

d-local

2Q 2021

Earnings Presentation

NASDAQ: DLO



Safe Harbor

This presentation may contain 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," and "Cautionary Note Regarding Forward-Looking Statements" sections of DLocal's registration statement on the Form F-1 and certain of DLocal's other 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 at a Glance

We enable global merchants to connect seamlessly
with billions of emerging market consumers

One dLocal



One API

One platform | One contract

Enterprise-focused



Microsoft

Booking.com

Wix



mailchimp

Rappi



KUAISHOU
TECHNOLOGY

Selected customers

Global

30

emerging countries¹

2Q21 Highlights

319%

TPV YoY growth

\$59M

Revenue

186%

Revenue YoY growth

44%

Adj. EBITDA² Margin

Note: Unaudited results for the quarter ended June 30, 2021.

¹ Includes 5 new markets where we have recently made our services available but have not yet processed volume. ² dLocal has only one operating segment. Although Adj. EBITDA and Adj. EBITDA Margin may be commonly viewed as non-IFRS measures in other contexts, pursuant to IFRS 8, Adjusted EBITDA and Adjusted EBITDA Margin are treated by dLocal as IFRS measures based on the manner in which dLocal utilizes these measures. See detailed methodology for Adj. EBITDA and Adjusted EBITDA Margin in the Appendix.

Our **Best** Quarter Ever

SCALE

GROWTH

RETENTION

PROFITABILITY

2Q21

\$59M

Revenue

186%

Revenue YoY growth

196%

NRR

44%

Adj. EBITDA Margin¹

1Q 21

\$40M

Revenue

124%

Revenue YoY growth

186%

NRR

44%

Adj. EBITDA Margin¹

2020

\$104M

Revenue

88%

Revenue YoY growth

159%

NRR²

40%

Adj. EBITDA Margin¹

Note: Results for the year ended December 31, 2020 and unaudited results for the quarters ended March 31, 2021 and June 30, 2021

¹ dLocal has only one operating segment. Although Adjusted EBITDA and Adjusted EBITDA Margin may be commonly viewed as non-IFRS measures in other contexts, pursuant to IFRS 8, Adjusted EBITDA and Adjusted EBITDA Margin are treated by dLocal as IFRS measures based on the manner in which dLocal utilizes these measures. See detailed methodology for Adj. EBITDA and Adjusted EBITDA Margin in appendix. ² NRR of 159% is based on normalized 2019 total revenue to exclude non-cash non-recurring warrant with a merchant, which was (\$4.3M). Including this adjustment, FY'2020 NRR would be 171%.

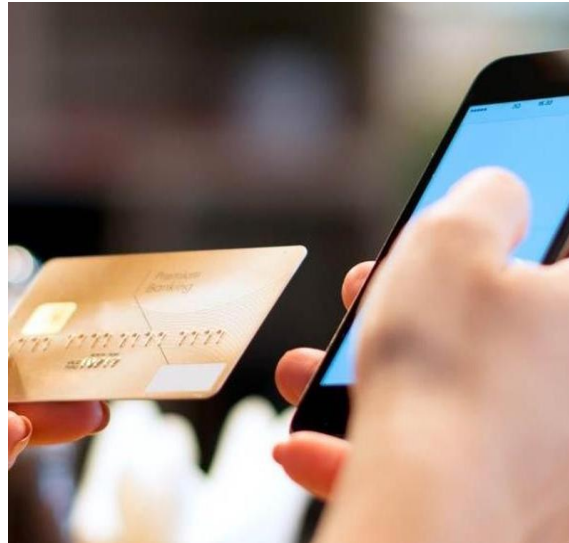
What **Problems** Are We Addressing?

Multiple local payment methods
with rising fragmentation



Local payment methods represent
83%¹ of total e-commerce expenditure
in 14 of our core markets

Poor conversion and
high fraud



We deliver higher conversion rates and
lower friction through automatic retries,
automatic validation and other
capabilities

Complex and changing
regulatory and tax frameworks



Constant assessment of tax and
regulatory changes, including Brazil's
recent tax reform² and India's GST tax
introduction³, among others

One Platform | One API | One Contract



Strong Industry Tailwinds **Support Our Growth**



Increasing
globalization of
commerce



Continued rise of
the digital economy



Aspirational middle
class in emerging
markets continues to
expand



Global merchants
increasingly doing
business in selected
EM



Highly complex and
evolving local
regulatory and tax
environments

Large and **Fast-Growing** Addressable Market for dLocal

d·local

TPV (\$BN)

2.1

0.9

1.5

FY2020

1Q21

2Q21

~\$1.2TN

Addressable TPV¹

(\$0.4TN pay-ins, \$0.8TN pay-outs)

Total e-commerce volume in the
30 countries that we serve
(excluding China)

27%+
CAGR² from
2020 to 2024E

Vectors of Future Growth

Commercial Efforts



Organic growth



Account management



New clients

- Improved our NRR¹ to 196% in 2Q21 from 159% in FY'20
- Revenues from new clients grew to \$26M in 1H21 from \$9M in FY'20
- Completed the acquisition of PrimeiroPay

Products



Enhance portfolio



Develop new solutions

- Enhanced pay-in & pay-out capabilities
- Added fraud & data capabilities
- Launched issuance as a service

Geographies



Enhance presence



Enter new countries

- Added Vietnam, Malaysia, and Guatemala to dLocal network in Q2

Inorganic Initiatives

We continue to look at inorganic alternatives to enhance our commercial efforts, products and geographic footprint

Vectors | Commercial Efforts

EXISTING MERCHANTS EXPANSION

Rappi

 KUAISHOU

 Microsoft



Global ride hailing
service provider



Global e-commerce
platform

SELECTED NEW MERCHANTS

change.org



Global online
streaming
platform

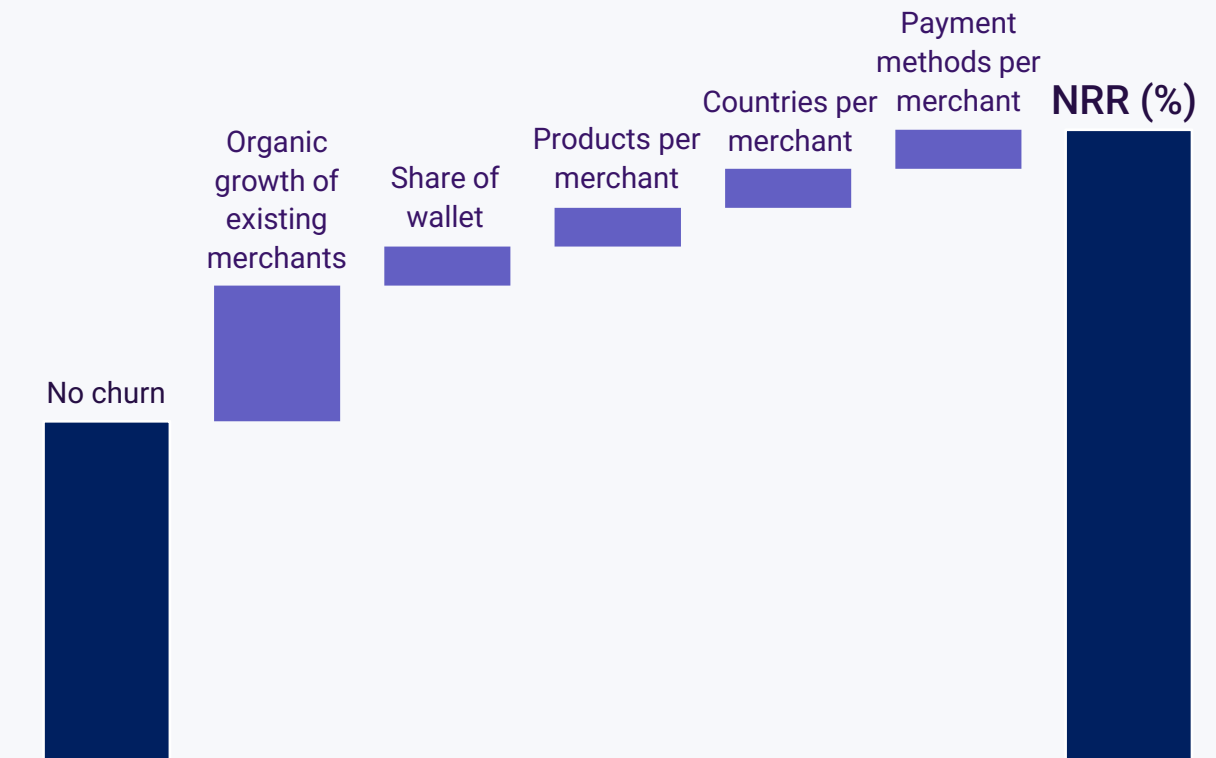


Multinational
brewing
company



Global short
video
platform

Illustrative NRR Components Breakdown¹



Vectors | Products



Enhanced our pay-in solution

- › FlexibleScheduler: dynamic fund transfer management
- › TaxManager: enhanced tax handling by payment method
- › New integrations in existing markets for card processing redundancy
- › New APMs



Improved our fraud and data capabilities

- › New machine learning models for gaming and retail
- › DeviceID
- › Enhanced KYC procedures



Enhanced our pay-out solution

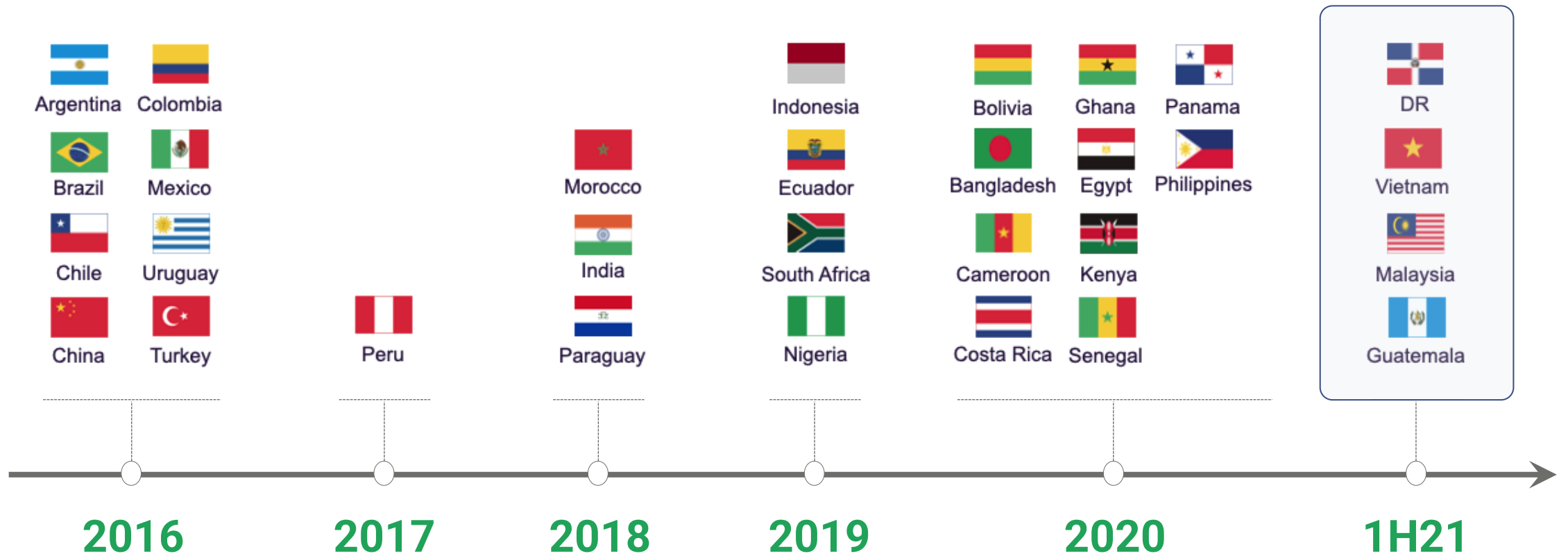
- › Expanded Instant Payout offering in more countries
- › Added direct connections with new partners/ banks



Issuance-as-a-Service

- › Enable merchants to issue prepaid virtual or physical cards
- › B2B initiative focused on our merchants (no credit exposure)
- › No direct issuing to end consumers
- › Partner with local financial institutions as issuers

Vectors | Geographies



Powering Diverse High-Growth Verticals

Retail

Streaming

Ride Hailing

Financial
institutions

Advertising

SaaS

Travel

E-Learning

Gaming

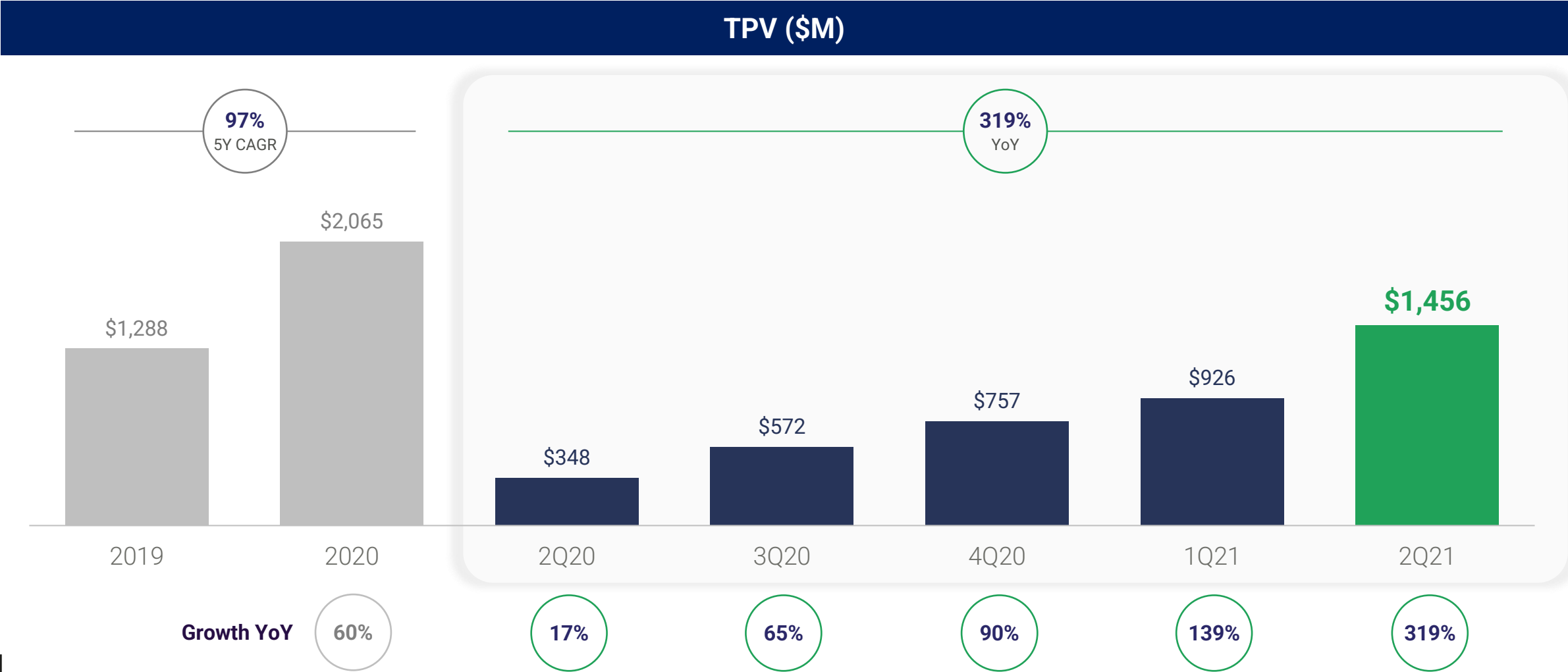


2Q21 TPV of \$1.5B (319% YoY growth)

- › Strong growth across all verticals, even as economies return post-Covid
- › Continued growth in verticals such as ride hailing, travel and financial services versus 2Q20
- › Accelerated growth in advertising, streaming and retail

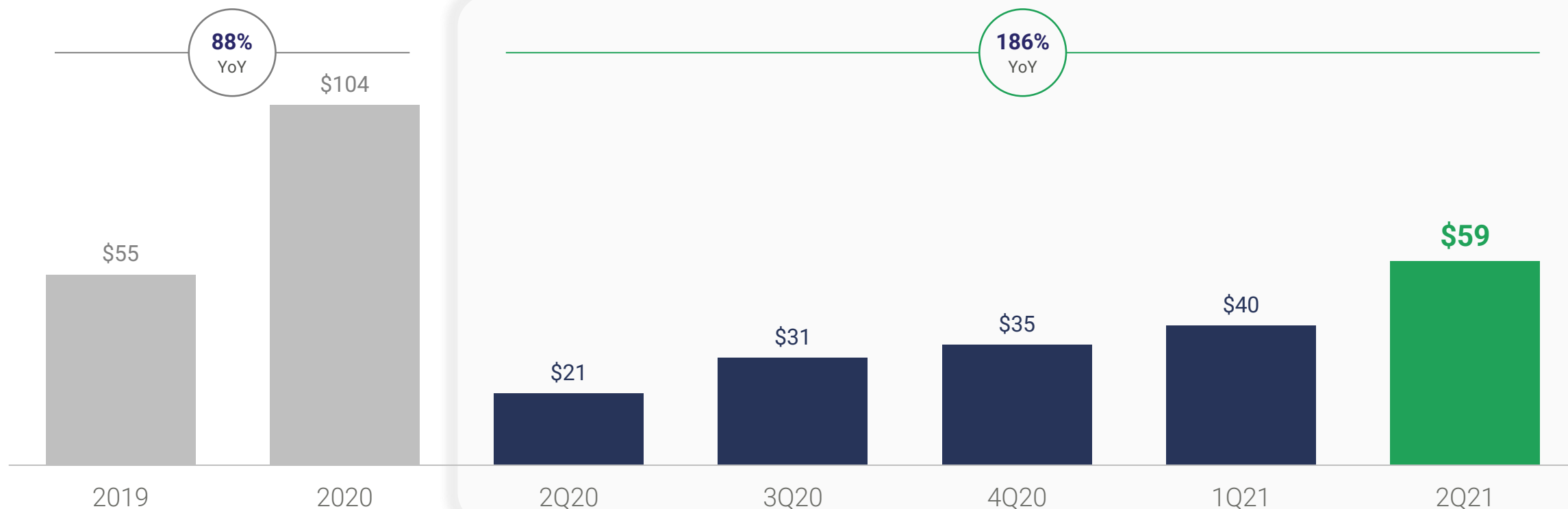
FINANCIAL HIGHLIGHTS

Second Quarter 2021 Performance Highlights



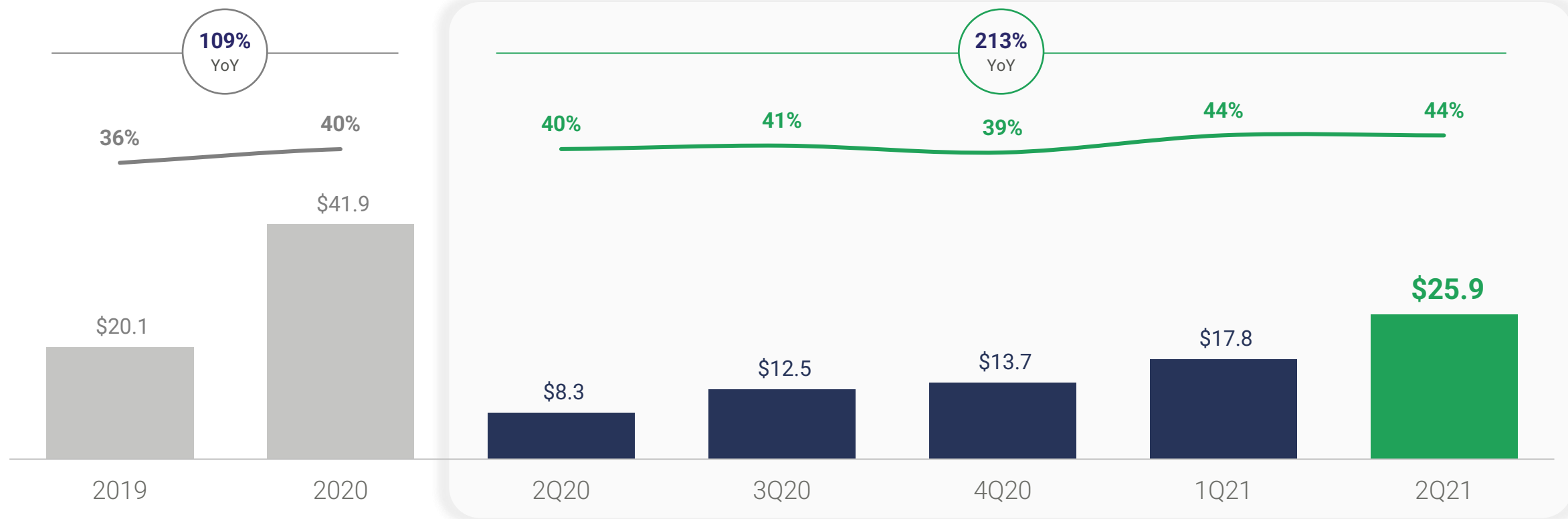
Second Quarter 2021 **Financial** Highlights

Revenue (\$M)



Second Quarter 2021 **Financial** Highlights (Cont'd)

Adj. EBITDA¹ (\$M) and Adj. EBITDA Margin (%)



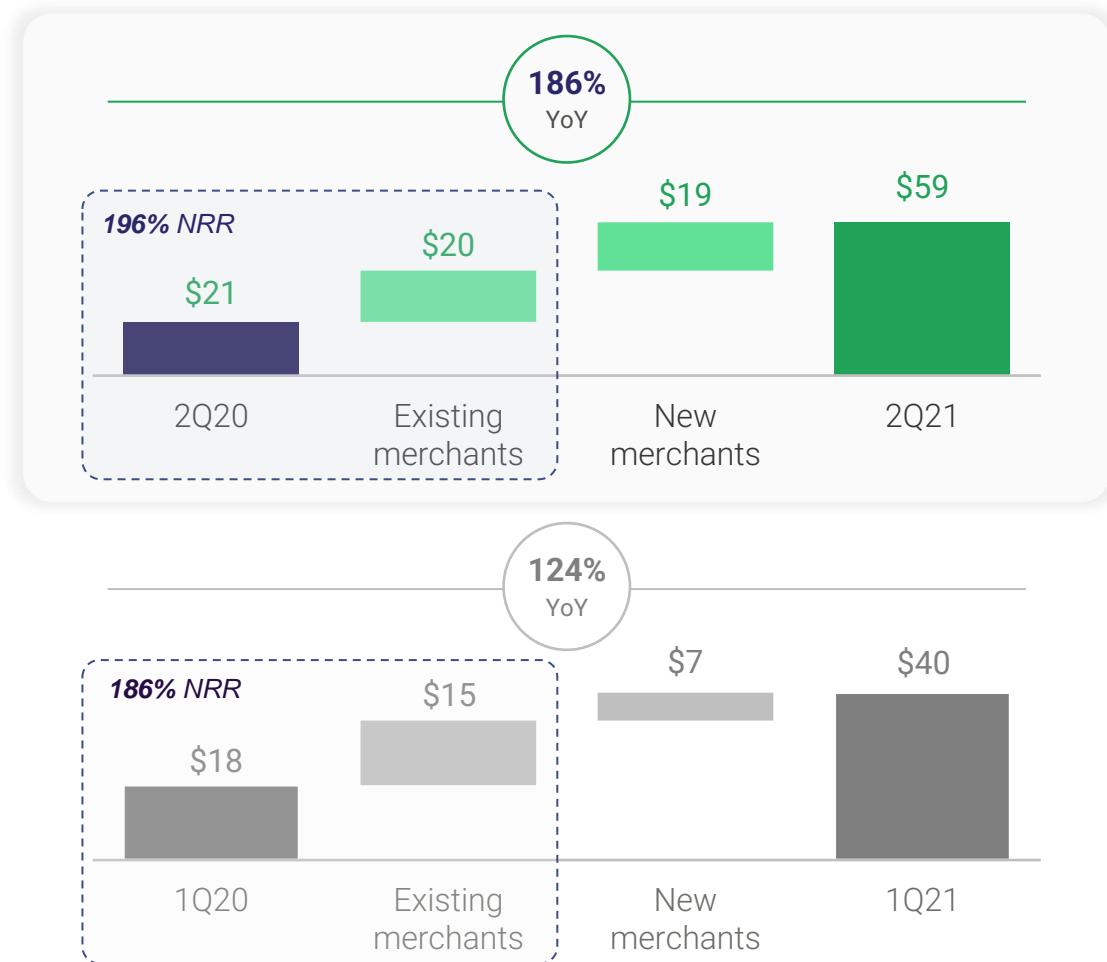
Existing and New Merchants Driving Growth

Highlights

- Both existing merchants and new merchants have shown strong growth in 1H2021
- NRR components include:
 - Organic growth of existing merchants in emerging markets
 - Increase in share of wallet
 - Increase in countries and payment methods per merchant
 - Increase in products per merchant

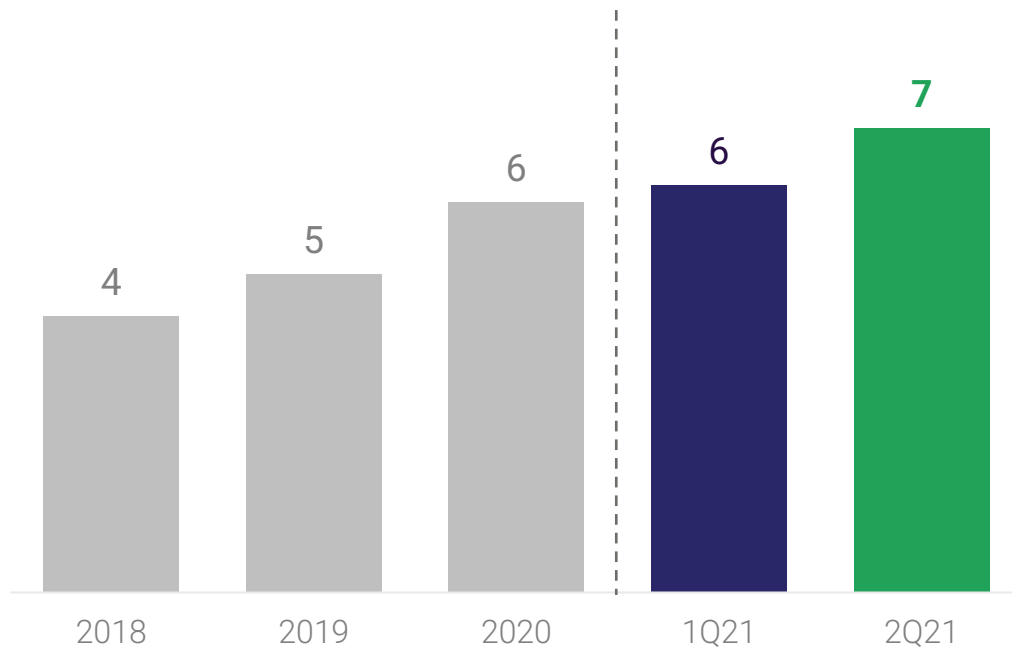
Net Revenue Retention Rate¹ of **196%** in 2Q21 and **186%** in 1Q21

Revenue Composition

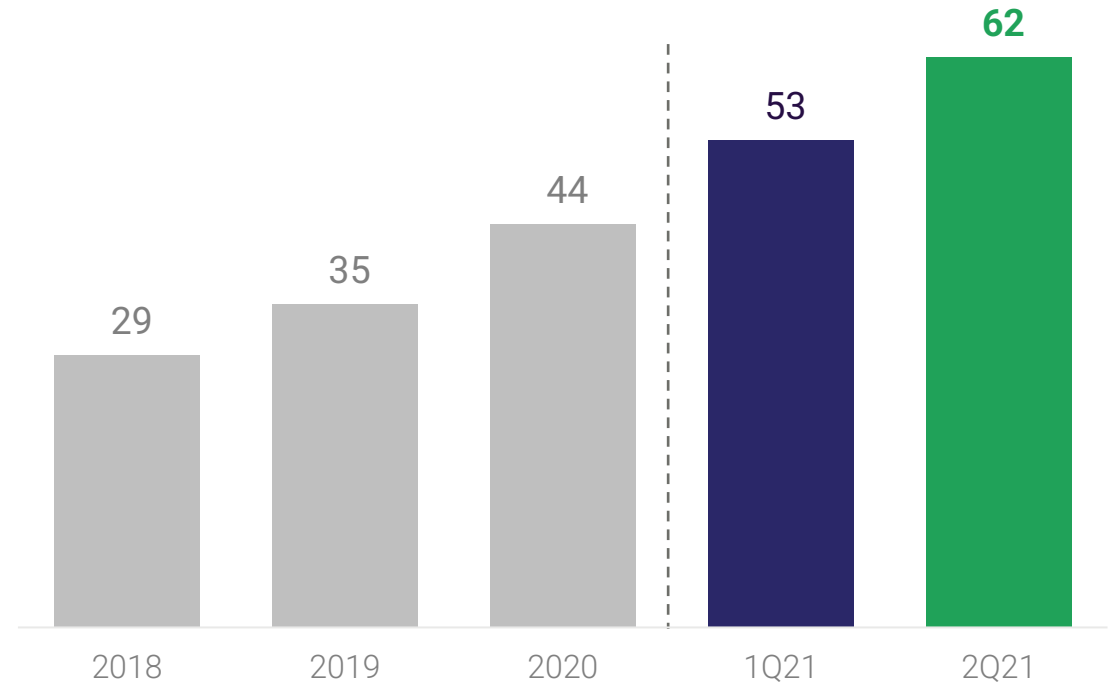


Consistently Improving Merchant Engagement

Avg. # of Countries per Merchant



Avg. # of Payment Methods per Merchant



Investment Highlights



We power a massive and expanding Emerging Markets ecosystem



We are directly integrated with some of the biggest online merchants in the world, driving very strong net revenue retention and strong cohort performance



We have built a scalable, single API technology infrastructure that makes the complex simple for merchants across Emerging Markets



Our business model is well-diversified across industries and clients



We are growing rapidly and profitably at scale

d-local

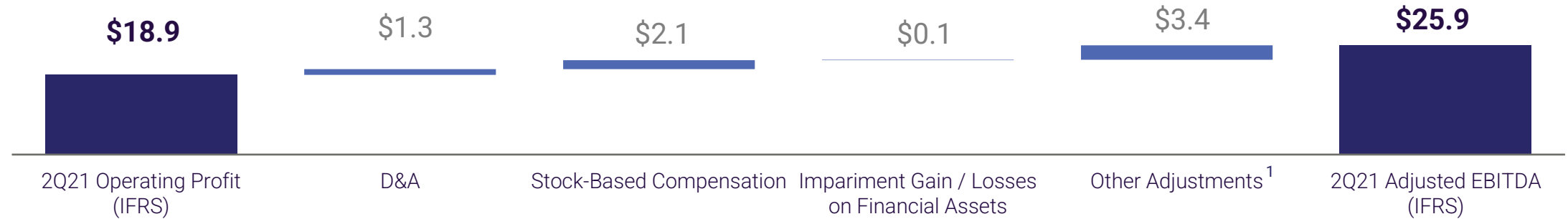
Thank you!



APPENDIX

Financial Highlights

2Q21 Adjusted EBITDA Bridge (\$M)



1Q21 Adjusted EBITDA Bridge (\$M)



Note: Adjusted EBITDA excludes one-off expenses and non-cash items. Unaudited results for the quarters ended March 31, 2021 and June 30, 2021. dLocal has only one operating segment. Although Adj. EBITDA and Adj. EBITDA Margin may be commonly viewed as non-IFRS measures in other contexts, pursuant to IFRS 8, Adjusted EBITDA and Adjusted EBITDA Margin are treated by dLocal as IFRS measures based on the manner in which dLocal utilizes these measures.

¹ "Other Adjustments" for 2Q21 includes secondary offering expenses (\$3.0M) and M&A transaction costs (\$0.3M). ² "Other Adjustments" for 1Q21 include fair value losses of derivative instruments related to a shareholder option (-\$2.9M), secondary offering expenses (\$0.7M) and M&A transaction costs (\$0.1M).

Reconciliation of Adjusted EBITDA to Profit

<i>\$ in thousands</i>	Three-month period ended June 30,		Six-month period ended June 30,	
	2021	2020	2021	2020
Profit for the period	17,708	7,411	34,635	7,964
Income tax expense	1,596	481	2,975	1,299
Other operating (gain)/loss	-	(12)	(2,896)	71
Depreciation and amortization	1,344	336	1,859	462
Secondary offering expenses ¹	3,042	-	3,747	-
Transaction costs ²	341	-	454	-
Share-based payment charges	2,116	30	2,681	6,933
Other charges, Net	(222)	38	311	(1,012)
Adjusted EBITDA	25,925	8,284	43,766	15,717

Note: Unaudited results for the quarters March 31, 2021 and June 30, 2021. dLocal has only one operating segment. Although Adj. EBITDA and Adj. EBITDA Margin may be commonly viewed as non-IFRS measures in other contexts, pursuant to IFRS 8, Adjusted EBITDA and Adjusted EBITDA Margin are treated by dLocal as IFRS measures based on the manner in which dLocal utilizes these measures.

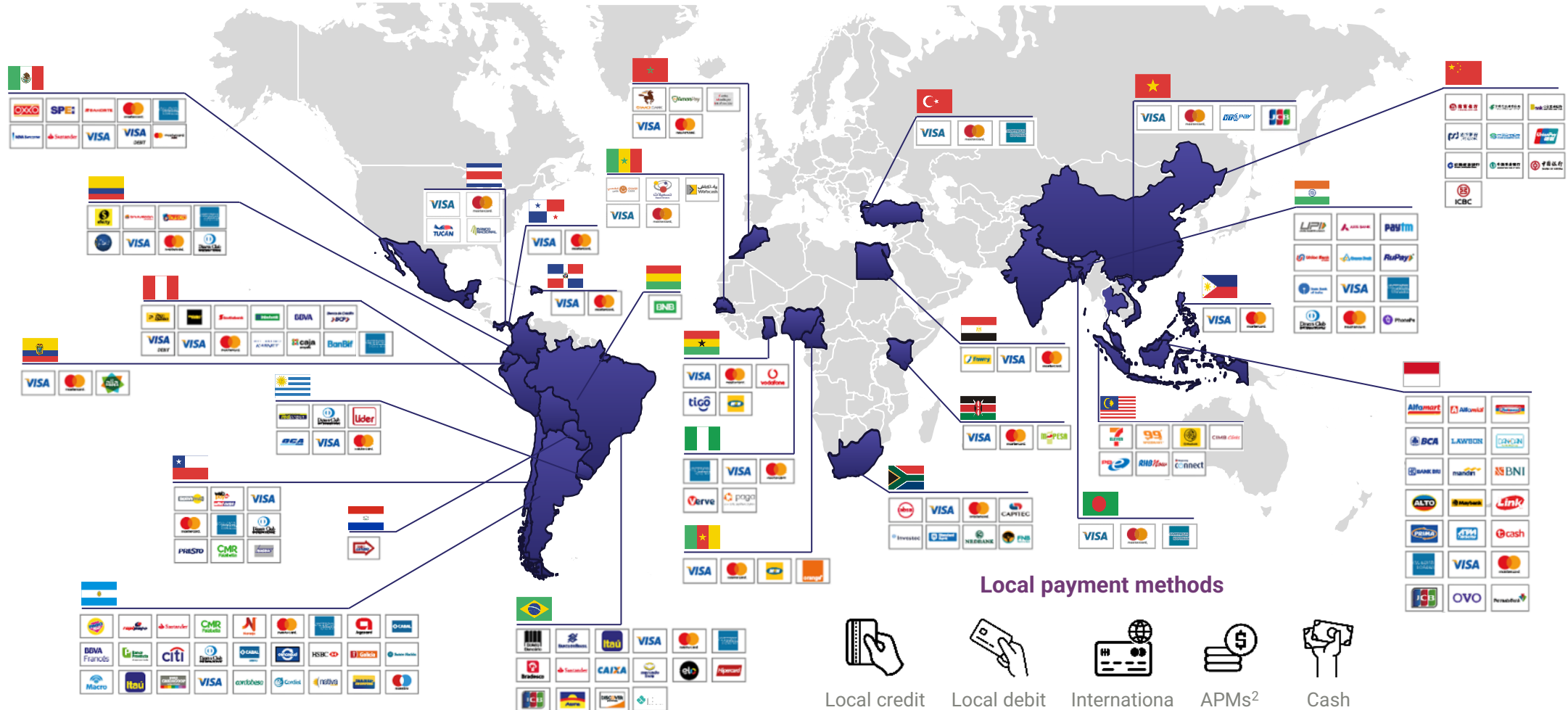
Adjusted EBITDA as used by dLocal is defined as the profit from operations before financing and taxation for the year or period, as applicable, before depreciation of property, plant and equipment, amortization of right-of-use assets and intangible assets, and further excluding the changes in fair value of financial assets and derivative instruments carried at fair value through profit or loss, impairment gains/(losses) on financial assets, transaction costs, share-based payment non-cash charges, secondary offering expenses, transaction expenses and inflation adjustment.

¹ Corresponds to expenses assumed by dLocal in relation to secondary offerings of its shares. ² Corresponds to costs related to the acquisition of assets of PrimeiroPay. ³ Corresponds to other minor adjustments.

Our Global Reach with Focus on Emerging Markets

600+ Local payment methods

30 Countries¹



● Countries where we are able to process pay-ins and pay-outs

Local credit card

Local debit card

International cards

APMs²

Cash payments

¹ Includes 5 new markets where we have recently made our services available but have not yet processed volume. ² Alternative Payment Methods.