



ASSOCIAÇÃO INCUBADORA SOCIAL GASTROMOTIVA

**Independent Auditors' Report on the
Financial Statements for the
year ended December 31, 2020**

(A free translation of the original in Portuguese)



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Audidores e Contadores

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

To
The Management
Associação Incubadora Social Gastromotiva

Opinion

We have audited the financial statements of Associação Incubadora Social Gastromotiva ("Entity"), which comprise the balance sheet as at December 31, 2020 and the related statements of income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including the summary of significant accounting policies.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Associação Incubadora Social Gastromotiva as at December 31, 2020, the performance of its operations and its cash flows for the year then ended in accordance with the accounting policies adopted in Brazil.

Basis for opinion

We conducted our audit in accordance with the 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 Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Brazil, laid down in the Accountants' Professional Code of Ethics and the professional standards issued by the Brazilian Federal Accounting Council - CFC and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 the accounting principles adopted in Brazil, and for such internal controls as Management determines as 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 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 the Brazilian and international auditing standards will always detect material misstatements when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Brazilian and international auditing standards, we exercise professional judgment and maintain 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 control.
- Obtain and 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and the related disclosures made by management.



- Conclude on the appropriateness of Management's use of the going-concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 Entity 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 aspects, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Rio de Janeiro, July 01, 2021.

MOORE MSL LIMA LUCCHESI
Auditores e Contadores
CRC 2SP019.874/O-3

A handwritten signature in black ink, appearing to read 'Sergio Lucchesi Filho', written over a horizontal line.

Sergio Lucchesi Filho
Contador CRC 1 SP 101.025/O-0

(A free translation of the original in Portuguese)

ASSOCIAÇÃO INCUBADORA SOCIAL GASTROMOTIVA
BALANCE SHEET AS OF DECEMBER 31, 2020 AND DECEMBER 31, 2019
(Amounts expressed in Reais - R\$)

ASSETS	Note	12/31/2020	12/31/2019
Current			
Cash and cash equivalent	4	3,455,462	1,311,374
Accounts receivable	5	93,781	208,229
Recoverable taxes	6	2,465	1,939
Prepaid expenses	7	11,615	8,277
Advances to third parties	8	14,769	3,690
Total current assets		3,578,092	1,533,509
Non-current			
Escrow deposits	9	-	4,500
Fixed assets	10	1,150,866	1,167,940
Intangible	10	28,025	-
Total non-current assets		1,178,891	1,172,440
TOTAL ASSETS		4,756,983	2,705,949

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

(A free translation of the original in Portuguese)

ASSOCIAÇÃO INCUBADORA SOCIAL GASTROMOTIVA
BALANCE SHEET AS OF DECEMBER 31, 2020 AND DECEMBER 31, 2019
(Amounts expressed in Reais - R\$)

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	12/31/2020	12/31/2019
Current			
Tax obligations	11	49,050	39,488
Contributions and taxes	12	79,956	57,183
Suppliers	13	79,451	16,037
Installments	14	19,856	19,856
Accounts payable	15	42,609	25,528
Provision of vacations and social charges	16	97,323	73,289
Projects in progress	17	480,668	-
Total current liabilities		848,913	231,381
Non-current			
Current account - related parties	18	-	10,000
Installments	19	39,711	59,567
Total non-current liabilities		39,711	69,567
TOTAL LIABILITIES		888,624	300,948
Shareholders' equity			
Surplus 2020	20	3,868,359	2,743,518
Deficit 2019		-	(338,516)
Total shareholders' equity		3,868,359	2,405,001
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		4,756,983	2,705,949

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

(A free translation of the original in Portuguese)

ASSOCIAÇÃO INCUBADORA SOCIAL GASTROMOTIVA
INCOME STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2020 AND
DECEMBER 31, 2019
(Amounts expressed in Reais - R\$)

	<u>Note</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
Operating income	21		
Donations		2,797,936	1,973,666
Events		130,896	102,101
Projects		3,656,580	2,091,470
Sponsorship		-	20,000
Services provision		1,172,968	350,081
Donations and gifts		-	28,287
		7,758,380	4,565,605
Operational expenses			
Administrative and general expenses	23	(2,147,169)	(2,502,875)
Personnel expenses	22	(2,296,462)	(1,886,509)
Events expenses	24	(1,684,421)	(451,289)
Taxes expenses	25	(152,034)	(51,506)
		(6,280,086)	(4,892,179)
Result before financial result		1,478,294	(326,574)
Financial result	26		
Financial income		52,467	53,133
Financial expenses		(67,403)	(65,076)
		(14,937)	(11,942)
Other income and expenses	27		
Income with gratuities and volunteering		6,570,780	2,919,150
Expenses with gratuities and volunteering		(6,570,780)	(2,919,150)
		-	-
Net income for the year		1,463,357	(338,516)

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

(A free translation of the original in Portuguese)

ASSOCIAÇÃO INCUBADORA SOCIAL GASTROMOTIVA
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS
ENDED DECEMBER 31, 2020 AND DECEMBER 31, 2019
(Amounts expressed in Reais - R\$)

Description	Social Equity	Accumulated surpluses	Total
Balances as of December 31, 2018	-	2,731,395	2,731,395
Adjustments from previous Years	-	12,122	12,122
Deficit 2019	-	(338,516)	(338,516)
Balances as of December 31, 2019	-	2,405,001	2,405,001
Surplus 2020	-	1,463,357	1,463,357
Balances as of December 31, 2020	-	3,868,359	3,868,359

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

(A free translation of the original in Portuguese)

ASSOCIAÇÃO INCUBADORA SOCIAL GASTROMOTIVA
CASH FLOW STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2020 AND
DECEMBER 31, 2019
(Amounts expressed in Reais - R\$)

Operational Activities	12/31/2020	12/31/2019
Surplus 2020	1,463,357	-
Deficit 2019	-	(338,516)
Adjustments from previous Years	-	12,122
Depreciation and amortization	89,703	85,380
Adjusted net income for the year	1,553,060	(241,014)
Accounts receivables	114,448	(150,061)
Recoverable taxes	(527)	(1,161)
Prepaid expenses	(3,338)	(7,315)
Advances to third parties	(11,079)	16,139
Taxes obligations	9,562	8,993
Contributions payable	22,773	(87,491)
Suppliers	63,414	13,272
Accounts payable	41,114	20,644
Projects in progress	480,668	-
	<u>717,037</u>	<u>(186,979)</u>
Net cash from (used in) operating activities	2,270,097	(427,993)
Investment activities		
Fixed assets	(72,153)	(39,082)
Intangible	(28,500)	-
Net cash used in investing activities	(100,653)	(39,082)
Financing Activities		
Escrow deposits	4,500	-
Loans and financing	-	19,856
Current account related parties	(10,000)	10,000
Installments	(19,856)	34,469
Net cash from (used in) financing activities	(25,356)	64,324
Net change in cash and cash equivalents	2,144,089	(402,750)
Cash and cash equivalents at the beginning of the period	1,311,374	1,714,124
Cash and cash equivalents at the end of the period	3,455,462	1,311,374

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

(A free translation of the original in Portuguese)

**ASSOCIAÇÃO INCUBADORA SOCIAL GASTROMOTIVA
NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2020 AND
DECEMBER 31, 2019**

(Amounts expressed in Reais - R\$, unless otherwise indicated)

NOTE 1 - OPERATING CONTEXT

The Associação Incubadora Social Gastromotiva, with headquarters at Rua da Lapa, 180 – Room 309 – Centro, Rio de Janeiro-RJ, is non-profit legal Entity with an indefinite duration, aiming to promote, improve and encourage the training and integration of the target audience into the labor market and income generation, preventing the occurrence of situations of social risk, thus favoring development and strengthening community coexistence, promoting food and nutritional security; promoting ethics, peace, citizenship, human rights, democracy and other universal values; managing professional development centers, community cafeterias, school restaurants, among other activities aimed at training young people, generating income, holding events and serving the population in a situation of social vulnerability.

Gastromotiva's assets and sources of resources are made up of donations, legacies, sponsorship, partnerships and contributions from associates, individuals or legal entities, as well as national or foreign entities.

In the event of dissolution or extinction, any net equity will be transferred to another social assistance Entity that meets the requirements of Law 13.019/14 and whose corporate purpose is preferably the same adopted by the association and, in its absence, to the public Entity.

As it is a non-profit civil society, its revenues are exempt from any taxes and the surplus, when calculated, will be exempt from social contribution and income tax.

NOTE 2 - BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The authorization to conclude these financial statements was granted by the Entity's Management on 01 July 2021. These statements were prepared and are presented in Reais, which is the Entity's functional currency.

The financial statements of the Associação Incubadora Social Gastromotiva are the responsibility of its Management and were prepared and are presented in accordance with accounting policies adopted in Brazil, which comprise the provisions of corporate law provided for in Law No. 6,404 / 76, with changes in laws nº 11,638/07 and 11,941/09, and the guidelines and interpretations issued by the Accounting Pronouncements Committee - CPC, in force on December 31, 2020, notably CFC resolution nº 1409/12 which approved ITG 2002 - "Entities without Purpose of Profits".

ASSOCIAÇÃO INCUBADORA SOCIAL GASTROMOTIVA
NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2020 AND
DECEMBER 31, 2019

(Amounts expressed in Reais - R\$, unless otherwise indicated)

The preparation of financial statements requires the use of accounting estimates, based on objective and subjective factors, based on Management's judgment to determine the appropriate amount to be recorded in the financial statements. Significant items subject to these assumptions include the assessment of financial assets at fair value, credit risk analysis to determine the allowance for doubtful accounts, as well as the analysis of other risks to determine other provisions, including for contingencies.

The settlement of transactions involving these estimates may result in amounts different from those recorded in the financial statements due to the probabilistic treatment inherent in the estimation process. The Entity annually reviews its estimates and assumptions.

NOTE 3 - SUMMARY OF MAIN ACCOUNTING POLICIES

The main accounting policies adopted in the preparation of the financial statements are as follows:

a) Determination of net income

The net income is determined according to the accrual basis.

b) Current and non-current assets and liabilities

Stated at realization or demand values, including, when applicable, the corresponding income and charges.

Amounts realizable or payable in the course of the subsequent fiscal year are classified as current assets and liabilities.

c) Financial investments

Financial investments are recorded at investment cost plus income earned up to the balance sheet date.

d) Accounts receivable

Accounts receivables are recorded at the nominal value of the securities representing these credits, less, when applicable, the provision to cover possible losses on their realization.

ASSOCIAÇÃO INCUBADORA SOCIAL GASTROMOTIVA
NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2020 AND
DECEMBER 31, 2019

(Amounts expressed in Reais - R\$, unless otherwise indicated)

e) **Fixed assets**

Stated at acquisition cost, less accumulated depreciation, calculated according to the linear method, based on annual rates, which take into account the economic useful life of the assets.

f) **Assessment of the recoverable amount of assets (impairment test)**

The Management annually reviews the net book value of its main assets, in order to assess events or changes in economic, operating or technological circumstances that may indicate deterioration or loss of their recoverable value. When these evidences are identified and the net book value exceeds the recoverable value, a provision for impairment is created, adjusting the net book value to the recoverable value.

NOTE 4 - CASH AND CASH EQUIVALENTS

	2020	2019
Cash	47,119	12,944
Bank accounts	100,381	347,677
Financial investments	3,307,962	950,753
Total	3,455,462	1,311,374

Investments consist of investments made, substantially, in top-tier banks and correspond to bank deposit certificates, are stated at investment cost plus income earned up to the balance sheet date and are classified in the "free trading" category.

NOTE 5 - ACCOUNTS RECEIVABLE

	2020	2019
Customers	-	175,161
Allowance for doubtful accounts	-	(23,651)
Paypal	93,781	56,719
Total	93,781	208,229

During the year ended December 31, 2020, the amounts accrued by way of "Provision for doubtful accounts" were written off due to the recognition of the loss by the Entity.

ASSOCIAÇÃO INCUBADORA SOCIAL GASTROMOTIVA
NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2020 AND
DECEMBER 31, 2019

(Amounts expressed in Reais - R\$, unless otherwise indicated)

NOTE 6 - RECOVERABLE TAXES

	<u>2020</u>	<u>2019</u>
Withholding income tax to be recovered	112,45	112,45
Withholding income tax 0561 to be recovered	998,68	998,68
INSS on overpaid payroll	-	162,54
ISS withheld to offset	689,10	-
Other recoverable taxes	665,10	665,10
Total	<u>2,465</u>	<u>1,939</u>

Account balances in December 2020 will be offset during subsequent years.

NOTE 7 - PREPAID EXPENSES

	<u>2020</u>	<u>2019</u>
Insurance to expire	119	1,200
Meal voucher	7,812	-
Transportation vouchers	3,684	5,994
Software subscription	-	562
Condominium	-	521
Total	<u>11,615</u>	<u>8,277</u>

NOTE 8 - ADVANCES TO THIRD PARTIES

	<u>2020</u>	<u>2019</u>
Advances to suppliers	-	50
Advances and loans to employees	1,578	3,640
Advances and loans to directors	11,040	-
Advances to travel expenses	2,151	-
Total	<u>14,769</u>	<u>3,690</u>

NOTE 9 - ESCROW DEPOSITS

	<u>2020</u>	<u>2019</u>
Escrow deposits	-	4,500
Total	<u>-</u>	<u>4,500</u>

The deposits made by the Entity as security to guarantee the lease of Room 309 at Rua da Lapa, 309, Rio de Janeiro/RJ were fully returned by the lessor in April/2020 due to the termination of the lease agreement.

(A free translation of the original in Portuguese)

ASSOCIAÇÃO INCUBADORA SOCIAL GASTROMOTIVA
NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2020 AND
DECEMBER 31, 2019

(Amounts expressed in Reais - R\$, unless otherwise indicated)

NOTE 10 - FIXED ASSETS

a) Fixed assets

Accounts	2019	Additions	2020	Annual Depreciation Rate
Furniture and utensils	118,876	1,218	120,094	10%
Improvements in third-party goods	1,068,916	48,110	1,117,026	4%
communication devices	5,977	2,799	8,776	10%
Machines and equipment	270,253	-	270,253	10%
Computers and Peripherals	27,797	20,026	47,823	20%
(-) Accumulated Depreciation on Furniture and Utensils	(48,215)	(11,938)	(60,154)	-
(-) Accumulated Amortization on Improvements	(183,197)	(43,153)	(226,350)	-
(-) Accumulated Depreciation on Communication Devices	(598)	(1,242)	(1,840)	-
(-) Accumulated Depreciation on Machines and Equipment	(88,741)	(27,025)	(115,766)	-
(-) Accumulated depreciation on Computers and peripherals	(3,127)	(5,869)	(8,996)	-
				-
Total	1,167,940	(17,075)	1,150,866	-

b) Intangible

Accounts	2019	Additions	2020	Annual Amortization Rate
Software use license	-	28,500	28,500	20%
(-) Accumulated amortization on Software Use License	-	(475)	(475)	-
				-
Total	-	28,025	28,025	-

NOTE 11 - TAX OBLIGATIONS

	2020	2019
Federal taxes	44,460	36,653
Municipal taxes	4,590	2,835
Total	49,050	39,488

(A free translation of the original in Portuguese)

ASSOCIAÇÃO INCUBADORA SOCIAL GASTROMOTIVA
NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2020 AND
DECEMBER 31, 2019

(Amounts expressed in Reais - R\$, unless otherwise indicated)

a) Federal taxes

	<u>2020</u>	<u>2019</u>
COFINS to be collected	9,599	4,032
IRRF on payroll	32,502	32,376
Withheld contributions to be collected	1,784	196
IRRF on third-party withholding	576	49
Total	<u>44,460</u>	<u>36,653</u>

b) Municipal taxes

	<u>2020</u>	<u>2019</u>
ISS to be collected	4,590	2,653
ISS from third parties to be collected	-	183
Total	<u>4,590</u>	<u>2,835</u>

NOTE 12 - CONTRIBUTIONS AND TAXES

	<u>2020</u>	<u>2019</u>
INSS (National Social Security Institute) to be collected	61,195	44,837
Labor union contribution	204	-
PIS (Social Integration Program on payroll to be collected	2,075	1,632
FGTS (Government Severance Indemnity Fund for employees) to be collected	16,483	10,714
Total	<u>79,956</u>	<u>57,183</u>

NOTE 13 - SUPPLIERS

	<u>2020</u>	<u>2019</u>
Material suppliers	1,113	4,919
Service suppliers	78,338	11,118
Total	<u>79,451</u>	<u>16,037</u>

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ASSOCIAÇÃO INCUBADORA SOCIAL GASTROMOTIVA
NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2020 AND
DECEMBER 31, 2019

(Amounts expressed in Reais - R\$, unless otherwise indicated)

NOTE 14 - INSTALLMENTS

	<u>2020</u>	<u>2019</u>
Social security installment code. 4308	24,875	24,875
Interest on social security installments code. 4308	(5,020)	(5,020)
Total	<u>19,856</u>	<u>19,856</u>

NOTE 15 - ACCOUNTS PAYABLE

	<u>2020</u>	<u>2019</u>
Alimony payable	62	-
Self-employed to pay	20,834	498
Insurance payable	-	654
Expenses refund	172	-
Credit card	15,347	15,331
Electricity	6,193	9,045
Total	<u>42,609</u>	<u>25,528</u>

NOTE 16 - PROVISION OF VACATION AND SOCIAL CHARGES

	<u>2020</u>	<u>2019</u>
Provision of vacation	72,198	54,369
Provision of INSS (National Social Security Institute) on vacation	19,349	14,571
Provision of FGTS (Government Severance Indemnity Fund for employees) on Vacations	5,776	4,350
Total	<u>97,323</u>	<u>73,289</u>

NOTE 17 - PROJECTS IN PROGRESS

	<u>2020</u>	<u>2019</u>
Carrefour / Accor	111,017	-
Instituto Alok / SP Global	369,651	-
Total	<u>480,668</u>	<u>-</u>

Correspond to amounts received for the continuation of the “Cozinha Solidária” Project to be carried out during 2021.

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ASSOCIAÇÃO INCUBADORA SOCIAL GASTROMOTIVA
NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2020 AND
DECEMBER 31, 2019

(Amounts expressed in Reais - R\$, unless otherwise indicated)

NOTE 18 - CURRENT ACCOUNT - RELATED PARTIES

	<u>2020</u>	<u>2019</u>
David Daniel Hertz	-	10,000
Total	-	10,000

NOTE 19 - INSTALLMENTS – LONG TERM

	<u>2020</u>	<u>2019</u>
Social security installment	49,750	74,625
Interest on social security installments	(10,039)	(15,059)
Total	39,711	59,567

NOTE 20 - SHAREHOLDERS' EQUITY

	<u>2020</u>	<u>2019</u>
Accumulated surpluses	2,405,001	2,743,518
Surplus (Deficit) for the year	1,463,357	(338,516)
Total	3,868,359	2,405,001

NOTE 21 - OPERATING INCOME

	<u>2020</u>	<u>2019</u>
Donations	2,797,937	1,973,667
Events	130,896	102,101
Projects	3,656,580	2,091,470
Sponsorships	-	20,000
Services provision	1,172,968	350,081
Other operating income	-	28,287
Total	7,758,380	4,565,605

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ASSOCIAÇÃO INCUBADORA SOCIAL GASTROMOTIVA
NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2020 AND
DECEMBER 31, 2019

(Amounts expressed in Reais - R\$, unless otherwise indicated)

NOTE 22 - PERSONNEL EXPENSES

	2020	2019
Salaries, bonuses and allowances	1,237,296	953,422
INSS	422,082	348,004
Labor indemnities	18,349	14,687
FGTS	128,332	82,381
Health care	-	7,850
Medical exam	4,579	1,351
PIS on payroll	13,036	10,905
Personal training	70	17,000
Transportation vouchers	35,574	85,146
Meal ticket	59,800	16,623
Life insurance	2,884	2,243
Clothes and uniforms	20,598	34,049
Interns salary	8,856	27,143
Provision of 13th salary	139,237	110,264
Provision for vacation and social charges	205,769	175,442
Total	2,296,462	1,886,509

NOTE 23 - ADMINISTRATIVE AND GENERAL EXPENSES

	2020	2019
Auditing and Consulting	677,279	287,323
Remuneration of directors	330,064	326,193
Advertisements and videos	107,595	1,971
Accounting fees	91,927	104,005
Depreciation and amortization charges	89,703	85,380
Services provided - Individuals	84,958	203,560
Systems and infrastructure	77,487	-
Telephone and internet	73,852	31,419
Communication services	69,272	-
Graphic services	63,902	54,656
Training courses	62,947	111,329
Electricity and gas	57,835	119,712
Expenses with transportation	50,627	14,114
Rent and condominium	45,824	53,185
Trips	40,785	342,522
Fees	33,000	4,042
Maintenance and equipment leasing	22,219	21,543
Conservation and maintenance	22,131	28,933

(A free translation of the original in Portuguese)

ASSOCIAÇÃO INCUBADORA SOCIAL GASTROMOTIVA
NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2020 AND
DECEMBER 31, 2019

(Amounts expressed in Reais - R\$, unless otherwise indicated)

	2020	2019
Information monitoring	20,600	-
Press office	18,000	-
Snacks and meals	15,009	19,937
Water and sewage	13,950	31,093
Post and freight	11,064	6,419
IPTU and Fees	9,413	8,663
Cleaning material	6,354	12,653
Printed	6,074	12,730
Office supplies	5,717	10,994
Material for use and consumption	5,699	36,164
Transport Expenses	5,630	30,096
Waste collection	5,333	21,566
Expenses with security	4,000	2,950
Computer material	2,920	5,996
Safe	2,506	13,622
Registry	2,497	635
Goods of small value	2,164	3,246
Subscriptions	1,410	4,024
Copies	1,370	3,514
Services provided - Legal Entity	-	454,864
Allowance for doubtful accounts	-	23,651
Technical books	-	3,387
Other administrative expenses	6,053	6,782
Total	2,149,189	2,504,894

NOTE 24 - EVENTS EXPENSES

	2020	2019
Inputs	55,207	153,832
Third party services	34,914	7,825
Material leasing	16	750
Travels	6,768	84,331
Events	6,721	91,669
Commercial representation	4,316	13,028
Food	3,523	23,925
Transport assistance	11,672	67,487
Agreements and programs	-	2,257
Fuels	1,557	227
Voluntary allowance	1,613	3,061
Equipment leasing	-	2,897
Entrepreneurial support	161,050	-
Cozinhas solidárias RJ-SP	810,291	-

(A free translation of the original in Portuguese)

ASSOCIAÇÃO INCUBADORA SOCIAL GASTROMOTIVA
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DECEMBER 31, 2019

(Amounts expressed in Reais - R\$, unless otherwise indicated)

	<u>2020</u>	<u>2019</u>
Packaging	250,421	
CWB kitchens	1,157	
Entrepreneurial transport	5,470	
Uniforms	1,190	-
Resource Management	16,586	-
Services provided - Individual	287,159	-
Graphic services	22,353	-
Voluntary transport	2,341	-
Delivery services	99	-
Total	<u>1,686,441</u>	<u>453,308</u>

NOTE 25 - TAXES EXPENSES

	<u>2020</u>	<u>2019</u>
ISS – Services Tax	58,648	17,529
COFINS – Social contribution on revenues	89,146	26,644
ICMS – Value-added tax on sales and services	-	574
ISS CPOM - Services tax other municipalities	4,240	6,758
Total	<u>152,034</u>	<u>51,506</u>

NOTE 26 - FINANCIAL RESULT

	<u>2020</u>	<u>2019</u>
Financial incomes	52,467	53,133
Financial expenses	(67,403)	(65,076)
Total	<u>(14,937)</u>	<u>(11,942)</u>

NOTE 27 - OTHER INCOME AND EXPENSES

During the year ended December 31, 2020, Gastromotiva served 822 thousand free meals for guests, served through its community restaurant at Refeitório Gastromotiva, according to the 2020 social balance report.

For the preparation and supply of meals, Gastromotiva had 4,908 hours of volunteer work, provided by 962 volunteers from civil society, with 674 in the kitchen and 288 in the salon service.

Through the free courses, EMPREENDA and COZINHEIRO, 215 students graduated during the year ended December 31, 2020, according to the 2020 social balance report.

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The monetization in 2020 is demonstrated as follows:

Action Program	Quantity	Parameter	Unit Value	Total Value
Meals	822,000	Meals	7	5,754,000
Volunteering	4,908	Hours	35	171,780
Courses	215	Students	3,000	645,000
Total				6,570,780

The value of the meal was readjusted by the Entity to meet the growing demand of part of the population that did not have access to food during the pandemic. The Entity also created a Food Bank, which collected in 2020 around 202 tons of food supplies, donated by institutional partners that provided an increase in the amount of donated meal dishes.

NOTE 28 - TAX EXEMPTIONS EARNED BY THE ENTITY

As a non-profit private association, Associação Incubadora Social Gastromotiva received the following tax exemptions on the result in 2020:

a. On the earned income:

	2020			
	In reais			
	Income Amount	COFINS (7,6%)	ISS (5%)	Total
Events	130,896	9,948	6,545	16,493
Projects	3,656,580	277,900	182,829	460,729
	3,787,476	287,848	189,374	477,222

	2019			
	In reais			
	Income Amount	COFINS (7,6%)	ISS (5%)	Total
Events	102,101	7,760	5,105	12,865
Projects	2,091,470	158,952	104,574	263,525
Sponsorships	20,000	1,520	1,000	2,520
Services provision	350,081	26,606	17,504	44,110
Other incomes	28,287	2,150	1,414	3,564
	2,591,939	196,987	129,597	326,584

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b. On the income for the year, considering taxable income:

	<u>In Reais</u> <u>2020</u>	<u>In Reais</u> <u>2019</u>
Net income of the year	1.463.357	(338.516)
Social contribution on net profit - CSLL (9%)	131.702	-
Income tax - IRPJ (15%)	219.504	-
Additional income tax - IRPJ (10% without result above BRL 240,000)	122.336	-
Total exemptions on the net income	<u>473.542</u>	<u>-</u>

c. Total tax exemptions:

	<u>In Reais</u> <u>2020</u>	<u>In Reais</u> <u>2019</u>
Revenue Exemptions	477.222	326.584
Exemptions on the net income	473.542	-
Total exemptions on the net income	<u>950.764</u>	<u>326.584</u>

NOTE 29 - SUBSEQUENT EVENTS

From December 31, 2020 until the date of issue of this report, there were no events that could significantly change the equity, economic and financial situation in the financial statements presented.
