## PROFILE

## COMPANY OVERVIEW

Multiterminais ("Company") is one of the largest integrated logistics and port terminal operators in Brazil. The Company operates the largest cargo terminal in Rio de Janeiro, with pier and storing services for containers, general cargo and vehicles. Additionally, the Company operates three dry ports and several general warehouses in the states of Rio de Janeiro and Minas Gerais.

The Company operates the port under concession, which terms end in 2048. Multiterminais concluded in 2017 the dredge of the port area, allowing the terminal berths to receive bigger ships and, consequently, reach new clients with relevant increase in volumes. Multiterminais also concluded in 2017 the expansion of the terminal areas, increasing the docking and warehousing capacity by one-third.

## TRANSACTION OVERVIEW

In May 2013, the Fund invested R\$200.7 million/US\$95.9 million (R\$219.1 million/US\$104.7 million including local feeders) in exchange for a 11.4% stake (12.5% including local feeders) in Multiterminais. The investment consisted of 100% cash-out transaction.

## INVESTMENT THESIS

- Exposure to Brazil's international trade flow and containerization trend.
- Long term concession with limited competition.
- Excellent management and long-term relationship with its main clients.
- Operational leverage due to economies of scale in both CoGS and SG&A.
- Strategic asset with strong cash flow generation.

## INVESTMENT PROFILE

<b>Website</b> www.multiterminais.com.br	<b>Ticker</b> n.a.
<b>Sector</b> Infrastructure	<b>Subsector</b> Port Operations
<b>Investment Structure</b> Private Equity	<b>Securities Purchased</b> Common Shares
<b>Initial Investment Date</b> May, 2013	<b>Exit Strategy</b> Sale to Financial Sponsor or IPO (2022)

Ownership	Initial	Current
Fund	11.4%	11.4%
Total	12.5%	12.5%

## BOARDS AND COMMITTEES

<b>Board Representation</b> 2 out of 6 seats
<b>Board Members</b> Leonardo Prado Damião Helio França
<b>Participation in Committees</b> n.a.

## PERFORMANCE UPDATE

## RECENT DEVELOPMENTS

- The recovery of economic activity and demand for consumer goods in Brazil has been positively impacting Company's annual results. Multiterminais' net revenues reached R\$143.1 million in the quarter - performance significantly higher than the previous year (+59.5% YoY), however, due to recent shock in the container shipping supply chain and Dollar depreciation, slightly lower compared to the previous quarter (-8.7% QoQ). YTD net revenues reached R\$ 425.9 million, which represents a 45.5% growth with respect to the same period of 2020.
- Profitability also remained robust during the quarter. Multiterminais managed to post EBITDA and EBITDA margin of R\$ 47.7 million (+%268.9 YoY and -11.9% QoQ) and 33.3% (+18.9 p.p. YoY and -1.2 p.p. QoQ) in the quarter, respectively.
- Management' expectations for Company's performance are still very positive given the recovery of the Oil and Gas (O&G) activities in the state of Rio de Janeiro and especially the expansion of non-containerized segment, which has been supporting the trajectory of recovery started in 4Q20. Within this segment, cargo is mainly transported by general cargo ships that require special handling, thus allowing the Company to explore higher pricing points.

## INVESTMENT SUMMARY (US\$ million)

<b>Total Investment Cost</b>	<b>95.9</b>
Invested Capital	95.9
Remaining Commitments	-
Average FX of Total Investment Cost	2.09 R\$ / US\$
<b>Total Value in the Fund</b>	<b>0.5x 42.7</b>
<b>Realized value</b>	
Dividends	0.2x 16.6
Sales	-
<b>Remaining Value</b>	<b>0.3x 26.1</b>
Current Estimated Capital Gain / (Loss)	-53.2

## FX variation

Average FX of Total Value in the Fund	4.41 R\$ / US\$
Change in FX	-52.6%

<b>Returns</b>	<b>US\$</b>	<b>R\$</b>
Gross C-o-c	0.4x	0.9x
Gross IRR	-12.3%	-1.0%

## FINANCIAL PERFORMANCE SUMMARY (R\$ million)

	At Entry	2017	2018	2019	2020	LTM 3Q21
<b>Net Revenues</b>	<b>614.7</b>	<b>390.7</b>	<b>465.9</b>	<b>445.1</b>	<b>405.4</b>	<b>538.5</b>
Growth YoY	n.a.	-36.4%	19.3%	-4.5%	-8.9%	37.7%
<b>EBITDA</b>	<b>284.6</b>	<b>95.7</b>	<b>160.7</b>	<b>62.6</b>	<b>88.6</b>	<b>183.8</b>
Margin	46.3%	24.5%	34.5%	14.1%	21.9%	34.1%
Growth YoY	n.a.	-66.4%	67.8%	-61.0%	41.5%	310.0%
<b>Net Income</b>	<b>160.3</b>	<b>-6.0</b>	<b>46.9</b>	<b>-29.9</b>	<b>-10.9</b>	<b>93.1</b>
Margin	26.1%	-1.5%	10.1%	-6.7%	-2.7%	17.3%
Growth YoY	n.a.	n.m.	n.m.	n.m.	n.m.	n.m.
<b>Net Debt (Cash)</b>	<b>283.6</b>	<b>455.8</b>	<b>291.1</b>	<b>277.6</b>	<b>265.6</b>	<b>187.2</b>
x / EBITDA	1.0x	4.8x	1.8x	4.4x	3.0x	1.0x

## INVESTMENT VALUATION (R\$ million)

	At Entry	Current
EV / EBITDA	6.0x	13.4x
EBITDA reference	2013E	2021E
Post-money Equity Value	1,752.7	1,239.2

Methodology	DCF
Last calculation date	June, 2021

## FULLY DIVESTED PORTFOLIO – PRIVATE EQUITY AND PIPES

Company (ticker)	Structure	Sector/ Subsector	Initial Investment Date	Final Divestment Date	Description	Gross IRR & C-o-C
<b>Colombo Equity stake and Debentures</b>	Private Equity	Consumer/ Apparel Retail	July 2011	Equity stake: January 2015 Debentures: January 2018	<p>Acquisition of a minority stake in a company that at the time of the investment was one of the leading Brazilian apparel retailers focused on formal menswear for the fast-growing Brazilian middle class. In addition to the equity stake, the Fund also invested in a Debenture issued by Colombo.</p> <p>Proceeds from the sale of the equity stake included 74 real estate properties (all already sold) and cash payments.</p> <p>The Fund is still creditor of Colombo in the amount of US\$1.8 million for which a 100% impairment provision was recognized, as the likelihood to receive such amount is remote.</p> <p>In February 2020, Colombo filed for judicial recovery (Brazilian equivalent to Chapter 11) to negotiate its total debt estimated in R\$1.8 billion. Three of Colombo's creditors, with approximately R\$80 million in unpaid invoices (updated as of June 2021), filed a judicial claim intending to place the Fund as co-responsible for the unpaid invoices through the institute of piercing of corporate veil. Confirming the initial opinion of legal advisors, the Fund obtained a favourable decision in the first court on the merits and thus, the legal claim against the Fund was dismissed.</p> <p>Nevertheless, the creditors have just filled an appeal requesting the review by the court of the decision, to which the Fund has already presented its defense. It is expected that the court will pronounce on the appeal within 12 months from now. In the case the appellate court decides to revert (partial or entirely) the previous decision, a new trial at first instance will be required and the resolution of the Colombo Judicial Claim may take a couple of years from now to be concluded. Even in the case the appellate court decides to maintain the first court's decision, the plaintiffs may still have the right of recourse to the high courts, and in such case, a final resolution of the Colombo Judicial Claim will take a longer period (5-7 years from now).</p>	-48.0% 0.2x
<b>Cell Site Solutions</b>	Private Equity	Telecom Infrastructure/ Telecom Towers	November 2012	April 2016	Together with Goldman Sachs Merchant Banking Division ("GS"), the Fund funded Cell Site Solutions ("CSS"), a company focused on the development of build-to-suit ("BTS") wireless sites in Brazil and some countries in Latin America.	21.4% 1.4x
<b>Camil</b>	Private Equity	Consumer/ Food Processor and Distributor	October 2011	August 2016	Acquisition of a minority stake in the leading processor and distributor of rice in Brazil, Uruguay, Chile, and Peru. Camil also processed and distributed beans and sugar in Brazil and was, at the time of the sale, the #2 player in the Brazilian canned fish market.	0.3% 1.0x
<b>Hermes Pardini</b>	Private Equity	Healthcare/ Diagnostics	December 2011	March 2017	Acquisition of a minority stake in the 3rd largest medical diagnostics company in Brazil and the largest player in the lab-to-lab segment.	15.3% 2.1x

## FULLY DIVESTED PORTFOLIO – PRIVATE EQUITY AND PIPES

Company (ticker)	Structure	Sector/ Subsector	Initial Investment Date	Final Divestment Date	Description	Gross IRR & C-o-C
<b>Unidas</b>	Private Equity	Service/ Rent-a-Car and Fleet Management	July 2011	March 2018	<p>Co-investment with Kinea and Vinci (Consortium) to acquire a minority stake in Unidas, a car rental company in Brazil operating in the fleet management and rent-a-car businesses under 4 brands: Unidas, Best Fleet, National, and Alamo. As a complement to its main activities, Unidas also sells used cars from its fleet through stores spread over the main cities of the country.</p> <p>In June 2013, the Consortium gained control of Unidas due to the exercise of a subscription bonus granted at the investment. In December 2016, the Consortium sold approximately 30% of their interest in the Company. In March 2018, the Consortium sold the remaining interest in Unidas to Locamerica (LOCX3) as part of a transaction that resulted in the merger of Unidas and Locamerica, creating the #2 rental car company in Brazil. The Fund remains holding an escrow account until 2021 to be used in connection with the indemnification obligations entered with under the agreements for the sale of its position in Unidas. In December 2020, 50% of the escrow account balance was released to the Fund.</p>	-0.3% 1.0x (expected)
<b>OOG</b>	Private Equity	Oil and Gas/ Oil Services and Drilling	October 2011	July 2016	Acquisition of a minority stake in a Brazilian oil industry that at the time of the investment was well positioned to become the leading offshore driller in Brazil.	n.m. 0.0x
<b>Fibria</b> (Bovespa: FIBR3)	PIPE	Pulp & Paper/ Pulp & Paper	April 2012	October 2015	Acquisition of a minority stake in the world's leading producer of eucalyptus pulp, with 7.25 million tons of pulp capacity. Fibria was created from the merger between Aracruz and VCP and operates 5 pulp mills and a port facility. At the time and during the period of the investment, Fibria was one of the lowest-cost producers of market pulp in the world, primarily due to economies of scale and strategically located production facilities. Exports represented more than 90% of Company's sales	18.1% 1.7x
<b>Energisa</b>	PIPE	Energy/ Power Distribution	June 2013	July 2019	The Fund invested R\$590.8 million/ US\$261.6 million (R\$644.9 million/ US\$285.5 million including local feeders) in Energisa through three tranches in 2013, 2014 and 2015, respectively. Energisa is the 4th largest private power distribution company in Brazil, which operates in the electricity distribution and generation segment through 11 power distribution concessions (of which 8 acquired from Grupo Rede) and 3 transmission concessions, with operations in all five regions of the country, covering 24% of Brazil's territory and serving 20 million people (~10% of the country population). Energisa was successfully Re-IPOed in August 2016.	15.1% 1.8x

FULLY DIVESTED PORTFOLIO – PRIVATE EQUITY AND PIPES						
Company (ticker)	Structure	Sector/ Subsector	Initial Investment Date	Final Divestment Date	Description	Gross IRR & C-o-C
Chilli Beans	Private Equity	Consumer/ Fashion Accessories	October 2012	December 2018	Acquisition of a minority stake in a top fashion accessory retailer and #1 sunglass brand in Brazil, operating mostly through extremely asset light franchise-based business model. The Company was uniquely positioned to compete in the Brazilian consumer market due to its strong brand, innovative products and great salesmanship. Sale proceeds will be received in 5 installments, 3 already collected and the last one due in March 2022. The receivable amount is adjusted by 10% p.a. fixed interest rate and guaranteed by pledge of shares corresponding to 29.8% interest in total capital of Chilli Beans.	-24.7% 0.1x (expected)

**FULLY DIVESTED PORTFOLIO – LEGAL CLAIMS**

Original Plaintiff	Thesis	Type	Initial Investment Date	Final Divestment Date	Description	Gross IRR & C-o-C
<b>BFT Transportes</b>	Breach of contract	Private Entity	August 2012	March 2014	Pledge for indemnification due to a breach of an automobile carriage services agreement. A conducted successful strategy for the case leads to earlier than expected negotiation with the defendant to extinguish the legal action at an amount significantly higher than what was estimated at the investment.	63.3% 2.1x
<b>Alpargatas</b>	ECL	Government-related Entity	December 2011	June 2017	Heavy energy consumers in Brazil (industries and others) were subject to a compulsory loan. Eletrobrás (a Federal government-controlled company, which in addition to operational activities in the energy sector, rules certain sector policies) underpaid consumers when reimbursing such loans, giving rise to several claims. The Superior Court of Justice finally ruled the issue in 2009 rendering a favorable decision to consumers under the “Repetitive Procedure”, a mechanism created to bind and expedite all other court decisions in alignment with such leading case.	Divested through sale of the legal claims. Fund’s investment in these legal claims generated total gross proceeds of US\$60.2 million and gross IRR and cash-on-cash returns in US\$ of 2.8% and 1.1x, respectively.
<b>Rhodia</b>			March 2013			
<b>Bunge</b>			July 2013			
<b>BHP</b>			July 2013			
<b>Prysmian</b>			February 2013			
<b>Enildo</b>	Government reparation (Sugar & Ethanol price control)	Federal pre- <i>Precatório</i>	June 2012		The case is related to indemnification due to the establishment of controlled prices in sugar & ethanol sales that were lower than the actual costs of production of the producers (“IAA Thesis”).	Included in the above total gross proceeds is the amount of US\$32.1 million in awarded indemnifications received.
<b>Monte Carmelo</b>	Expropriation	Federal <i>Precatório</i> and pre- <i>Precatório</i>	November 2013		The case is related to fair compensation for a piece of real estate that was expropriated by the Federal Government.	

## FULLY DIVESTED PORTFOLIO – REAL ESTATE

Project	Initial Investment Date	Final Divestment Date	Description	Gross IRR & C-o-C
<b>Henri Dunant</b>	October 2012	March 2014	<p>Acquisition of a AAA-Corporate Tower with 15,200 square meters of gross leasable area built by Odebrecht Realizações (“OR”) in São Paulo - SP. Proceeds from the sale were to be received in 36 monthly payments. After receiving 23 installments, OR stopped making the payments. The Fund and OR (which has entered into financial distress situation), renegotiated three times the terms of the payment of the remaining unpaid balance. During 2018, OR ceased the payment of the renegotiated installments and, in February 2019, the Fund filed for a judicial collection of the unpaid amounts (R\$80 million approximately, as of September 2021).</p> <p>In January-21, the court granted to the Fund the right to arrest some OR properties in order to auction them and use the proceeds to pay down the unpaid amounts owed by OR. A first auction took place in April-21 but no offer was received. The Fund is working to obtain court approval for a second auction of the properties.</p> <p>In July 2020, OR initiated an arbitration procedure against the Fund by which claims that interest and penalties due on overdue payments as set in the agreements executed by the parties are “burdensome” to the debtor and not in accordance to the prevailing law. OR’s calling for the arbitration was not just an attempt to reduce the amount due to the Fund, but also a strategy to postpone the payments. Based on the opinion from the legal advisors acting on behalf the Fund, the outcome of the arbitration shall be favorable to the Fund. In April-21, a hearing was conducted by the arbitrators with the parties. It is expected that the arbitral court promulgates the arbitral decision in 4Q21.</p> <p>The Fund is currently in negotiation for the assignment of the entire credit right against OR. The conclusion of the transaction, if an agreement is reached, will require court approval, which may take a few months to be obtained. An impairment provision corresponding to 100% of the receivable balance was recognized by the Fund to reflect the uncertainty in respect of the collection of the unpaid amounts.</p>	-7.2% 0.8x (expected)
<b>Ciarog</b>	November 2012	April 2016	Acquisition of land, construction and sale (during 2015) of 350 housing units in Mogi Guaçu, in the interior of São Paulo. Units targeted at low income buyers qualifying for mortgage loans under the Brazilian housing program “Minha Casa Minha Vida”.	-11.0% 0.7x
<b>Calila</b>	April 2013	September 2018	Investment in the Fortaleza city’s undisputed leader (since 1982) and #2 mall at the northeast region of Brazil. The Fund sold its stake at Iguatemi Fortaleza to a real estate investment fund (FII) managed by Vinci Partners. 80% of the sale amount was received at the closing and the remaining amount was received in September 2019, net of a discount to release the Fund from certain indemnification obligations, provided originally in the SPA, and the setting up of escrow account. In November 2019, the Fund exercised a put option to sell back for the controlling shareholders its positions in the 2 remaining Calila’s malls, “Bosque dos Ipês” and “Grão Pará”, and in August 2020 this sale process was concluded.	-5.4% 0.8x
<b>OR Brasília</b>	February 2013	October 2021	<p>Acquisition of a 17,279 square meters land area in the city of Brasília - Distrito Federal in a 50/50 basis with a co-investor (“JV”), initially swapped with Odebrecht Realizações (OR) for 36.7% of the potential sales value of the OR Brasília project. During 2016, due to the Brazilian economic recession, the adverse office/ retail market in Brasília (particularly affected by the government crisis) and image problems related to the Odebrecht group involvement in the “Car Wash”, the project was cancelled and the land property returned to the JV.</p> <p>In July-21, the Fund accepted an offer to sell 80% of the land, of which ½ installment has been after the end of 3Q21 received by the Fund. The remaining 20% of the land were sold in October-21. The proceeds from this last sale and from the remaining piece of previous sales are expected to be collected by the Fund in December-21 (waiting clearance of certain statutory requirements to be transferred).</p>	-18.9% 0.2x (expected)



## OBSERVATIONS AND CAVEATS

### 1. NAV Statement and Reporting

The Fund is part of the GIF IV illiquid investments fund structure (“GIF IV”) and as such makes its investments on a proportional basis with other vehicles that comprise GIF IV.

Information provided in this Investor Letter represents the Fund’s direct or indirect pro-rata interest in the portfolio investments and its results, except where otherwise indicated.

Past performance is provided for illustrative purposes only and is not necessarily indicative of future results that can be achieved by the Fund.

Except otherwise stated, all information is presented in US dollars (US\$). Transactions originally made in Brazilian reais (R\$) are converted to US\$ for reporting purposes using the fx rate prevailing on the relevant transaction dates. Unrealized values at the quarter end date are converted from R\$ to US\$ using the foreign exchange rate at the quarter end.

IRR calculations are presented annualized and calculated based on inflows and outflows on the relevant transaction dates.

Gross IRR and C-o-c are calculated at portfolio investment level and include all realized procedures (sale of interests or shares, interests, dividends and other proceeds distributed to the Fund by the applicable portfolio investment) and the unrealized value (FV) at quarter end.

Net IRR and Total Value to Paid-In (“TVPI”) are measured considering all actual contributed and distributed capital amounts and the Fund’s NAV at the quarter end. Actual returns for a specific Investor may vary from such Net IRR and TVPI calculation due to Investor’s specific condition in respect to payment/not payment of management and performance fees and/or hot issue eligibility.

Portfolio company information was sourced from the respective invested company or independently prepared by Gávea Investimentos. YoY % information represents growth over the respective previous period presented (year or quarter, as applicable). Except otherwise stated, LTM figures refer to 12 months ended at quarter end.

This Investor Letter reports the Fund’s performance and financial information in accordance with the so called “Adjusted NAV basis”, which includes the Fair Value (“FV”) of unlisted Private equity investments and the corresponding adjustment on the accrued performance fees (if applicable). FV valuations are prepared after an initial 6-month holding period of the investment and reviewed thereafter at least semi-annually, based on the most recent information available to the Manager.

The FV of unlisted Private equity investments is generally calculated using discounted cash flow analysis (“DCF”).

Portfolio investments that have a verifiable and liquid market value are valued based on latest available publicly-traded share prices.

Other financial assets are valued at amortized cost which can include the restatement of the amounts due to inflation or interest rates contractually or legally due. Wherever applicable, an impairment provision is recognized to adjust the value of a financial asset to its estimated realizable value, if lower. Financial liabilities are valued at its known, contractual or expected settlement value.

**Disclaimer:** *The FV of investments is an attempt to reflect the expected market value of a given asset at the calculation date, considering the information available and the methodology applied by the Manager, and without taking into consideration discounts or other reduction (or increase) in the value of the asset due to factors such as liquidity of the*

*markets where such assets could be sold, the existence of a trading liquid market, lock-ups, transaction costs or any other restrictions or deductions that may be applicable to in a realization event, recent transactions or any other event. It also depends on the realization of future operating results and other assumptions used in FV as they were forecasted. Therefore, in a liquidation event, the actual value of a given asset may be different from the estimated FV presented in this report and such difference may be material and therefore, the returns indicated herein. **There is no guarantee or any other type of assurance from the Manager (or any of its affiliated parties) that the actual liquidation value of a currently held investment will be equal or even similar to its FV being presented in this Investor Letter.***

## 2. Disclosures

All information provided herein is as of the date set forth on the cover page (unless otherwise specified) and is subject to modification, change or supplement in the sole discretion of the Fund's General Partner without notice to the readers.

This material does not constitute an offering of any security, product, service or fund, including the Fund, for which an offer can be made only by the Fund's Confidential Private Placement Memorandum (the "Confidential Memorandum"). The terms and risk factors of the Fund are set out in its Confidential Memorandum which was made available to Investors in the Fund. The contents hereof are qualified in their entirety by the Confidential Memorandum and other investment documents of the Fund.

The performance results of certain economic indices and certain information concerning economic trends contained herein are based on or derived from information provided by independent third party sources. The Fund believes that such information is accurate and that the sources from which it has been obtained are reliable. The Fund cannot guarantee the accuracy of such information and has not independently verified the assumptions on which such information is based.

Certain information contained in this material constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "project," "estimate," "intend," "continue" or "believe", or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements.

**Past performance is not necessarily indicative of future results.** Except where stated otherwise, performance or any other data included in this report is estimated and unaudited. While this summary highlights important data, it does not purport to capture all dimensions of risk. The methodology used to aggregate and analyze data may be adjusted periodically. The results of previous analyses may differ as a result of those adjustments. The Fund is an actively managed portfolio and regional, sector and strategy allocations are subject to ongoing revision. The General Partner has made or obtained assumptions prepared by the Fund's Manager that it deems reasonable and used the best information available in producing the data presented in this report.

**Risks:** Investors are strongly urged to carefully review the Confidential Memorandum other investment documents, including specifically sections titled "Risk Factors" and "Conflicts of Interests".