d·local

INVESTOR DAY 2023

Agenda

Safe Harbor

This presentation contains certain forward-looking statements.

These forward-looking statements convey dLocal's current expectations or forecasts of future events. Forward-looking statements regarding dLocal involve known and unknown risks, uncertainties and other factors that may cause dLocal's actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. Certain of these risks and uncertainties are described in the "Risk Factors," "Forward-Looking Statements" and "Cautionary Statement Regarding Forward-Looking Statements" sections of dLocal's filings with the U.S. Securities and Exchange Commission.

Unless required by law, dLocal undertakes no obligation to publicly update or revise any forward-looking statements to reflect circumstances or events after the date hereof.

d·local

We started this journey in 2016, understanding the urgent need to connect global merchants with billions of Emerging Market consumers

Solving high complexity at scale

USD 1.4 TN market opportunity[1]

We are riding a secular trend as global merchants realize the growing power of Emerging Markets: population and urban middle class growth, remote work and faster payment innovation

10x Developed Markets (DM) population growth 2022-2030[1]

~3.5x DM urban GDP growth 2021-2040[2]

Source:
1. United Nations https://www.un.org/development/desa/pd/sites/www.un.org.development.desa.pd/files/wpp2022_summary_of_results.pdf
2. Euromonitor https://www.euromonitor.com/article/emerging-and-developing-cities-are-closing-the-income-gap-on-advanced-economies

Emerging Market consumers are young, connected, ever more affluent, talented, avid to consume...
And forgotten

+2BN people covered by dLocal[1]

The problem

Indonesia To Pull The Plug On Visa And Mastercard, President Calls Them A 'problem'

Indonesia wants to become less reliant on external financial platforms like VISA and Mastercard taking lessons from Russian sanctions by the U.S.

Rest of the World News | Written By Vidit Baya

PayPal

Olá ▉▉▉,

Este é um comunicado para informar que o PayPal não é mais um participante do arranjo Pix e, desta forma, todas as funcionalidades do Pix foram descontinuadas conforme informado anteriormente.
Convidamos você a continuar aproveitando os benefícios de pagar com PayPal.

Obrigado,
PayPal

What the users want

Uhriemefe @Uhriemefe · Jan 1
Replying to @TeamYouTube

The **problem** here is that your **payment** system is still marked as international transaction in **Nigeria**.

And that transaction is banned on most banks. You have to adopt a local **payment** system that accepts every bank debit/credit card from **Nigeria** just like what **Spotify** did

1   263

Tweet

Kadir Issá
@real_issakadir

@Starlink greetings from Mozambique, thank you I just made the payment for the equipment, looking forward to start using it. Mozambique, Nigeria, Burundi, will be the first African countries to use Starlink.

12:12 · 6/2/23 · **10** visualizaciones

Y-Combinator question:

" *What do users do or go through now because what you're making doesn't exist yet?* "

You would not believe what emerging market customers go through to buy some products

- VPNs
- UK-issued prepaid cards
- Virtual Phone Numbers
- Virtual Addresses
- Boxes

...

The problem:
WITHOUT d·local

The solution:
WITH d·local
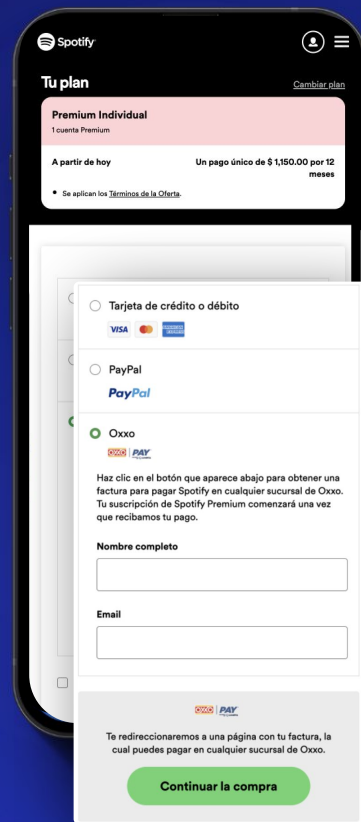
1 API

900+
Payment methods

The problem:
WITHOUT d·local

The solution:
WITH d·local

1API

900+
Payment methods

11
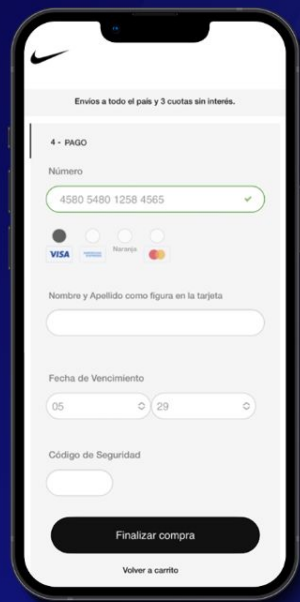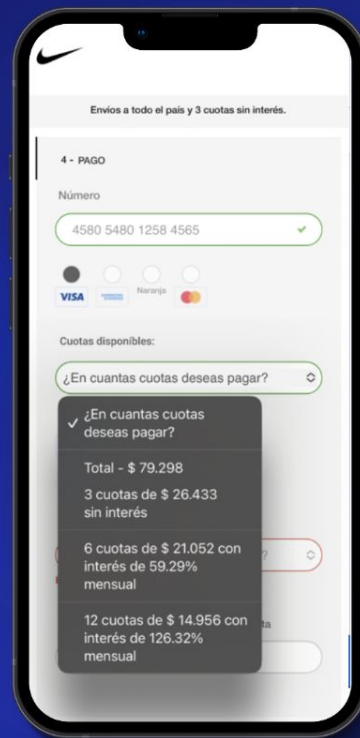
We have come a long way since 2016

TPV ($B):

+107%
CAGR

In 2022 we processed 2016 TPV in less than a week

Year	TPV ($B)
2016	0.1
2017	0.3
2018	0.6
2019	1.3
2020	2.1
2021	6.0
2022	10.6
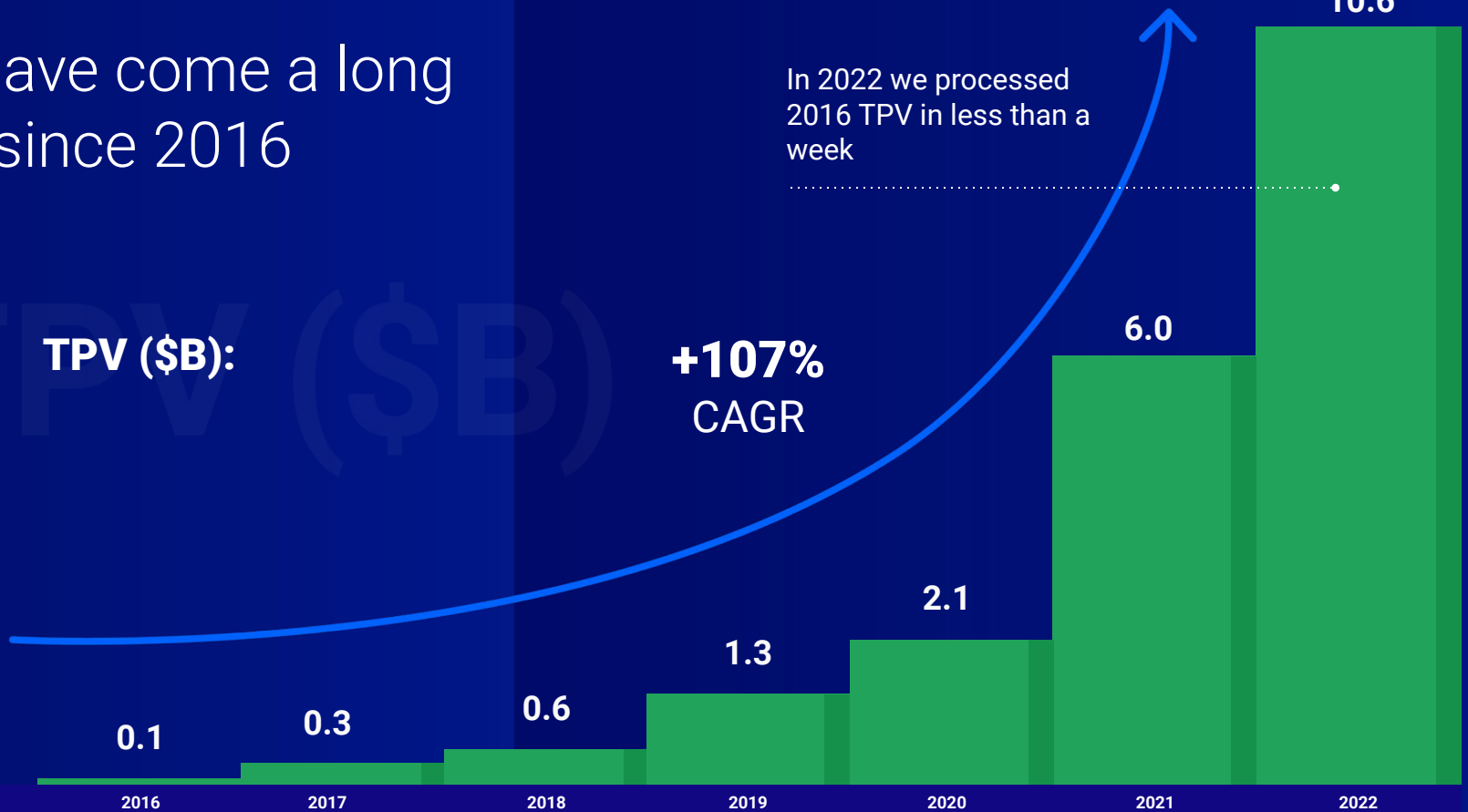
Our team (#): 66 → 726

Our strategy and DNA have enabled us to consistently deliver outstanding growth

REVENUE ($M)

+96%
CAGR

1.7x

- 2019: 55
- 2020: 104
- 2021: 244
- 2022: 419

Gross profit ($M)

+78%
CAGR

1.5x

- 2019: 36
- 2020: 61
- 2021: 130
- 2022: 202

Adj. EBITDA[1] ($M) and **Adjusted EBITDA / Gross profit (%)**

1.5x

- 2019: 20 — 56%
- 2020: 42 — 70%
- 2021: 99 — 76%
- 2022: 153 — 76%

■ Adj. EBITDA ($M)   ● Adjusted EBITDA / Gross profit (%)

As a result, we have also over-delivered by an average of 40% from our own internal targets at the time of the IPO

TPV ($B)
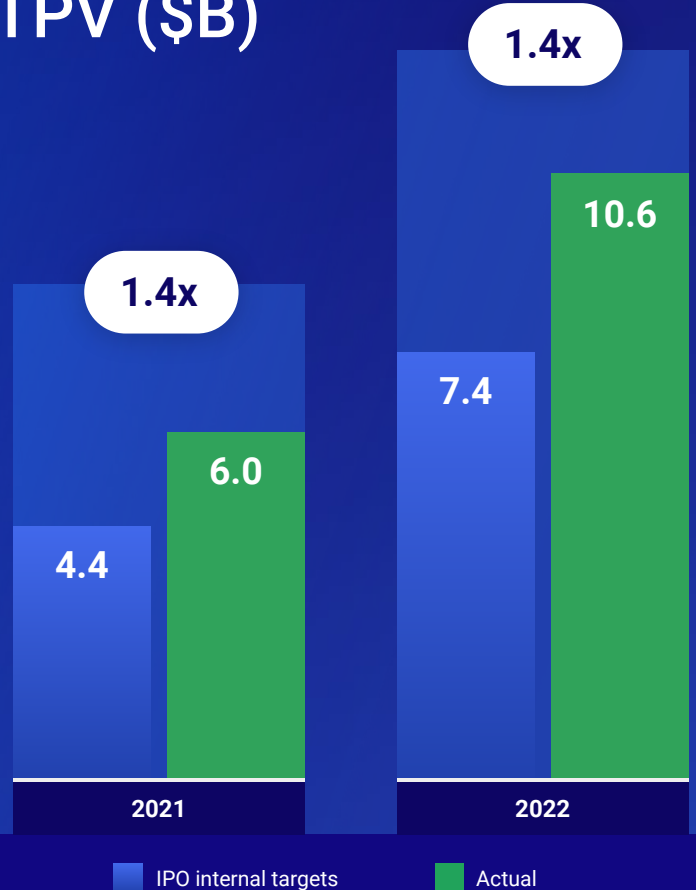
2021	2022
1.4x	1.4x
4.4 / 6.0	7.4 / 10.6

IPO internal targets   Actual

As a result, we have also over-delivered by an average of 40% from our own internal targets at the time of the IPO

Revenue ($M)

	1.4x	1.5x
2021	2022
173	279 (IPO internal targets)
244	419 (Actual)

IPO internal targets   Actual

As a result, we have also over-delivered by an average of 40% from our own internal targets at the time of the IPO

Adjusted EBITDA[1] ($M)

1.4x

1.3x

71

99

120

153

2021

2022

■ IPO internal targets ■ Actual

The **d·local** culture is our key differentiator

WE ARE...

Obsessed with solving complex payments problems for global merchants in EMs

Built for **speed at scale,** leveraging technology and local knowledge

A focused, **passionate** global team

Frugal spenders and careful investors

the **d·local** DNA

Our One dLocal model enables global merchants to rapidly and easily reach billions of users across Emerging Markets

Global Merchants

↘ Multiple Products/Solutions

↘ Improved acceptance and conversion rate

↘ Reduced fraud

One d·local

One API
One platform
One contract
One source of support
One integration

Local-to-local and cross-border transactions facilitating **pay-ins** and **pay-outs**

Consumers in Emerging Markets

AFRICA ASIA LATAM

↘ Multiple Payment Options

↘ Access to global products and services

The biggest names trust us

Selected Merchants

amazon.com · deel. · DiDi · expedia group · Google · HBO · mailchimp

Meta · Microsoft · NETFLIX · PedidosYa · Rappi · salesforce · SHEIN

shopify · Spotify · Telegram · Tencent 腾讯 · Uber · wish · *Among many other global brands!*

Note: Selection of merchants and merchant logos that we have previously disclosed as existing clients

19
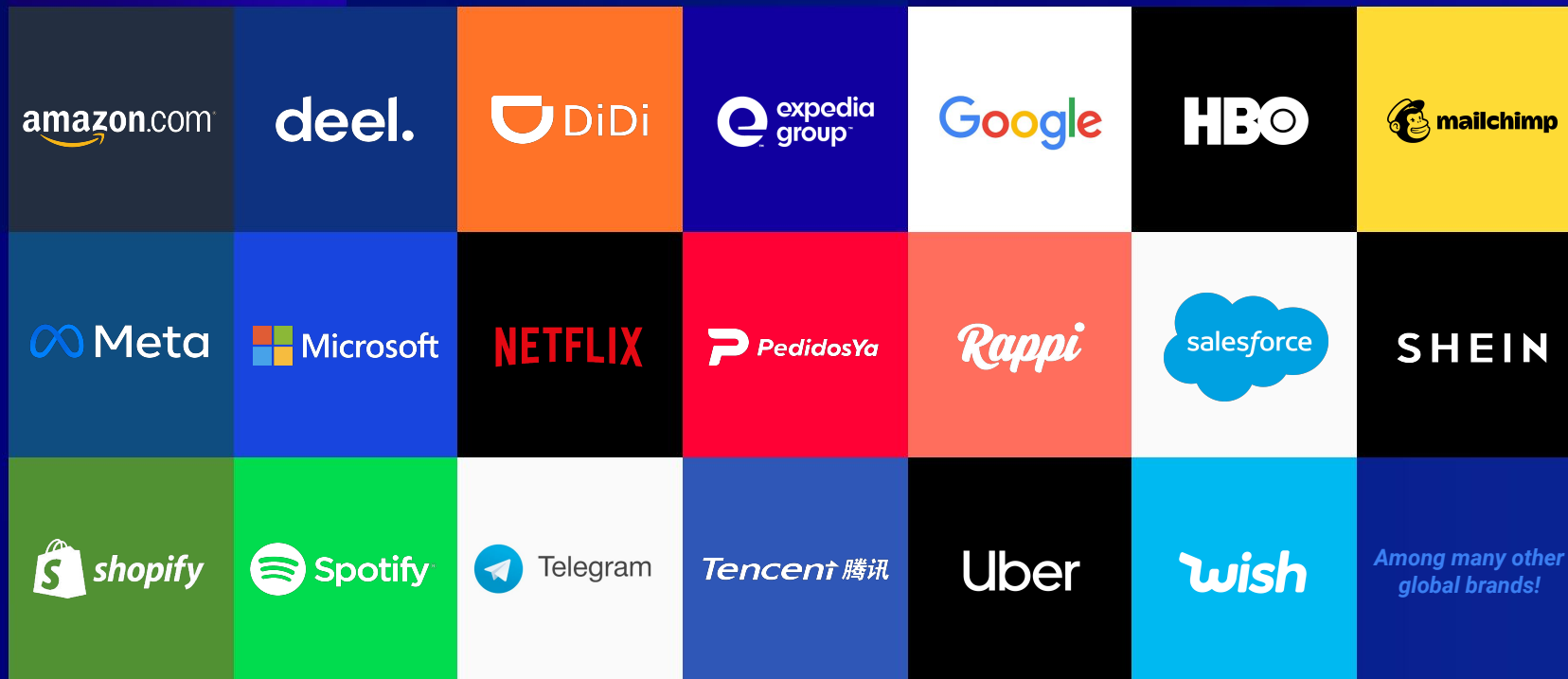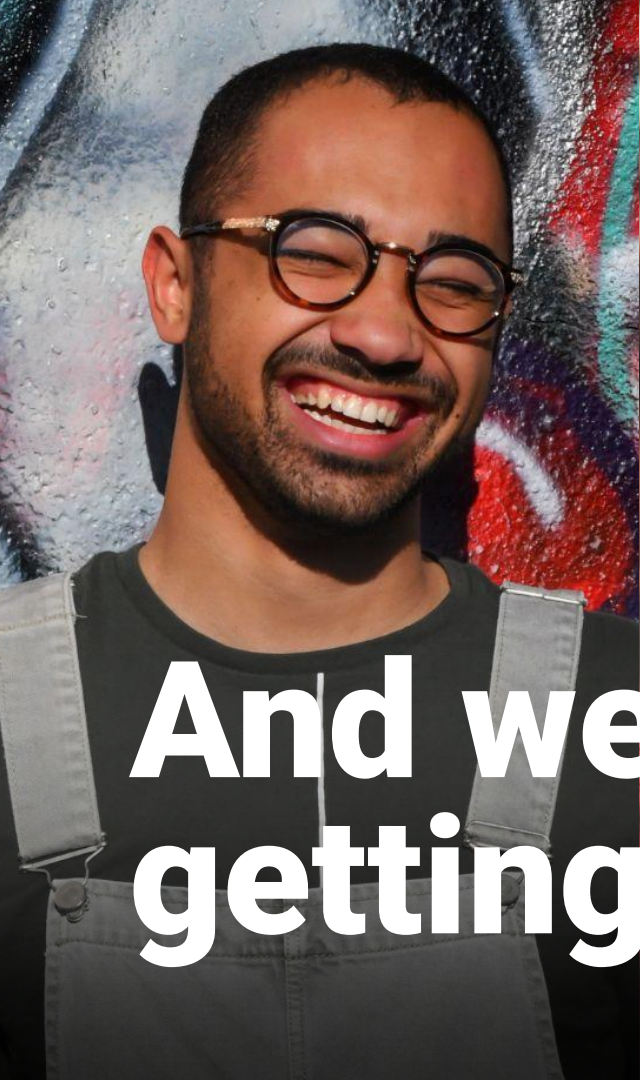
And we are just getting started

d·

Market Opportunity

d·local

Huge market opportunity

Estimated market size 2022:

$1.4TN EM
Digital Payments

$0.6TN
APAC

$0.2TN
AFRICA

$0.6TN
LATAM

<1%

We are here

$1.4TN

dLocal's opportunity
Just scratching the surface

Structural Tailwinds

Internet Usage
(% of population with internet access)

- 87%
- 88%
- 89%
- 90%
- 90%
- 91%
- 92%

- 66%
- 68%
- 71%
- 74%
- 76%
- 79%
- 81%

2021 2022 2023E 2024E 2025E 2026E 2027E
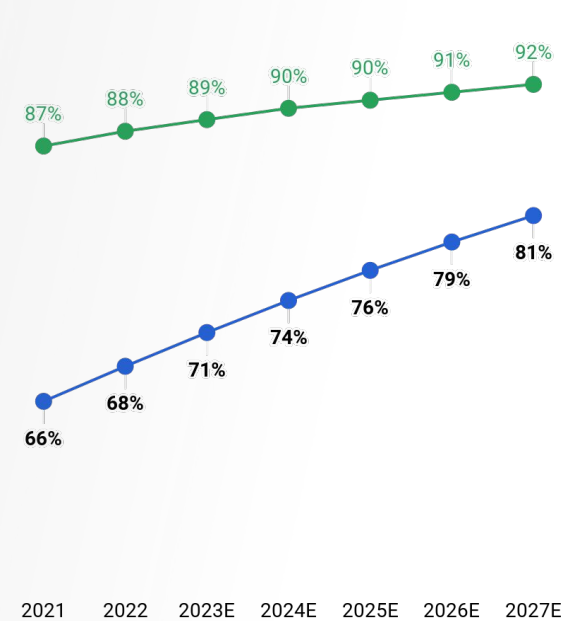
Consumer Spending Growth - EMs vs. DMs

Year	EM	DM
2021	15%	11%
2022	7%	4%
2023E	6%	6%
2024E	7%	3%
2025E	7%	4%
2026E	7%	4%
2027E	7%	4%

EM   DM
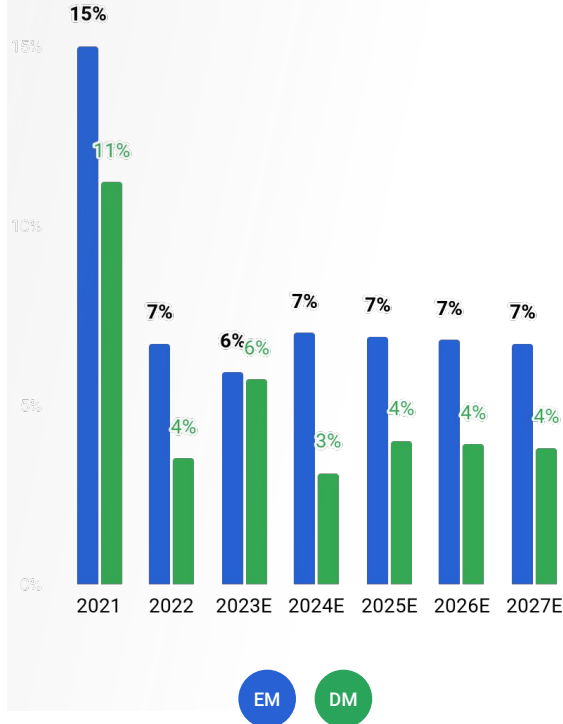
E-Commerce Penetration
(% of consumer spending - 2022)

22 - 27E CAGR

21% 14% 17% 17% 7% 8% 8%

	NG	SA	MX	BR	GR	US	UK
Value	0.2%	1.2%	2.8%	4.3%	4.6%	6.4%	7.7%
Multiple	39x	6x	3x	2x			
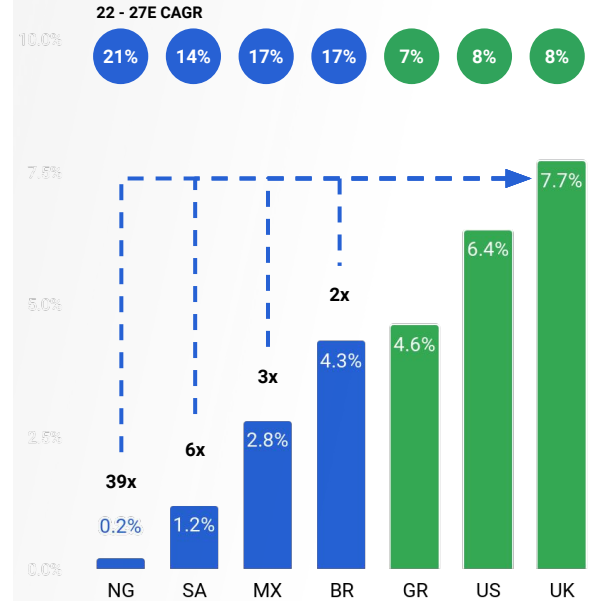
Tailwinds continuing to drive rapid growth of market

Estimated market size 2028:

$3.7TN EM Digital Payments

APAC
$1.6TN
20% CAGR
'22 - '28

AFRICA
$0.6TN
17% CAGR
'22 - '28

LATAM
$1.4TN
16% CAGR
'22 - '28

What fuels our growth engine?

3-fold growth strategy

PRODUCT

GEOGRAPHIES

MERCHANTS

1 PRODUCT

- Simplifies complexity
- Single connection
- Deep local expertise
- Product agnostic

2 MERCHANTS

- Merchant-centric approach
- Growing merchant base
- Cross-selling
- High diversification

3 GEOGRAPHIES

- Geographic expansion
- New payment methods
- Local knowledge

Axis 1:
Product

dLocal business today

Building the best Payments Platform for Global Merchants in Emerging Markets

Global Merchants

d·local
One API
One platform
One contract

FX
Regulation & Compliance
Multiple geographies
Multiple payment methods
Multiple products
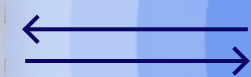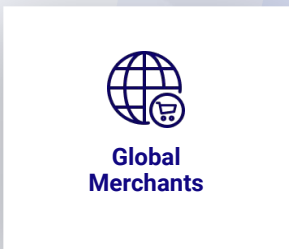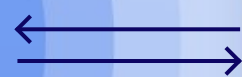
unlocking
2B+
potential consumers in Emerging Markets

AFRICA   **ASIA**   **LATAM**

One stop shop in emerging markets

Multiple solutions

Improved acceptance and conversion rate

900+ payment methods

40 countries
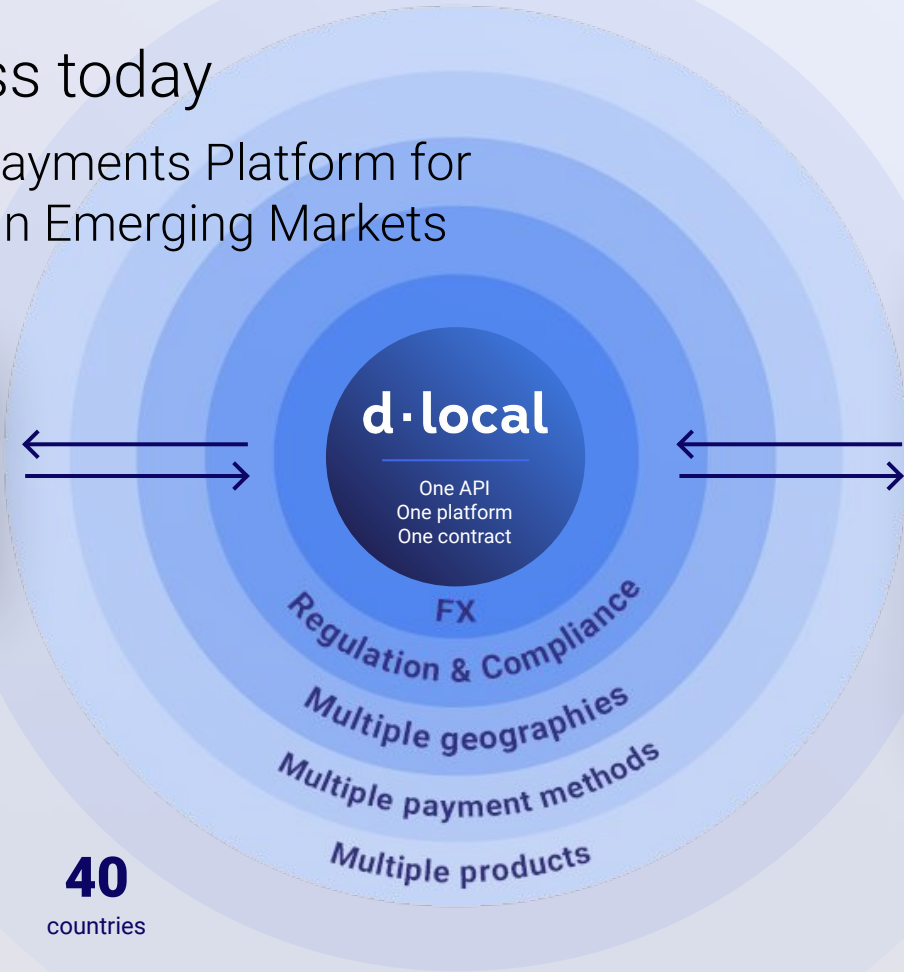
Unique product: addressing multiple problems/complexities

- ↘ **Fragmented payment systems and methods**

- ↘ **Unstable, volatile and complex regulatory environments**

- ↘ **Complex, dynamic and multi-layered taxation regimes**

- ↘ **Distinct consumer behaviors**

2022 local-to-local TPV

Other 59%

Credit card 41%

2022 cross-border TPV

Other 72%
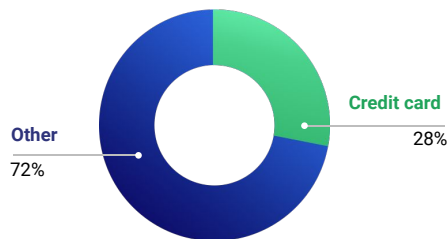
Credit card 28%

Payment methods **Other** than **Credit cards** accounted for **two thirds of TPV** in 2022

Bank transfers

Cash alike payments

Debit card

Digital wallet

Local APMs

Mobile Payments

Axis 2:
Merchants

2 Rapid merchant acquisition

Total Merchants

+50%
CAGR

600+
400+
300+
190+
100+
70+
50+

2016 2017 2018 2019 2020 2021 2022
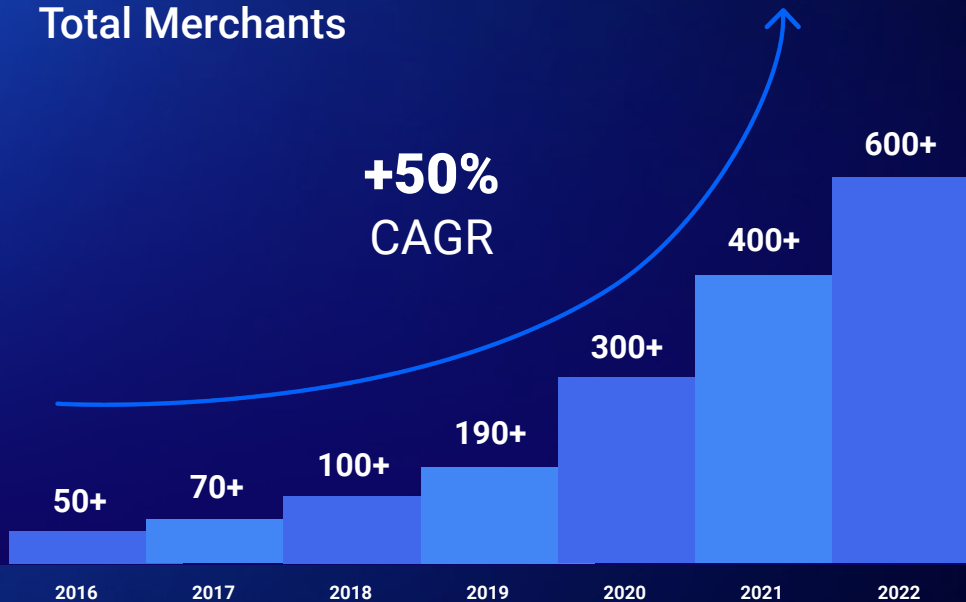
Note: Total merchants exclude small and medium-sized businesses in our marketplace solution

32
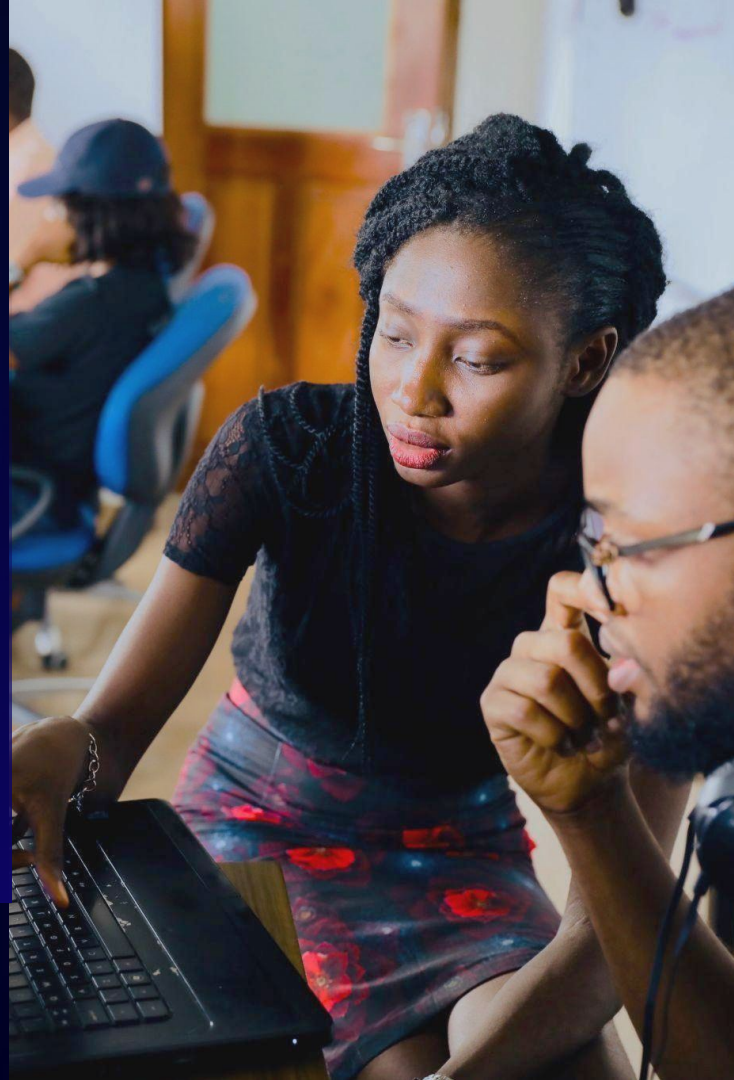
2

Well-diversified across business verticals

Exposure to a wide range of of fast-growing verticals across digital commerce and services

2.1B

6.0B

10.6B

2020 **2021** **2022** **CAGR**

CAGR	Vertical
97%	Others[2]
236%	Travel
176%	SaaS
89%	Ride hailing
167%	Advertising
471%	On-demand Delivery
109%	Streaming
166%	Commerce
72%	Financial Services[1]
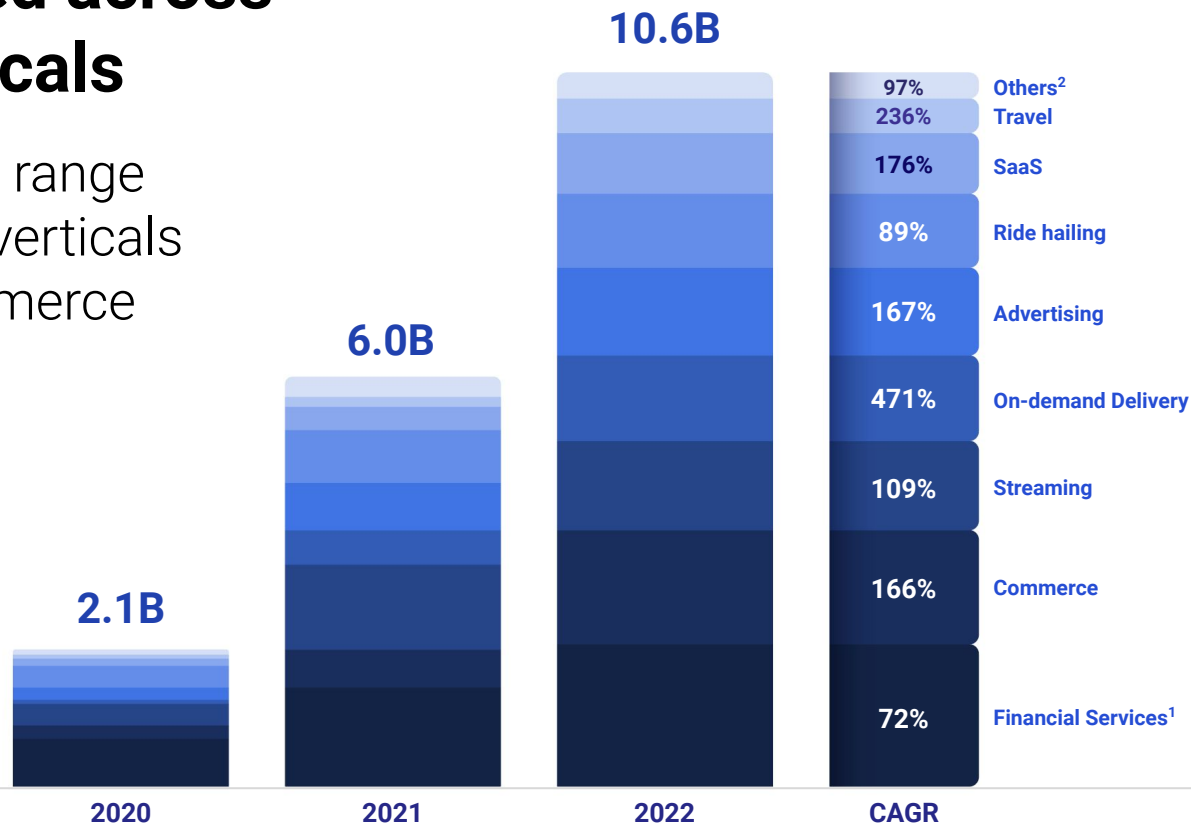
Note: CAGRs are calculated for a two year period from 2020 to 2022. [1] In 2022, financial services include wallets (1% of total TPV) and crypto (0.2% of total TPV). [2] Other includes elearning, gaming and others.

Positive cohort trends across a range of metrics

TPV composition by annual cohort ($M)
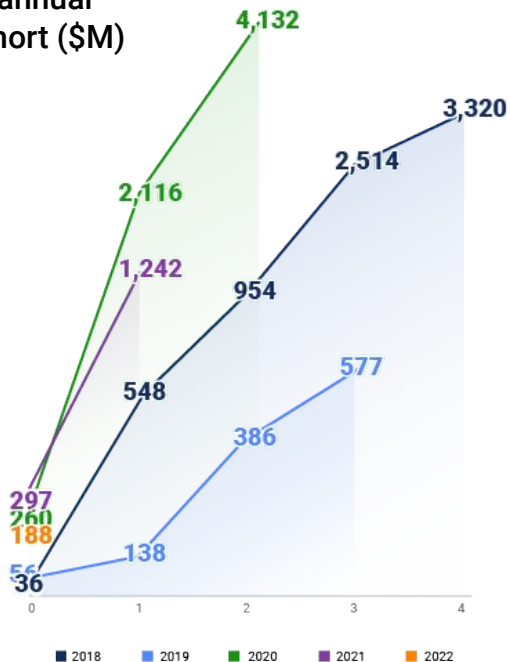
Average Countries per Merchant
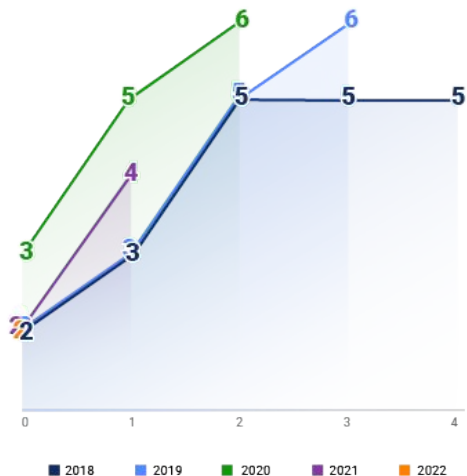
Average Payment Methods per Merchant
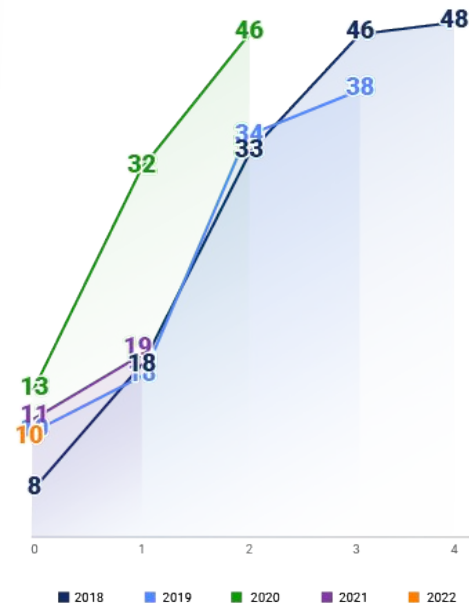
Note: Each cohort is comprised of all the merchants that began processing TPV in that annual period, regardless of volume of TPV processed. As cohorts prior to 2018 are not illustrated, the sum of the TPV of the different cohorts does not match our TPV reported for the period. Countries and payment method analysis follow the same cohort methodology, including merchants when they start processing TPV, regardless of the volume. The amounts presented for TPV composition by annual cohort, average countries per merchant per annual cohort, and average payment methods per merchant differ from the amounts presented in our IPO prospectus since the cohort analysis in our IPO prospectus considered only merchants that processed payments in excess of US$6 million annually and the cohort analysis presented here considers all merchants, regardless of volume of TPV processed.

NRR driven by high growth and low churn

NRR[1] Breakdown

- Very high NRR shows stickiness of our product

- 165% NRR as of 2022 Churn <1%

- Our NRR has remained above peer average of 120%
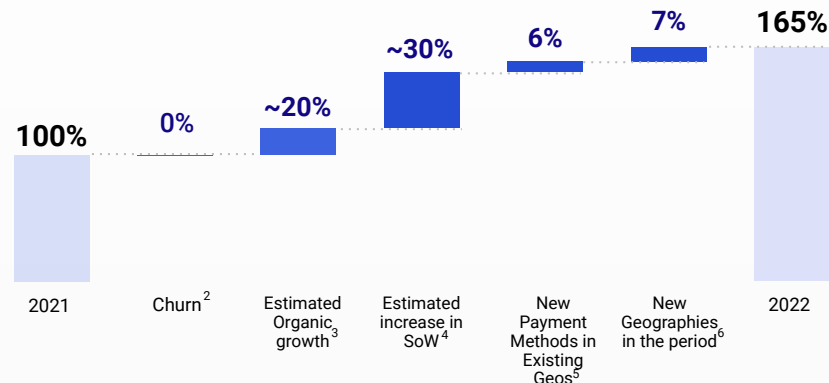
Note: [1]We calculate the NRR of a period by dividing the Current Period Revenue by the Prior Period Revenue. The Prior Period Revenue is the revenue billed by us to all our customers in the prior period. The Current Period Revenue is the revenue billed by us in the current period to the same customers included in the Prior Period Revenue.
[2]Churn is calculated as the Prior Period Revenue from merchants that had any revenue during the past period but didn't have any revenue during the current period
[3]Estimated Merchant organic growth is the estimation of our merchants increase in total traffic, based on dLocal's internal assumptions
[4]Increase in Share of wallet in already operating Payment Methods ("PMs") and Geographies is the incremental revenue from each merchant in each country and PM that was already operational in the past period, based on dLocal's internal assumptions
[5]New Payment Methods calculated as the current period revenues from payment methods that each merchant did not operate with us in the past period. This component does not take into consideration PMs from new countries
[6]New Geographies calculated as the current period revenues from geographies that each merchant hadn't operated with us in the past period

Mapped opportunity among main merchants:

Huge potential still to be captured **current SoW[1] ~10-12%**

Strong growth in share of wallet

Share of wallet example: one merchant, one geography, one payment method

Merchant I
TPV Evolution APM

50%

Share of Wallet
APM Brazil

2019   2020   2021   2022
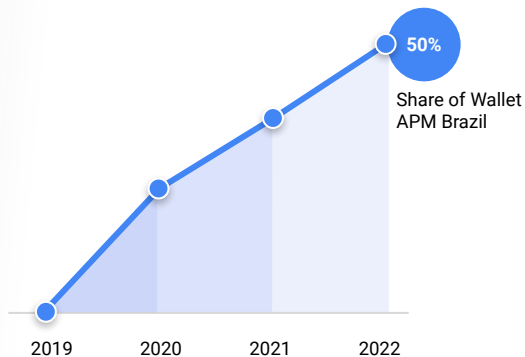
Merchant II
TPV Evolution Credit and Debit Card

90%

Share of Wallet
Credit and Debit
Card Mexico

2019   2020   2021   2022
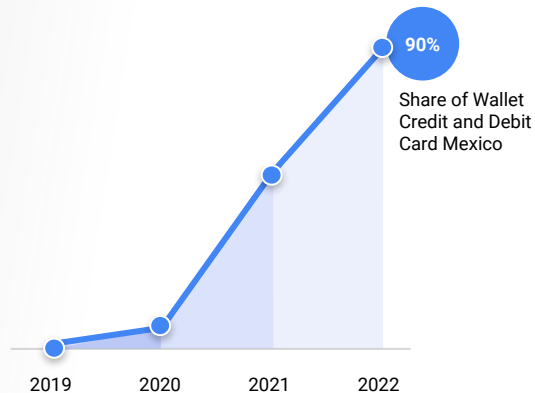
Merchant III
TPV Evolution Credit and Debit Card

100%

Share of Wallet
Credit and Debit
Cards South Africa

2020   2021   2022
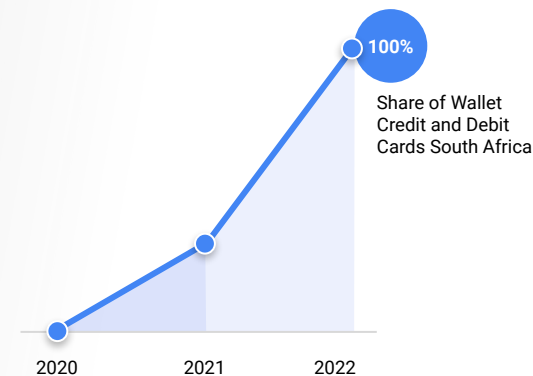
Meanwhile growing overall merchant connections (products, PMs and geographies)

	Merchant I		Merchant II		Merchant III	
# of Countries	9	14	4	12	2	6
# of Prod./Servic.	2	2	2	4	1	2
# of Pmt. Methods	43	71	77	289	25	62

Note: Share of wallet is calculated as dLocal's current TPV divided by the merchant's full traffic, considering the mentioned geography and payment method. Total wallet data are based on information provided by the merchants in collaboration with their accounts managers

Axis 3:
Geographies

GEOGRAPHIES

PRODUCT

MERCHANTS

Solid and well thought-out expansion strategy

We started by providing a simple payment infrastructure for one client in one country, then grew to add new countries and payment methods, driven by our merchants' needs

# of Countries	8	9	12	16	26	35	40
# of Payment Methods	80+	120+	200+	300+	450+	700+	900+

Started in Brazil

Expanded in LatAm & started other regions
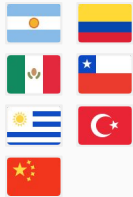
Rapidly Expanded to Asia and Africa

2016 · **2017** · **2018** · **2019** · **2020** · **2021** · **2022**

Note: # of payment methods consider methods regardless of the TPV
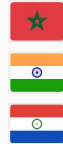
Global Company, **Global** Merchants, **Local** Expertise

I. Discover

- Evaluate **merchants' needs**
- Analyze **market attractiveness**
- Analyze country's **payment ecosystem**

II. Launch

- **Build the team:** we bring dLocal "ambassadors" to the new geo and we hire local experts
- Connect and engage with **local advisors** and with **local authorities**
- Comply with **local regulations**
- Leverage on **existing and scalable API**
- Partner with **local acquirers, banks and local payment methods**

III. Accelerate

- **Scale volume:** leverage sales team to grow the region
- **Enhance connections** and **build additional ones**

Improve performance

Opening new geos through building deep local knowledge

MOROCCO

PHILIPPINES

Market Entry
2018 **2020**

Motivated by:
- global streaming and global travel merchants
- one of the largest athletic global brands

Regulatory Framework
- Collaborated with local regulator to evolve the regulatory framework
- We rapidly built the understanding of the regulatory framework and requirements, enabling us to secure operating license from the central bank in less than 90 days

Fragmented Payment Space
- Untapped market lacking robust global e-commerce payment infrastructure
- Non-card e-commerce transactions:
  - ~70%   ~50%
- Small portion of internationally recognized cards limiting global merchant access

Low Competition
- Local competitors unable to serve global merchants, only international merchant acquirers viable (limiting access to a small segment)
- Global players offering very limited solutions due to lack of direct local acquiring connections

Improved Conversion
- dLocal enabled local payment and improved conversion rates by over 40%
  - Integrated 98% of non-card payment methods and most of the cards
  - First to enable cross-border merchants

dLocal's Platform: Triggering Network effects

~100K POTENTIAL CONNECTIONS

~5K POTENTIAL CONNECTIONS

PRODUCT

MERCHANTS

GEOGRAPHIES

2018

2022
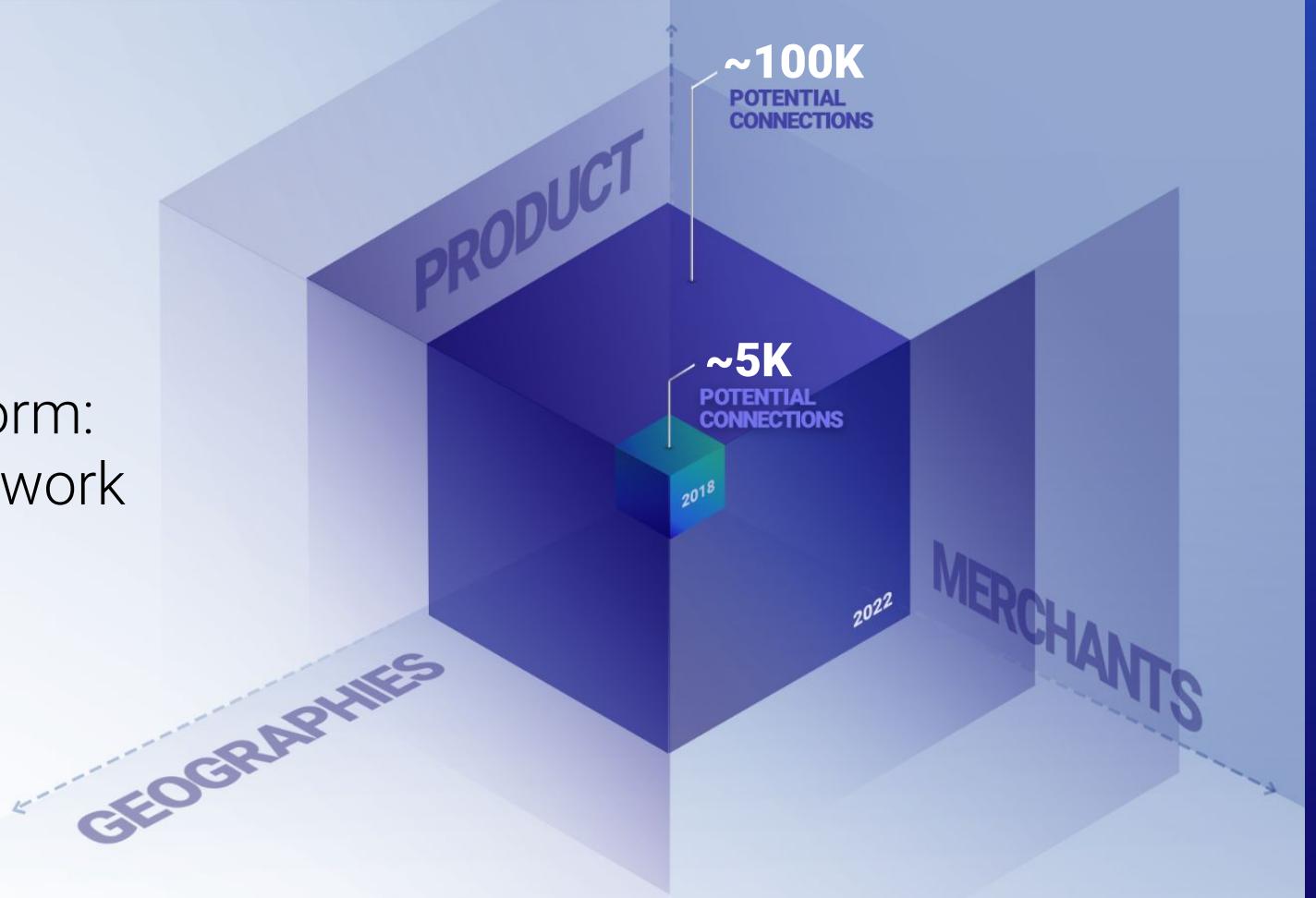
Note: Total network is the product of each of these variables in the specific year: (i) dLocal's current merchant base excluding small and medium-sized businesses in our marketplace solution; (ii) dLocal's total number of operating countries; and (iii) dLocal's product offering.

Competitive landscape

	Merchants	Product				Markets		
	GLOBAL	**PAYIN**	**PAYOUT**	**CROSS-BORDER**	**LOCAL-TO-LOCAL**	**LATAM**	**AFRICA**	**ASIA**
d·local	●	●	●	●	●	●	●	●
Adyen	●	●	○	◐	●	◐	○	○
International Acquirers	●	●	○	●	○	*Limited to international enabled cards*		
Global banks	●	○	●	●	●	◔	◔	◔
Other regional PSPs	◔	●	◔	◔	●	◕	◕	○
Local acquirers	◔	●	○	○	●	*Limited to single market*		

Note: based on DLO's internal assessment

dLocal positioned to lead in pursuing the $1.4TN[1] market opportunity

Unique, difficult to replicate product

Exceptional relationships with global customers, who expand with us

Outstanding execution in new countries: global outlook and local expertise

All this is driving exponential growth in the value of our platform

Building the best Payments Platform for Global Merchants in Emerging Markets

Global Merchants

d·local

FX
Regulation & Compliance
Multiple geographies
Multiple payment methods
Multiple products

Consumers in Emerging Markets

AFRICA

ASIA

LATAM

46

Building the best payments platform for global merchants in Emerging Markets

Global Merchants

d·local

Regulation & Compliance

FX

Multiple geographies

Multiple payment methods

Multiple products

PSP Acquirer Issuers

AFRICA

ASIA

LATAM

Consumers in Emerging Markets

Complexity takes different shapes and regulatory adaptability is key

Highly diverse and complex regulatory environment

Ever changing and evolving legal framework

Local idiosyncrasies require country by country approach

One contract: compliance across 40 countries

Commercial layer

Integration layer

Product layer

Localization layer
Compliance, Tax Management, FX, KYC, Treasury, and more

Local partner layer[1]
Local Acquirers, Alternative Payment Methods, KYC, and more

One contract

dLocal API	No-code tools	Plugins

dLocal Core Services

🇧🇷 Brazil	🇲🇽 Mexico	🇳🇬 Nigeria	🇮🇳 India	**40 countries**

stone   cielo   BANORTE   Openpay   OXXO   pix   Interswitch   Zenith Bank ZENITH   IndusInd Bank   UPI UNIFIED PAYMENTS INTERFACE
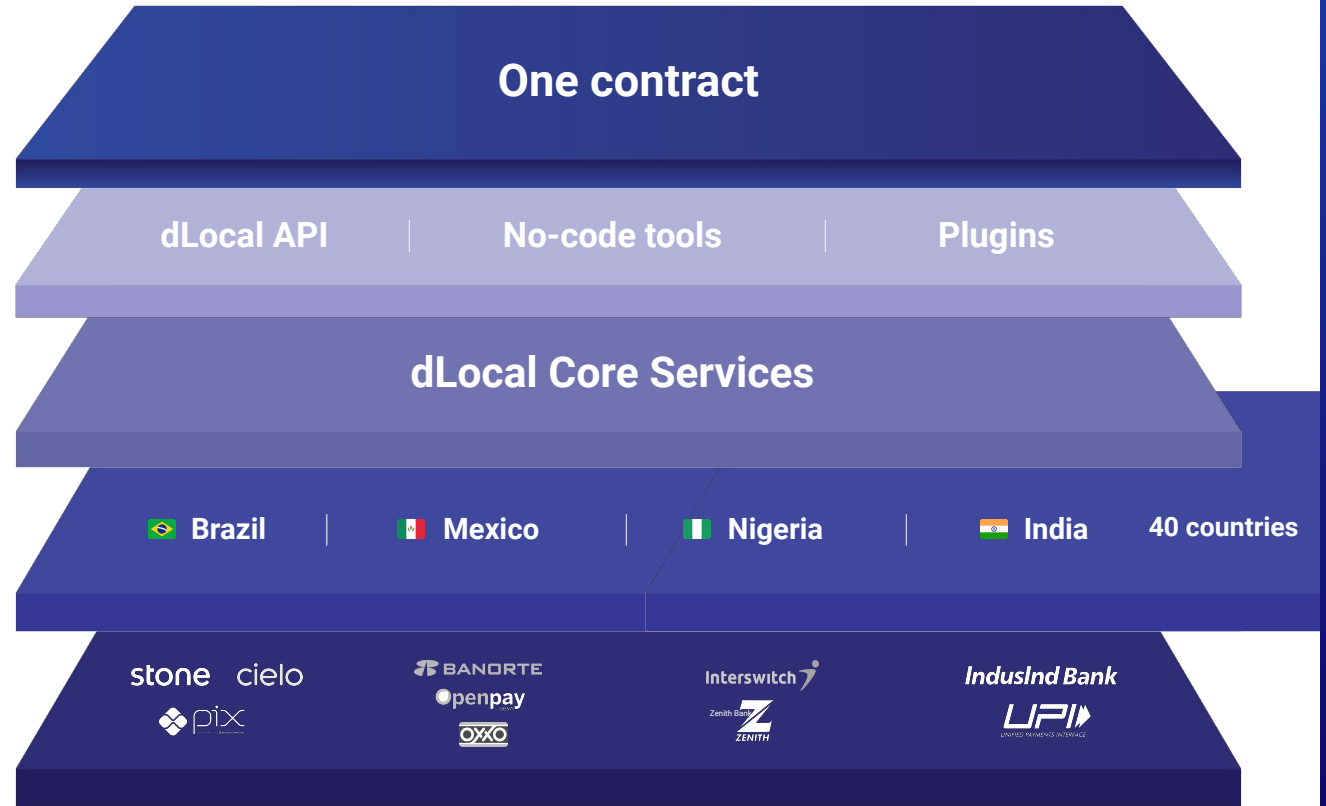
Note: [1]Illustrative and selected local partners.

Our value proposition is to provide an all-in-one EM compliance solution for global merchants

One contract

International settlement & FX Management

Local settlement

FULL LOCAL COMPLIANCE

Licenses

Fraud and Financial Crime Prevention

Tax Management

FX

Regulatory Updates

Note: dLocal does not provide consultancy services to its merchants on the matters above

We deploy regulatory infrastructure to unlock EMs for our merchants
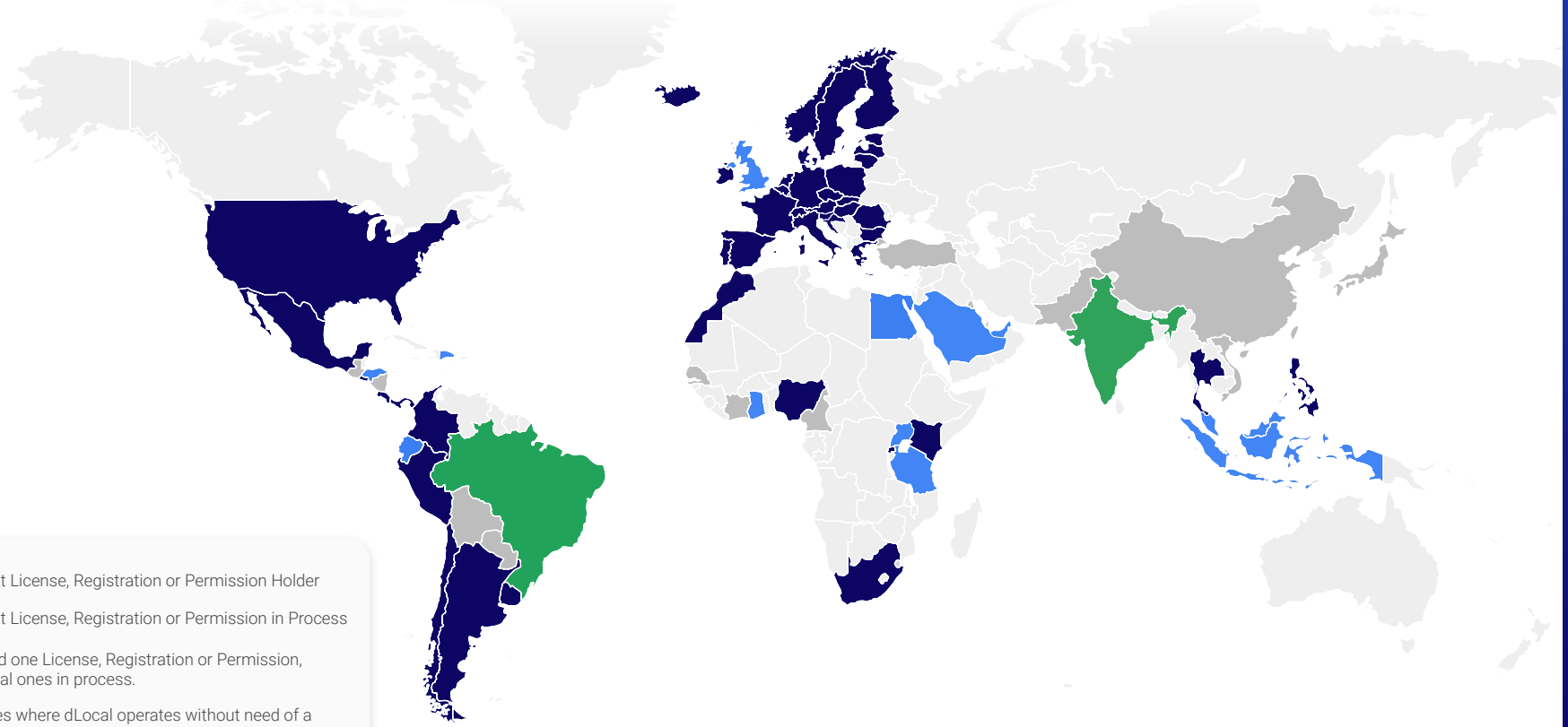
- **Payment License, Registration or Permission Holder**
- **Payment License, Registration or Permission in Process**
- **Obtained one License, Registration or Permission, additional ones in process.**
- **Countries where dLocal operates without need of a license**

Note: dLocal relies on the support of local lawyers to define the specific licenses, registrations and/or permissions needed per country. We are licensed in Malta, enabling access to the European Union.

We have become experts in efficiently building EM compliance infrastructure

Months to obtain license after application/market entry:

	Nigeria 2021	**Mexico** 2021	**Rwanda** 2022	**Kenya** 2022	**Peru** 2023
Months	14.5	10.0	6.5	6.5	1.0

Year of application
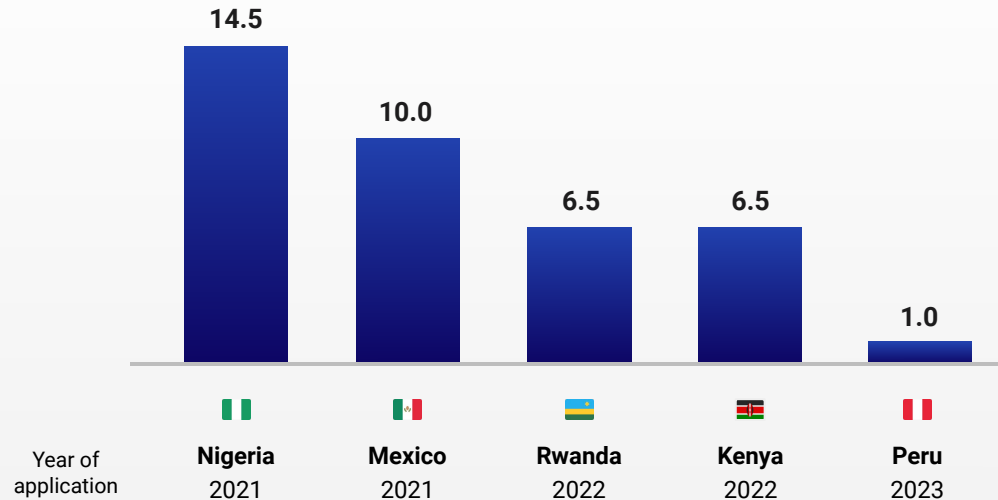
With each new license and registration we apply for, we acquire experience and know-how, becoming more efficient and optimizing synergies

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dLocal is quick to adapt to local regulatory changes and update merchants

Merchants can rely on dLocal to navigate the fluctuating reality of emerging markets

We provide a stable, adaptable solution throughout

dLocal has become a proactive participant in payment regulation evolution in emerging markets

We have a deep understanding of tax and FX regulation in the markets we operate

Multiple tax and FX regulations, multiple exchange rates, highly influenced by macroeconomic conditions

As tax authorities understand the importance of ecommerce, the legal framework can evolve quickly

dLocal works to solve these and other complexities, such as reporting obligations to local authorities, access to US dollars, or withholding and then paying taxes in local-to-local transactions

< Shopping Continue

Shopping cart
You have 3 item in your cart

Eyeshadow Palette — ¥681

Eyelashes Kit — £10

3 colors highlighter — ₱100

Card Details

Payment Method Details

Selected Currency — THB - B

Subtotal — B1,668
Taxes — B4
Total (Shipping incl.) — B1,672

B1,672 — Checkout →

Our solution provides cross border tech-intensive fraud and financial crime prevention

Transaction Monitoring System powered by Artificial Intelligence

Identity Verification Systems

Cooperation with local authorities

Cross data among countries and regions

Why global merchants choose dLocal

We provide many local and cross border compliance solutions in one contract

We reduce regulatory uncertainty in the markets in which we operate

We adapt fast to local changes and maintain a resilient solution throughout evolving realities

We use technology and local expertise to not only react, but proactively accelerate changes in Emerging Markets

We are ready to tackle new markets and realities

We understand and share the mission with local regulators of empowering Emerging Markets and promoting financial inclusion

d·

Building the best payments infrastructure for global merchants in Emerging Markets

Global Merchants

d·local

FX
Regulation & Compliance
Multiple geographies
Multiple payment methods
Multiple products

AFRICA

ASIA

LATAM

Consumers in Emerging Markets
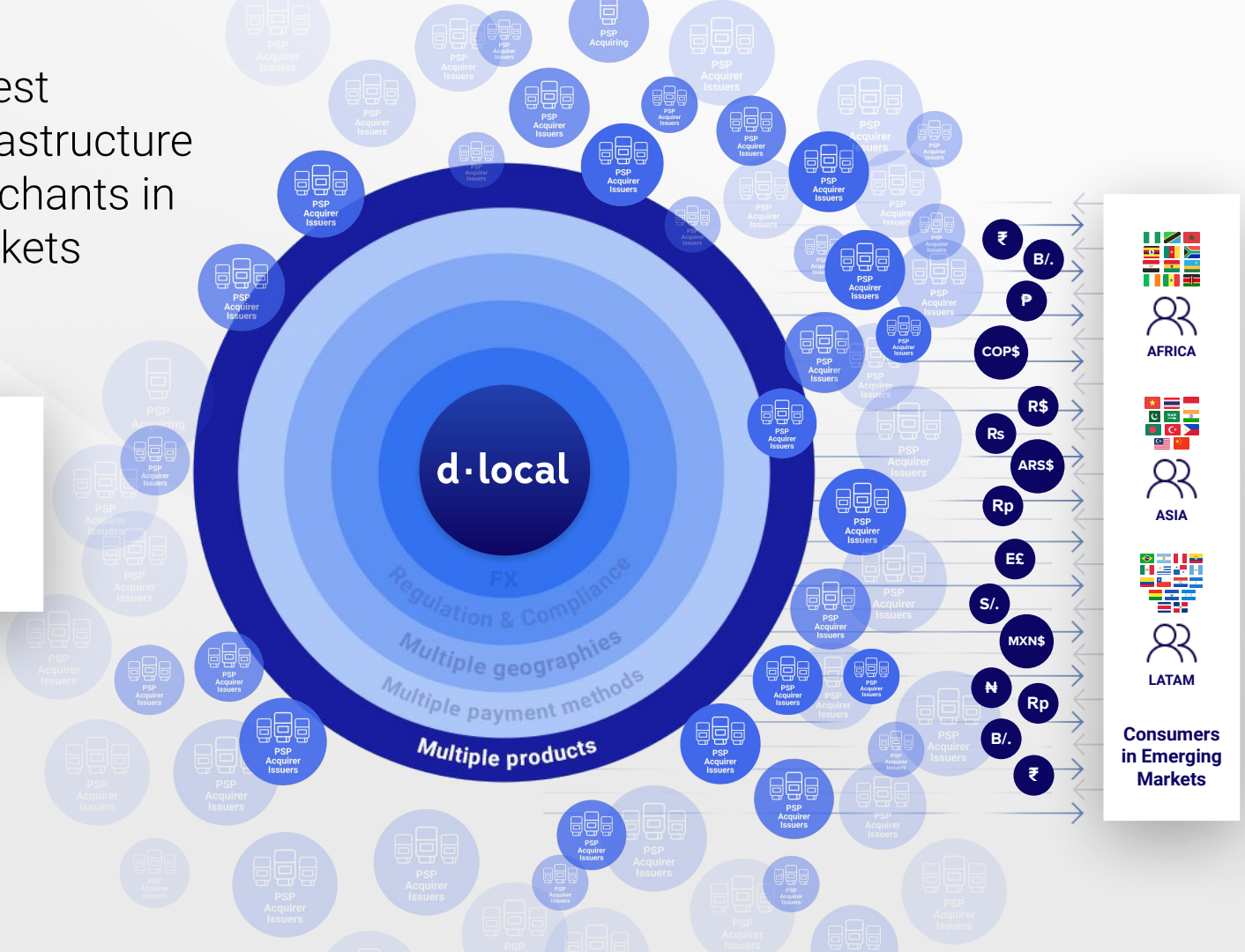
dLocal is the payment service provider of choice powering a range of business models in emerging markets

Meta
🇧🇷 **Brazil** - Pix

amazon
🇨🇱 **Chile** - Local Cards with Installments

Spotify®
🇰🇪 **Kenya** - M-Pesa

deel.
🇵🇭 **Philippines -** Payouts to e-wallets

Social Network   E-commerce Marketplace   Music Streaming   Payroll

Centralizing payment operations from 40+ complex markets in **one place**
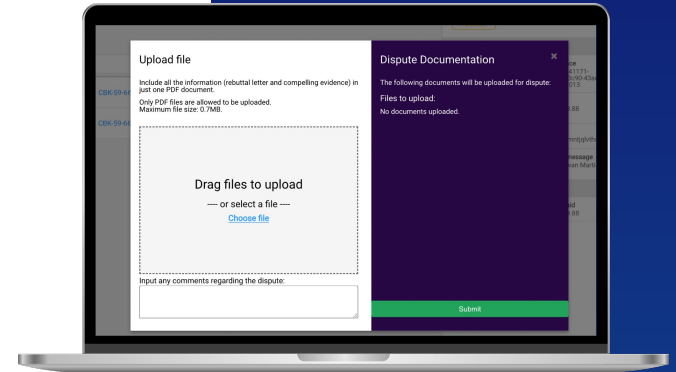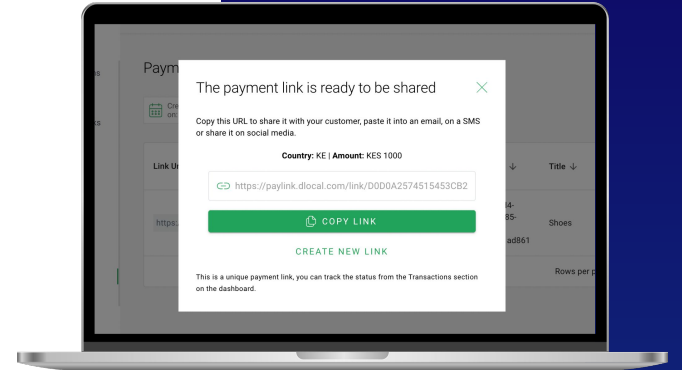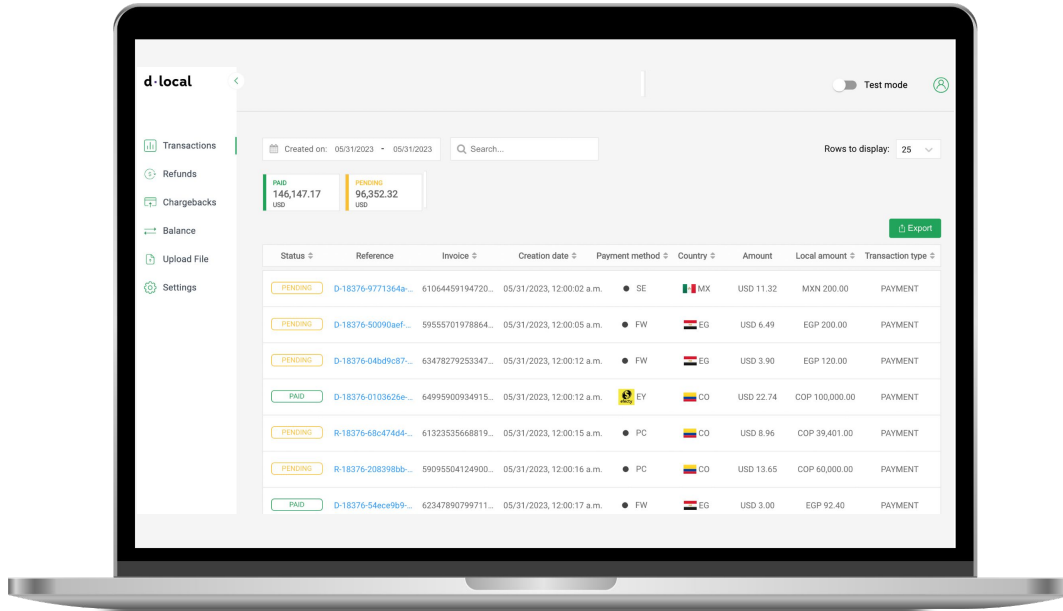
We have a clear, customer and profit-driven approach to building products

B2B Native

Cater to enterprise needs & ensure product-market fit

Prioritize new developments by business impact

Gross Profit as our north star

Develop scalable solutions with our one-API principle

Agile to the core

Why choose dLocal over the competition?

	Dlocal	Local PSPs	Regional PSPs	Global PSPs
Example		**Stone in BR, Prisma in AR**	**Mercadopago in LATAM, Xendit in SEA**	**Adyen, Stripe**
Cross-border Payments	**Yes, always**	🔴 No	🟠 Rarely	🔴 Not always
Localized payment methods in EM	**Yes**	🟠 Yes, but extremely fragmented	🟢 Yes	🟠 Very limited
State-of-the-art API and global integration support	**Yes**	🔴 No	🔴 No	🟠 Very limited support in EM
Custom solutions	**Yes**	🔴 No	🟠 Rarely	🔴 No

Note: based on dLocal's view on solutions/competitors

dLocal Stack is reflected both on our teams and technology

Commercial layer

One contract

Integration layer

dLocal API | Reverse APIs & Custom Checkouts | No-code tools & Plugins

Product layer
Payins, Payouts, Dlocal for Platforms, Invoice Collection, Local Issuing, Fraud Prevention, Smart Routing, and more

dLocal Core Services

Localization layer
Compliance, Tax Management, FX, KYC, Treasury, and more

🇧🇷 **Brazil** | 🇲🇽 **Mexico** | 🇳🇬 **Nigeria** | 🇮🇳 **India** | **40 countries**

Local Partner layer[1]
Local Acquirers, Alternative Payment Methods, KYC/Fraud partners and more

stone   cielo | BANORTE   Openpay   OXXO | Interswitch   Zenith Bank ZENITH | IndusInd Bank   UPI UNIFIED PAYMENTS INTERFACE | **900+ payment methods**

pix

Note: [1]Illustrative and selected local partners.

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Maximize reach with local acquiring + local payment methods

Before Dlocal

Merchant

International
Card Acquirer

Customers with
access to
international
credit card

With Dlocal

Merchant

d·local

| Local Acquirer 1 | Local Acquirer 2 | Local Payment Method 1 | Local Payment Method 2 | Local Payment Method 3 |

Maximize conversion rates with Smart Routing & Chaining

Merchant

d·local

BANORTE ❌ → Openpay by BBVA ✅

Openpay by BBVA

affipay

EVO

Smart Router dynamically chooses the best-performing acquirer

If there's a soft-decline, **Smart Chaining** re-routes to the second-best alternative
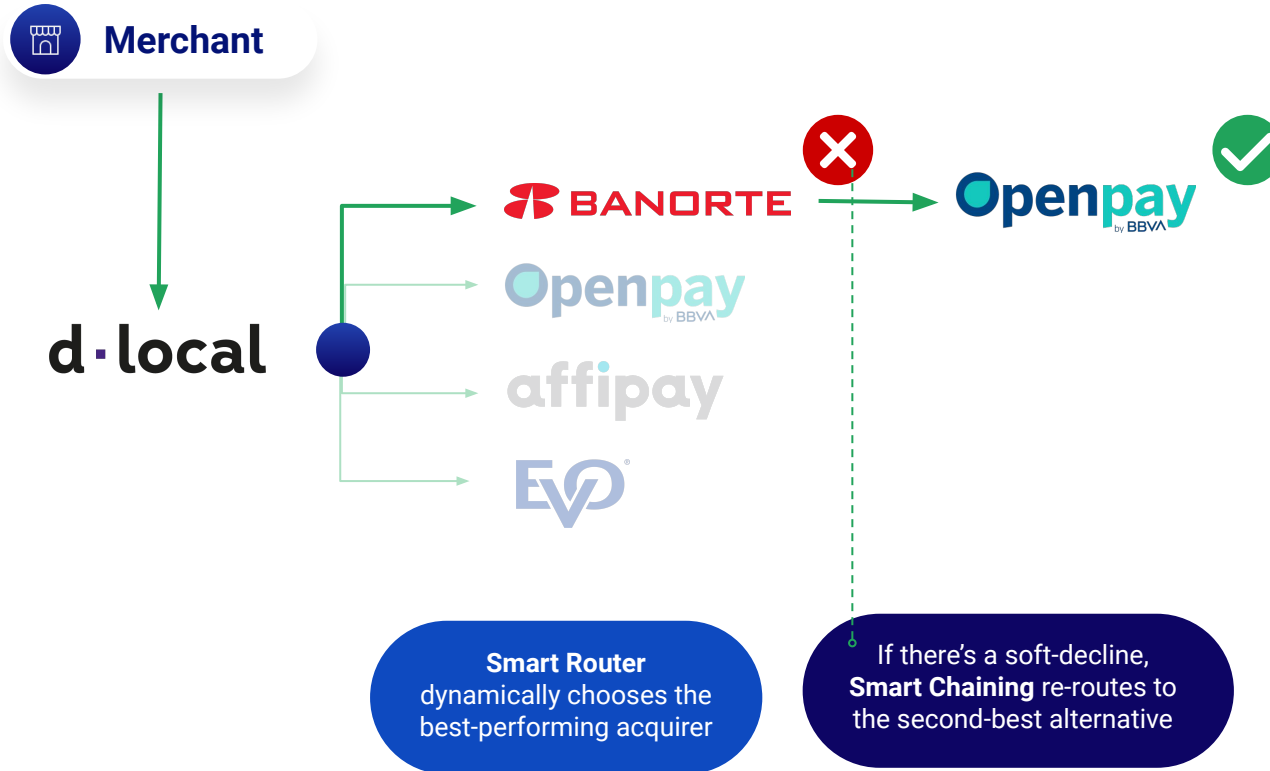
Note: Illustrative example

DiDi Food

Didi Food in MX

▲ **2.6pp** increase with **Smart Router**

▲ **7pp** increase by also enabling **Smart Chaining**

Solving friction in emerging markets since 2016

	2016	2018	2020	2022	Today
Payins	Save cards	White-label local payment methods	Multi-currency Tax Management	Refunds for APMs	New Smart Router Payment Links
Payouts		Payouts to digital accounts	Payouts via SFTP	Beneficiary account validation	
Local Issuing				Local Issuing API	Card Tracking
dLocal for Platforms					
Invoice Collection					
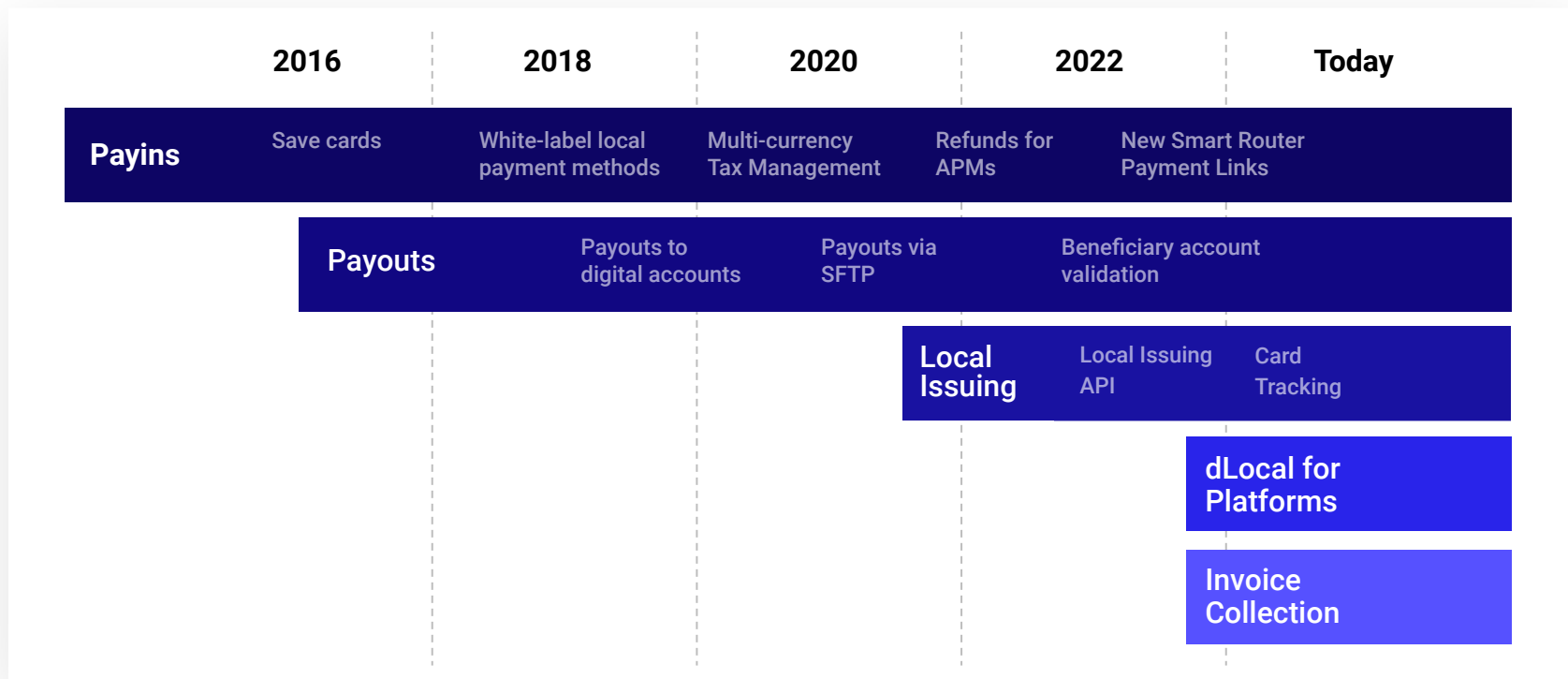
Dlocal for Platforms

End-to-end suite of products for marketplaces and other platforms

One solution for 40+ complex emerging markets

Trusted by

dLocal for Platforms is designed for flexibility

Marketplace
Split payments and Cross-border settlement

Ride-sharing
Direct-to-seller + wallet-as-a-service + card issuing
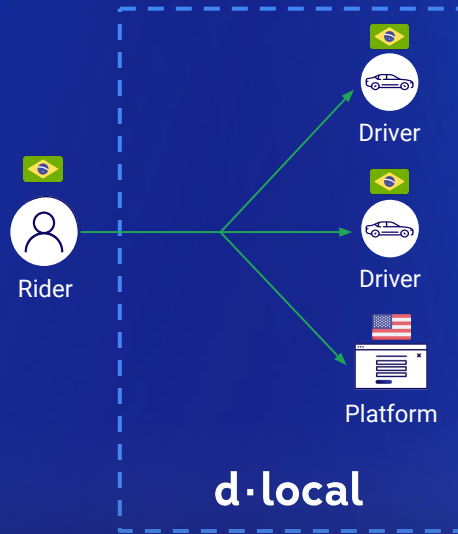
Social Media
Centralized Balance and Local + Cross-Border Payout

Buyer → Platform → Seller / Seller / Seller

d·local

Rider → Driver / Driver / Platform

d·local

User → Platform → Seller / Content Creator / Content Creator

d·local

dLocal for Platforms suite of products

1

Onboarding & KYC

Seamlessly onboard and verify users at scale, having full control of the UX or using dLocal's hosted flow.

2

Accept Payments

Allow users to pay in local currency, using the most relevant payment methods in emerging markets

3

Move funds

Split payments or transfer funds between any number of users or platform accounts

4

Settlement

Manage and automate settlements either locally or crossborder

5

Platform Management

Manage a global platform from one place. Consolidated reporting, refund and chargeback management and more

The challenge?

Make Platforms possible in 40 emerging markets

Invoice Collection

The power of Dlocal now made available to collect payments from large paying customers

One solution for 40 complex emerging markets

Trusted by

aws   salesforce   ∞ Meta   Google

Flexible tools for multiple use cases

No coding required

Local tax management

Pay using local rails

One solution for 40 complex emerging markets

Merchant-initiated payments
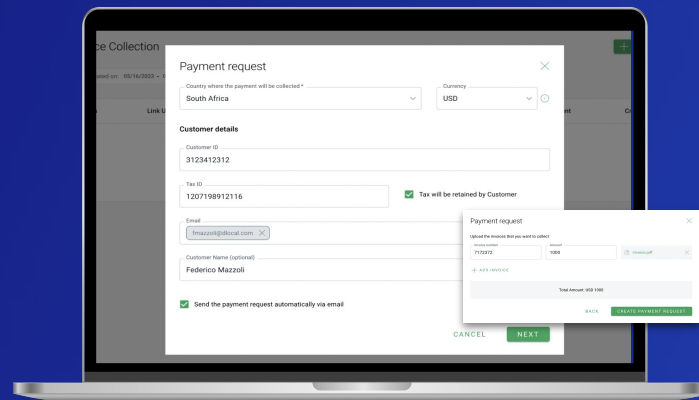
Customer-initiated payments
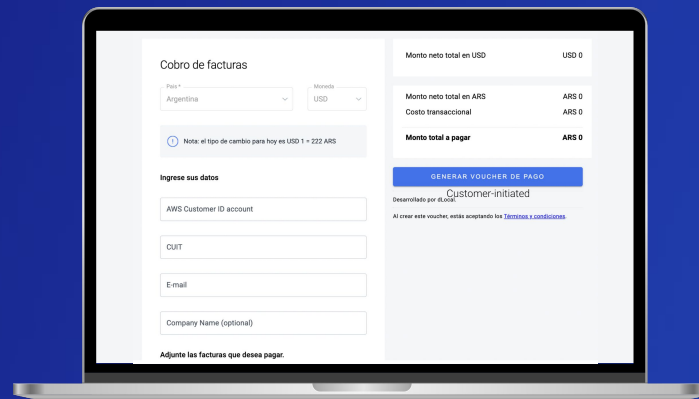
With Dlocal for Platforms and Invoice Collection we continue to expand our target market

Customer	dLocal	Merchant

Small Customers

Payins → Payments Teams

dLocal for Platforms → Small & Medium business

Enterprise Customers → **Invoice Collection** → **Accounts Receivables teams**

Global Enterprises
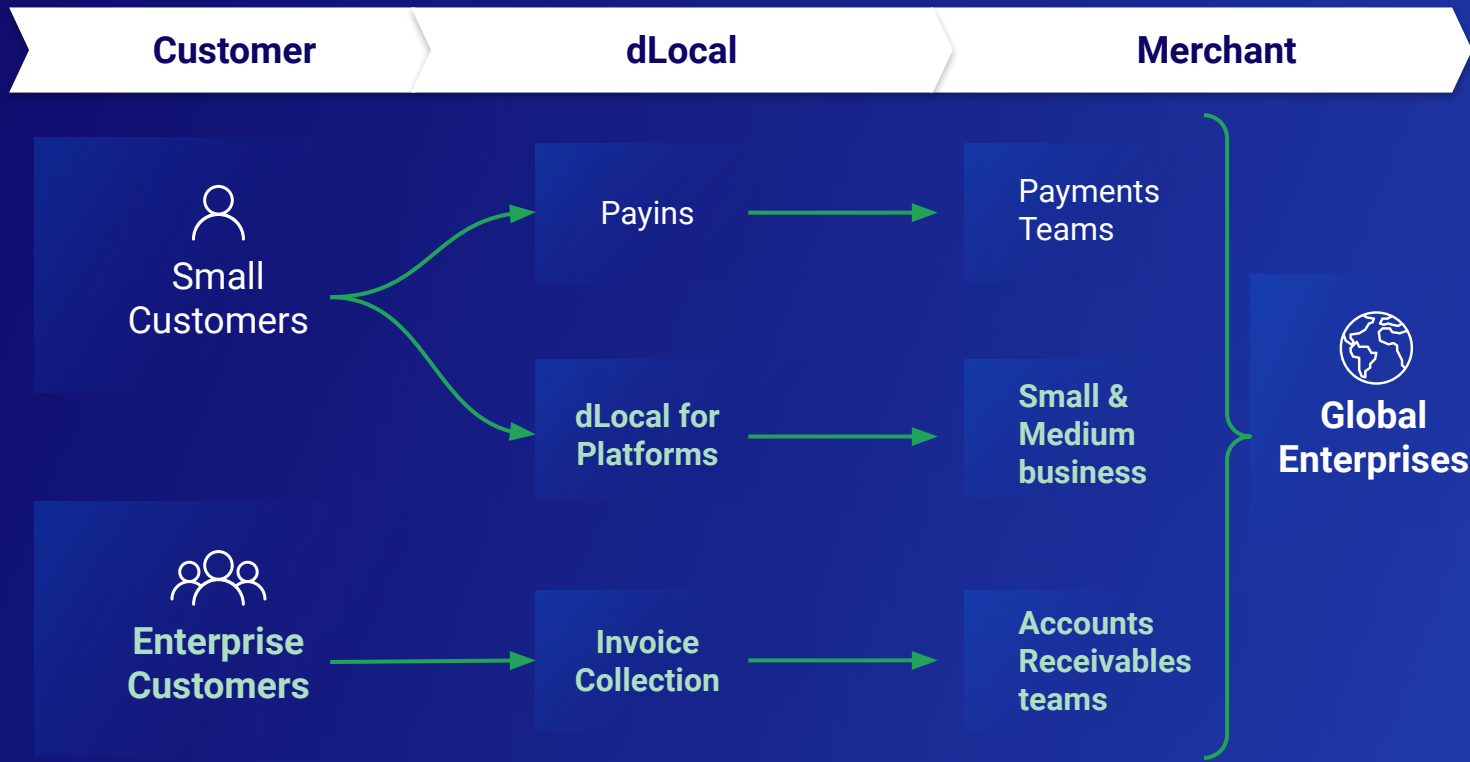
Growing together with our merchants

John O'Brien
CRO

Building the best payments platform for global merchants in Emerging Markets
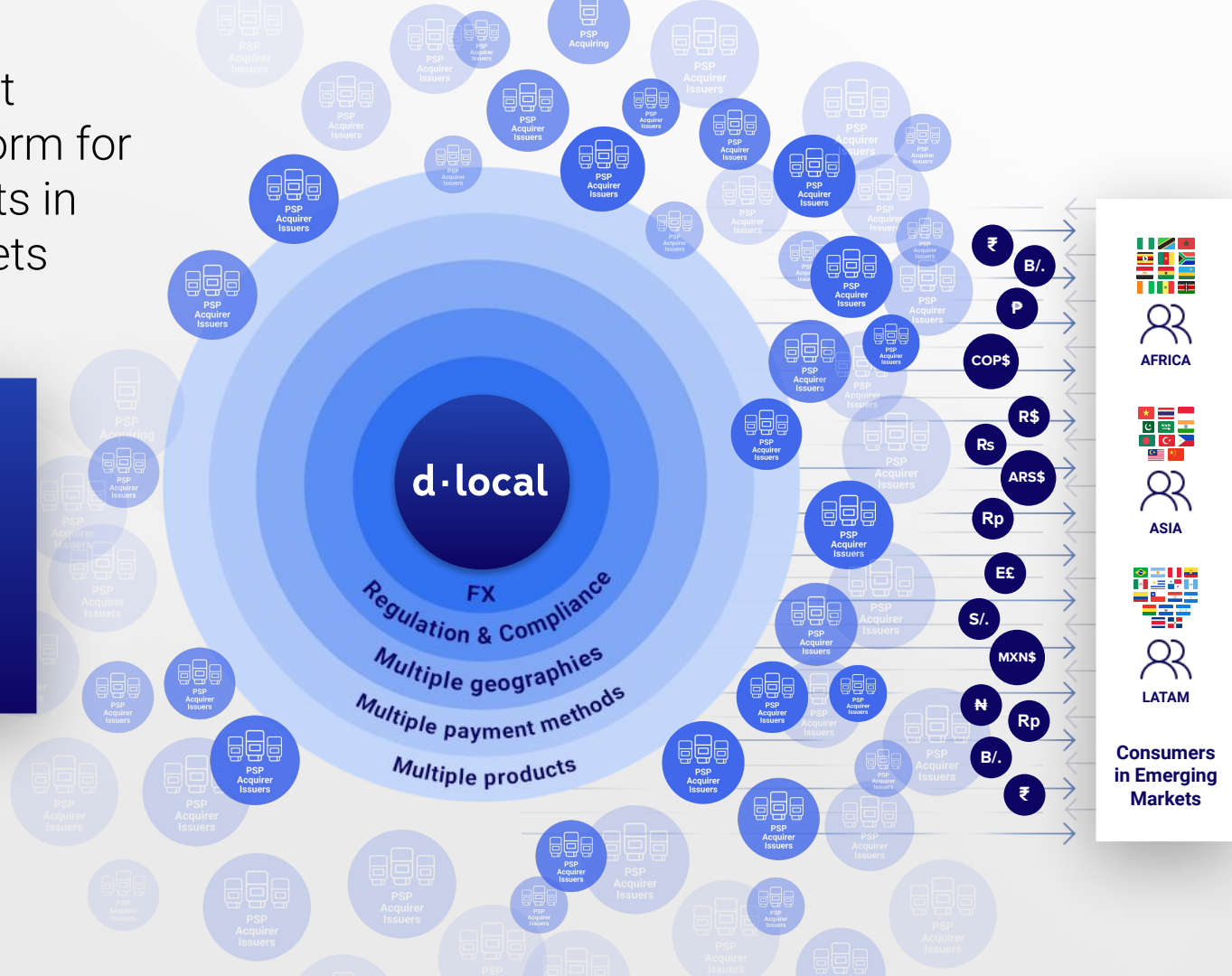
Global Merchants

d·local

FX
Regulation & Compliance
Multiple geographies
Multiple payment methods
Multiple products

AFRICA

ASIA

LATAM

Consumers in Emerging Markets

The biggest names trust us
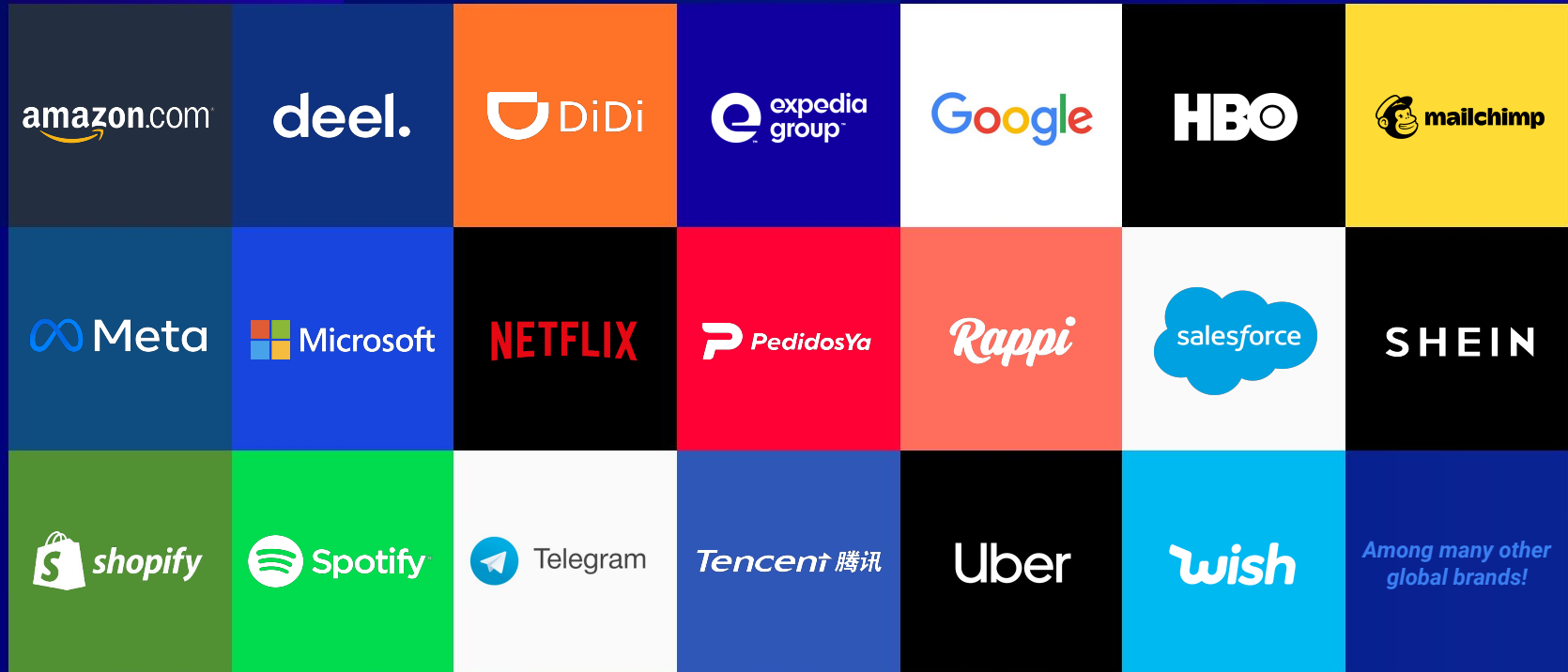
Selected Merchants

amazon.com

deel.

DiDi

expedia group

Google

HBO

mailchimp

Meta

Microsoft

NETFLIX

PedidosYa

Rappi

salesforce

SHEIN

shopify

Spotify

Telegram

Tencent 腾讯

Uber

wish

Among many other global brands!

Note: Selection of merchants and merchant logos that we have previously disclosed as existing clients

We are customer obsessed, which reflects on our commercial strategy and structure

Dedicated client teams

Constructive feedback loops with clients

Regional team structure

"Follow the Sun" customer support

One dLocal

Single API/contract: 900+ payment methods in 40+ EMs

Proven ability to develop tailor-made solutions

Distinctive service through "True Localisation"

Effective lead generation

Targeted event presence and content generate Inbound Leads

Insights from existing clients generate Outbound Leads

Land & expand

"Land" new clients using insights learned from industry pain points (e.g. no marketplace solution for EMs), or players with similar needs actively targeting "emerging verticals" (e.g. AI)

"Expand" via cross-selling and strategic support engagement

Our Go-to-Market strategy has three stages: each one with a clear and proven approach

4 **Constructive feedback loop**

1 Lead generation

2 New client onboarding and integration

3 Long-standing partnerships – *Land and Expand*

Inbound and outbound lead generation, each with its own team

Feedback from new and existing clients results in continuous improvement

Main verticals include: Retail, Ridesharing, Streaming, Gaming, Social Media & Advertising, Payroll, Travel, SaaS and others

Localized Sales teams assigned for every deal

Technical support and others areas engaged in every part of the process as needed

Designated Account Managers "own" the client

Follow the Sun Customer Success teams

Best in class client experience delivered through regionalized support model and local expertise

We target potential new clients through inbound and outbound lead generation

Inbound lead generation

Events: participation and sponsorship in targeted industry events

Marketing campaigns: tailor-made content to generate awareness and potential leads

In-house content generation: Localized content to engage with potential leads over newsletters, social media, articles and others

Outbound lead generation

Vertical Attractiveness targeted outreach, based on prior success in vertical,

Active feedback loop we get from current clients to define the approach.

Account Based Outreach for key leads. Companies that would benefit from dLocal's services are carefully analyzed and targeted with tailor-made strategies

Constant research for new leads based on data such as clients website tracking, payment methods offered, markets covered, and more.

New client onboarding and integration

Once a lead qualifies as a selling opportunity, we engage the Sales team to close the deal and onboard the new merchant

Detailed next

	Initial communication	Proposal and commercial negotiation	Due diligence and agreement	Integration	GO LIVE
Actions	Sales team assigned	Needs & pricing agreed	KYC & Contract	API Integration	Live tests Client starts processing
Teams	Sales Development Sales	Sales Operations In specific cases, future Account Manager and Product teams	Sales Legal Compliance In specific cases: Account Management	Sales Sales Engineers In specific cases: Account Management	Sales Sales Engineers

2 New client onboarding and integration

Proposal and commercial negotiation:

We have a clear commercial strategy that we ask our teams to deploy

Identify clear client pain-points and develop solutions

Define pricing schedules based on value dLocal brings to the deal

Prioritize absolute gross profit dollars

Establish transparent pricing and other commercial conditions in agreements and contracts

Healthy commercial pipeline, with major deals coming up in both new sales and existing clients

		Initial communication	Proposal and commercial negotiation	Due diligence and agreement	Integration
New Sales *# of deals*	Global Multi Vertical	0	0	1	2
	Regional & vertical champions	≈80	≈60	≈40	≈80
	Growth companies	≈110	≈160	≈30	≈80
	Subtotal new sales	*≈190*	*≈220*	*≈70*	*≈160*
Existing Clients *# of deals*	Global Multi Vertical	≈10	≈20	≈15	≈5
	Regional & vertical champions	≈50	≈30	≈25	≈35
	Growth companies	≈40	≈20	≈10	≈100
	Subtotal existing clients	*≈100*	*≈70*	*≈50*	*≈140*
	TOTAL	**≈290**	**≈290**	**≈120**	**≈300**

Initial Purchase

Land and expand: new client onboarding

Selected merchants examples

Merchant	Initial Purchase
Largest social network	2016 Q1
Multinational online payments company	2016 Q1
Top domain registers and web hosting company	2016 Q1
E-commerce platform for Latam consumers	2016 Q1
Leading global payment network	2016 Q1
Cross border payroll	2016 Q2
Most popular ride hailing app	2016 Q2
Global e-commerce and logistics platform	2016 Q3
Leading global payment network	2017 Q3
World's largest OTA	2017 Q3
Cross border bank payments	2018 Q1
Third most popular ride hailing app worldwide	2018 Q2
#1 streaming service worldwide	2018 Q3
#2 streaming service worldwide & marketplace	2018 Q4
Ride hailing app	2018 Q4
#1 internet search engine	2019 Q2
Leading payroll and compliance provider	2019 Q3
OTA	2019 Q3
Leading delivery app in Latam	2019 Q4
Cross border transfers app	2019 Q4
Online fast fashion	2020 Q1
#6 streaming service worldwide	2020 Q2
Chinese video sharing app	2020 Q4
Leading video sharing social media app	2020 Q4

Note: dLocal analysis. Selected merchants.

Initial Purchase
New Country

Land and expand: upselling of new markets and products

Selected merchants examples	2016				2017				2018				2019				2020				2021				2022				2023
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Largest social network																													
Multinational online payments company																													
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Online fast fashion																													
#6 streaming service worldwide																													
Chinese video sharing app																													
Leading video sharing social media app																													

Note: dLocal analysis. Selected merchants.

③ Long-standing partnerships – *Land and Expand*

Initial Purchase
New Country
Country > 1 M USD/Month

Land and expand: increasing our share-of-wallet

Selected merchants examples

	2016				2017				2018				2019				2020				2021				2022				2023
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Largest social network																													
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Chinese video sharing app																													
Leading video sharing social media app																													

Note: dLocal analysis. Selected merchants.

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Long-standing partnerships – *Land and Expand* (3)

Land and expand: long-lasting and profitable relationships

Legend:
- Initial Purchase
- New Country
- Country > 1 M USD/Month
- 2nd product in existing country
- 2nd product in existing country > 1 M USD/Month
- Invoicing Expansion in a New Country
- Invoicing Expansion in a New Country > 1 M USD/Month

Selected merchants examples

Merchants listed:
- Largest social network
- Multinational online payments company
- Top domain registers and web hosting company
- E-commerce platform for Latam consumers
- Leading global payment network
- Cross border payroll
- Most popular ride hailing app
- Global e-commerce and logistics platform
- Leading global payment network
- World's largest OTA
- Cross border bank payments
- Third most popular ride hailing app worldwide
- #1 streaming service worldwide
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- Ride hailing app
- #1 internet search engine
- Leading payroll and compliance provider
- OTA
- Leading delivery app in Latam
- Cross border transfers app
- Online fast fashion
- #6 streaming service worldwide
- Chinese video sharing app
- Leading video sharing social media app

Years: 2016–2023 (Q1–Q4)

Note: dLocal analysis. Selected merchants.

88

dLocal's continuous learning feedback loop provides exponential growth possibilities

We onboard and successfully partner with the world's leading and most demanding companies…

Global Multi Vertical

… we learn about their pain points and develop solutions that meet their high standards – we then leverage them to work with Regional and Vertical champions

Regional champions

Vertical Leaders

Solutions developed for Champions and Growth Companies can be leveraged to upsell bigger merchants

Growth companies

Solutions developed for world-class clients can be used for Growth Companies, that help drive volumes and profitability

d.

We have designed our commercial structure to be as close as possible to our clients

CRO
John O'Brien

EMEA

APAC

CHINA

AMERICAS

Dedicated teams to each geo

Localized client facing teams

New Sales • **Sales Engineers** • **Account Management** • **Customer Success**

Support Areas

Revenue Operations

Marketing & SDR

Case Example 1:

Leading Global Satellite Internet Provider

The problem

The company needed a fast and easy expansion in LATAM, APAC & EMEA, but their requirements weren't met by dLocal's competitors:

- Local presence - they have entities all over the world but with minimal staffing

- Clear goal to **"Become a Utility"** in each market

Prior to Dlocal, they were considering integration to 11+ local partners across Africa, APAC and LatAm to meet their launch dates

dLocal's expertise

Local entities in each of these countries

Recurring capabilities in remote places

dLocal became their ideal solution
They integrated 11 countries at once launching in all in less than a month

Outcome

dLocal became their go-to partner for expansion

Client needed only 1 connection instead of 50+

Client now planning on 20+ markets through Dlocal

Case Example 2:

Spotify

The problem

March 2022: Spotify sales in largest African market affected overnight – Nigerian banks imposed limits on US dollar access

Spotify collected payments through international acquirers in USD ONLY – its conversion rate dropped below 20%

dLocal's solution

Our **local Nigerian team** established **partnerships with local banks** to enable local acquiring in Nigerian Naira for Spotify, **in record time**

Outcome

Spotify:
1. **Improved conversion to 60%+**
2. **Increased local sales by offering more payment methods and increasing conversion rates**

We win the most significant deals because of our unique value proposition

One dLocal

Single API/contract: 900+ payment methods in 40 EMs

Proven ability to deliver tailor made solutions

Distinctive service and expertise through "True Localisation"

Local expertise and increased conversion rates

Improved conversion rates through strategic partnerships with local providers

Local knowledge and "developed markets" standard of service

Dedicated client teams

Regional team structure

Rapid, localised, follow the sun customer support

d·local

Our powerful financial model

Diego Cabrera Canay
CFO

We built a unique "Growth + Profit + Cash" financial model

1

High Gross Profit **Growth**

'20-'22 CAGR **83%**

1Q23 (YoY) **42%**

- Retention and cross-selling to existing merchants
- New merchant pipeline
- Efficiency: scale, smart routing, netting

2

High **Profitability**
Adjusted EBITDA / Gross Profit

'21-'22[1] **76%**

1Q23 **74%**

- Financial discipline
- Low acquisition costs
- Emerging market costs
- Lean organization

3

Strong **Cash** Flow Generation
FCF / Net Income Conversion[2]

'21-'22 **100%**

1Q23 **119%**

- Negative working capital
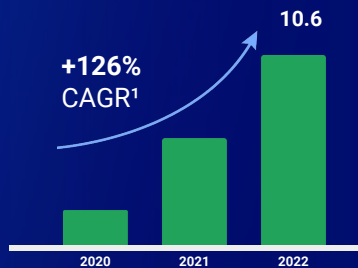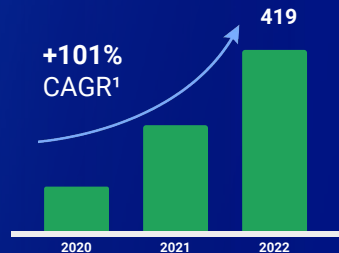- Low Capex requirement
- Efficient tax structure

Rule of 40[3]

21-22 **159%**

1Q23 **116%**
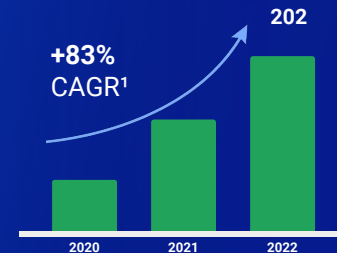
High gross profit growth

TPV ($B)

ANNUAL

+126% CAGR[1]

10.6

2020 2021 2022

QUARTERLY

+70% YoY
+8% QoQ

2.1   3.3   3.6

1Q22   4Q22   1Q23

Revenue ($M)

+101% CAGR[1]

419

2020 2021 2022

+57% YoY
+16% QoQ

87   118   137

1Q22   4Q22   1Q23

Gross Profit ($M)

+83% CAGR[1]

202

2020 2021 2022

+42% YoY
+12% QoQ

44   55   62

1Q22   4Q22   1Q23

High profitability

Adjusted EBITDA ($M)

ANNUAL

153

+91%
CAGR[1]

2020   2021   2022

QUARTERLY

33   40   45

+38% YoY
+13% QoQ

1Q22   4Q22   1Q23

Adjusted EBITDA / Gross Profit (%)

70%   76%   76%

2020   2021   2022

75%   73%   74%

1Q22   4Q22   1Q23
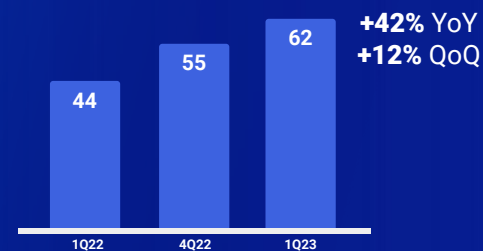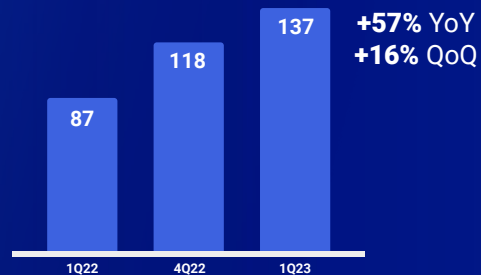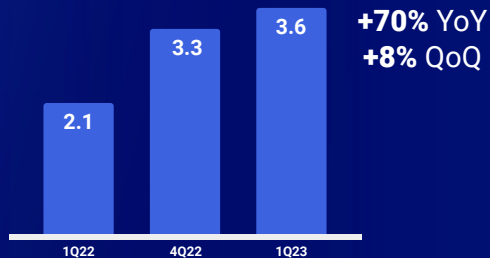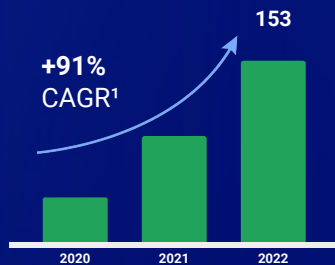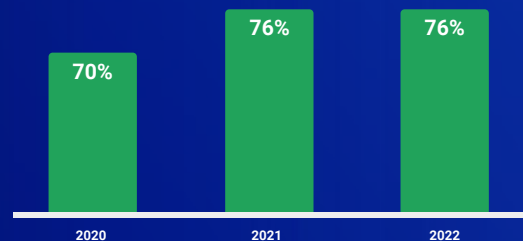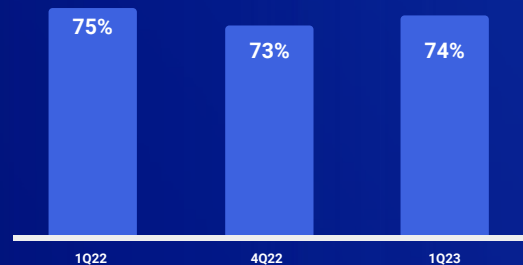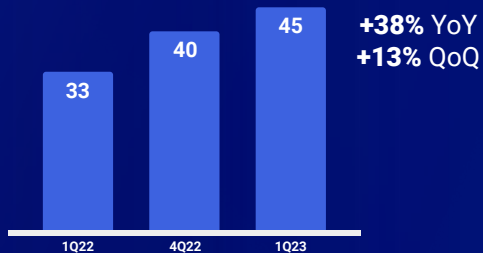
Driven by disciplined and austere spending culture and lean organization

Incremental expenditure focused on technology, sales and expansion

Initial scale of the G&A team and capabilities to meet public company standards

Lean organizational structure

Operational Expenditures ($M)

Opex[1] / Gross Profit	44%	34%	33%	CAGR[2] Total= 58%

2020: 27
- 21
- 1
- 2
- 3

2021: 50
- 35
- 6
- 3
- 6

2022: 68
- 2
- 6
- 13
- 46

- 78%
- 116%
- 46%
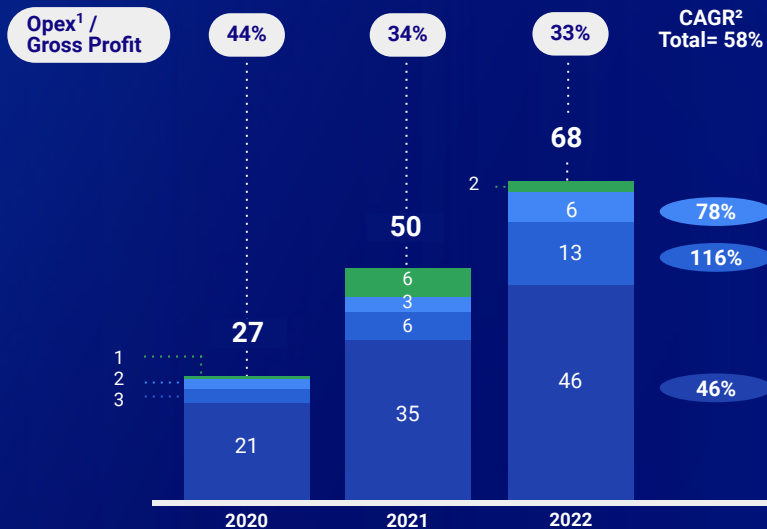
Legend:
- G&A Expenses
- S&M Expenses
- Technology & Development Expenses
- Non-recurring Expenses

Headcount

Gross Profit/ Headcount	194k	244k	278k	CAGR[2] Total= 57%

2020: 310
- 155
- 38
- 117

2021: 535
- 250
- 83
- 202

2022: 726
- 291
- 143
- 292

- 58%
- 94%
- 37%

Legend:
- G&A and Operations
- Sales and Marketing
- Technology

Note: ¹Excluding non-recurring expenses. ²CAGRs were calculated for a two year period from 2020 to 2022.

Strong cash generation

3

Free Cash Flow - own funds[1] ($M)

+76%
CAGR[2]

Changes in Other Assets

- 2020: 36
- 2021: 75
- 2022: 111 (56 [(*)], 55)
- 1Q23: 56 (14 [(*)], 42)

+64%
YoY
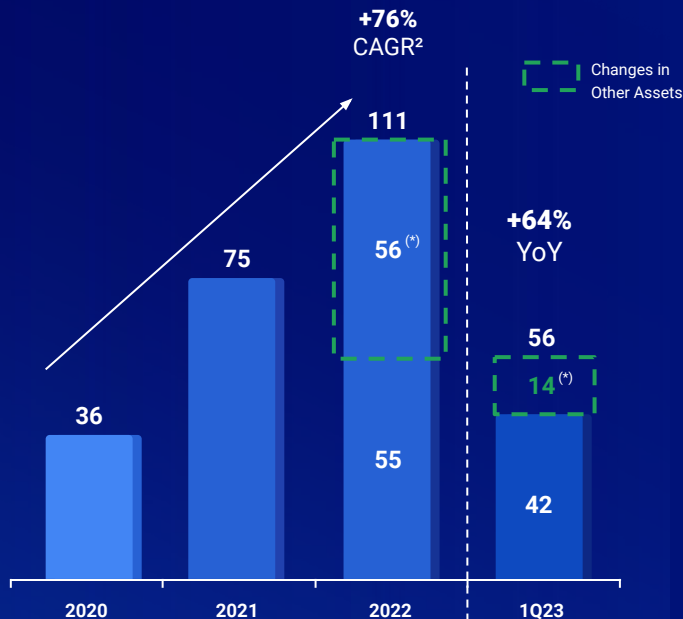
Free Cash Flow - own funds[1] / Net Income (%)

- 2020: 127%
- 2021: 96%
- 2022: 102% (51% [(*)], 51%)
- 1Q23: 158% (39% [(*)], 119%)
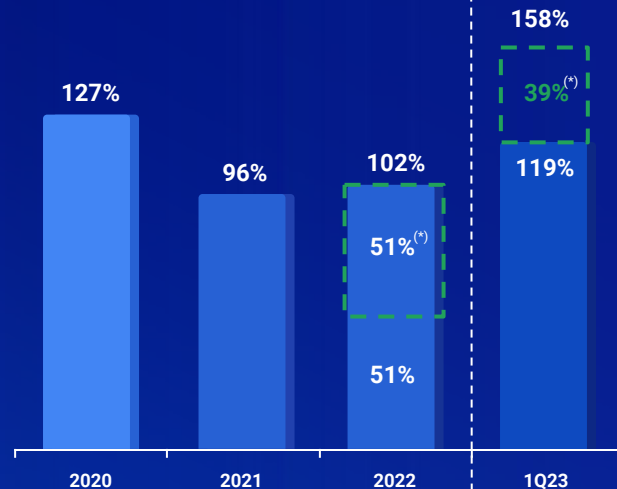
Note: [1]FCF is calculated as profit before income tax less income tax paid, +/- non cash adjustments, +/- change in working capital (own) excluding movements in Other Assets for FY22 & 1Q23, +/- net collection of interest & financial expenses, less additions of property, plant and equipment and intangible assets (excluding PrimeiroPay acquisition in 2021). (*) FCF for FY22 & 1Q23 excludes inflows & outflows due to movements in Other Assets, which relate to cash in escrow in banks for merchants and banks guarantees, because these movements are expected to be non-recurring and temporary. [2]CAGRs were calculated for a two year period from 2020 to 2022. Unaudited quarterly results.

Best-in-class
financial performance

We stand out among our peers in each key financial metric

Net Revenue (Gross Profit) 2020-2022 CAGR

Company	Value
d·local	83%
mercado libre	74%
SHIFT④	63%
BLOCK	48%
nuvei	48%
adyen	39%
PayPal	8%

Peers' average 47%

EBITDA 2020-2022 CAGR

Company	Value
mercado libre	185%
d·local	91%
SHIFT④	82%
nuvei	47%
BLOCK	45%
adyen	35%
PayPal	3%

Peers' average 45%

EBITDA / Net Revenue (Gross Profit) 2021-2022

Company	Value
d·local	76%
SHIFT④	61%
PayPal	61%
adyen	58%
nuvei	54%
BLOCK	19%
mercado libre	18%

Peers' average 44%
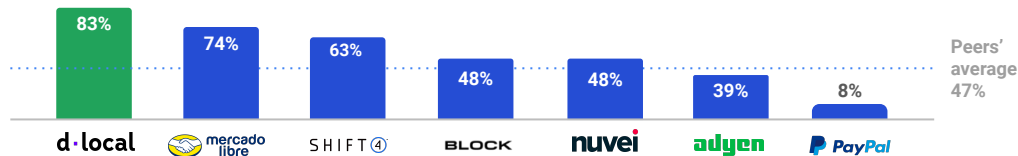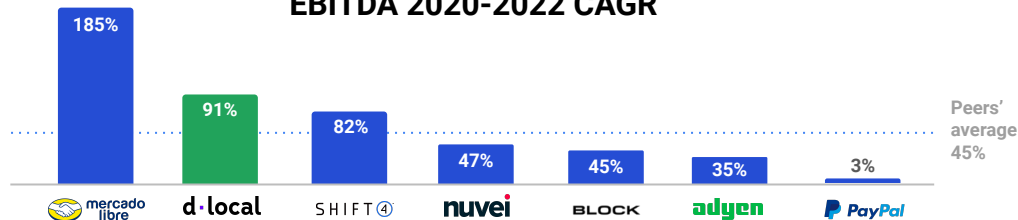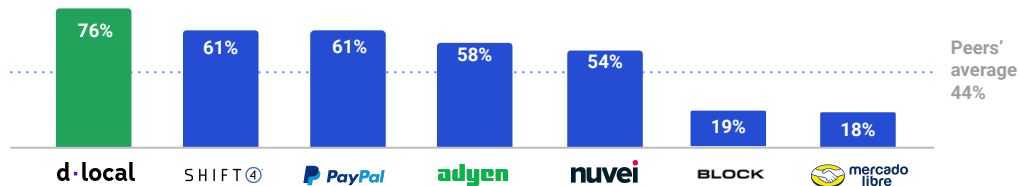
Note: Peers data collected from publicly available financial statements; growth corresponds to 2 year CAGR 2020-2022. EBITDA / Net Revenue (Gross Profit) corresponds to the sum of years 2021 and 2022

Best result for rule of 40 is over 100%

2021-2022 EBITDA / Net Revenue (Gross Profit)

2020-2022 Net Revenue (Gross Profit) CAGR

d·local 159%
PayPal 69%
adyen 98%
SHIFT 4 124%
nuvei 101%
BLOCK 67%
mercado libre 92%

d·local

Product, country and service mix determine changes in net take rate

Net take rate[1] reflects higher share of payouts, local-to-local and country mix

Payouts (with lower net take rate) sequentially gained share

Share of TPV

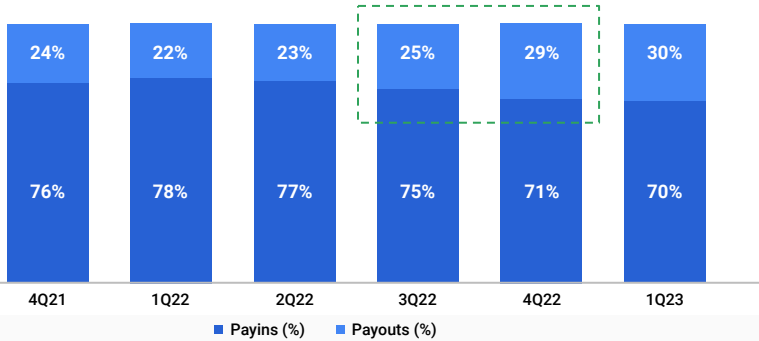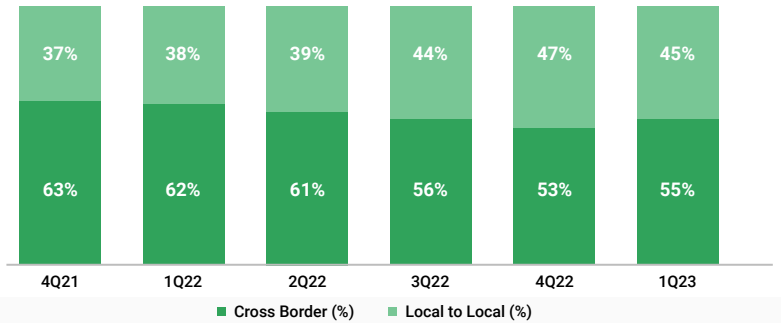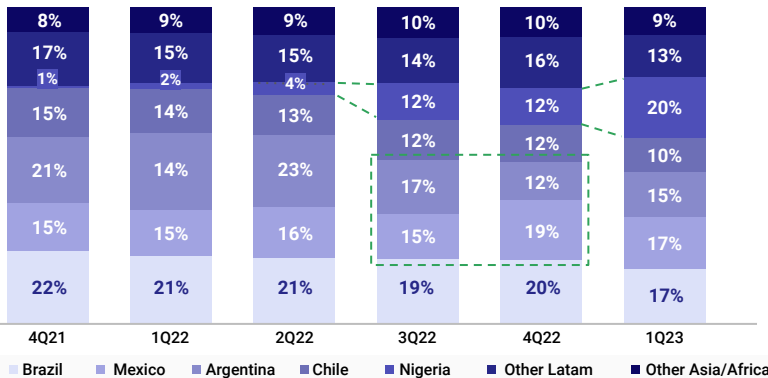|	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23
Payouts (%)	24%	22%	23%	25%	29%	30%
Payins (%)	76%	78%	77%	75%	71%	70%

■ Payins (%)   ■ Payouts (%)

Local to local (with lower net take rate) sequentially gained share

	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23
Local to Local (%)	37%	38%	39%	44%	47%	45%
Cross Border (%)	63%	62%	61%	56%	53%	55%

■ Cross Border (%)   ■ Local to Local (%)

Each country has different net take rates as a result of complexity and maturity of our solution

Share of revenues

	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23
Other Asia/Africa	8%	9%	9%	10%	10%	9%
Other Latam	17%	15%	15%	14%	16%	13%
Nigeria	1%	2%	4%	12%	12%	20%
Chile	15%	14%	13%	12%	12%	10%
Argentina	21%	14%	23%	17%	12%	15%
Mexico	15%	15%	16%	15%	19%	17%
Brazil	22%	21%	21%	19%	20%	17%

■ Brazil   ■ Mexico   ■ Argentina   ■ Chile   ■ Nigeria   ■ Other Latam   ■ Other Asia/Africa

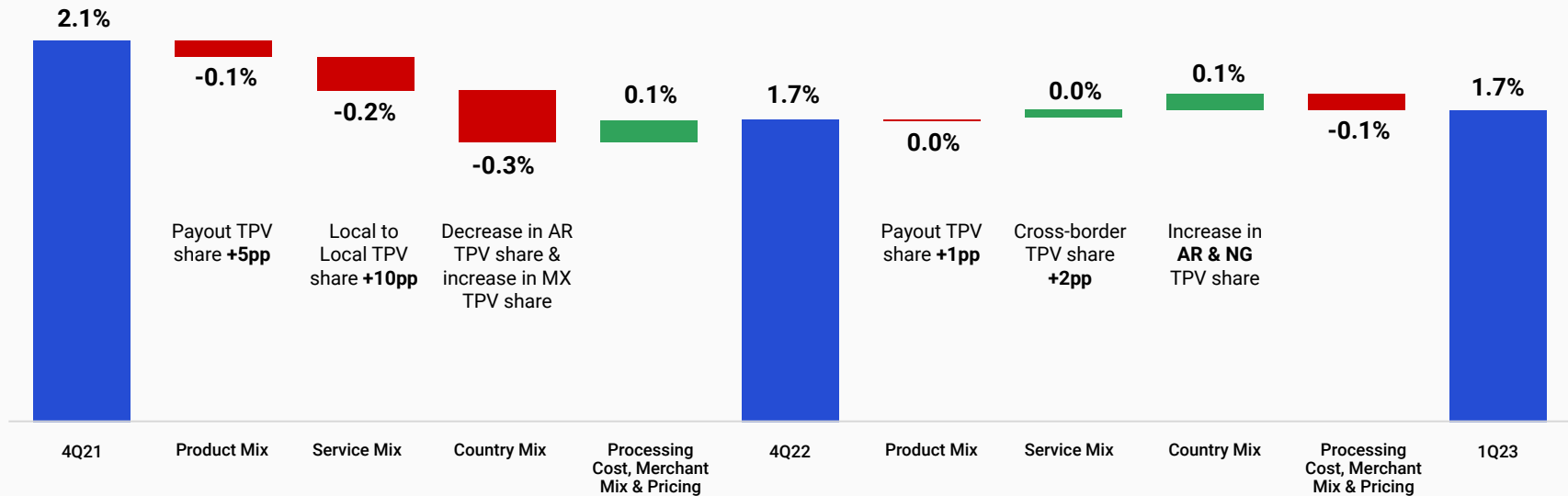## Net take rate varies in line with changes in mix; particularly Q4 2022 had an increase in L2L PO in Mexico (low take rate) and a decrease in revenues in Argentina (high take rate)

Net take rate

	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23
Net take rate	2.1%	2.1%	2.0%	2.0%	1.7%	1.7%
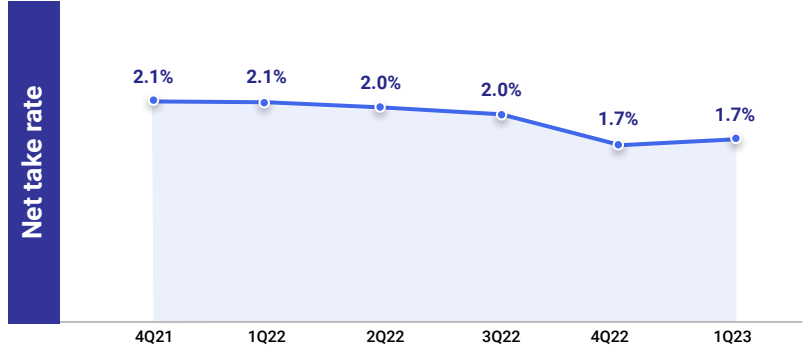
Note: [1]Net take rate is defined as Gross Profit divided by TPV;

Take rate is mainly driven by mix of products, services and countries

Waterfall chart showing take rate changes:

- 4Q21: 2.1%
- Product Mix: -0.1% (Payout TPV share +5pp)
- Service Mix: -0.2% (Local to Local TPV share +10pp)
- Country Mix: -0.3% (Decrease in AR TPV share & increase in MX TPV share)
- Processing Cost, Merchant Mix & Pricing: 0.1%
- 4Q22: 1.7%
- Product Mix: 0.0% (Payout TPV share +1pp)
- Service Mix: 0.0% (Cross-border TPV share +2pp)
- Country Mix: 0.1% (Increase in AR & NG TPV share)
- Processing Cost, Merchant Mix & Pricing: -0.1%
- 1Q23: 1.7%

d·local

Disciplined capital
allocation

Capital allocation strategy designed to maximize shareholder value

Organic Growth

1

- Technology
- Expansion
- Customer acquisition

Strategic Acquisitions

2

- Commercial distribution
- Expansion with focus in Asia and Africa
- Product offering
- PrimeiroPay acquisition

Share Buybacks

3

- As long as returns exceed potential strategic acquisitions
- Prudent approach maintaining adequate operational liquidity and financial flexibility for potential M&As

Our first share buyback program for $100M started in December 2022 and will end in July 2023
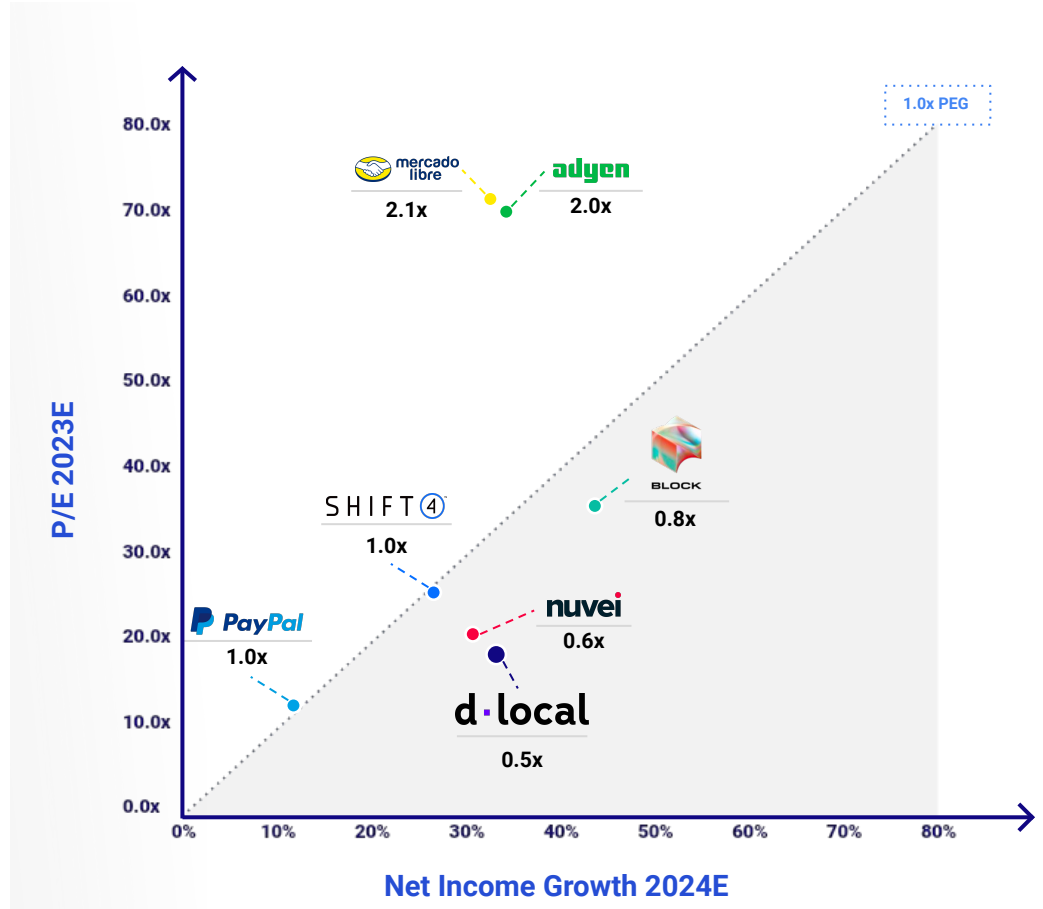
Between Dec-2022 and May 15, 2023, we repurchased:

4.4 M **shares**
at an average price of $15 ($67M)

3.4%
of our float

The $37M acquired in Q1 23 represented 87% of our own FCF, and therefore our own funds continued to grow to $307M[1].

Execution continues until we complete the $100M amount or the program expires.

Undervalued on a PEG ratio basis

Source: Capital IQ as of June 5, 2023. Considers consensus estimates for all companies.

d·local

Financial objectives aligned with pillars of our business model

Overall medium term objective: Rule of 40 > 100%

For 2023: Maintain annual guidance shared in Q4 '22 earnings

For medium term:

Growth	Profitability	Cash Flow Generation
Focus on gross profit dollars	Sustain EBITDA/gross profit ratio	Maintain sustainable capex level
- Maintain low annual churn (<1%) - Grow organically with our merchants - Add more merchants - New countries, more payment methods, higher share of wallet	- Invest in vectors of long term growth and scalability (technology, expansion, sales and marketing) - Maintain disciplined spending strategy and lean organizational structure	- Follow merchant demands in product development - Further automate internal processes to enhance efficiency and controls
25%-35% **Gross Profit CAGR**	**>75%** **Adj. EBITDA/Gross Profit**	**Up to 5%** **Capex/gross profit**

On track to build a multi-billion dollar revenue business

- We are going after a massive opportunity in Emerging Markets.

- Unrivaled global merchant base.
  High stickiness. No churn.

- Highly profitable, cash generative business.

- Committed to financial inclusion.

Passionate global team, obsessed with solving complexity