
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934**

For the month of November 2024

Commission File Number: 001-40451

DLocal Limited

(Exact name of registrant as specified in its charter)

**Dr. Luis Bonavita 1294
Montevideo
Uruguay 11300
+1 (424) 392-7437**
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes No

TABLE OF CONTENTS

EXHIBIT

- 99.1 [Press release dated November, 13 2024 - DLocal Limited Reports 2024 Second Quarter Results](#)
- 99.2 [DLocal Limited Unaudited Consolidated Condensed Interim Financial Statements as of September 30, 2024 and for the nine-month and three-month periods ended September 30, 2024 and 2023](#)
- 99.3 [Quaterly Report 2024 - dLocal Reports 2024 Third Quarter Financial Results](#)
- 99.4 [dLocal Q3 2024 Earnings Presentation](#)
-

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DLocal Limited

By: /s/ Mark Ortiz

Name: Mark Ortiz

Title: Chief Financial Officer

Date: November, 13 2024

d-local

dLocal Reports 2024 Third Quarter Financial Results

Third Quarter 2024

Robust TPV growth, up 41% YoY and 8% QoQ, driven by strong performance across various verticals and countries

Record gross profit reaching \$78M in the quarter, with net take rate stable at 1.2% since Q1 2024

Operating leverage expansion for the 2nd consecutive quarter, with Adjusted EBITDA over gross profit margin reaching 67% in Q3 2024 (+6 p.p. QoQ)

dLocal reports in US dollars and in accordance with IFRS as issued by the IASB

Montevideo, Uruguay, November 13, 2024 — DLocal Limited (“dLocal”, “we”, “us”, and “our”) (NASDAQ:DLO), a technology - first payments platform today announced its financial results for the third quarter ended September 30, 2024.

We are encouraged by how we see the business evolving. After a soft first quarter, we see ourselves consistently gaining momentum. Despite a tough 2023 comparison, we have once again returned to delivering a quarter of record results in Total Payment Volume and Gross Profit. Our margins, cash position, and cash conversion have all improved quarter after quarter throughout 2024. A year that started off admittedly weak, has gained positive momentum.

We continue to deliver significant growth, with TPV re-accelerating to over 40% year-over-year, driven by our continued ability to expand our share of wallet of our existing global merchant base, and onboard new merchants. Our performance this quarter was strong across diverse verticals, countries and products, notably:

- We ramped up operations in more countries, offered more payment methods and gained share of wallet across important logos in the financial services, SaaS, on demand delivery, advertising, ride-hailing and commerce verticals.
- We increased payments volume in Argentina, Mexico, Egypt and Other Latam - mainly in Colombia and Peru - as well as Other Africa and Asia, with strong performance in South Africa.
- We reported record volume in our higher take rate cross-border (XB) business, surpassing the \$3 billion quarterly mark in flows for the first time.

Our pipeline remains robust, including both growth opportunities with existing merchants as well as new merchants. During the period, we successfully integrated major players, including MoneyGram, one of the largest global providers of money transfer and payment services, and other significant remittance companies to serve them across countries in Latam, Africa and Asia. We also continued to ramp up volumes with one of the main Asian commerce players, expanding the regions in which we serve them, and have now gone live in Brazil with one of the largest global Fintech companies, out of Asia.

Moving on to profitability, this quarter’s results showcase the resilience of our business model. We reached record gross profit of \$78 million with net take rate stable at 1.2% since Q1 2024. This is a consequence of our differentiated value proposition, continuous pursuit of cost efficiencies, and the real value in solving complexities across emerging markets for our global merchants, which grants pricing power and differentiates from more commoditized payments offerings in the developed world. We achieve those results despite weakness in most emerging market currencies.

Our Adjusted EBITDA reached \$52 million, despite continued investments in our engineering team, back-office capabilities and our license portfolio, all crucial for our long-term success. Although Adjusted EBITDA was down year-over-year, this represents the second consecutive quarter of increased operational leverage, with adjusted EBITDA over gross profit margin now at 67%. This demonstrates the operational leverage inherent in our business model, general philosophy of expense control and disciplined investment to deliver our long-term growth ambitions.

Cash generation, another strength of our financial model, was also solid. During the past 3 months we had net cash from operating activities, excluding merchant funds, less CAPEX amounting to \$26 million, a cash conversion of practically 100% of Net Income.

On that note, our guidance remains unchanged in light of our Q3 2024 results and what we have seen through Q4. However, it is important to reinforce that Q4 results are heavily weighted towards the next 3-4 weeks, given the expected seasonal lift in commerce volumes and Black Friday.

In terms of technology and product development deployments during the quarter, we have launched our Smart Requests functionality, boosting our transaction performance, thereby improving conversion rate. We have also continued to develop increasingly advanced real-time cost calculation models to optimise processing costs, which also contributed to our gross profit achievement and stable net take rate.

A third area of innovation has been our launch of new and promising alternative payment methods (APM), with the successful deployment of integrations with Nupay in Brazil for global merchants.

Finally, we launched a new product to our suite of offerings, a stand alone Payment Orchestration option, which allows merchants to retain our Smart Routing, fraud detection, and unified reporting, while obtaining their own licenses and contracting directly with processors in each market. Although this model may result in a lower net take rate net of acquiring costs, it enhances our ability to capture share of wallet with relevant clients, and continues to add value to merchants through our single API connection and product functionalities, while delivering optimized conversion and cost results.

These improvements to our platform, as well as the development of new solutions, serve to deepen our competitive advantages in our markets, enhance the stickiness of our products, and potentially bring future revenue streams - all important pillars to our long-term growth opportunities.

As a reminder, dLocal is a young and dynamic company, less than eight years old, and yet, during this period, it has delivered extraordinary growth. We have expanded our roster of sophisticated enterprise merchants, increased our share of wallet with them, and built operations across the most relevant emerging markets globally, adding products, new APMs and licenses over these years.

Our growth underscores our success in serving and supporting these most demanding digital merchants with tailored solutions that meet their evolving needs. We navigate the highly complex and changing payment landscape and regulatory environments across emerging markets with one of the most complete emerging market processing ecosystems. The comprehensiveness of our One dLocal solution allows our merchants to add new markets and payment methods at a marginal incremental implementation cost, providing cost-efficient and speedy geographic expansion. This value supports the resilience of our business, despite operating in the volatile global south.

Secular trends also favour us. We have a huge and growing TAM underpinned by shifts towards payment digitalization, the growing importance of emerging and frontier markets, and surging demand for cross-border and instant payment methods. Industry forecasts predict the retail cross-border payments market will reach \$65 trillion by 2030¹, and we are well-positioned to be capturing a reasonable portion of the growth in this immense addressable market. Our ability to innovate and capitalize on these trends, coupled with our financial model characterized by operational leverage and high cash conversion, will fuel long-term value creation for our shareholders and merchants. We are just beginning to realize the compounding nature of this strategy, and we remain steadfast in our mission to deliver on this promise, in all the relevant geographies that our merchants present needs.

Thank you to those who have shown us continued support and confidence. We look forward to updating you on our progress in the coming quarters.

Third quarter 2024 Financial Highlights

- Total Payment Volume (“TPV”) reached a record US\$6.5 billion in the third quarter, up 41% year-over-year compared to US\$4.6 billion in the third quarter of 2023 and up 8% compared to US\$6.0 billion in the second quarter of 2024.
- Revenues amounted to US\$185.8 million, up 13% year-over-year compared to US\$163.9 million in the third quarter of 2023 and up 8% compared to US\$171.3 million in the second quarter of 2024. This quarter-over-quarter increase was mostly driven by the performance in Argentina and Egypt, as well as the positive results in Other Latam and Other Africa and Asia.
- Gross profit was US\$78.2 million in the third quarter of 2024, up 5% compared to US\$74.5 million in the third quarter of 2023 and up 12% compared to US\$69.8 million in the second quarter of 2024. The improvement in gross profit quarter-over-quarter was primarily due to volume growth in Egypt, South Africa, Mexico and Other Latam markets. These positive factors were partially offset by (i) Brazil, given the share losses on credit card payments of a top merchant, as they were granted a payment license and were required to connect directly with acquirers in order to remain compliant; and (ii) Argentina, as we had higher expatriation costs.
- As a result, gross profit margin was 42% in this quarter, compared to 45% in the third quarter of 2023 and 41% in the second quarter of 2024.
- Gross profit over TPV was at 1.2% decreasing from 1.6% in the third quarter of 2023 and stable compared to the second quarter of 2024.
- Operating income was US\$41.1 million, down 20% compared to US\$51.5 million in the third quarter of 2023 and up 36% compared to US\$30.2 million in the second quarter of 2024, a result of re-ignited growth and cost management. In this context, operating expenses grew by 61% year-over-year, with most of the growth allocated to Product Development & IT capabilities, with the Technology and development expenses increasing by 88% year-over-year while Sales and

¹ Source: FXC Intelligence – Market Sizing dataset.

Marketing expenses and General and Administrative expenses grew by 35%. On the sequential comparison, operating expenses decreased 6% quarter-over-quarter, a reflection of our continued disciplined approach to expense management.

- As a result, Adjusted EBITDA was US\$52.4 million, down 6% compared to US\$55.6 million in the third quarter of 2023 and up 23% compared to US\$42.7 million in the second quarter of 2024.
- Adjusted EBITDA margin was 28%, compared to the 34% recorded in the third quarter of 2023 and 25% in the second quarter of 2024. On the annual comparison, the decrease is explained by the long-term investments, as mentioned since previous quarters. Following the same trend, Adjusted EBITDA over gross profit of 67% decreased compared to 75% in the third quarter of 2023 and increased compared to 61% in the second quarter of 2024.
- Net financial cost was US\$10.1 million, compared to a finance income of US\$1.5 million in the third quarter of 2023 and US\$28.0 million in the second quarter of 2024, as explained in the Net Income section.
- Our effective income tax rate decreased to 8% from 18% last quarter, primarily driven by lower pre tax income in Argentina. On a year-to-date basis, our effective tax rate stands at 18%.
- Net income for the third quarter of 2024 was US\$26.8 million, or US\$0.09 per diluted share, down 34% compared to a profit of US\$40.4 million, or US\$0.13 per diluted share, for the third quarter of 2023 and down 42% compared to a profit of US\$46.2 million, or US\$0.15 per diluted share for the second quarter of 2024. During the current period, net income was mostly impacted by the (i) positive US\$23 million non-cash mark to market effect related to the Argentine bond investments in the second quarter of 2024, as mentioned last quarter; and (ii) higher finance costs this quarter mainly driven by exchange differences and higher cost of hedges. Adjusted net income for the third quarter of 2024 was US\$43.4 million, down 12% compared to US\$49.2 million for the third quarter of 2023 and down 5% compared to US\$45.6 million for the second quarter of 2024.
- As of September 30, 2024, dLocal had US\$560.5 million in cash and cash equivalents, including US\$208.0 million of own funds and US\$352.5 million of merchants' funds. The consolidated cash position increased by US\$62.4 million from US\$498.2 million as of September 30, 2023. When compared to the US\$531.6 million cash position as of June 30, 2024, it increased by US\$28.9 million.

The following table summarizes our key performance metrics:

Key Performance metrics	Three months ended 30 of September			Nine months ended 30 of September		
	2024	2023	% change	2024	2023	% change
	(In millions of US\$ except for %)					
TPV	6,516	4,618	41%	17,861	12,566	42%
Revenue	185.8	163.9	13%	541.5	462.3	17%
Gross Profit	78.2	74.5	5%	211.0	207.1	2%
Gross Profit margin	42%	45%	-3p.p	39%	45%	-6p.p
Adjusted EBITDA	52.4	55.6	-6%	131.8	153.1	-14%
Adjusted EBITDA margin	28%	34%	-6p.p	24%	33%	-9p.p
Adjusted EBITDA/Gross Profit	67%	75%	-8p.p	62%	74%	-11p.p
Profit	26.8	40.4	-34%	90.8	120.6	-25%
Profit margin	14%	25%	-10p.p	17%	26%	-9p.p

Third quarter 2024 Business Highlights

- During the third quarter of 2024, pay-ins TPV increased 35% year-over-year and 8% quarter-over-quarter to US\$4.6 billion, accounting for 71% of the TPV.
 - Pay-outs TPV increased by 58% year-over-year and 7% quarter-over-quarter to US\$1.9 billion, accounting for the remaining 29% of the TPV.
 - Cross-border TPV increased by 35% year-over-year and 12% quarter-over-quarter to US\$3.0 billion. Cross-border volume accounted for 47% of the TPV in the third quarter of 2024.
 - Local-to-local TPV increased by 47% year-over-year and 4% quarter-over-quarter to US\$3.5 billion. Local-to-local volume accounted for 53% of the TPV in the third quarter of 2024.
 - LatAm revenue increased 7% year-over-year to US\$145.2 million, accounting for 78% of total revenue. On the annual comparison, the growth was primarily driven by commerce and financial services in Mexico, and strong performance of Other LatAm, particularly in Colombia. Sequentially, LatAm revenue grew by 5% mainly driven by the performance of Argentina and Other LatAm.
 - In the Africa and Asia region, revenue increased by 45% year-over-year, primarily driven by strong growth performance in Egypt; and in Other Africa and Asia, particularly the performance in South Africa in the commerce vertical. Those regions are also the main drivers of the sequential increase.
 - LatAm gross profit decreased by 6% year-over-year and increased by 4% quarter-over-quarter to US\$55.6 million, accounting for 71% of total gross profit. Most of the year-over-year decline is explained by (i) Argentina, due to lower FX spreads following the currency devaluation in December 2023; and (ii) Brazil, given the repricing with our largest merchant which occurred in the first quarter of 2024 and share losses on credit cards, as explained before. Both effects were partially offset by Mexico, due to volume growth and lower processing costs from renegotiations with processors in the first quarter of 2024. Sequentially, the growth was mainly driven by Mexico and Other Latam markets, where we experienced around US\$2 million from widening FX spreads, that may eventually fade away in the case of currencies devaluation. These positive factors were partially offset by (i) Brazil, as previously explained; and (ii) Argentina, as we had higher expatriation costs.
 - Africa and Asia gross profit increased by 49% year-over-year to US\$22.6 million, accounting for the remaining 29% of total gross profit. This annual comparison is explained by our overall growth in Egypt and ramp-up of our commerce merchants in South Africa. Sequentially, gross profit increased by 39%, attributable to the same factors just discussed in the year-over-year comparison.
 - During the quarter, Revenue from Existing Merchants reached US\$179.9 million compared to US\$ 161.7 million in the second quarter of 2024. On the annual comparison, Revenue from Existing Merchants increased by 14% and the net revenue retention rate, or NRR, reached 110%.
 - Revenue from New Merchants accounted for US\$5.8 million in the third quarter of 2024 compared to US\$6.7 million in the same quarter of the prior year.
-

The tables below present the breakdown of dLocal's TPV by product and type of flow:

In millions of US\$ except for %	Three months ended 30 of September				Nine months ended 30 of September			
	2024	% share	2023	% share	2024	% share	2023	% share
Pay-ins	4,632	71%	3,429	74%	12,561	70%	9,122	73%
Pay-outs	1,884	29%	1,189	26%	5,300	30%	3,444	27%
Total TPV	6,516	100%	4,618	100%	17,861	100%	12,566	100%

In millions of US\$ except for %	Three months ended 30 of September				Nine months ended 30 of September			
	2024	% share	2023	% share	2024	% share	2023	% share
Cross-border	3,035	47%	2,256	49%	8,163	46%	6,435	51%
Local-to-local	3,480	53%	2,362	51%	9,699	54%	6,131	49%
Total TPV	6,516	100%	4,618	100%	17,861	100%	12,566	100%

The tables below present the breakdown of dLocal's revenue by geography:

In millions of US\$ except for %	Three months ended 30 of September				Nine months ended 30 of September			
	2024	% share	2023	% share	2024	% share	2023	% share
Latin America	145.2	78%	136.0	83%	409.3	76%	361.2	78%
Brazil	32.9	18%	44.7	27%	118.3	22%	108.8	24%
Argentina	26.0	14%	23.9	15%	60.3	11%	64.6	14%
Mexico	38.9	21%	30.2	18%	108.8	20%	81.3	18%
Chile	13.0	7%	12.4	8%	37.7	7%	40.8	9%
Other LatAm	34.3	18%	24.8	15%	84.3	16%	65.7	14%
Africa & Asia	40.6	22%	27.9	17%	132.2	24%	101.2	22%
Nigeria	2.1	1%	8.3	5%	10.4	2%	55.6	12%
Egypt	18.6	10%	10.1	6%	72.6	13%	18.3	4%
Other Africa & Asia	19.9	11%	9.4	6%	49.2	9%	27.3	6%
Total Revenue	185.8	100%	163.9	100%	541.5	100%	462.3	100%

The tables below present the breakdown of dLocal's gross profit by geography:

In millions of US\$ except for %	Three months ended 30 of September				Nine months ended 30 of September			
	2024	% share	2023	% share	2024	% share	2023	% share
Latin America	55.6	71%	59.4	80%	157.7	75%	174.0	84%
<i>Brazil</i>	15.4	20%	22.7	30%	52.5	25%	53.3	26%
<i>Argentina</i>	6.7	9%	13.1	18%	19.5	9%	44.8	22%
<i>Mexico</i>	12.8	16%	7.9	11%	31.6	15%	25.4	12%
<i>Chile</i>	8.2	10%	6.9	9%	23.9	11%	24.9	12%
<i>Other LatAm</i>	12.5	16%	8.9	12%	30.2	14%	25.6	12%
Africa & Asia	22.6	29%	15.1	20%	53.2	25%	33.2	16%
<i>Nigeria</i>	1.7	2%	1.7	2%	4.2	2%	4.3	2%
<i>Egypt</i>	12.3	16%	9.6	13%	32.4	15%	16.6	8%
<i>Other Africa & Asia</i>	8.5	11%	3.7	5%	16.6	8%	12.2	6%
Total Gross Profit	78.2	100%	74.5	100%	211.0	100%	207.1	100%

Special note regarding Adjusted EBITDA and Adjusted EBITDA Margin

dLocal has only one operating segment. dLocal measures its operating segment's performance by Revenues, Adjusted EBITDA and Adjusted EBITDA Margin, and uses these metrics to make decisions about allocating resources.

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, and inflation adjustment. dLocal defines Adjusted EBITDA Margin as the Adjusted EBITDA divided by consolidated revenues.

Although Adjusted EBITDA and Adjusted EBITDA Margin may be commonly viewed as non-IFRS measures in other contexts, pursuant to IFRS 8, ("Operating Segments"), Adjusted EBITDA and Adjusted EBITDA Margin are treated by dLocal as IFRS measures based on the manner in which dLocal utilizes these measures. Nevertheless, dLocal's Adjusted EBITDA and Adjusted EBITDA Margin metrics should not be viewed in isolation or as a substitute for net income for the periods presented under IFRS. dLocal also believes that its Adjusted EBITDA and Adjusted EBITDA Margin metrics are useful metrics used by analysts and investors, although these measures are not explicitly defined under IFRS. Additionally, the way dLocal calculates operating segment's performance measures may be different from the calculations used by other entities, including competitors, and therefore, dLocal's performance measures may not be comparable to those of other entities.

The table below presents a reconciliation of dLocal's Adjusted EBITDA to net income:

\$ in thousands	Three months ended 30 of September		Nine months ended 30 of September	
	2024	2023	2024	2023
Profit for the period	26,811	40,364	90,768	120,605
Income tax expense	2,286	8,897	19,460	21,952
Depreciation and amortization	4,438	3,237	12,289	8,621
Finance income and costs, net	10,085	(1,548)	(18,259)	(10,398)
Share-based payment non-cash charges	6,204	3,322	17,441	7,072
Other operating loss ¹	578	-	3,950	-
Impairment loss / (gain) on financial assets	8	(2,508)	(93)	(2,478)
Inflation adjustment	1,954	3,817	6,263	6,497
Other non-recurring costs	-	-	-	1,229
Adjusted EBITDA	52,364	55,581	131,819	153,100

Note: ¹The company wrote-off certain amounts related to merchants/processors off-boarded by dLocal.

Special note regarding Adjusted Net Income

Adjusted Net Income is a non-IFRS financial measure. As used by dLocal, Adjusted Net Income is defined as the profit for the period (net income) excluding impairment gains/(losses) on financial assets, transaction costs, share-based payment non-cash charges, and other operating (gain)/loss, in line with our Adjusted EBITDA calculation (see detailed methodology for Adjusted EBITDA on page 13). It further excludes the accounting non-cash charges related to the fair value gain from the Argentine dollar-linked bonds, the exchange difference loss from the intercompany loan denominated in USD that we granted to our Argentine subsidiary to purchase the bonds, and the hedging cost associated with the Argentina treasury notes. In addition, it excludes the inflation adjustment based on IFRS rules for hyperinflationary economies. We believe Adjusted Net Income is a useful measure for understanding our results of operations while excluding certain non-cash effects such as currency devaluation, inflation, and hedging costs. Our calculation for Adjusted Net Income may differ from similarly-titled measures presented by other companies and should not be considered in isolation or as a replacement for our measure of profit for the period as presented in accordance with IFRS.

The table below presents a reconciliation of dLocal's Adjusted net income:

\$ in thousands	Three months ended 30 of September		Nine months ended 30 of September	
	2024	2023	2024	2023
Net income as reported	26,811	40,364	90,768	120,605
Inflation adjustment	1,954	3,817	6,263	6,497
Loan - exchange difference	7,710	27,351	20,270	29,166
Argentina Treasury Notes Hedging Costs	4,272	-	4,272	-
Fair value (loss) / gains of financial assets at FVTPL	95	(24,232)	(33,494)	(27,886)
Impairment loss / (gain) on financial assets	8	(2,508)	(93)	(2,478)
Share-based payment non-cash charges	6,204	3,322	17,441	7,072
Other operating (gain)/loss	578	-	3,950	-
Other non-recurring costs	-	-	-	1,229
Tax effect on adjustments	(4,227)	1,092	411	448
Adjusted net income	43,405	49,206	109,788	134,653

Unaudited quarterly results.

Earnings per share

We calculate basic earnings per share by dividing the profit attributable to owners of the group by the weighted average number of common shares issued and outstanding during the three-month and nine-month periods ended September 30, 2024 and 2023.

Our diluted earnings per share is calculated by dividing the profit attributable to owners of the group of dLocal by the weighted average number of common shares outstanding during the period plus the weighted average number of common shares that would be issued on conversion of all dilutive potential common shares into common shares.

The following table presents the information used as a basis for the calculation of our earnings per share:

	Three months ended 30 of September		Nine months ended 30 of September	
	2024	2023	2024	2023
Profit attributable to common shareholders (USD)	26,782,000	40,308,000	90,734,000	120,449,000
Weighted average number of common shares	282,212,297	289,411,641	291,582,333	292,058,528
Adjustments for calculation of diluted earnings per share	14,108,758	16,620,498	15,154,672	16,509,161
Weighted average number of common shares for calculating diluted earnings per share	296,321,055	306,032,139	306,737,005	308,567,689
Basic earnings per share	0.09	0.14	0.31	0.41
Diluted earnings per share	0.09	0.13	0.30	0.39

This press release does not contain sufficient information to constitute an interim financial report as defined in International Accounting Standards 34, "Interim Financial Reporting" nor a financial statement as defined by International Accounting Standards 1 "Presentation of Financial Statements". The quarterly financial information in this press release has not been audited, whereas the annual results for the year ended December 31, 2023 are audited.

Conference call and webcast

dLocal's management team will host a conference call and audio webcast on November 13, 2024 at 6:00 p.m. Eastern Time. Please [click here](#) to pre-register for the conference call and obtain your dial in number and passcode.

The live conference call can be accessed via audio webcast at the investor relations section of dLocal's website, at <https://investor.dlocal.com/>. An archive of the webcast will be available for a year following the conclusion of the conference call. The investor presentation will also be filed on EDGAR at www.sec.gov.

About dLocal

dLocal powers local payments in emerging markets, connecting global enterprise merchants with billions of emerging market consumers in more than 40 countries across Africa, Asia, and Latin America. Through the "One dLocal" platform (one direct API, one platform, and one contract), global companies can accept payments, send pay-outs and settle funds globally without the need to manage separate pay-in and pay-out processors, set up numerous local entities, and integrate multiple acquirers and payment methods in each market.

Definition of selected operational metrics

“*API*” means application programming interface, which is a general term for programming techniques that are available for software developers when they integrate with a particular service or application. In the payments industry, APIs are usually provided by any party participating in the money flow (such as payment gateways, processors, and service providers) to facilitate the money transfer process.

“*Cross-border*” means a payment transaction whereby dLocal is collecting in one currency and settling into a different currency and/or in a different geography.

“*Local payment methods*” refers to any payment method that is processed in the country where the end user of the merchant sending or receiving payments is located, which include credit and debit cards, cash payments, bank transfers, mobile money, and digital wallets.

“*Local-to-local*” means a payment transaction whereby dLocal is collecting and settling in the same currency.

“*Net Revenue Retention Rate*” or “*NRR*” is a U.S. dollar-based measure of retention and growth of dLocal’s merchants. NRR is calculated for a period or year by dividing the Current Period/Year Revenue by the Prior Period/Year Revenue. The Prior Period/Year Revenue is the revenue billed by us to all our customers in the prior period. The Current Period/Year Revenue is the revenue billed by us in the current period to the same customers included in the Prior Period/Year Revenue. Current Period/Year Revenue includes revenues from any upselling and cross-selling across products, geographies, and payment methods to such merchant customers, and is net of any contractions or attrition, in respect of such merchant customers, and excludes revenue from new customers on-boarded in the preceding twelve months. As most of dLocal revenues come from existing merchants, the NRR rate is a key metric used by management, and we believe it is useful for investors in order to assess our retention of existing customers and growth in revenues from our existing customer base.

“*Pay-in*” means a payment transaction whereby dLocal’s merchant customers receive payment from their customers.

“*Pay-out*” means a payment transaction whereby dLocal disburses money in local currency to the business partners or customers of dLocal’s merchant customers.

“*Revenue from New Merchants*” means the revenue billed by us to merchant customers that we did not bill revenues in the same quarter (or period) of the prior year.

“*Revenue from Existing Merchants*” means the revenue billed by us in the last twelve months to the merchant customers that we billed revenue in the same quarter (or period) of the prior year.

“*TPV*” dLocal presents total payment volume, or TPV, which is an operating metric of the aggregate value of all payments successfully processed through dLocal’s payments platform. Because revenue depends significantly on the total value of transactions processed through the dLocal platform, management believes that TPV is an indicator of the success of dLocal’s global merchants, the satisfaction of their end users, and the scale and growth of dLocal’s business.

Rounding: We have made rounding adjustments to some of the figures included in this interim report. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that preceded them.

Forward-looking statements

This press release contains certain forward-looking statements. These forward-looking statements convey dLocal's current expectations or forecasts of future events, including guidance in respect of total payment volume, gross profit, Adjusted EBITDA, and Adjusted EBITDA over gross profit margin. Forward-looking statements regarding dLocal and amounts stated as guidance are based on current management expectations and 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. In addition, dLocal is unable to present a quantitative reconciliation of forward-looking guidance for Adjusted EBITDA and Adjusted EBITDA over gross profit, which are forward-looking non-IFRS measures, because dLocal cannot reliably predict certain of their necessary components, such as impairment gains/(losses) on financial assets, transaction costs, and inflation adjustment.

dLocal Limited

Certain financial information

Consolidated Condensed Interim Statements of Comprehensive Income for the three-month and nine-month periods ended September 30, 2024 and 2023

(In thousands of U.S. dollars, except per share amounts)

	Three months ended 30 of September		Nine months ended 30 of September	
	2024	2023	2024	2023
Continuing operations				
Revenues	185,774	163,921	541,483	462,346
Cost of services	(107,594)	(89,378)	(330,521)	(255,206)
Gross profit	78,180	74,543	210,962	207,140
Technology and development expenses	(6,930)	(3,696)	(18,803)	(8,626)
Sales and marketing expenses	(6,892)	(4,447)	(16,028)	(12,410)
General and administrative expenses	(22,636)	(17,378)	(74,042)	(49,926)
Impairment (loss)/gain on financial assets	(8)	2,508	93	2,478
Other operating (loss)/gain	(578)	-	(3,950)	-
Operating profit	41,136	51,530	98,232	138,656
Finance income	7,335	44,449	54,839	70,315
Finance costs	(17,420)	(42,901)	(36,580)	(59,917)
Inflation adjustment	(1,954)	(3,817)	(6,263)	(6,497)
Other results	(12,039)	(2,269)	11,996	3,901
Profit before income tax	29,097	49,261	110,228	142,557
Income tax expense	(2,286)	(8,897)	(19,460)	(21,952)
Profit for the period	26,811	40,364	90,768	120,605
Profit attributable to:				
Owners of the Group	26,782	40,308	90,734	120,449
Non-controlling interest	29	56	34	156
Profit for the period	26,811	40,364	90,768	120,605
Earnings per share (in USD)				
Basic Earnings per share	0.09	0.14	0.31	0.41
Diluted Earnings per share	0.09	0.13	0.30	0.39
Other comprehensive income				
<i>Items that may be reclassified to profit or loss:</i>				
Exchange difference on translation on foreign operations	(498)	(1,822)	(6,771)	1,341
Other comprehensive income for the period, net of tax	(498)	(1,822)	(6,771)	1,341
Total comprehensive income for the period, net of tax	26,313	38,542	83,997	121,946
Total comprehensive income for the period				
Owners of the Group	26,301	38,487	83,979	121,792
Non-controlling interest	12	55	18	154
Total comprehensive income for the period	26,313	38,542	83,997	121,946

dLocal Limited

Certain financial information

Consolidated Condensed Interim Statements of Financial Position as of September 30, 2024 and December 31, 2023

(In thousands of U.S. dollars)

	30 of September, 2024	31 of December, 2023
ASSETS		
Current Assets		
Cash and cash equivalents	560,532	536,160
Financial assets at fair value through profit or loss	112,247	102,677
Trade and other receivables	405,917	363,374
Derivative financial instruments	591	2,040
Other assets	12,235	11,782
Total Current Assets	1,091,522	1,016,033
Non-Current Assets		
Financial assets at fair value through profit or loss	-	1,710
Trade and other receivables	1,787	-
Deferred tax assets	3,277	2,217
Property, plant and equipment	3,308	2,917
Right-of-use assets	3,939	3,689
Intangible assets	61,983	57,887
Other assets	5,343	-
Total Non-Current Assets	79,637	68,420
TOTAL ASSETS	1,171,159	1,084,453
LIABILITIES		
Current Liabilities		
Trade and other payables	669,608	602,493
Lease liabilities	1,127	626
Tax liabilities	17,525	20,800
Derivative financial instruments	4,579	948
Financial liabilities	16,775	-
Provisions	278	362
Total Current Liabilities	709,892	625,229
Non-Current Liabilities		
Deferred tax liabilities	1,276	753
Lease liabilities	2,985	3,331
Total Non-Current Liabilities	4,261	4,084
TOTAL LIABILITIES	714,153	629,313
EQUITY		
Share Capital	570	591
Share Premium	182,946	173,001
Treasury Shares	(200,980)	(99,936)
Capital Reserve	30,564	21,575
Other Reserves	(14,749)	(9,808)
Retained earnings	458,528	369,608
Total Equity Attributable to owners of the Group	456,879	455,031
Non-controlling interest	127	109
TOTAL EQUITY	457,006	455,140

dLocal Limited

Certain interim financial information

Consolidated Condensed Interim Statements of Cash flows for the three-month and nine-month periods ended September 30, 2024 and 2023

(In thousands of U.S. dollars)

	Three months ended 30 of September		Nine months ended 30 of September	
	2024	2023	2024	2023
Cash flows from operating activities				
Profit before income tax	29,097	49,261	110,228	142,557
Adjustments:				
Interest (Income) from financial instruments	(7,430)	(20,217)	(21,345)	(42,429)
Interest charges for lease liabilities	44	373	131	468
Other finance expense	1,220	1,918	3,020	3,120
Finance expense related to derivative financial instruments	7,765	12,647	20,089	22,516
Net exchange differences	12,705	28,438	18,873	32,520
Fair value gain on financial assets at fair value through profit or loss	95	(24,232)	(33,494)	(27,886)
Amortization of Intangible assets	4,033	2,897	11,147	7,565
Depreciation of Property, plant and equipment and Right-of-use asset	405	219	1,142	626
Disposal of Right-of-use asset	79	121	90	430
Share-based payment expense, net of forfeitures	6,204	3,322	17,441	7,072
Other operating loss	578	-	3,950	-
Net Impairment loss/(gain) on financial assets	8	(2,508)	(93)	(2,478)
Inflation adjustment	515	-	(11,359)	-
	55,318	52,239	119,820	144,081
Changes in working capital				
Increase in Trade and other receivables	48,999	(12,706)	(53,159)	(72,092)
Decrease in Other assets	(1,204)	19,592	1,299	31,749
Increase in Trade and other payables	(49,489)	(48,174)	63,743	141,965
Increase/(Decrease) in Tax Liabilities	(7,099)	(1,035)	651	(4,376)
Decrease in Provisions	2	(279)	(84)	(836)
	46,527	9,637	132,271	240,491
Cash from operating activities	46,527	9,637	132,271	240,491
Income tax paid	(6,956)	(1,663)	(23,923)	(8,479)
Net cash from operating activities	39,571	7,974	108,347	232,012
Cash flows from investing activities				
Acquisitions of Property, plant and equipment	(52)	(329)	(1,278)	(986)
Additions of Intangible assets	(5,379)	(4,358)	(15,243)	(12,503)
Acquisition of financial assets at FVPL	(9,775)	(53,531)	(106,616)	(101,670)
Net collections of financial assets at FVPL	9,796	(3,757)	108,097	(2,234)
Interest collected from financial instruments	7,430	20,454	21,345	42,429
Net cash used in investing activities	2,020	(41,521)	6,305	(74,964)
Cash flows from financing activities				
Repurchase of shares	(19,316)	-	(101,067)	(97,929)
Share-options exercise	1,403	-	1,495	153
Interest payments on lease liability	(44)	(373)	(131)	(468)
Principal payments on lease liability	(371)	(512)	(440)	(788)
Finance expense paid related to derivative financial instruments	(3,970)	(9,466)	(15,009)	(20,803)
Net proceeds from financial liabilities	16,775	-	16,775	-
Interest payments on financial liabilities	(648)	-	(648)	-
Other finance expense paid	(724)	(1,915)	(1,123)	(3,120)
Net cash used in financing activities	(6,895)	(12,266)	(100,148)	(122,955)
Net increase in cash flow	34,696	(45,813)	14,505	34,093
Cash and cash equivalents at the beginning of the period	531,620	549,386	536,160	468,092
Net (decrease)/increase in cash flow	34,696	(45,813)	14,505	34,093
Effects of exchange rate changes on cash and cash equivalents	(5,784)	(5,408)	9,868	(4,020)
Cash and cash equivalents at the end of the period	560,532	498,165	560,532	498,165

Investor Relations Contact:
investor@dlocal.com

Media Contact:
media@dlocal.com

DLocal Limited

Unaudited Consolidated Condensed Interim Financial Statements as of September 30, 2024 and for the nine-month and three-month periods ended September 30, 2024 and 2023

DLocal Limited

Unaudited Consolidated Condensed Interim Statements of Comprehensive Income

For the nine-month and three-month periods ended September 30, 2024 and 2023

(All amounts in thousands of U.S. Dollars except share data or as otherwise indicated)

	Notes	Nine months ended		Three months ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Continuing operations					
Revenues	6	541,483	462,346	185,774	163,921
Cost of services	6	(330,521)	(255,206)	(107,594)	(89,378)
Gross profit		210,962	207,140	78,180	74,543
Technology and development expenses	7	(18,803)	(8,626)	(6,930)	(3,696)
Sales and marketing expenses	8	(16,028)	(12,410)	(6,892)	(4,447)
General and administrative expenses	8	(74,042)	(49,926)	(22,636)	(17,378)
Impairment reversal on financial assets	17	93	2,478	(8)	2,508
Other operating losses		(3,950)	—	(578)	—
Operating profit		98,232	138,656	41,136	51,530
Finance income	11	54,839	70,315	7,335	44,449
Finance costs	11	(36,580)	(59,917)	(17,420)	(42,901)
Inflation adjustment	11	(6,263)	(6,497)	(1,954)	(3,817)
Other results		11,996	3,901	(12,039)	(2,269)
Profit before income tax		110,228	142,557	29,097	49,261
Income tax expense	12	(19,460)	(21,952)	(2,286)	(8,897)
Profit for the period		90,768	120,605	26,811	40,364
Profit attributable to:					
Owners of the Group		90,734	120,449	26,782	40,308
Non-controlling interest		34	156	29	56
Profit for the period		90,768	120,605	26,811	40,364
Earnings per share					
Basic Earnings per share	14	0.31	0.41	0.09	0.14
Diluted Earnings per share	14	0.30	0.39	0.09	0.13
Other comprehensive Income					
<i>Items that may be reclassified to profit or loss:</i>					
Exchange difference on translation on foreign operations		(6,771)	1,341	(498)	(1,822)
Other comprehensive income for the period, net of tax		(6,771)	1,341	(498)	(1,822)
Total comprehensive income for the period		83,997	121,946	26,313	38,542
Total comprehensive income for the period is attributable to:					
Owners of the Group		83,979	121,792	26,301	38,487
Non-controlling interest		18	154	12	55
Total comprehensive income for the period		83,997	121,946	26,313	38,542

The accompanying notes are an integral part of these Unaudited Consolidated Condensed Interim Financial Statements.

DLocal Limited

Unaudited Consolidated Condensed Interim Statements of Financial Position

As of September 30, 2024 and December 31, 2023

(All amounts in thousands of U.S. Dollars except share data or as otherwise indicated)

	Notes	September 30, 2024	December 31, 2023
ASSETS			
Current Assets			
Cash and cash equivalents	15	560,532	536,160
Financial assets at fair value through profit or loss	16	112,247	102,677
Trade and other receivables	17	405,917	363,374
Derivative financial instruments	22	591	2,040
Other assets	18	12,235	11,782
Total Current Assets		1,091,522	1,016,033
Non-Current Assets			
Financial assets at fair value through profit or loss	16	—	1,710
Trade and other receivables	17	1,787	—
Deferred tax assets		3,277	2,217
Property, plant and equipment		3,308	2,917
Right-of-use assets		3,939	3,689
Intangible assets	19	61,983	57,887
Other assets	18	5,343	—
Total Non-Current Assets		79,637	68,420
TOTAL ASSETS		1,171,159	1,084,453
LIABILITIES			
Current Liabilities			
Trade and other payables	20	669,608	602,493
Lease liabilities		1,127	626
Tax liabilities	21	17,525	20,800
Derivative financial instruments	22	4,579	948
Financial liabilities	23	16,775	—
Provisions	24	278	362
Total Current Liabilities		709,892	625,229
Non-Current Liabilities			
Deferred tax liabilities		1,276	753
Lease liabilities		2,985	3,331
Total Non-Current Liabilities		4,261	4,084
TOTAL LIABILITIES		714,153	629,313
EQUITY			
	14		
Share Capital		570	591
Share Premium		182,946	173,001
Treasury Shares		(200,980)	(99,936)
Capital Reserve		30,564	21,575
Other Reserves		(14,749)	(9,808)
Retained earnings		458,528	369,608
Total Equity Attributable to owners of the Group		456,879	455,031
Non-controlling interest		127	109
TOTAL EQUITY		457,006	455,140
TOTAL LIABILITIES AND EQUITY		1,171,159	1,084,453

The accompanying notes are an integral part of these Unaudited Consolidated Condensed Interim Financial Statement.

DLocal Limited

Unaudited Consolidated Condensed Interim Statements of Changes in Equity

For the nine-month period ended September 30, 2024 and 2023

(All amounts in thousands of U.S. Dollars except share data or as otherwise indicated)

	Notes	Share Capital	Share Premium	Treasury shares	Capital Reserve	Other Reserves	Retained Earnings	Total	Non- controlling interest	Total equity
Balance as of January 1st, 2024		591	173,001	(99,936)	21,575	(9,808)	369,608	455,031	109	455,140
Comprehensive Income for the period										
Profit for the period		—	—	—	—	—	90,734	90,734	34	90,768
Exchange difference on translation on foreign operations		—	—	—	—	(4,941)	(1,814)	(6,755)	(16)	(6,771)
Total Comprehensive Income for the period		—	—	—	—	(4,941)	88,920	83,979	18	83,997
Transactions with Group owners in their capacity as owners										
Share-options exercise	14	2	9,945	—	(8,452)	—	—	1,495	—	1,495
Share-based payments net of forfeitures	9	—	—	—	17,441	—	—	17,441	—	17,441
Repurchase of shares	14	(23)	—	(101,044)	—	—	—	(101,067)	—	(101,067)
Transactions with Group owners in their capacity as owners		(21)	9,945	(101,044)	8,989	—	—	(82,131)	—	(82,131)
Balance as of September 30, 2024		570	182,946	(200,980)	30,564	(14,749)	458,528	456,879	127	457,006
Balance as of January 1st, 2023		592	166,328	(2,021)	16,185	(1,448)	219,993	399,629	(9)	399,620
Comprehensive Income for the period										
Profit for the period		—	—	—	—	—	120,449	120,449	156	120,605
Exchange difference on translation on foreign operations		—	—	—	—	(379)	1,722	1,343	(2)	1,341
Total Comprehensive Income for the period		—	—	—	—	(379)	122,171	121,792	154	121,946
Transactions with Group owners in their capacity as owners										
Share-options exercise	14	—	2,158	—	(2,005)	—	—	153	—	153
Forfeitures	14	—	—	—	—	—	—	—	—	—
Share-based payments	9	—	—	—	7,072	—	—	7,072	—	7,072
Repurchase of shares		(14)	—	(97,915)	—	—	—	(97,929)	—	(97,929)
Transactions with Group owners in their capacity as owners		(14)	2,158	(97,915)	5,067	—	—	(90,704)	—	(90,704)
Balance as of September 30, 2023		578	168,486	(99,936)	21,252	(1,827)	342,164	430,717	145	430,862

The accompanying notes are an integral part of these Unaudited Consolidated Condensed Interim Financial Statements.

DLocal Limited

Unaudited Consolidated Condensed Interim Statements of Cash Flows

For the nine-month periods ended September 30, 2024 and 2023

(All amounts in thousands of U.S. Dollars except share data or as otherwise indicated)

	Notes	Nine months ended	
		September 30, 2024	September 30, 2023
Cash flows from operating activities			
Profit before income tax		110,228	142,557
Adjustments:			
Interest (Income) from financial instruments	11	(21,345)	(42,429)
Interest charges for lease liabilities	11	131	468
Other finance expense		3,020	3,120
Finance expense related to derivative financial instruments		20,089	22,516
Net exchange differences		18,873	32,520
Fair value gain on financial assets at fair value through profit or loss	11	(33,494)	(27,886)
Amortization of Intangible assets	10	11,147	7,565
Depreciation of Property, plant and equipment and Right-of-use asset	10	1,142	1,056
Disposal of Right-of-use asset	10	90	—
Share-based payment expense, net of forfeitures	9	17,441	7,072
Other operating loss		3,950	—
Net Impairment (gain) on financial assets	17	(93)	(2,478)
Inflation adjustment		(11,359)	—
		119,820	144,081
Changes in working capital			
Increase in Trade and other receivables	17	(53,159)	(72,092)
Decrease in Other assets	18	1,299	31,749
Increase in Trade and other payables	20	63,743	141,965
Increase/(Decrease) in Tax Liabilities	21	651	(4,376)
Decrease in Provisions	24	(84)	(836)
Cash from operating activities		132,271	240,491
Income tax paid		(23,923)	(8,479)
Net cash from operating activities		108,347	232,012
Cash flows from investing activities			
Acquisitions of Property, plant and equipment		(1,278)	(986)
Additions of Intangible assets	19	(15,243)	(12,503)
Acquisition of financial assets at FVPL		(106,616)	(101,670)
Net collections of financial assets at FVPL		108,097	(2,234)
Interest collected from financial instruments		21,345	42,429
Net cash from/(used) in investing activities		6,305	(74,964)
Cash flows from financing activities			
Repurchase of shares	14	(101,067)	(97,929)
Share-options exercise		1,495	153
Interest payments on lease liability		(131)	(468)
Principal payments on lease liability		(440)	(788)
Finance expense paid related to derivative financial instruments		(15,009)	(20,803)
Net proceeds from financial liabilities	23	16,775	—
Interest payments on financial liabilities	23	(648)	—
Other finance expense paid		(1,123)	(3,120)
Net cash used in financing activities		(100,148)	(122,955)
Net increase in cash flow		14,505	34,093
Cash and cash equivalents at the beginning of the period		536,160	468,092
Effects of exchange rate changes and inflation on cash and cash equivalents		9,868	(4,020)
Cash and cash equivalents at the end of the period		560,532	498,165

The accompanying notes are an integral part of these Unaudited Consolidated Condensed Interim Financial Statements.

DLocal Limited

Notes to Unaudited Consolidated Condensed Interim Financial Statements

At September 30, 2024

(All amounts in thousands of U.S. Dollars except share data or as otherwise indicated)

1. General information and Significant Events during the period

1.1. General information

DLocal Limited (“dLocal” or the “Company”) was established on October 5, 2016 as a limited liability holding company in Malta (together with its subsidiaries as the “Group”). On April 14, 2021 the Group was reorganized under dLocal and domiciled and incorporated in the Cayman Islands. The Company holds a controlling financial interest in the Group.

The Group processes payment transactions, enabling merchants located in developed economies (mainly United States, Europe and China) to receive payments (“pay-ins”) from customers in emerging markets and to facilitate payments (“pay-outs”) to customers in emerging markets. As of the date these Unaudited Consolidated Condensed Interim Financial Statements were issued, the Group continued to focus on its geographic expansion, increasing the total number of in-network countries.

The Group processes local payments in emerging markets through its network of acquirers and payments processors. Through its partnership with financial institutions, the Group expatriates/repatriates funds to/from developed economies where the merchant customers elect settlement in their preferred currency (mainly U.S. Dollar and Euro). These unaudited consolidated condensed interim financial statements include dLocal’s subsidiaries.

The Group is licensed and regulated in the EU as an Electronic Money Issuer, or EMI, and Payment Institution, or PI, and registered as a Money Service Business with the Financial Crimes Enforcement Network of the U.S. Department of the Treasury, or FinCEN, and operates and may be licensed, as applicable, in many countries in emerging markets, primarily in the Americas, Asia and Africa.

In addition, the Group is regulated under multiple laws focused on preventing money laundering, corruption, and the financing of terrorism, and remains fully compliant with the Fifth Anti-Money Laundering Directive (Directive (EU) 2018/843, “MLD5”). The regulatory framework governing these areas is dynamic, frequently evolving to address emerging risks and regulatory priorities. As part of this evolution, the EU has recently passed the Sixth Anti-Money Laundering Directive (Directive (EU) 2024/1640, “MLD6”), which sets out further requirements to strengthen transparency, reinforce financial intelligence capabilities, and enhance beneficial ownership regulations. MLD6 will soon be transposed into national laws across EU member states, adding additional compliance obligations for the Group and requiring ongoing adaptation to new regulatory standards.

1.2. Significant events during the period

a) Class action lawsuits

On February 23 and February 28, 2023, respectively, we were named, along with several of our senior executives and/or directors, as defendants in certain putative class action lawsuits filed in the Supreme Court of the State of New York, New York County, asserting claims under Sections 11, 12, and 15 of the Securities Act of 1933, based in significant part on the short-seller report. These matters, Zappia et al. v. DLocal Limited et al., Index No. 151778/2023 (Sup. Ct. N.Y. Cty.), and Hunt et al. v. DLocal Limited et al., Index No. 651058/2023 (Sup. Ct. N.Y. Cty.), or the Zappia and Hunt Actions, allege, among other things, that the registration statement for our June 2021 initial public offering reflected certain material misstatements or omissions.

On March 3, 2023, plaintiffs in the two actions filed a stipulation and proposed order consolidating the cases and appointing putative lead counsel. The parties also agreed to a schedule for plaintiffs' filing of an amended complaint and a subsequent briefing schedule for a motion to dismiss the amended complaint.

On May 12, 2023, plaintiffs in the Zappia and Hunt Actions jointly filed a consolidated amended complaint. On July 11, 2023, we filed a motion to dismiss the complaint. Plaintiffs filed their opposition brief on August 15, 2023, and we filed a reply in further support of our motion to dismiss on September 22, 2023. Our motion to dismiss is now fully briefed, and, on February 29, 2024, the court presided over oral argument on the motion. The court has not yet issued a decision on the motion, and no other proceedings are currently ongoing or scheduled.

We have also been named, along with several of our senior executives and/or directors, in a putative class action lawsuit filed in the U.S. District Court for the Eastern District of New York, asserting claims under Sections 11 and 15 of the Securities Act and Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as well as Rule 10b-5 promulgated thereunder. This lawsuit, captioned Laurenzi v. dLocal Ltd., et al., 1:23-cv-07501 (E.D.N.Y.) (Laurenzi Action), was initiated on October 6, 2023. On January 4, 2024, the Court appointed a Lead Plaintiff. On March 18, 2024, Lead Plaintiff filed an amended class action complaint. The amended complaint alleges misstatements and omissions in the registration statement for our June 2021 initial public offering and in various public filings and press releases during the period of June 2, 2021 through June 5, 2023. Pursuant to a schedule agreed upon with Lead Plaintiff's counsel, we filed on April 30, 2024, a letter, as required by court rules, requesting a pre-motion conference regarding an anticipated motion to dismiss the Laurenzi Action in full. Lead Plaintiff responded to that letter on May 14, 2024. On June 10, 2024, the court held the requested preliminary conference and set a schedule for briefing on our motion to dismiss. We served our opening brief on August 9, 2024, Lead Plaintiff served an opposition on October 11, 2024, and we served our reply on November 8, 2024. The court has not yet indicated whether it will hear oral argument on our motion, and no other proceedings are currently ongoing or scheduled.

Due to the preliminary posture of the above-described lawsuits as of the date of issuance of these unaudited consolidated condensed interim financial statements, the Management and its legal advisors are unable to evaluate the likelihood of an adverse outcome or estimate a range of potential losses and no provision for contingencies have been recorded for the aforementioned matters. DLocal Limited intends to defend itself vigorously in these actions. As of the date of issuance of the Company's unaudited interim financial statements there were no further updates in this regard.

Developments in Argentina

Argentina is subject to extensive foreign exchange regulations which were revised as recently as December 2023. We and our legal advisors consider our activities to be carried out in compliance with applicable laws and regulations, including compliance with foreign exchange market and tax regulations. As of the date of this unaudited interim report, no provision for contingencies has been recorded for the aforementioned matters.

2. Presentation and preparation of the Consolidated Condensed Interim Financial Statements and significant accounting policies

2.1. Basis of preparation of consolidated condensed interim financial information

These Unaudited Consolidated Condensed Interim Financial Statements for the nine months ended September 30, 2024 have been prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting” as issued by the International Accounting Standard Board.

These Unaudited Consolidated Condensed Interim Financial Statements do not include all the notes of the type normally included in an annual consolidated financial statement. Accordingly, this report should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2023 (the “Annual Financial Statements”).

The accounting policies and critical accounting estimates and judgments adopted, except for those explicitly indicated on these Unaudited Consolidated Condensed Interim Financial Statements, are consistent with those of the previous financial year and corresponding interim reporting period.

All amounts are presented in thousands of U.S. Dollars except share data or as otherwise indicated.

These Unaudited Consolidated Condensed Interim Financial Statements for the nine months ended September 30, 2024 were authorized for issuance by the dLocal’s Board of Directors on November 12, 2024.

2.2. Changes in accounting policies adopted by the Group

Treasury shares

As of June 30, 2024, the Group has adopted a voluntary change in the accounting policy regarding the classification of treasury shares to better reflect the Group’s equity structure. Previously, treasury shares were recognized under the share premium in the equity. As part of the new policy, and in connection with the repurchase of shares mentioned in note 14 c, the Group has decided to classify treasury shares separately in the equity position.

Treasury shares are recorded at cost, which includes the purchase price and any directly attributable costs of acquisition. The cost of treasury shares is presented as a deduction from equity, specifically within the “Treasury Shares” reserve. No gain or loss is recognized in the income statement on the purchase, sale, issue, or cancellation of the company’s own equity instruments.

2.3. New accounting pronouncements

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2023. The Company evaluated and, when necessary, applied for the first time the new standards and interpretations issued or modified by the IASB as demonstrated in the item 2.4, and did not identify any significant impacts thereof on the disclosure or reported amounts.

2.4. Impact of IFRS Accounting Standards issued but not yet applied by the Group

The following new standards, amendments to standards and interpretation of IFRS issued by the IASB were not adopted since they are not effective for the issuance of the interim condensed consolidated financial statements. The Company is assessing the impact of the standards and plans to adopt these new standards, amendments, and interpretation, if applicable, when they become effective.

IAS 21 - The effects of changes in Foreign Exchange Rates (effective on January 1, 2025)

In August 2023, the IASB amended IAS 21 to help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not. These new requirements will apply for annual

reporting periods beginning on or after 1 January 2025. The Company is assessing the impact of adoption of this amendment.

IFRS 18 - Presentation and disclosure in financial statements (effective on January 1, 2027)

On 9 April 2024, the IASB issued a new standard IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information.

IFRS 9 – Financial Instruments and IFRS 07 Financial Instruments: Disclosure (effective on January 1, 2026)

On 30 May 2024, the IASB issued target amendments to IFRS 9 and IFRS 7. The amendments intend to:

- Clarify the period of recognition and derecognition of some financial assets and liabilities, with new exception for some financial liabilities settled through electronic cash transfer;
- Provides further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- New disclosures for certain instruments with contractual terms that can change cash flows and equity instruments designated at FVTOCI.

IFRS 19 - Subsidiaries without Public Accountability: Disclosures (effective on January 1, 2027)

On 9 May 2024, the IASB has issued a new IFRS Accounting Standard for subsidiaries.

An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.

3. Accounting estimates and judgments

Accounting estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The accounting estimates and judgments adopted in these Unaudited Consolidated Condensed Interim Financial Statements are consistent with those of the previous financial year and the corresponding interim reporting period.

4. Consolidation of subsidiaries

DLocal Limited, located in Cayman Islands, is the parent company of the Group and acts as a holding company for subsidiaries whose main activity is cross-border and local payments, enabling international merchants to access end customers in emerging markets. Its revenue comes from dividends receivable from subsidiaries and share of profit from subsidiary partnership.

There were no changes since December 31, 2023 in the accounting practices adopted for consolidation of the Company's direct and indirect interests in its subsidiaries for the purposes of these unaudited interim condensed consolidated financial statements. The following entities were incorporated or acquired by the Group during the nine-month period ended September 30, 2024.

Entity name	Country of incorporation	Principal activities	% of equity interest held by Dlocal
			September 30, 2024
Shanghai Demerge Consulting Co. Ltd	China	Service provider	100%
Olmerix S.A.	Uruguay	Finance entity	100%
Dlocal Nicaragua S.A.	Nicaragua	Collection entity	100%
Dlocal Malaysia Sdn. Bhd.	Malaysia	Collection entity	100%
CRI Demerge Costa Rica SRL	Costa Rica	Collection entity	100%
Demerge Singapore PTE Ltd	Singapore	Collection entity	100%

The Group has determined that the acquisition or incorporation of these subsidiaries during 2024 do not constitute a business combination according to IFRS 3.

5. Segment reporting

The Group operates as a single operating segment, “payment processing”. Operating segments are defined as components of an enterprise for which separate financial information is regularly evaluated by the chief operating decision maker (“CODM”) who is the Group’s Executive Team represented by executive officers and directors holders of ordinary shares of the immediate parent of the Company. The Group has determined that its Executive Team is the chief operating decision maker as they determine the allocation of resources and assess performance.

The Executive Team evaluates the Group’s financial information and resources, and assesses the financial performance of these resources based on consolidated Revenue, Adjusted EBITDA and Adjusted EBITDA margin as further described below.

Adjusted EBITDA and Adjusted EBITDA Margin

The Executive Team assesses the financial performance of the Group’s sole segment by Revenues, Adjusted EBITDA and Adjusted EBITDA Margin. Adjusted EBITDA is defined as the consolidated profit from operations before financing and taxation for the applicable reporting period before depreciation of PP&E, amortization of right-of-use assets and intangible assets. It also excludes adjustments applied to subsidiaries operating hyperinflationary environments, other operating losses, impairment gain/loss on financial assets, other non-recurring costs and share-based payment non-cash charges. The Group defines Adjusted EBITDA Margin as the Adjusted EBITDA divided by Revenue.

The Group reconciles the segment’s performance measure to profit for the period as presented in the Consolidated Condensed Interim Statements of Comprehensive Income as follows:

	Note	Nine months ended		Three months ended	
		September 30,	September 30,	September 30,	September 30,
		2024	2023	2024	2023
Profit for the period (i)		90,768	120,605	26,811	40,364
Income tax expense	12	19,460	21,952	2,286	8,897
Inflation adjustment	11	6,263	6,497	1,954	3,817
Finance income	11	(54,839)	(70,315)	(7,335)	(44,449)
Finance costs	11	36,580	59,917	17,420	42,901
Depreciation and amortization	10	12,289	8,621	4,438	3,237
Other operating (gain) / loss		3,950	—	578	—
Impairment loss / (gain) on financial assets	16	(93)	(2,478)	8	(2,508)
Other non-recurring costs (ii)	8	—	1,229	—	—
Share-based payment non-cash charges, net of forfeitures	9	17,441	7,072	6,204	3,322
Adjusted EBITDA		131,819	153,100	52,364	55,581
Revenues	6	541,483	462,346	185,774	163,921
Adjusted EBITDA		131,819	153,100	52,364	55,581
Adjusted EBITDA Margin		24.3%	33.1%	28.2%	33.9%

i) Includes a net gain related to the effective portion of the change in the spot rate of the hedged foreign currency risk. For further information refer to Note 22 Derivative financial instruments.

ii) For nine-month period ended September 30, 2023 other non-recurring costs related to an internal review of the allegations made by a short-seller report and class action expense, which includes fees from independent counsel, independent global expert services and forensic accounting advisory firm.

The Group's revenue, results and assets for this one reportable segment can be determined by reference to the Unaudited Consolidated Condensed Statement of Comprehensive Income and Unaudited Consolidated Condensed Statement of Financial Position.

As required by IFRS 8 Operating Segments, below are presented applicable entity-wide disclosures related to dLocal's revenues.

Revenue breakdown by region and country:

The Group's revenues arise from operations in many countries, where the merchants' customers are based.

The following table presents the Group's revenue by region and country where the payments from/to the merchant customers in certain regions represented at least 10% of Total Revenues amounted on the three-month and nine-month periods September 30, 2024 and 2023.

	Nine months ended		Three months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
LatAm	409,328	361,159	145,220	136,044
Brazil	118,269	108,754	32,936	44,724
Mexico	108,798	81,254	38,927	30,245
Argentina	60,336	64,588	26,032	23,856
Chile	37,666	40,815	13,014	12,430
Other countries	84,259	65,748	34,310	24,789
Asia and Africa	132,155	101,187	40,554	27,877
Egypt	72,596	18,269	18,564	10,145
Nigeria	10,392	55,614	2,071	8,321
Other countries	49,167	27,304	19,919	9,411
Revenues	541,483	462,346	185,774	163,921

Revenue with large customers

For the nine months ended September 30, 2024, the Group's revenue from its top 10 merchants represented 62% of revenue (58% of revenue for the nine months ended September 30, 2023). For the nine months ended September 30, 2024 there are two customers (one customer for the nine months ended September 30, 2023) that on an individual level accounted for more than 10% of the total revenue.

Non current assets by country

The Company does not have any non-current assets located in the entity's country of domicile. Material non-current assets are the Intangible Assets described in Note 19: Intangible Assets.

6. Revenues and Cost of Services

(a) Revenue and Gross profit description

dLocal derives revenue from processing payments for international merchants to enable them to operate in selected emerging markets.

The breakdown of revenue from contracts with customers per type of service is as follows:

	Nine months ended		Three months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Transaction revenues (i)	537,147	453,856	183,252	159,651
Other revenues (ii)	4,336	8,490	2,522	4,270
Revenues from payment processing	541,483	462,346	185,774	163,921
Cost of services	(330,521)	(255,206)	(107,594)	(89,378)
Gross profit	210,962	207,140	78,180	74,543

- (i) Transaction revenues are comprised of processing, foreign exchange, installment, chargebacks, refunds, and other transactional fees. These fees are recognized as revenue at a point in time when a payment transaction, or its reversal in the case of chargebacks and refunds, has been processed.
- (ii) Other revenues are mainly comprised of minor fees, such as smart defense, issuing, minimum monthly and small transfer fees.

(b) Revenue recognized at a point in time and over time

Transaction revenues are recognized at a point in time when the payment transaction, or its reversal in the case of chargeback and refunds, is processed. Other revenues are recognized as revenue at a point in time when the respective performance obligation is satisfied. The Group did not recognize revenues over time for the nine months ended September 30, 2024 and 2023.

(c) *Cost of services*

Cost of services are composed of the following:

	Nine months ended		Three months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Processing costs (i)	313,294	243,297	101,554	85,048
Hosting expenses (ii)	5,518	4,382	1,733	1,361
Salaries and wages (iii)	2,135	1,542	798	603
Amortization of intangible assets (iv)	9,574	5,985	3,509	2,366
Cost of services	330,521	255,206	107,594	89,378

- (i) Include fees financial institutions (e.g., banks, local acquirers or payment methods) charge the Group, typically as percentage of the transaction value, but in certain cases, as a fixed fee in the case of pay-outs in relation to payment processing, cash advances, and installment payments. Such fees vary by financial institution and typically depend on the settlement period contracted with such institution, the payment method used and the type of product (e.g., pay-in or a pay-out). These fees also include conversion and expatriation or repatriation costs charged by banks and brokers and the corresponding hedging results. For further details related to effect of hedging results see Note 22. Derivative financial instruments.
- (ii) Expenses related to hosting services for the Group's payment platform.
- (iii) Consist of salaries and wages of the operations department directly involved in the day-to-day operations. For further detail refer to Note 9: Employee Benefits.
- (iv) Amortization of intangible assets corresponds to the amortization of the internally generated software (i.e., dLocal's payment platform) by the Group. For further detail refer to Note 19: Intangible Assets.
-

7. Technology and development expenses

Technology and development expenses are composed of the following:

	Nine months ended		Three months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Salaries and wages (i)	8,872	4,067	3,586	1,836
Software licenses (ii)	4,658	2,208	1,316	874
Infrastructure expenses (iii)	3,679	1,749	1,244	764
Information and technology security expenses (iv)	163	234	78	104
Other technology expenses	1,431	368	706	118
Total Technology and development expenses	18,803	8,626	6,930	3,696

- (i) Consist primarily of FTEs compensation related to technology related roles, excluding the capitalized salaries and wages related to internally generated software. For further detail on total salaries and wages refer to Note 9: Employee Benefits.
 - (ii) Consist of software licenses used by the technology development department for the development and maintenance of the platform.
 - (iii) Corresponds to information technology costs to support our infrastructure and back-office operations.
 - (iv) Comprises expenses of overall monitoring and security of our network and platform.
-

8. Sales and marketing expenses and General and administrative expenses

Sales and marketing expenses and General and administrative expenses are composed of the following:

<i>Sales and marketing expenses</i>	Nine months ended		Three months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Salaries and wages (i)	13,467	9,549	6,223	3,580
Marketing expenses (ii)	2,561	2,861	669	867
Total Sales and marketing expenses	16,028	12,410	6,892	4,447
<i>General and administrative expenses</i>	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Salaries and wages (i)	41,649	24,461	12,299	8,934
Third-party services (iii)	15,894	13,640	4,552	4,618
Office expenses	1,886	3,033	574	1,093
Travel and other operating expenses	11,898	6,156	4,282	1,862
Amortization and depreciation	2,715	2,636	929	871
Total General and administrative expenses	74,042	49,926	22,636	17,378

- (i) Salaries and wages related to Full Time Equivalents (“FTE”) engaged in the Sales, Marketing and General and Administrative departments of the Group. For further detail on total salaries and wages refer to Note 9: Employee Benefits.
- (ii) Expenses related to trade marketing at events, the distribution and production of marketing and advertising campaigns mostly related to public relations expenses, commissions to third-party sales force and partners, and online performance marketing.
- (iii) Includes Advisors’ fees, Legal fees, Auditors’ fees and Human resources’ fees.

9. Employee Benefits

Employee benefits is composed as follows:

Salaries, wages and contractor fees (i)	Nine months ended		Three months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Salaries, wages and contractor fees (i)	62,812	44,888	22,037	15,827
Share-based payments (ii)	17,441	7,072	6,204	3,322
Total employee benefits	80,253	51,960	28,241	19,149

- (i) Salaries, wages and contractor fees include social security costs as well as annual bonuses compensations. This line also includes USD 5,335 for the three months ended September 30, 2024 and USD 14,130 for the nine months ended September 30, 2024 (USD 4,196 for the three months ended September 30, 2023 and 12,341 for the nine months ended September 30, 2023) related to capitalized salaries and wages.
- (ii) The share-based payments relate to equity-settled compensation expenses, net of forfeitures if any. For further information refer to Note 13: Share-based payments.
-

10. Amortization and Depreciation

Amortization and depreciation expenses are composed of the following:

	Nine months ended		Three months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Amortization of intangible assets	11,147	7,565	4,033	2,897
Amortization of Right-of-use asset	255	430	85	121
Depreciation of Property, plant & equipment	887	626	320	219
Total Amortization and Depreciation	12,289	8,621	4,438	3,237

For further information related to amortization of intangible assets refer to Note 19: Intangible Assets.

11. Other Results

Other results is composed of the following categories:

	Nine months ended		Three months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Interest Income from Financial Instruments (i)	21,345	42,429	7,430	20,217
Fair value gains of financial assets at FVPL (i)	33,494	27,886	(95)	24,232
Finance income	54,839	70,315	7,335	44,449

	Nine months ended		Three months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Finance expense related to derivative financial instruments (ii)	(15,009)	(22,485)	(3,970)	(10,848)
Other finance expenses (iii)	(21,440)	(36,964)	(13,406)	(31,680)
Interest charges for lease liabilities (iv)	(131)	(468)	(44)	(373)
Finance costs	(36,580)	(59,917)	(17,420)	(42,901)
Inflation adjustment (v)	(6,263)	(6,497)	(1,954)	(3,817)
Other results	11,996	3,901	(12,039)	(2,269)

- (i) Includes financial income and gains resulting from the remeasurement of short-term liquid financial instruments and financial assets measured at fair value through profit and loss.
- (ii) Represents the rate implicit in derivative financial instruments not designated as hedging instruments. The Group elected to separate the spot element from the forward element of the derivative foreign exchange instruments and designated as a hedging instrument the changes in the fair value of the spot element. Changes in the fair value of the hedging portion of the derivative contract are recognized within Costs of Services while changes in the fair value of the non-designated portion; i.e. the forward element, are presented within Finance Costs. For further information refer to Note 22 Derivative financial instruments.
- (iii) Represents net effects of foreign exchange results in subsidiaries and in an intra-group loan denominated in US Dollars between subsidiaries located in Argentina and Malta, the fair value adjustments of other financial assets measured at FVTP and borrowing costs.
- (iv) Finance costs associated with lease liabilities resulting from the application of IFRS 16 Leases.
- (v) As required by IAS 29, the financial statements of the Group's Argentina subsidiaries were restated to reflect the purchasing power of the hyperinflationary currency. Therefore, a loss on net monetary position was recognized during the nine-month periods ended September 30, 2024 and 2023

12. Income Tax

Income tax expense is recognized based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average income tax rate used for the nine months ended September 30, 2024 is 17.7%, compared to 15.4% for the nine months ended September 30, 2023. The effective income tax rate increase is explained by an increase in the results of subsidiaries located in countries where the income tax rate is higher.

The income tax charge recognized in profit and losses is the following:

<i>Current Income Tax</i>	Nine months ended		Three months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Current Income Tax on profits for the period	(19,997)	(15,194)	(4,673)	(3,876)
Total Current Income Tax expense	(19,997)	(15,194)	(4,673)	(3,876)
<i>Deferred Income Tax</i>	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Increase in deferred income tax assets	1,060	952	1,364	505
(Increase)/Decrease in deferred income tax liabilities	(523)	(7,710)	1,023	(5,526)
Total Deferred Income Tax (expense)	537	(6,758)	2,387	(5,021)
Income Tax expense	(19,460)	(21,952)	(2,286)	(8,897)

13. Share-based payments

During the nine months ended September 30, 2024, the Group granted new share options and restricted share units under the Amended and Restated 2020 Global Share Incentive Plan to executives and employees in return for their services, which represented changes in the composition of share options outstanding at the end of the period.

Set out below are summaries of restricted share units and share options granted under the plan:

	September 30, 2024		December 31, 2023	
	Average exercise price (U.S. Dollars)	Number of options and RSUs	Average exercise price (U.S. Dollars)	Number of options and RSUs
At the beginning of the period	6.86	6,962,302	8.30	3,534,561
Granted during the period	3.57	997,273	5.53	4,340,239
Exercised during the period	0.23	(767,904)	2.25	(663,897)
Cancelled during the period	—	(4,158)	—	—
Forfeited during the period	9.05	(538,013)	14.06	(248,601)
At the end of the period	6.93	6,649,500	6.86	6,962,302
Vested and exercisable at the end of the period	9.11	1,339,374	7.03	704,006

No options expired during the periods covered by the above table.

As of September 30, 2024, the Group has 222,500 Performance Share Units (“PSUs”), 3,329,923 Restricted Stock Units (RSUs), and 3,097,077 Stock Options outstanding.

For the nine months period ended September 30, 2024, total compensation expense of the plans was USD 17,441 (September 30, 2023 - USD 7,072) as presented in Note 9 Employee Benefits.

14. Capital management

(a) Share capital

At the date of this interim report, the total authorized share capital of the Group was USD 3,000,000, divided into 1,500,000,000 shares par value USD 0.002 each, of which:

- 1,000,000,000 shares are designated as Class A common shares; and
- 250,000,000 shares are designated as Class B common shares.

The remaining 250,000,000 authorized but unissued shares are presently undesignated and may be issued by our board of directors as common shares of any class or as shares with preferred, deferred or other special rights or restrictions.

The rights of the holders of Class A Common Shares and Class B Common Shares are identical, except with respect to voting, conversion and transfer restrictions applicable to the Class B Common Shares. Each Class A Common Share is entitled to one vote while Class B Common Shares are entitled to five votes each. Each Class B Common Share is convertible into one Class A Common Share automatically upon transfer, subject to certain exceptions. Holders of Class A Common Shares and Class B Common Shares vote together as a single class on all matters unless otherwise required by law.

Authorized shares, as well as issued and fully paid-up shares, are presented below:

	September 30, 2024		September 30, 2023	
	Amount	USD	Amount	USD
Issued and Fully Paid Up Shares of USD 0.002 each				
Class A Common Shares	151,121,672	302	155,503,714	310
Class B Common Shares	134,054,192	268	134,054,192	268
	285,175,864	570	289,557,906	578
Share Capital evolution				
Share Capital as at January 1	295,991,665	591	296,029,870	592
i) Issue of common shares at USD 0.002	767,904	2	564,272	—
ii) Repurchase of shares	(11,583,705)	(23)	(7,036,236)	(14)
Share capital as of September 30, 2024	285,175,864	570	289,557,906	578

* Amounts are rounded to the nearest thousand and should not be interpreted as zero.

(b) Share Premium

For the nine months ended September 30, 2024 and 2023, dLocal issued 767,904 and 564,272 new Class A Common Shares receiving total proceeds of USD 1,495 and 153, respectively, related to the exercise of share-options.

(c) Treasury Shares

On May 13, 2024, the Board of Directors of Dlocal approved a share buyback program. The Company is authorized to purchase up to \$200 million of its Class A common shares from May 15, 2024, to May 31, 2025.

As of September 30, 2024 the Company has repurchased 11,583,705 shares at an average price of USD 8.72 per share, amounting to a total consideration of USD 101,067. The repurchased shares are held as treasury shares and are accounted for at cost.

(d) Capital reserve

The Capital reserve corresponds to reserves related to the share-based plans, as described in Note 13: Share-based payments and warrants to the Annual Financial Statements for the year ended December 31, 2023. As of September 30, 2024, the share-based payments represent a total of USD 8,989 which is comprised of USD 17,441 related to share-based expenses and USD 8,452 related to exercise and vesting share-based plan.

(e) Other Reserves

The reserves for the Group relate to cumulative translation adjustment representing differences on conversion of assets and liabilities at the reporting date.

(e) Earnings per share

Basic earnings per share is calculated by dividing net income for the period attributed to the owners of the parent by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated by dividing net income attributable to owners of DLO by the weighted average number of shares outstanding during the year plus the weighted average number of shares that would be issued on conversion of all dilutive potential shares into shares by applying the treasury stock method. The shares in the share-based plan are the only shares with potential dilutive effect.

The following table presents the calculation of net income applicable to the owners of the parent and basic and diluted EPS for the nine and three months period ended of September 30:

	Nine months ended		Three months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Profit attributable to common shareholders (U.S. Dollars)	90,734,000	120,449,000	26,782,000	40,308,000
Weighted average number of common shares	291,582,333	292,058,528	282,212,297	289,411,641
Adjustments for calculation of diluted earnings per share(1)	15,154,672	16,509,161	14,108,758	16,620,498
Weighted average number of common shares for calculating diluted earnings per share	306,737,005	308,567,689	296,321,055	306,032,139
Basic earnings per share	0.31	0.41	0.09	0.14
Diluted earnings per share	0.30	0.39	0.09	0.13

1 For the nine months ended September 30, 2024, the adjustment corresponds to the dilutive effect of i) 8,161,828 average shares related to share-based payment warrants described in Note 13: Share-based payments and warrants to the Annual Financial Statements for the year ended December 31, 2023; and ii) 6,992,844 average shares related to share-based payment plans with employees (14,644,675 and 1,864,486 respectively for the nine months ended September 30, 2023). For the three months ended September 30, 2024, the adjustment corresponds to the dilutive effect of i) 7,805,921 average shares related to share-based payment warrants; and ii) 6,302,837 average shares related to share-based payment plans with employees (14,699,513 and 1,920,985 respectively for the three months ended September 30, 2023).

15. Cash and cash equivalents

Cash and cash equivalents breakdown is presented below:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Own Balances	207,993	222,808
Merchant Clients Funds	352,539	313,352
	<u>560,532</u>	<u>536,160</u>

As of September 30, 2024, USD 560,532 (USD 536,160 on December 31, 2023) represents cash on hand, demand deposits with financial institutions and other short-term liquid financial instruments.

Own Balances correspond to cash and cash equivalents of the Group while Merchant Clients Funds correspond to freely available funds collected from the merchants' customers, that can be invested in secure, liquid low-risk assets until they are transferred to the merchants in accordance with the agreed conditions with them or transferred to Own Funds accounts for the portion that corresponds to the Group fees. As of September 30, 2024, Merchant Clients Funds includes USD 65,361 pending to be transferred to Own Funds accounts (USD 59,900 as of December 31, 2023).

16. Financial assets at fair value through profit or loss

(a) Classification of financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include the following:

Instrument	Reference	Maturity date	Interest rate (%)	Linked with	September 30,	December 31, 2023
					2024	
Argentina Treasury Bonds	TV24	(i) Apr-24	0.40%	Dollar linked	—	94,667
Argentina Treasury Bonds	TDG24	(i) Aug-24	0%/3.25%	U.S. Dollar/CER index*	—	8,059
Argentina Treasury Bonds	TDE25	Jan-25	0%/3.25%	U.S. Dollar/CER index*	2,099	1,661
Argentina Treasury Bonds	TV25	Mar-25	0.50%	Dollar linked	9,397	—
Argentina Treasury Bonds	TZV25	Jun-25	—	Dollar linked	62,017	—
Argentina Treasury Notes	S31E5	(ii)(iii) Jan-25	5.50%	—	28,239	—
Argentina Treasury Notes	S29G5	Aug-25	3.88%	—	4,995	—
Argentina Treasury Notes	S30J5	Jun-25	3.90%	—	4,997	—
Argentina Treasury Notes	S31L5	Jul-25	3.98%	—	504	—
					112,247	104,387

*Stabilization Reference Coefficient adjusted by inflation

(i) According to the respective maturity date, the bond TV24 and TDG24 was fully settled during April and August, 2024.

(ii) The Company has elected to use the Fair Value option for measuring Treasury Notes, designating these investments as measured at FVTPL.

(iii) As of September 30, 2024 the Group held a total of nominal value USD 8,848 as security for the borrowings detailed in Note 24, and for certain derivative transactions in Argentina for a nominal Value of USD 6,530.

(b) Amounts recognized in profit or loss

Information about the Group's impact on profit or loss of bonds is discussed in Note 11: Other Results

(c) Risk exposure and fair value measurements

All of the Group's listed bonds and notes investments are listed on the Argentinian Stock Exchange (Bolsas y Mercados Argentinos - BYMA). For the investments classified as FVPL, the impact of a 10% increase in the Argentinian Index at the reporting date on profit or loss would have been an increase of USD 11,225 after tax. An equal change in the opposite direction would have decreased profit or loss by USD 11,225 after tax.

17. Trade and other receivables

Trade and Other Receivables of the Group are composed of the following:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Current		
Trade receivables	350,490	319,921
Loss allowance	(42)	(459)
Trade receivables net	350,448	319,462
Advances and other receivables	55,469	43,912
Total Current Trade and Other Receivables	<u>405,917</u>	<u>363,374</u>
	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Non current		
Advances and other receivables	1,787	—
Total Non Current Trade and Other Receivables	<u>1,787</u>	<u>—</u>

Trade Receivables represent uncollateralized gross amounts due from acquirers, processors, merchants and preferred suppliers for services performed that will be collected in less than one year, so they are classified as current. No financial assets are past due. All Trade and other receivables have been assigned in “normal” credit risk rating which applies to financial assets for which a significant increase in credit risk has not occurred since initial recognition.

Loss allowance and impairment losses

The following table presents the evolution of the loss allowance:

	<u>2024</u>	<u>2023</u>
Opening book value as at January 1	(459)	(280)
Decrease in loss allowance for trade receivables	—	(29)
Reversal of write-off	417	139
Total as at September 30	(42)	(170)
Net impairment gain/(loss) on financial assets	93	(31)

Initial recognition and subsequent measurement the Group applies the simplified approach to determine expected credit losses on trade receivables.

To measure the expected credit losses, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due (only 0-30 past due bucket as of September 30, 2024 and December 31, 2023 because there are no other material buckets of the outstanding receivables).

The expected loss rates are based on the payment profiles of debtors over a period of 48 months before year end and the corresponding historical credit losses experienced within this period. The historical loss rate is adjusted to reflect current and forward-looking information on credit risk ratings of the countries in which the Group sells its services which affects the ability of the debtors to settle the receivables. On that basis, the average expected credit loss rate of the 0-30 past due bucket was determined at 0.1% for the nine months ended September 30, 2024 (0.1% in the nine months ended September 30, 2023).

18. Other Assets

Other assets are composed of the following:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Current		
Money held in escrow and guarantees due to: (i)	10,257	11,635
-Banks requirements	6,156	3,000
-Processors and other requirements	3,978	5,072
-Credit card requirements	123	3,563
Rental guarantees	226	147
Other financial asset measure as FVTPL (ii)	1,752	—
Total current Other Assets	<u><u>12,235</u></u>	<u><u>11,782</u></u>
Non Current		
Other financial asset measure as FVTPL (ii)	5,343	—
Total Non Current Other Assets	<u><u>5,343</u></u>	<u><u>—</u></u>

- (i) Includes own funds and investments held in escrow and guarantees required by processors, credit cards and merchants. In 2023, some merchants entered into stand by credit letters with banks that required the Group to maintain certain collaterals in such banks. Amounts held in escrow also include funds held in a pledge account to collateralize overdrafts and pre-settlements agreements with a bank. Finally, it also includes guarantees issued to processors and credit cards institutions. These agreements have short-term maturities
- (ii) During the nine-month period ended September 30, 2024, the Company reclassified USD 6,942 from trade receivables to other assets. These financial assets, which are held at fair value through profit or loss, do not qualify for measurement at amortized cost or fair value through other comprehensive income. The fair value of these selected financial instruments was determined in an unquoted market.

19. Intangible Assets

Intangible assets of the Group correspond to acquired software, capitalized expenses related to internally generated software and acquired merchant agreements, and are stated at cost less accumulated amortization.

	2024			2023		
	Internally generated software	Acquired and other intangible assets	Total	Internally generated software	Acquired and other intangible assets	Total
Cost	40,446	39,901	80,347	23,752	39,335	63,087
Accumulated amortization	(16,683)	(5,777)	(22,460)	(7,972)	(3,672)	(11,644)
Opening book value as at January 1	23,763	34,124	57,887	15,780	35,663	51,443
Additions (i)	14,130	1,113	15,243	12,341	162	12,503
Amortization of the period	(9,574)	(1,573)	(11,147)	(5,985)	(1,580)	(7,565)
Total as at September 30	28,319	33,664	61,983	22,136	34,245	56,381
Cost	54,576	41,014	95,590	36,093	39,497	75,590
Accumulated amortization	(26,257)	(7,350)	(33,607)	(13,957)	(5,252)	(19,209)

(i) The additions of the nine months ended September 30, 2024 include USD 14,130 related to capitalized salaries and wages (USD 12,341 as of September 30, 2023).

	As of September 30, 2024	As of December 31, 2023
Cost	95,590	80,347
Accumulated amortization	(33,607)	(22,460)
Net book amount	61,983	57,887

As of September 30, 2024, and December 31, 2023 no indicator of impairment related to intangible assets existed, so the Group did not perform an impairment test.

20. Trade and other payables

Trade and Other Payables are composed of the following:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Trade Payables	636,455	572,394
Accrued Liabilities	11,134	10,192
Other Payables	22,019	19,907
Total Trade and other payables	<u>669,608</u>	<u>602,493</u>

Trade and other payables are classified as current liabilities as the payment is due within one year or less. Moreover, the carrying amounts are considered to be the same as fair values, due to their short – term nature.

Trade Payables correspond to liabilities with Merchants, either related to payin transactions processed or payout transactions to be processed at their request. Accrued Liabilities mainly correspond to obligations with legal and tax advisors, and auditors. Other Payables mainly correspond to obligations related to processors costs and the acquisitions of office goods and services necessary for the ordinary course of the business.

21. Tax Liabilities

The tax liabilities breakdown is as follows:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Income tax payable	16,354	20,280
Other tax liabilities (i)	1,171	520
Total Tax Liabilities	<u>17,525</u>	<u>20,800</u>

(i) Mainly related to digital services withholding VAT.

22. Derivative financial instruments

Derivative financial instruments: forward agreements

The Group's operations are in various foreign currencies and consequently are exposed to foreign currency risk. As a consequence, the Group uses derivative instruments, delivery and non-delivery currency forward contracts and future contracts, to reduce the volatility of earnings and cash flows, caused by the exchange rate variation in which dLocal is exposed on the conversion of local currency into the settlement currency (usually US dollars). All outstanding derivatives are recognized in the Group's consolidated balance sheets at fair value and the impacts are recognized on profit or loss, as shown on the tables below.

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The spot element of foreign exchange forward contracts is designated as hedging instruments in fair value hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to 12 months.

In USD thousand	Type Contract	Outstanding notional amount as of September 30, 2024	Outstanding balance as of September 30, 2024 - Derivative financial assets / (liabilities)	Outstanding notional amount as of December 31, 2023	Outstanding balance as of December 31, 2023 - Derivative financial assets / (liabilities)
Assets					
Buy EUR					
US Dollar	Futures Contract	47,189	271	29,114	480
Buy USD					
Mexican Peso	Futures Contract	10,089	40	—	—
Indian Rupee	Non-delivery forwards	2,798	1	—	—
Argentine Peso	Non-delivery forwards	—	—	3,400	7
Egyptian Pound	Non-delivery forwards	—	—	20,865	1,479
Sell USD					
South African Rand	Forward	—	—	(2,345)	12
South African Rand	Futures Contract	(7,630)	73	—	—
Argentine Peso	Futures Contract	(1,000)	206	—	—
Peruvian Sol	Non-delivery forwards	—	—	(1,252)	62
Total			591		2,040
Liabilities					
Buy EUR					
Moroccan Dirham	Forward	774	(3)	1,490	(51)
Buy USD					
Chilean Peso	Forward	13,635	(79)	—	—
United Arab Emirates Dirham	Forward	133	(0)	—	—
South African Rand	Forward	14,875	(438)	8,128	(230)
Saudi Riyal	Forward	6,760	(18)	—	—
Moroccan Dirham	Forward	4,600	(49)	6,263	(240)
South African Rand	Futures Contract	35,986	(1,202)	—	—
Argentine Peso	Futures Contract	4,000	(198)	—	—
Brazilian Reais	Non-delivery forwards	—	—	3,715	(30)
Chilean Peso	Non-delivery forwards	—	—	19,874	(174)
Uruguayan Peso	Non-delivery forwards	—	—	2,552	(48)
Indian Rupee	Non-delivery forwards	—	—	2,397	(7)
Peruvian Sol	Non-delivery forwards	—	—	1,200	(67)
Vietnamese Dong	Non-delivery forwards	4,312	(33)	4,054	(32)
Argentine Peso	Non-delivery forwards	26,265	(2,321)	—	—
Egyptian Pound	Non-delivery forwards	9,214	(228)	—	—
Sell EUR					
Moroccan Dirham	Forward	(779)	(2)	(3,274)	(28)
US Dollar	Non-delivery forwards	(27,916)	(3)	(6,323)	(40)
Sell USD					
Indian Rupee	Non-delivery forwards	(2,314)	(6)	(950)	(1)
Total			(4,579)		(948)

	Nine months ended		Three months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Net gain/(loss) on foreign currency forwards recognized in 'Costs of Services'	7,204	5,897	(1,860)	280
Net loss on foreign currency forwards recognized in 'Finance Costs'	(15,009)	(22,485)	(3,970)	(10,848)

(i) Classification of derivatives

Derivatives are financial instruments entered into only for economic hedging purposes and not contracted as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss. The full fair value of hedging derivatives is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months, otherwise they are classified as a current asset or liability. Derivatives held for trading are classified as a current asset or liability.

23. Financial liabilities

The financial liabilities breakdown is as follows:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Borrowings (i)	8,366	—
Bank overdraft (ii)	8,409	—
Total Finance Liability	<u>16,775</u>	<u>—</u>

(i) As of September 30, 2024, dLocal entered into borrowing agreements in Argentinean Pesos (ARS) with a financial institution in Argentina. The borrowing is agreed on a daily basis and pays an annual interest rate with reference to BADLAR (average interest rate in Argentinian pesos published by the Central Bank of Argentina). The interest expense for the three-month period ended September 30, 2024 amounts USD 648 thousands recognized in other finance expenses (note 11). In addition, Argentina Treasury Notes S31E5 for a nominal value of USD 8,848 were held as security of this borrowing. See note 16 for additional information.

(ii) As of September 30, 2024, dLocal has an overdraft balance with a financial institution in Uruguayan Pesos (UYU) in Uruguay. This overdraft facility is short term liability with an interest rate of 11.0% annual.

24. Provisions

(a) Current or potential proceedings for labor provisions

Provisions for labor contractors are related to current or potential proceedings where the management understands, based on the Group's legal advisors' assessment, that it is more likely than not that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(b) Movements in current or potential proceedings

Movements in current or potential proceedings are set out below:

	2024	2023
Carrying amount as at January 1	362	1,473
Reversal	(92)	(871)
Interest charges	8	35
Total carrying amount at September 30	278	637

25. Related parties

(a) Related Parties Transactions

In June 2023, Dlocal Argentina S.A. entered into a loan agreement with Dlocal Group for a total amount of USD 100,000, with the maturity date extended by two months to August 2024. In August 2024, Dlocal Argentina partially repaid the intra-group loan by transferring approximately USD 69,100 worth of Argentine government bonds, as detailed in note 1.2 (b) and note 16, to the subsidiary in Malta. Since both subsidiaries are fully consolidated, the outstanding balances have been eliminated. The primary impact on the consolidated financial statements relates to foreign exchange losses incurred by Dlocal Argentina S.A. For further detail refer to Note 11: Other Results.

(b) Key Management compensation

The compensation of the Executive Team during the period can be analyzed as follows:

	Nine months ended		Three months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Short-term employee benefits – Salaries and wages	2,349	1,580	851	601
Long-term employee benefits – Share-based payment	11,334	3,393	3,676	1,946
	<u>13,682</u>	<u>4,973</u>	<u>4,526</u>	<u>2,547</u>

(c) Transactions with other related parties

The following transactions occurred with related parties:

	Nine months ended		Three months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Transactions with merchants – Revenues	270	1,309	11	266
Transactions with preferred suppliers (Collection agents) – Costs	—	(35)	—	(25)

(d) Outstanding balances arising from transactions with other related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	September 30, 2024	December 31, 2023
Transactions with merchants – trade receivables	—	406
Transactions with merchants – trade payables	—	—
Transactions with preferred suppliers (Collection agents) – trade payables	—	(19)

Outstanding balances are unsecured and are repayable in cash.

26. Fair value hierarchy

The following tables show financial instruments recognized at fair value for the period ended September 30, 2024 and December 31, 2023, analyzed between those whose fair value is based on:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based upon observable market data.

The table also includes financial instruments measured at amortized cost. The Group understands that the book value of such instruments approximates their fair value.

September 30, 2024	FVPL	Amortized cost	Total	Level 1	Level 2
Assets					
Financial Assets at Fair Value through Profit or Loss	112,247	—	112,247	112,247	—
Other Assets	7,095	10,483	17,578	—	7,095
Trade and Other Receivables	—	407,704	407,704	—	—
Derivative financial instruments	591	—	591	—	591
Cash and Cash Equivalents	—	560,532	560,532	—	—
	119,933	978,719	1,098,652	112,247	7,686

December 31, 2023	FVPL	Amortized cost	Total	Level 1	Level 2
Assets					
Financial Assets at Fair Value through Profit or Loss	104,387	—	104,387	104,387	—
Other Assets	—	11,782	11,782	—	—
Trade and Other Receivables	—	363,374	363,374	—	—
Derivative financial instruments (1)	2,040	—	2,040	—	2,040
Cash and Cash Equivalents	—	536,160	536,160	—	—
	106,427	911,316	1,017,743	104,387	2,040

September 30, 2024	FVPL	Amortized cost	Total	Level 1	Level 2
Liabilities					
Trade and Other Payables	—	(669,608)	(669,608)	—	—
Lease liabilities	—	(4,112)	(4,112)	—	—
Financial liabilities	—	(16,775)	(16,775)	—	—
Derivative financial instruments	(4,579)	—	(4,579)	—	(4,579)
	(4,579)	(690,495)	(695,074)	—	(4,579)

December 31, 2023	FVPL	Amortized cost	Total	Level 1	Level 2
Liabilities					
Trade and Other Payables	—	(602,493)	(602,493)	—	—
Lease liabilities	—	(3,957)	(3,957)	—	—
Derivative financial instruments	(948)	—	(948)	—	(948)
	(948)	(606,450)	(607,398)	—	(948)

- (1) The most frequently applied valuation techniques include forward pricing models. The models incorporate various inputs including: foreign exchange spot, interest rates curves of the respective currencies and the terms of the contract.

There were no changes of items between level 2 and level 3, acquisitions, disposals nor gains or losses recognized in profit for the period related to level 3 instruments. Consequently, for the periods ended September 30, 2024 and December 31, 2023, the Group did not recognized any financial assets under level 3.

d·local

Financial Results

3rd Quarter of 2024



Cape Town, South Africa

d.

Third Quarter 2024 results



- Robust TPV growth, up 41% YoY and 8% QoQ, driven by strong performance across various verticals and countries
- Record gross profit reaching \$78M in the quarter, with net take rate stable at 1.2% since Q1 2024
- Operating leverage expansion for the 2nd consecutive quarter, with Adjusted EBITDA over gross profit margin reaching 67% in Q3 2024 (+6 p.p. QoQ)

dLocal reports in US dollars and in accordance with IFRS as issued by the IASB

Montevideo, Uruguay, November 13, 2024 — DLocal Limited (“dLocal”, “we”, “us”, and “our”) (NASDAQ:DLO), a technology - first payments platform today announced its financial results for the third quarter ended September 30, 2024.

“

dLocal is a young and dynamic company, less than eight years old, and yet, during this period, it has delivered extraordinary growth. We have expanded our roster of sophisticated enterprise merchants, increased our share of wallet with them, and built operations across the most relevant emerging markets globally, adding products, new APMs and licenses over these years.

”



Pedro Arnt
CEO of dLocal

■ We are encouraged by how we see the business evolving. After a soft first quarter, we see ourselves consistently gaining momentum. Despite a tough 2023 comparison, we have once again returned to delivering a quarter of record results in Total Payment Volume and Gross Profit. Our margins, cash position, and cash conversion have all improved quarter after quarter throughout 2024. A year that started off admittedly weak, has gained positive momentum.

We continue to deliver significant growth, with TPV re-accelerating to over 40% year-over-year, driven by our continued ability to expand our share of wallet of our existing global merchant base, and onboard new merchants. Our performance this quarter was strong across diverse verticals, countries and products, notably:

- We ramped up operations in more countries, offered more payment methods and gained share of wallet across important logos in the financial services, SaaS, on demand delivery, advertising, ride-hailing and commerce verticals.
- We increased payments volume in Argentina, Mexico, Egypt and Other Latam - mainly in Colombia and Peru - as well as Other Africa and Asia, with strong performance in South Africa.
- We reported record volume in our higher take rate cross-border (XB) business, surpassing the \$3 billion quarterly mark in flows for the first time.

Our pipeline remains robust, including both growth opportunities with existing merchants as well as new merchants. During the period, we successfully integrated major players, including MoneyGram, one of the largest global providers of money transfer and payment services, and other significant remittance companies to serve them across countries in Latam, Africa and Asia. We also continued to ramp up volumes with one of the main Asian commerce players, expanding the regions in which we serve them, and have now gone live in Brazil with one of the largest global Fintech companies, out of Asia.

Moving on to profitability, this quarter's results showcase the resilience of our business model. We reached record gross profit of \$78 million with net take rate stable at 1.2% since Q1 2024. This is a consequence of our differentiated value proposition, continuous pursuit of cost efficiencies, and the real value in solving complexities across emerging markets for our global merchants, which grants pricing power and differentiates from more commoditized payments offerings in the developed world. We achieve those results despite weakness in most emerging market currencies.



Our Adjusted EBITDA reached \$52 million, despite continued investments in our engineering team, back-office capabilities and our license portfolio, all crucial for our long-term success. Although Adjusted EBITDA was down year-over-year, this represents the second consecutive quarter of increased operational leverage, with adjusted EBITDA over gross profit margin now at 67%. This demonstrates the operational leverage inherent in our business model, general philosophy of expense control and disciplined investment to deliver our long-term growth ambitions.

Cash generation, another strength of our financial model, was also solid. During the past 3 months we had net cash from operating activities, excluding merchant funds, less CAPEX amounting to \$26 million, a cash conversion of practically 100% of Net Income.

On that note, our guidance remains unchanged in light of our Q3 2024 results and what we have seen through Q4. However, it is important to reinforce that Q4 results are heavily weighted towards the next 3-4 weeks, given the expected seasonal lift in commerce volumes and Black Friday.

In terms of technology and product development deployments during the quarter, we have launched our Smart Requests functionality, boosting our transaction performance, thereby improving conversion rate. We have also continued to develop increasingly advanced real-time cost calculation models to optimise processing costs, which also contributed to our gross profit achievement and stable net take rate.

A third area of innovation has been our launch of new and promising alternative payment methods (APM), with the successful deployment of integrations with Nupay in Brazil for global merchants.

Finally, we launched a new product to our suite of offerings, a stand alone Payment Orchestration option, which allows merchants to retain our Smart Routing, fraud detection, and unified reporting, while obtaining their own licenses and contracting directly with processors in each market. Although this model may result in a lower net take rate net of acquiring costs, it enhances our ability to capture share of wallet with relevant clients, and continues to add value to merchants through our single API connection and product functionalities, while delivering optimised conversion and cost results.

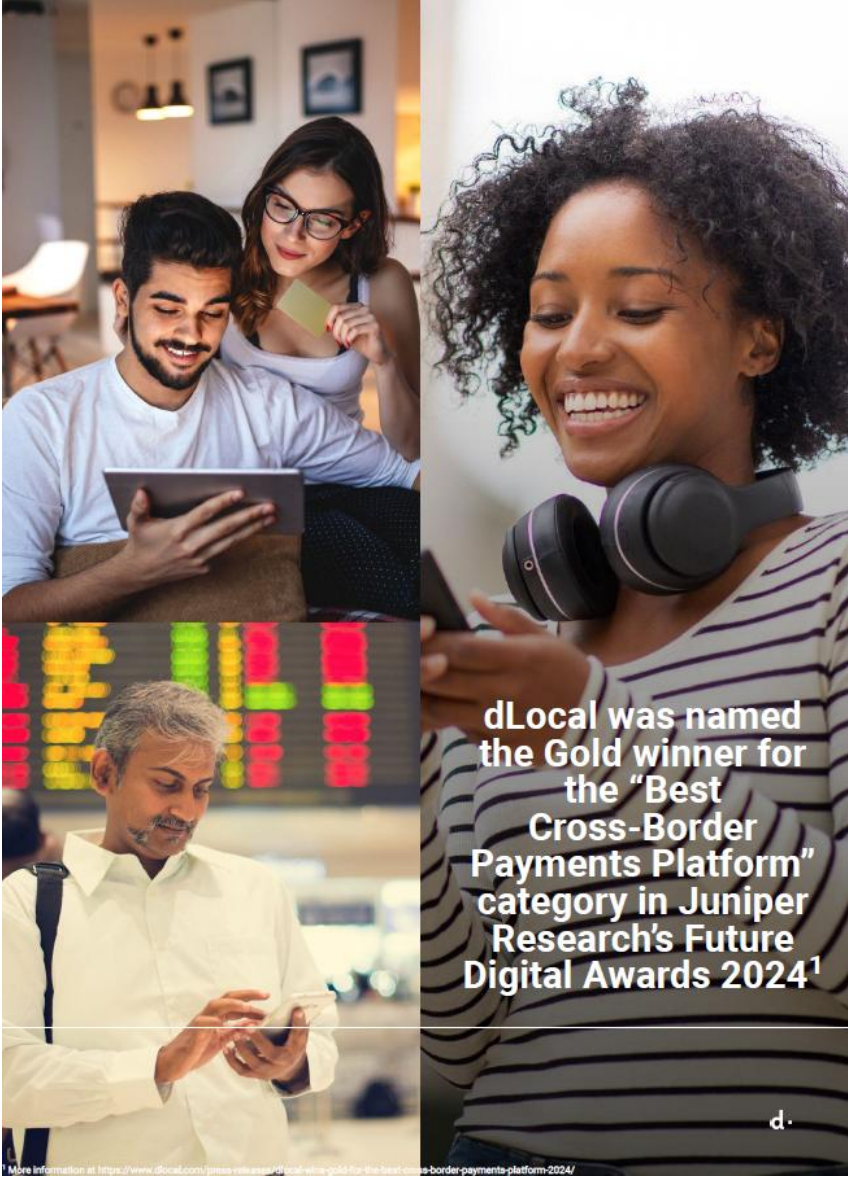
These improvements to our platform, as well as the development of new solutions, serve to deepen our competitive advantages in our markets, enhance the stickiness of our products, and potentially bring future revenue streams - all important pillars to our long-term growth opportunities.

As a reminder, dLocal is a young and dynamic company, less than eight years old, and yet, during this period, it has delivered extraordinary growth. We have expanded our roster of sophisticated enterprise merchants, increased our share of wallet with them, and built operations across the most relevant emerging markets globally, adding products, new APMs and licenses over these years.

Our growth underscores our success in serving and supporting these most demanding digital merchants with tailored solutions that meet their evolving needs. We navigate the highly complex and changing payment landscape and regulatory environments across emerging markets with one of the most complete emerging market processing ecosystems. The comprehensiveness of our One dLocal solution allows our merchants to add new markets and payment methods at a marginal incremental implementation cost, providing cost-efficient and speedy geographic expansion. This value supports the resilience of our business, despite operating in the volatile global south.

Secular trends also favour us. We have a huge and growing TAM underpinned by shifts towards payment digitalization, the growing importance of emerging and frontier markets, and surging demand for cross-border and instant payment methods. Industry forecasts predict the retail cross-border payments market will reach \$65 trillion by 2030¹, and we are well-positioned to be capturing a reasonable portion of the growth in this immense addressable market. Our ability to innovate and capitalise on these trends, coupled with our financial model characterised by operational leverage and high cash conversion, will fuel long-term value creation for our shareholders and merchants. We are just beginning to realise the compounding nature of this strategy, and we remain steadfast in our mission to deliver on this promise, in all the relevant geographies that our merchants present needs.

Thank you to those who have shown us continued support and confidence. We look forward to updating you on our progress in the coming quarters.



Third quarter 2024 financial highlights

- Total Payment Volume ("TPV") reached a record US\$6.5 billion in the third quarter, up 41% year-over-year compared to US\$4.6 billion in the third quarter of 2023 and up 8% compared to US\$6.0 billion in the second quarter of 2024.
- Revenues amounted to US\$185.8 million, up 13% year-over-year compared to US\$163.9 million in the third quarter of 2023 and up 8% compared to US\$171.3 million in the second quarter of 2024. This quarter-over-quarter increase was mostly driven by the performance in Argentina and Egypt, as well as the positive results in Other Latam and Other Africa and Asia.
- Gross profit was US\$78.2 million in the third quarter of 2024, up 5% compared to US\$74.5 million in the third quarter of 2023 and up 12% compared to US\$69.8 million in the second quarter of 2024. The improvement in gross profit quarter-over-quarter was primarily due to volume growth in Egypt, South Africa, Mexico and Other Latam markets. These positive factors were partially offset by (i) Brazil, given the share losses on credit card payments of a top merchant, as they were granted a payment license and were required to connect directly with acquirers in order to remain compliant; and (ii) Argentina, as we had higher expatriation costs.
- As a result, gross profit margin was 42% in this quarter, compared to 45% in the third quarter of 2023 and 41% in the second quarter of 2024.
- Gross profit over TPV was at 1.2% decreasing from 1.6% in the third quarter of 2023 and stable compared to the second quarter of 2024.
- Operating income was US\$41.1 million, down 20% compared to US\$51.5 million in the third quarter of 2023 and up 36% compared to US\$30.2 million in the second quarter of 2024, a result of re-ignited growth and cost management. In this context, operating expenses grew by 61% year-over-year, with most of the growth allocated to Product Development & IT capabilities, with the Technology and development expenses increasing by 88% year-over-year while Sales and Marketing expenses and General and Administrative expenses grew by 35%. On the sequential comparison, operating expenses decreased 6% quarter-over-quarter, a reflection of our continued disciplined approach to expense management.
- As a result, Adjusted EBITDA was US\$52.4 million, down 6% compared to US\$55.6 million in the third quarter of 2023 and up 23% compared to US\$42.7 million in the second quarter of 2024.
- Adjusted EBITDA margin was 28%, compared to the 34% recorded in the third quarter of 2023 and 25% in the second quarter of 2024. On the annual comparison, the decrease is explained by the long-term investments, as mentioned since previous quarters. Following the same trend, Adjusted EBITDA over gross profit of 67% decreased compared to 75% in the third quarter of 2023 and increased compared to 61% in the second quarter of 2024.
- Net financial cost was US\$10.1 million, compared to a finance income of US\$1.5 million in the third quarter of 2023 and US\$28.0 million in the second quarter of 2024, as explained in the Net Income section.
- Our effective income tax rate decreased to 8% from 18% last quarter, primarily driven by lower pre tax income in Argentina. On a year-to-date basis, our effective tax rate stands at 18%.

- Net income for the third quarter of 2024 was US\$26.8 million, or US\$0.09 per diluted share, down 34% compared to a profit of US\$40.4 million, or US\$0.13 per diluted share, for the third quarter of 2023 and down 42% compared to a profit of US\$46.2 million, or US\$0.15 per diluted share for the second quarter of 2024. During the current period, net income was mostly impacted by the (i) positive US\$23 million non-cash mark to market effect related to the Argentine bond investments in the second quarter of 2024, as mentioned last quarter; and (ii) higher finance costs this quarter mainly driven by exchange differences and higher cost of hedges. Adjusted net income for the third quarter of 2024 was US\$43.4 million, down 12% compared to US\$49.2 million for the third quarter of 2023 and down 5% compared to US\$45.6 million for the second quarter of 2024.
- As of September 30, 2024, dLocal had US\$560.5 million in cash and cash equivalents, including US\$208.0 million of own funds and US\$352.5 million of merchants' funds. The consolidated cash position increased by US\$62.4 million from US\$498.2 million as of September 30, 2023. When compared to the US\$531.6 million cash position as of June 30, 2024, it increased by US\$28.9 million.

The following table summarizes our key performance metrics:

	Three months ended 30 of September			Nine months ended 30 of September		
	2024	2023	% change	2024	2023	% change
Key Performance metrics	(In millions of US\$ except for %)					
TPV	6,516	4,618	41%	17,861	12,566	42%
Revenue	185.8	163.9	13%	541.5	462.3	17%
Gross Profit	78.2	74.5	5%	211.0	207.1	2%
Gross Profit margin	42%	45%	-3p.p	39%	45%	-6p.p
Adjusted EBITDA	52.4	55.6	-6%	131.8	153.1	-14%
Adjusted EBITDA margin	28%	34%	-6p.p	24%	33%	-9p.p
Adjusted EBITDA/Gross Profit	67%	75%	-8p.p	62%	74%	-11p.p
Profit	26.8	40.4	-34%	90.8	120.6	-25%
Profit margin	14%	25%	-10p.p	17%	26%	-9p.p

Third quarter 2024 business highlights

- During the third quarter of 2024, pay-ins TPV increased 35% year-over-year and 8% quarter-over-quarter to US\$4.6 billion, accounting for 71% of the TPV.
- Pay-outs TPV increased by 58% year-over-year and 7% quarter-over-quarter to US\$1.9 billion, accounting for the remaining 29% of the TPV.
- Cross-border TPV increased by 35% year-over-year and 12% quarter-over-quarter to US\$3.0 billion. Cross-border volume accounted for 47% of the TPV in the third quarter of 2024.
- Local-to-local TPV increased by 47% year-over-year and 4% quarter-over-quarter to US\$3.5 billion. Local-to-local volume accounted for 53% of the TPV in the third quarter of 2024.
- LatAm revenue increased 7% year-over-year to US\$145.2 million, accounting for 78% of total revenue. On the annual comparison, the growth was primarily driven by commerce and financial services in Mexico, and strong performance of Other LatAm, particularly in Colombia. Sequentially, LatAm revenue grew by 5% mainly driven by the performance of Argentina and Other LatAm.
- In the Africa and Asia region, revenue increased by 45% year-over-year, primarily driven by strong growth performance in Egypt; and in Other Africa and Asia, particularly the performance in South Africa in the commerce vertical. Those regions are also the main drivers of the sequential increase.
- LatAm gross profit decreased by 6% year-over-year and increased by 4% quarter-over-quarter to US\$55.6 million, accounting for 71% of total gross profit. Most of the year-over-year decline is explained by (i) Argentina, due to lower FX spreads following the currency devaluation in December 2023; and (ii) Brazil, given the repricing with our largest merchant which occurred in the first quarter of 2024 and share losses on credit cards, as explained before. Both effects were partially offset by Mexico, due to volume growth and lower processing costs from renegotiations with processors in the first quarter of 2024. Sequentially, the growth was mainly driven by Mexico and Other Latam markets, where we experienced around US\$2 million from widening FX spreads, that may eventually fade away in the case of currencies devaluation. These positive factors were partially offset by (i) Brazil, as previously explained; and (ii) Argentina, as we had higher expatriation costs.
- Africa and Asia gross profit increased by 49% year-over-year to US\$22.6 million, accounting for the remaining 29% of total gross profit. This annual comparison is explained by our overall growth in Egypt and ramp-up of our commerce merchants in South Africa. Sequentially, gross profit increased by 39%, attributable to the same factors just discussed in the year-over-year comparison.
- During the quarter, Revenue from Existing Merchants reached US\$179.9 million compared to US\$ 161.7 million in the second quarter of 2024. On the annual comparison, Revenue from Existing Merchants increased by 14% and the net revenue retention rate, or NRR, reached 110%.
- Revenue from New Merchants accounted for US\$5.8 million in the third quarter of 2024 compared to US\$6.7 million in the same quarter of the prior year.

The tables below present the breakdown of dLocal's TPV by product and type of flow:

In millions of US\$ except for %	Three months ended 30 of September				Nine months ended 30 of September			
	2024	% share	2023	% share	2024	% share	2023	% share
Pay-ins	4,632	71%	3,429	74%	12,561	70%	9,122	73%
Pay-outs	1,884	29%	1,189	26%	5,300	30%	3,444	27%
Total TPV	6,516	100%	4,618	100%	17,861	100%	12,566	100%

In millions of US\$ except for %	Three months ended 30 of September				Nine months ended 30 of September			
	2024	% share	2023	% share	2024	% share	2023	% share
Cross-border	3,035	47%	2,256	49%	8,163	46%	6,435	51%
Local to Local	3,480	53%	2,362	51%	9,699	54%	6,131	49%
Total TPV	6,516	100%	4,618	100%	17,861	100%	12,566	100%

The tables below present the breakdown of dLocal's revenue by geography:

In millions of US\$ except for %	Three months ended 30 of September				Nine months ended 30 of September			
	2024	% share	2023	% share	2024	% share	2023	% share
Latin America	145.2	78%	136.0	83%	409.3	76%	361.2	78%
Brazil	32.9	18%	44.7	27%	118.3	22%	108.8	24%
Argentina	26.0	14%	23.9	15%	60.3	11%	64.6	14%
Mexico	38.9	21%	30.2	18%	108.8	20%	81.3	18%
Chile	13.0	7%	12.4	8%	37.7	7%	40.8	9%
Other LatAm	34.3	18%	24.8	15%	84.3	16%	65.7	14%
Africa & Asia	40.6	22%	27.9	17%	132.2	24%	101.2	22%
Nigeria	2.1	1%	8.3	5%	10.4	2%	55.6	12%
Egypt	18.6	10%	10.1	6%	72.6	13%	18.3	4%
Other Africa & Asia	19.9	11%	9.4	6%	49.2	9%	27.3	6%
Total Revenue	185.8	100%	163.9	100%	541.5	100%	462.3	100%

The tables below present the breakdown of dLocal's gross profit by geography:

In millions of US\$ except for %	Three months ended 30 of September				Nine months ended 30 of September			
	2024	% share	2023	% share	2024	% share	2023	% share
Latin America	55.6	71%	59.4	80%	157.7	75%	174.0	84%
Brazil	15.4	20%	22.7	30%	52.5	25%	53.3	26%
Argentina	6.7	9%	13.1	18%	19.5	9%	44.8	22%
Mexico	12.8	16%	7.9	11%	31.6	15%	25.4	12%
Chile	8.2	10%	6.9	9%	23.9	11%	24.9	12%
Other LatAm	12.5	16%	8.9	12%	30.2	14%	25.6	12%
Africa & Asia	22.6	29%	15.1	20%	53.2	25%	33.2	16%
Nigeria	1.7	2%	1.7	2%	4.2	2%	4.3	2%
Egypt	12.3	16%	9.6	13%	32.4	15%	16.6	8%
Other Africa & Asia	8.5	11%	3.7	5%	16.6	8%	12.2	6%
Total Gross Profit	78.2	100%	74.5	100%	211.0	100%	207.1	100%



Special note regarding Adjusted EBITDA and Adjusted EBITDA Margin

dLocal has only one operating segment. dLocal measures its operating segment's performance by Revenues, Adjusted EBITDA and Adjusted EBITDA Margin, and uses these metrics to make decisions about allocating resources.

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, and inflation adjustment. dLocal defines Adjusted EBITDA Margin as the Adjusted EBITDA divided by consolidated revenues.

Although Adjusted EBITDA and Adjusted EBITDA Margin may be commonly viewed as non-IFRS measures in other contexts, pursuant to IFRS 8, ("Operating Segments"), Adjusted EBITDA and Adjusted EBITDA Margin are treated by dLocal as IFRS measures based on the manner in which dLocal utilizes these measures. Nevertheless, dLocal's Adjusted EBITDA and Adjusted EBITDA Margin metrics should not be viewed in isolation or as a substitute for net income for the periods presented under IFRS. dLocal also believes that its Adjusted EBITDA and Adjusted EBITDA Margin metrics are useful metrics used by analysts and investors, although these measures are not explicitly defined under IFRS. Additionally, the way dLocal calculates operating segment's performance measures may be different from the calculations used by other entities, including competitors, and therefore, dLocal's performance measures may not be comparable to those of other entities.

The table below presents a reconciliation of dLocal's Adjusted EBITDA to net income:

\$ in thousands	Three months ended 30 of September		Nine months ended 30 of September	
	2024	2023	2024	2023
Profit for the period	26,811	40,364	90,768	120,605
Income tax expense	2,286	8,897	19,460	21,952
Depreciation and amortization	4,438	3,237	12,289	8,621
Finance income and costs, net	10,085	(1,548)	(18,259)	(10,398)
Share-based payment non-cash charges	6,204	3,322	17,441	7,072
Other operating loss ¹	578	-	3,950	-
Impairment loss / (gain) on financial assets	8	(2,508)	(93)	(2,478)
Inflation adjustment	1,954	3,817	6,263	6,497
Other non-recurring costs	-	-	-	1,229
Adjusted EBITDA	52,364	55,581	131,819	153,100

Note: ¹ The company wrote-off certain amounts related to merchants/processors off-boarded by dLocal.

Special note regarding Adjusted Net Income

Adjusted Net Income is a non-IFRS financial measure. As used by dLocal, Adjusted Net Income is defined as the profit for the period (net income) excluding impairment gains/(losses) on financial assets, transaction costs, share-based payment non-cash charges, and other operating (gain)/loss, in line with our Adjusted EBITDA calculation (see detailed methodology for Adjusted EBITDA on page 13). It further excludes the accounting non-cash charges related to the fair value gain from the Argentine dollar-linked bonds, the exchange difference loss from the intercompany loan denominated in USD that we granted to our Argentine subsidiary to purchase the bonds, and the hedging cost associated with the Argentina treasury notes. In addition, it excludes the inflation adjustment based on IFRS rules for hyperinflationary economies. We believe Adjusted Net Income is a useful measure for understanding our results of operations while excluding certain non-cash effects such as currency devaluation, inflation, and hedging costs. Our calculation for Adjusted Net Income may differ from similarly-titled measures presented by other companies and should not be considered in isolation or as a replacement for our measure of profit for the period as presented in accordance with IFRS.

The table below presents a reconciliation of dLocal's Adjusted net income:

\$ in thousands	Three months ended 30 of September		Nine months ended 30 of September	
	2024	2023	2024	2023
Net income as reported	26,811	40,364	90,768	120,605
Inflation adjustment	1,954	3,817	6,263	6,497
Loan - exchange difference	7,710	27,351	20,270	29,166
Argentina Treasury Notes Hedging Costs	4,272	-	4,272	-
Fair value (loss) / gains of financial assets at FVTPL	95	(24,232)	(33,494)	(27,886)
Impairment loss / (gain) on financial assets	8	(2,508)	(93)	(2,478)
Share-based payment non-cash charges	6,204	3,322	17,441	7,072
Other operating (gain)/loss	578	-	3,950	-
Other non-recurring costs	-	-	-	1,229
Tax effect on adjustments	(4,227)	1,092	411	448
Adjusted net income	43,405	49,206	109,788	134,653

Unaudited quarterly results.

Earnings per share

We calculate basic earnings per share by dividing the profit attributable to owners of the group by the weighted average number of common shares issued and outstanding during the three-month and nine-month periods ended September 30, 2024 and 2023.

Our diluted earnings per share is calculated by dividing the profit attributable to owners of the group of dLocal by the weighted average number of common shares outstanding during the period plus the weighted average number of common shares that would be issued on conversion of all dilutive potential common shares into common shares.

The following table presents the information used as a basis for the calculation of our earnings per share:

	Three months ended 30 of September		Nine months ended 30 of September	
	2024	2023	2024	2023
Profit attributable to common shareholders (USD)	26,782,000	40,308,000	90,734,000	120,449,000
Weighted average number of common shares	282,212,297	289,411,641	291,582,333	292,058,528
Adjustments for calculation of diluted earnings per share	14,108,758	16,620,498	15,154,672	16,509,161
Weighted average number of common shares for calculating diluted earnings per share	296,321,055	306,032,139	306,737,005	308,567,689
Basic earnings per share	0.09	0.14	0.31	0.41
Diluted earnings per share	0.09	0.13	0.30	0.39

This press release does not contain sufficient information to constitute an interim financial report as defined in International Accounting Standards 34, "Interim Financial Reporting" nor a financial statement as defined by International Accounting Standards 1 "Presentation of Financial Statements". The quarterly financial information in this press release has not been audited, whereas the annual results for the year ended December 31, 2023 are audited.

Conference call and webcast

dLocal's management team will host a conference call and audio webcast on November 13, 2024 at 6:00 p.m. Eastern Time. Please [click here](#) to pre-register for the conference call and obtain your dial in number and passcode.

The live conference call can be accessed via audio webcast at the investor relations section of dLocal's website, at <https://investor.dlocal.com/>. An archive of the webcast will be available for a year following the conclusion of the conference call. The investor presentation will also be filed on EDGAR at www.sec.gov.

About dLocal

dLocal powers local payments in emerging markets, connecting global enterprise merchants with billions of emerging market consumers in more than 40 countries across Africa, Asia, and Latin America. Through the "One dLocal" platform (one direct API, one platform, and one contract), global companies can accept payments, send pay-outs and settle funds globally without the need to manage separate pay-in and pay-out processors, set up numerous local entities, and integrate multiple acquirers and payment methods in each market.

Definition of selected operational metrics

"API" means application programming interface, which is a general term for programming techniques that are available for software developers when they integrate with a particular service or application. In the payments industry, APIs are usually provided by any party participating in the money flow (such as payment gateways, processors, and service providers) to facilitate the money transfer process.

"Cross-border" means a payment transaction whereby dLocal is collecting in one currency and settling into a different currency and/or in a different geography.

"Local payment methods" refers to any payment method that is processed in the country where the end user of the merchant sending or receiving payments is located, which include credit and debit cards, cash payments, bank transfers, mobile money, and digital wallets.

"Local-to-local" means a payment transaction whereby dLocal is collecting and settling in the same currency.

"Net Revenue Retention Rate" or "NRR" is a U.S. dollar-based measure of retention and growth of dLocal's merchants. NRR is calculated for a period or year by dividing the Current Period/Year Revenue by the Prior Period/Year Revenue. The Prior Period/Year Revenue is the revenue billed by us to all our customers in the prior period. The Current Period/Year Revenue is the revenue billed by us in the current period to the same customers included in the Prior Period/Year Revenue. Current Period/Year Revenue includes revenues from any upselling and cross-selling across products, geographies, and payment methods to such merchant customers, and is net of any contractions or attrition, in respect of such merchant customers, and excludes revenue from new customers on-boarded in the preceding twelve months. As most of dLocal revenues come from existing merchants, the NRR rate is a key metric used by management, and we believe it is useful for investors in order to assess our retention of existing customers and growth in revenues from our existing customer base.

"Pay-in" means a payment transaction whereby dLocal's merchant customers receive payment from their customers.

"Pay-out" means a payment transaction whereby dLocal disburses money in local currency to the business partners or customers of dLocal's merchant customers.

"Revenue from New Merchants" means the revenue billed by us to merchant customers that we did not bill revenues in the same quarter (or period) of the prior year.

"Revenue from Existing Merchants" means the revenue billed by us in the last twelve months to the merchant customers that we billed revenue in the same quarter (or period) of the prior year.

"TPV" dLocal presents total payment volume, or TPV, which is an operating metric of the aggregate value of all payments successfully processed through dLocal's payments platform. Because revenue depends significantly on the total value of transactions processed through the dLocal platform, management believes that TPV is an indicator of the success of dLocal's global merchants, the satisfaction of their end users, and the scale and growth of dLocal's business.

Rounding

We have made rounding adjustments to some of the figures included in this interim report. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that preceded them.

Forward-looking statements

This press release contains certain forward-looking statements. These forward-looking statements convey dLocal's current expectations or forecasts of future events, including guidance in respect of total payment volume, gross profit, Adjusted EBITDA, and Adjusted EBITDA over gross profit margin. Forward-looking statements regarding dLocal and amounts stated as guidance are based on current management expectations and 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. In addition, dLocal is unable to present a quantitative reconciliation of forward-looking guidance for Adjusted EBITDA and Adjusted EBITDA over gross profit, which are forward-looking non-IFRS measures, because dLocal cannot reliably predict certain of their necessary components, such as impairment gains/(losses) on financial assets, transaction costs, and inflation adjustment.

dLocal Limited

Certain financial information

Consolidated Condensed Interim Statements of Comprehensive Income for the three-month and nine-month periods ended September 30, 2024 and 2023

(In thousands of U.S. dollars, except per share amounts)

	Three months ended 30 of September		Nine months ended 30 of September	
	2024	2023	2024	2023
Continuing operations				
Revenues	185,774	163,921	541,483	462,346
Cost of services	(107,594)	(89,378)	(330,521)	(255,206)
Gross profit	78,180	74,543	210,962	207,140
Technology and development expenses	(6,930)	(3,696)	(18,803)	(8,626)
Sales and marketing expenses	(6,892)	(4,447)	(16,028)	(12,410)
General and administrative expenses	(22,636)	(17,378)	(74,042)	(49,926)
Impairment reversal on financial assets	(8)	2,508	93	2,478
Other operating losses	(578)	-	(3,950)	-
Operating profit	41,136	51,530	98,232	138,656
Finance income	7,335	44,449	54,839	70,315
Finance costs	(17,420)	(42,901)	(36,580)	(59,917)
Inflation adjustment	(1,954)	(3,817)	(6,263)	(6,497)
Other results	(12,039)	(2,269)	11,996	3,901
Profit before income tax	29,097	49,261	110,228	142,557
Income tax expense	(2,286)	(8,897)	(19,460)	(21,952)
Profit for the period	26,811	40,364	90,768	120,605
Profit attributable to:				
Owners of the Group	26,782	40,308	90,734	120,449
Non-controlling interest	29	56	34	156
Profit for the period	26,811	40,364	90,768	120,605
Earnings per share (in USD)				
Basic Earnings per share	0.09	0.14	0.31	0.41
Diluted Earnings per share	0.09	0.13	0.30	0.39
Other comprehensive Income				
<i>Items that may be reclassified to profit or loss:</i>				
Exchange difference on translation on foreign operations	(498)	(1,822)	(6,771)	1,341
Other comprehensive income for the period, net of tax	(498)	(1,822)	(6,771)	1,341
Total comprehensive income for the period	26,313	38,542	83,997	121,946
Total comprehensive income for the period is attributable to:				
Owners of the Group	26,301	38,487	83,979	121,792
Non-controlling interest	12	55	18	154
Total comprehensive income for the period	26,313	38,542	83,997	121,946

dLocal Limited

Certain financial information

Consolidated Condensed Interim Statements of Financial Position as of September 30, 2024
and December 31, 2023

(In thousands of U.S. dollars)

	30 of September, 2024	31 of December, 2023
ASSETS		
Current Assets		
Cash and cash equivalents	560,532	536,160
Financial assets at fair value through profit or loss	112,247	102,677
Trade and other receivables	405,917	363,374
Derivative financial instruments	591	2,040
Other assets	12,235	11,782
Total Current Assets	1,091,522	1,016,033
Non-Current Assets		
Financial assets at fair value through profit or loss	-	1,710
Trade and other receivables	1,787	-
Deferred tax assets	3,277	2,217
Property, plant and equipment	3,308	2,917
Right-of-use assets	3,939	3,689
Intangible assets	61,983	57,887
Other assets	5,343	-
Total Non-Current Assets	79,637	68,420
TOTAL ASSETS	1,171,159	1,084,453
LIABILITIES		
Current Liabilities		
Trade and other payables	669,608	602,493
Lease liabilities	1,127	626
Tax liabilities	17,525	20,800
Derivative financial instruments	4,579	948
Financial liabilities	16,775	-
Provisions	278	362
Total Current Liabilities	709,892	625,229
Non-Current Liabilities		
Deferred tax liabilities	1,276	753
Lease liabilities	2,985	3,331
Total Non-Current Liabilities	4,261	4,084
TOTAL LIABILITIES	714,153	629,313
EQUITY		
Share Capital	570	591
Share Premium	182,946	173,001
Treasury Shares	(200,980)	(99,936)
Capital Reserve	30,564	21,575
Other Reserves	(14,749)	(9,808)
Retained earnings	458,528	369,608
Total Equity Attributable to owners of the Group	456,879	455,031
Non-controlling interest	127	109
TOTAL EQUITY	457,006	455,140

dLocal Limited

Certain interim financial information

Consolidated Condensed Interim Statements of Cash flows for the three-month and nine-month periods ended September 30, 2024 and 2023

(In thousands of U.S. dollars)

	Three months ended 30 of		Nine months ended 30 of	
	September	2023	September	2023
Cash flows from operating activities				
Profit before income tax	29,097	49,261	110,228	142,557
Adjustments:				
Interest (Income) from financial instruments	(7,430)	(20,217)	(21,345)	(42,429)
Interest charges for lease liabilities	44	373	131	468
Other finance expense	1,220	1,918	3,020	3,120
Finance expense related to derivative financial instruments	7,765	12,647	20,089	22,516
Net exchange differences	12,705	28,438	18,873	32,520
Fair value gain on financial assets at fair value through profit or loss	95	(24,232)	(33,494)	(27,886)
Amortization of Intangible assets	4,033	2,897	11,147	7,565
Depreciation of Property, plant and equipment and Right-of-use asset	405	219	1,142	626
Disposal of Right-of-use asset	79	121	90	430
Share-based payment expense, net of forfeitures	6,204	3,322	17,441	7,072
Other operating loss	578	-	3,950	-
Net Impairment loss/(gain) on financial assets	8	(2,508)	(93)	(2,478)
Inflation adjustment	515	-	(11,359)	-
	55,318	52,239	119,820	144,081
Changes in working capital				
Increase in Trade and other receivables	48,999	(12,706)	(53,159)	(72,092)
Decrease in Other assets	(1,204)	19,592	1,299	31,749
Increase in Trade and other payables	(49,489)	(48,174)	63,743	141,965
Increase/(Decrease) in Tax Liabilities	(7,099)	(1,035)	651	(4,376)
Decrease in Provisions	2	(279)	(84)	(836)
Cash from operating activities	46,527	9,637	132,271	240,491
Income tax paid	(6,956)	(1,663)	(23,923)	(8,479)
Net cash from operating activities	39,571	7,974	108,347	232,012
Cash flows from investing activities				
Acquisitions of Property, plant and equipment	(52)	(329)	(1,278)	(986)
Additions of intangible assets	(5,379)	(4,358)	(15,243)	(12,503)
Acquisition of financial assets at FVPL	(9,775)	(53,531)	(106,616)	(101,670)
Net collections of financial assets at FVPL	9,796	(3,757)	108,097	(2,234)
Interest collected from financial instruments	7,430	20,454	21,345	42,429
Net cash used in investing activities	2,020	(41,521)	6,305	(74,964)
Cash flows from financing activities				
Repurchase of shares	(19,316)	-	(101,067)	(97,929)
Share-options exercise	1,403	-	1,495	153
Interest payments on lease liability	(44)	(373)	(131)	(468)
Principal payments on lease liability	(371)	(512)	(440)	(788)
Finance expense paid related to derivative financial instruments	(3,970)	(9,466)	(15,009)	(20,803)
Net proceeds from financial liabilities	16,775	-	16,775	-
Interest payments on financial liabilities	(648)	-	(648)	-
Other finance expense paid	(724)	(1,915)	(1,123)	(3,120)
Net cash used in financing activities	(6,895)	(12,266)	(100,148)	(122,955)
Net increase in cash flow	34,696	(45,813)	14,505	34,093
Cash and cash equivalents at the beginning of the period	531,620	549,386	536,160	468,092
Net (decrease)/increase in cash flow	34,696	(45,813)	14,505	34,093
Effects of exchange rate changes on cash and cash equivalents	(5,784)	(5,408)	9,868	(4,020)
Cash and cash equivalents at the end of the period	560,532	498,165	560,532	498,165

Investor Relations Contact:
investor@dlocal.com

Media Contact:
media@dlocal.com



d-local

Earnings Presentation

Q3 2024

d·local



Pedro Arnt
Chief Executive Officer

Mark Ortiz
Chief Financial Officer

Maria Oldham
SVP of Corporate Development,
Strategy and Investor Relations

d.

EARNINGS PRESENTATION | Q3 2024

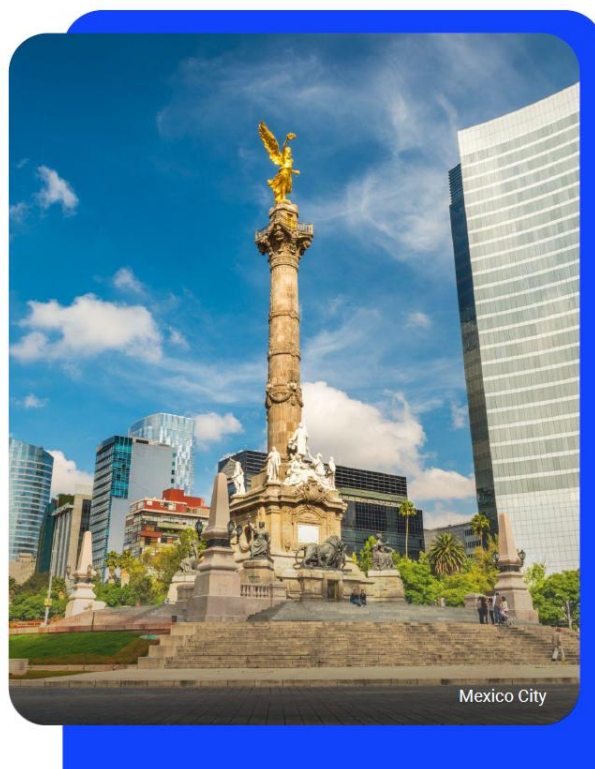
3

Safe Harbor

This presentation may contain forward-looking statements.

These forward-looking statements convey dLocal's current expectations or forecasts of future events, including guidance in respect of total payment volume, gross profit, Adjusted EBITDA and Adjusted EBITDA over gross profit margin. Forward-looking statements regarding dLocal and amounts stated as guidance 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 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. In addition, dLocal is unable to present a quantitative reconciliation of forward-looking guidance for Adjusted EBITDA and Adjusted EBITDA over gross profit, which are forward-looking non-IFRS measures, because dLocal cannot reliably predict certain of their necessary components, such as impairment gains/(losses) on financial assets, transaction costs, and inflation adjustment.





Unlocking the power of Emerging Markets

Cape Town, South Africa

d·local



d.

3Q24 key highlights



Growth

TPV: +41% YoY and +8% QoQ growth, driven by strong performance across diverse verticals, countries and products, notably:

- Cross-border: reached the **\$3B quarterly mark** in flows for the 1st time
- Sustained **growth of remittance vertical** as exemplified by >80% YoY TPV growth and new partnership with MoneyGram
- Increase in share of wallet (SoW) with **major Asian commerce player**



Profitability

Gross profit: record level of \$78M in the quarter

Net take rate: stable at ≈1.2% since 1Q24

Adjusted EBITDA of \$52M representing margin over gross profit: 67% in 3Q24

- **+6 p.p. of operational leverage QoQ**, while continuing investing in tech and ops for future growth



Tech & other developments

Continuous **transaction performance improvement** with Smart Requests Strategy, leading to increase in conversion rate

- Advanced method for real-time cost calculation to **optimize processing costs**

Integration with **Nupay** as a payment method in Brazil

Launch of stand alone **Payment Orchestration option:** allows merchants to retain our orchestration layer, while obtaining their own licences

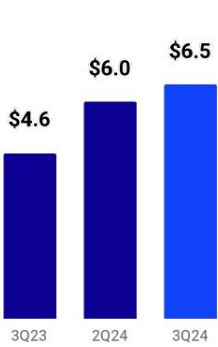
d.

Continuously strong TPV growth, record-high gross profit and enhanced operational leverage, while investing in tech for future growth

Total Payment Volume

\$6.5B

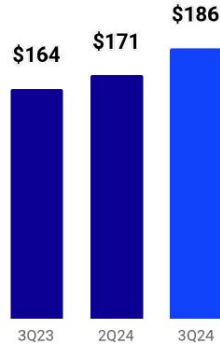
▲ +41% YoY | ▲ +8% QoQ



Revenue

\$186M

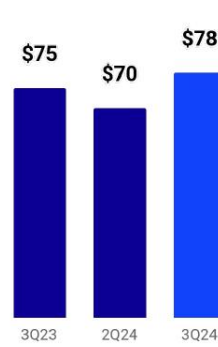
▲ +13% YoY | ▲ +8% QoQ



Gross Profit

\$78M

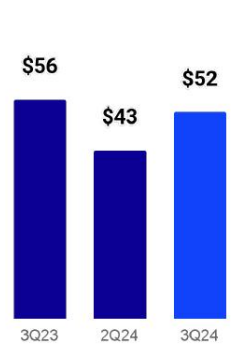
▲ +5% YoY | ▲ +12% QoQ



Adjusted EBITDA¹

\$52M

▼ -6% YoY | ▲ +23% QoQ



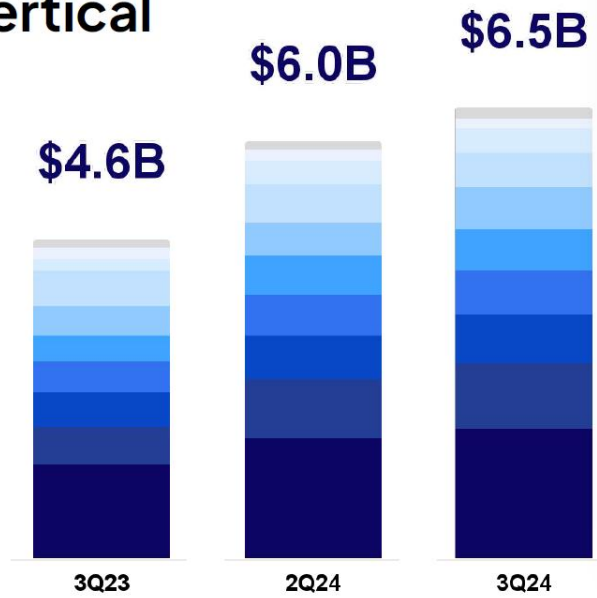
Note: ¹dLocal has only one operating segment. Although Adjusted EBITDA may be commonly viewed a non-IFRS measure in other contexts, pursuant to IFRS 8, Adjusted EBITDA is treated by dLocal as an IFRS measure based on the manner in which dLocal utilizes this measure. See detailed methodology for Adjusted EBITDA in appendix. Unaudited quarterly results.

d.

TPV growth across a well-diversified vertical base

Remittances and financial services increasing by over 80% YoY; continuous growth from SaaS, on-demand delivery, advertising, commerce and ride-hailing

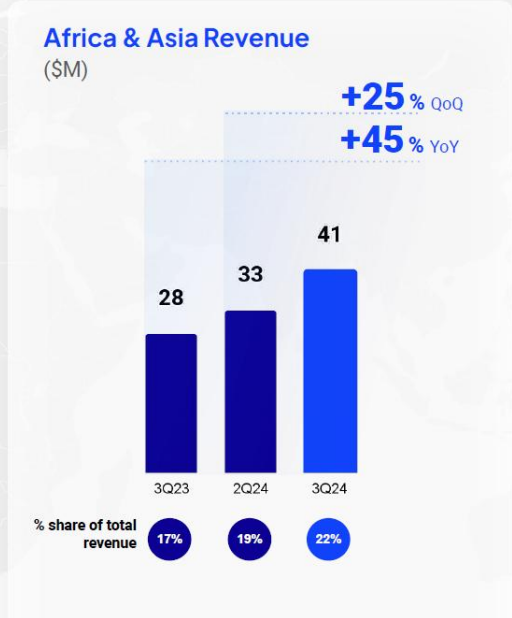
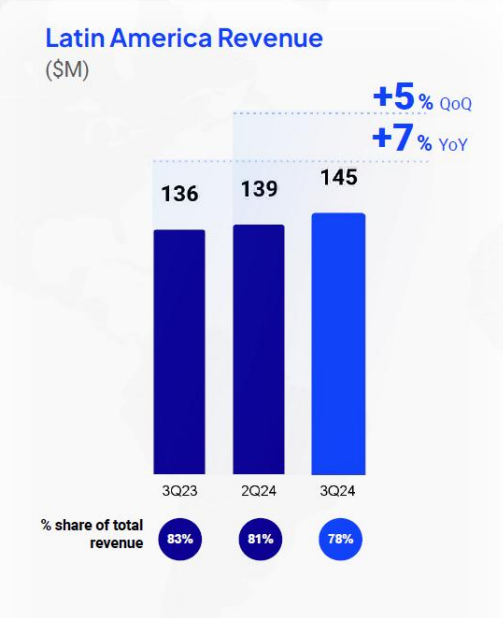
Note: ¹In 3Q 2024, financial services include wallets (0.5% of total TPV) and crypto (0.02% of total TPV). Since Q1 2024 remittances have been excluded from financial services and reported as a separate vertical in all periods.
²Other includes e-learning, gaming and other.



TPV growth by vertical YoY

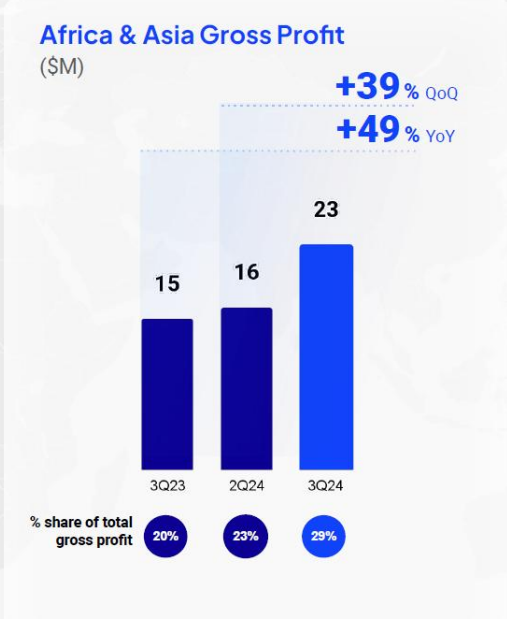
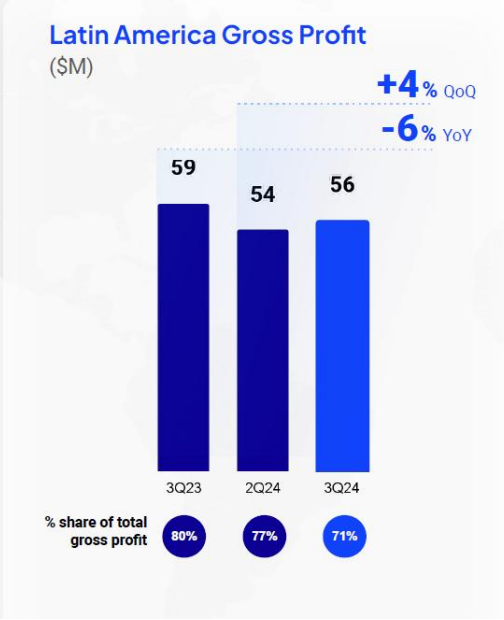
d. LatAm: QoQ growth driven by Argentina and Other LatAm. YoY comparison supported by the growth in Mexico and Other LatAm.

Africa & Asia: QoQ increase was driven by volume growth in Egypt and Other Africa and Asia. YoY growth was supported by continued growth in Egypt and South Africa.



















d. LatAm: QoQ increase driven primarily by Mexico and Other LatAm. YoY comparison remains impacted by FX devaluation in Argentina, and repricing and lower SoW with a top merchant in Brazil.

Africa & Asia: QoQ and YoY increase was mostly driven by volume growth in Egypt and South Africa.



d. Consistently increasing diversification and delivering improved resilience; record gross profit despite quarterly volatility in some markets, given the strength in others

10

	Gross profit QoQ		
 Brazil	 -20%	15m -3.9m vs. LQ	<ul style="list-style-type: none"> Loss in share of wallet in credit cards with a top commerce merchant
 México	 +45%	13m +4.0m vs. LQ	<ul style="list-style-type: none"> Positive across the board, highlighted by commerce and financial services verticals
 Chile	 -1%	8m -0.1m vs. LQ	<ul style="list-style-type: none"> Negatively impacted by volatility costs, revenue and TPV both growing >5% QoQ
 Argentina	 -12%	7m -0.9m vs. LQ	<ul style="list-style-type: none"> Positive in multiple verticals (TPV >30% QoQ), offset by one off expatriation costs in July
 Egypt	 +26%	12m +2.5m vs. LQ	<ul style="list-style-type: none"> GP driven by strong TPV growth mainly in advertising, streaming and financial services
 Nigeria	 -11%	2m -0.2m vs. LQ	<ul style="list-style-type: none"> TPV up only single digits QoQ Q2 positively affected by temporary gains, as explained in Q2 2024
 Other Latam	 +31%	13m +3.0m vs. LQ	<ul style="list-style-type: none"> Very positive performance in Colombia and Peru Strength in cross border in remaining markets with higher take rates
 Other Asia & Africa	 +87%	8m +3.9m vs. LQ	<ul style="list-style-type: none"> Solid TPV ramp-up of our commerce vertical in South Africa

d.

Building the global team to meet our long-term growth ambitions

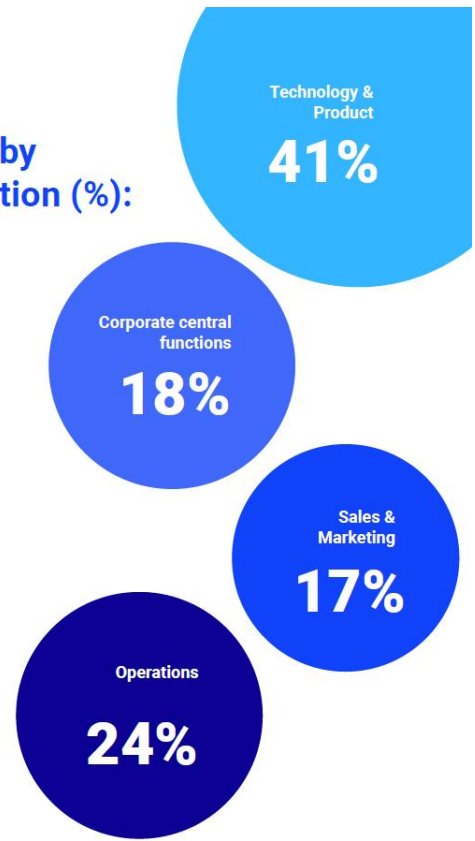
Focus on strategic growth areas: Technology & Product and Operations.

1,024 ▲ **+157 FTEs or 18% Employee Growth YoY**

	AFRICA & ASIA	AMERICAS
FTE evolution (#):	279 ▲ +25% YoY	745 ▲ +16% YoY

Note: FTE includes employees and contractors. Technology & Product includes developers operating in functions across the company.

FTE by function (%):



d.

Financial highlights

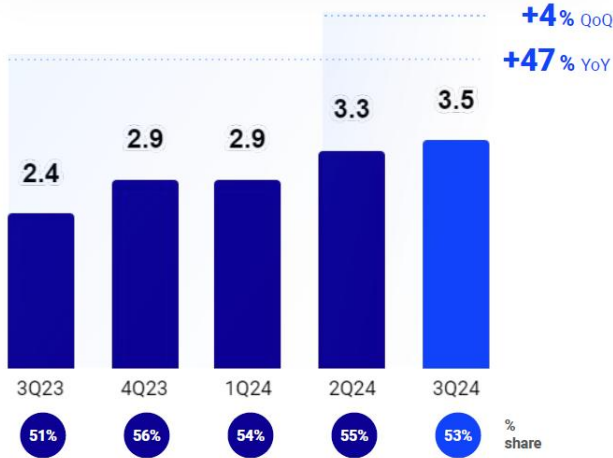
d.

Sustained growth across both Cross-border and Local-to-local flows; Cross-border performance QoQ accelerating each of last 3Qs

Cross-border¹ TPV evolution (\$B)



Local-to-Local² TPV evolution (\$B)



Note: ¹"Cross-border" means a payment transaction whereby dLocal is collecting in one currency and settling into a different currency and/or in a different geography. ²"Local-to-local" means a payment transaction whereby dLocal is collecting and settling in the same currency.

d.

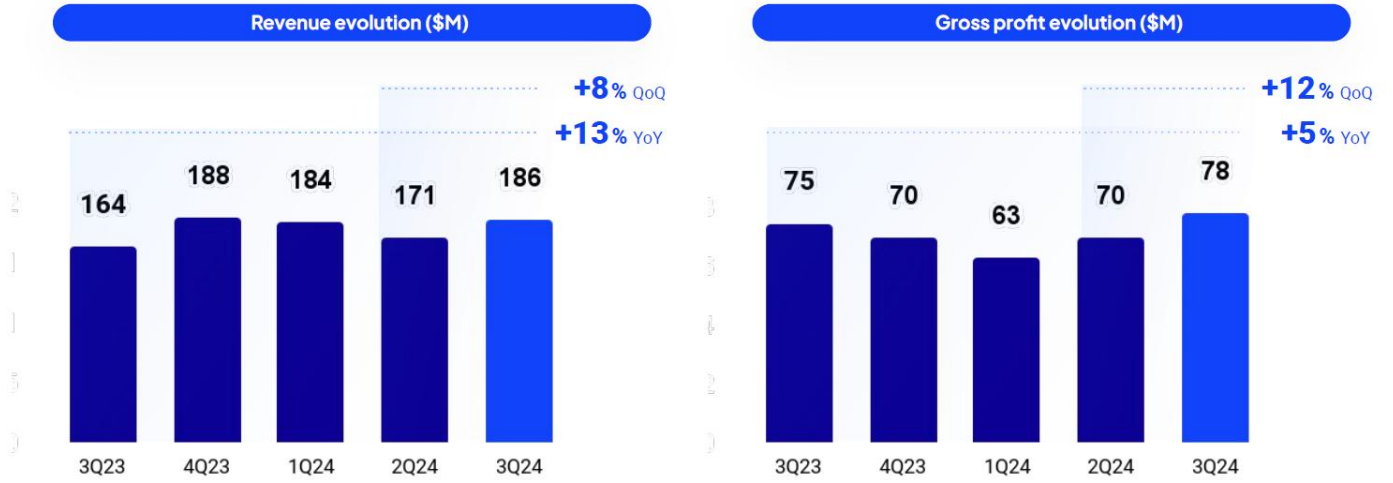
YoY growth remains strong. Both business lines delivering high single digit sequential growth



Note: ¹"Pay-in" means a payment transaction whereby dLocal's merchant customers receive payment from their customers. ²"Pay-out" means a payment transaction whereby dLocal disburses money in local currency to the business partners or customers of dLocal's merchant customers.

d.

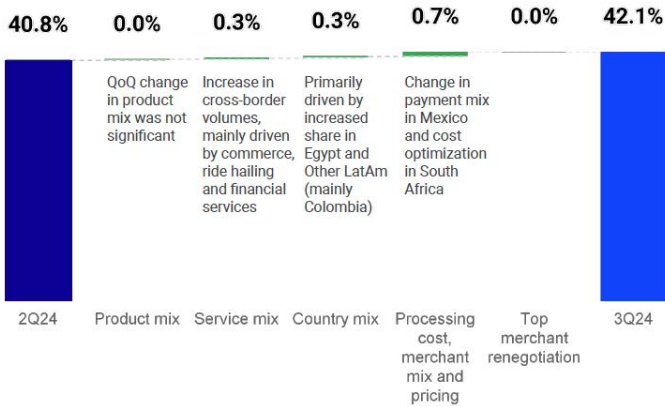
Record gross profit with consistent QoQ compounding over multiple quarters



d.

Second quarter of sequential improvement in gross profit margin and flat net take rate, driven by differentiated value proposition, continuous pursuit of cost efficiencies, and the real value in solving complexities across EM

Gross Profit margin (%) QoQ bridge

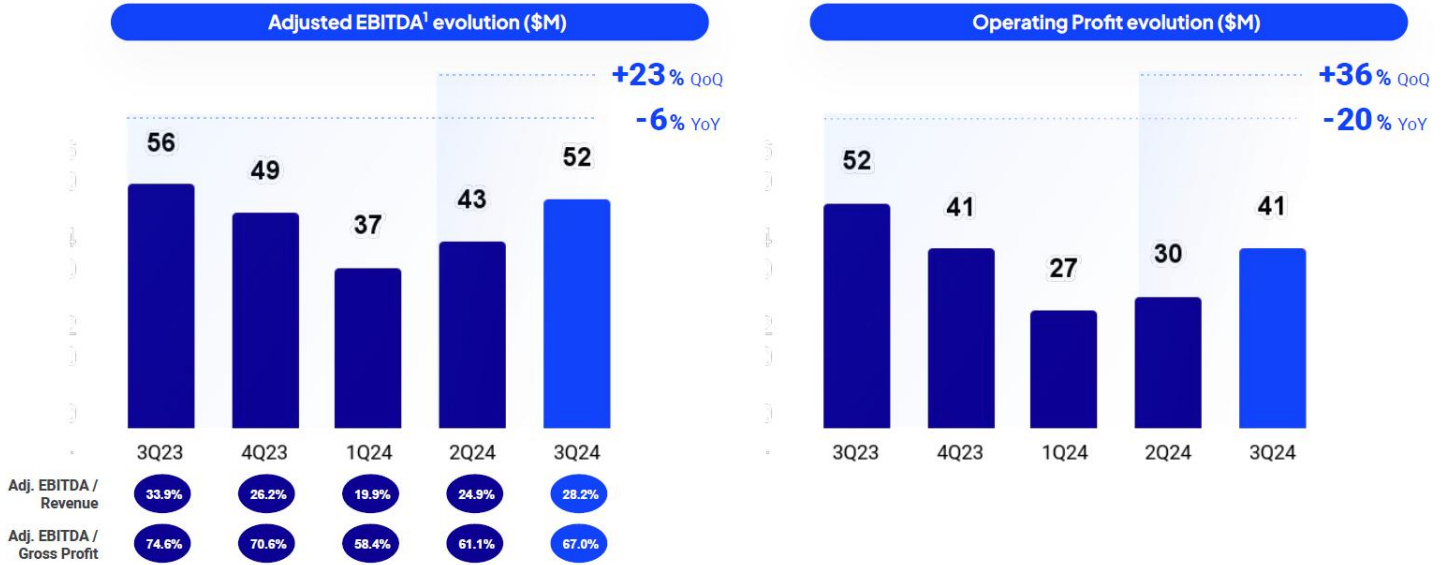


Gross Profit over TPV (%) QoQ bridge



d.

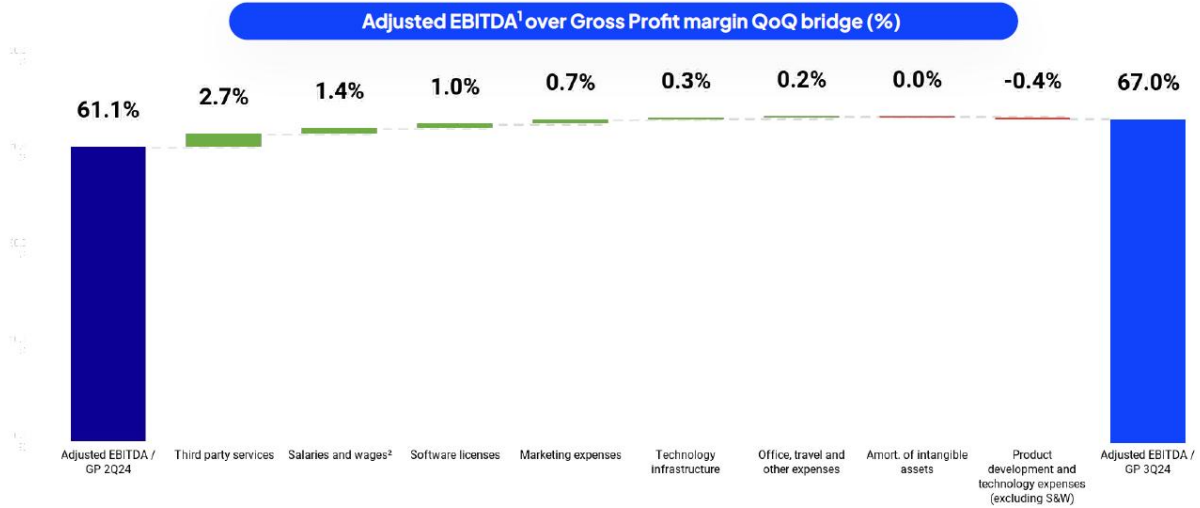
Operating leverage improvement for the second consecutive quarter, driven primarily by reignited growth and cost management



Note: ¹dLocal 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 Adjusted EBITDA and Adjusted EBITDA Margin in appendix.

d.

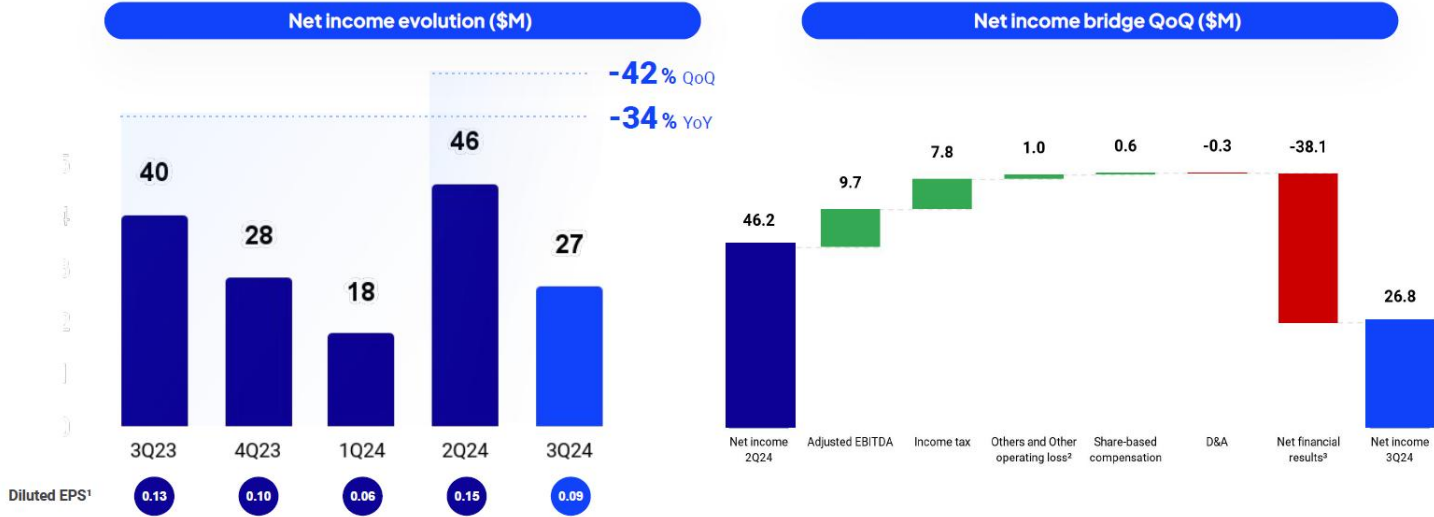
Adjusted EBITDA over gross profit margin increasing +6 p.p. QoQ, driven by higher gross profit and balance between long-term profitability and efficient resource allocation



Note: ¹dLocal 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. ²Salaries and wages (S&W) exclude share-based payment non-cash charges as it is excluded from the Adjusted EBITDA calculation. See detailed methodology for Adjusted EBITDA and Adjusted EBITDA Margin in appendix.

d.

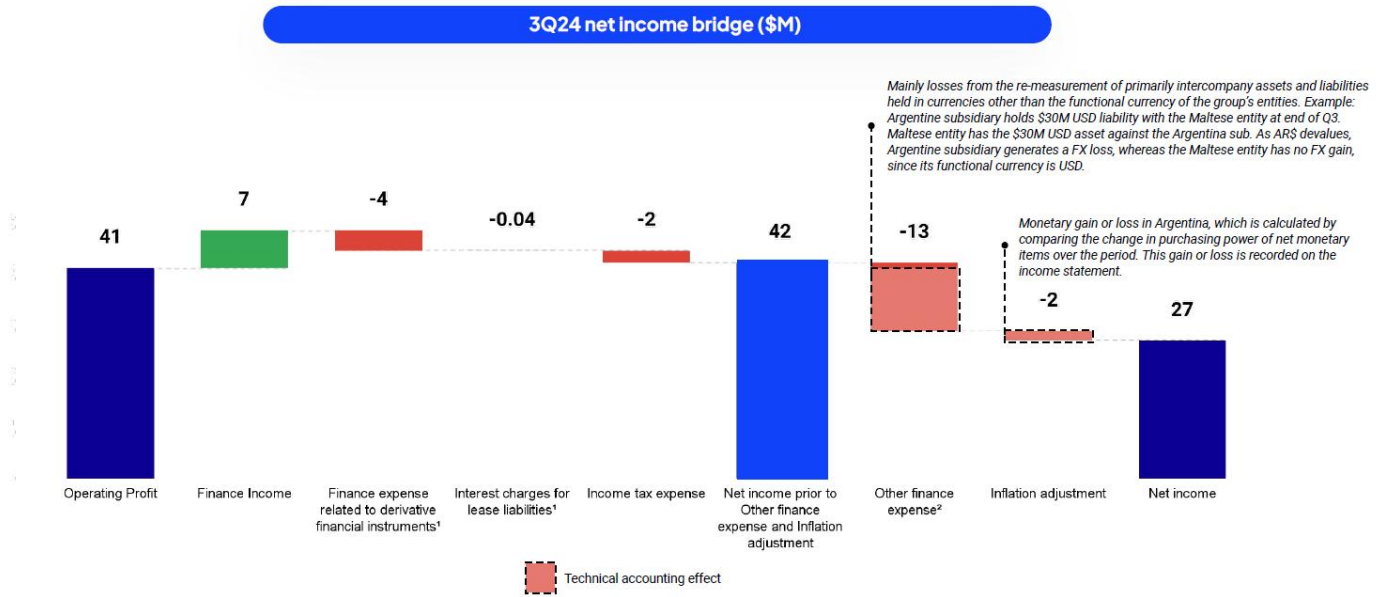
Solid net income; QoQ growth impacted mainly by 2Q24 non-cash mark to market gains from Argentine Bonds



Note: ¹Our diluted earnings per share is calculated by dividing the profit attributable to owners of the group of dLocal by the weighted average number of common shares outstanding during the period plus the weighted average number of common shares that would be issued on conversion of all dilutive potential common shares into common shares. ²Others include Impairment loss / gain and Inflation adjustment. Other operating loss refers to the write-off of certain amounts related to merchants/processors off-boarded by dLocal. In Q2 2024, this line amounted to \$1.6 million, while in Q3 2024 it was \$0.6 million. ³In Q2 2024, the Finance income and costs, net line was impacted by the non-cash mark to market effect related to Argentine bonds investments in the amount of US\$22.8 million.

d.

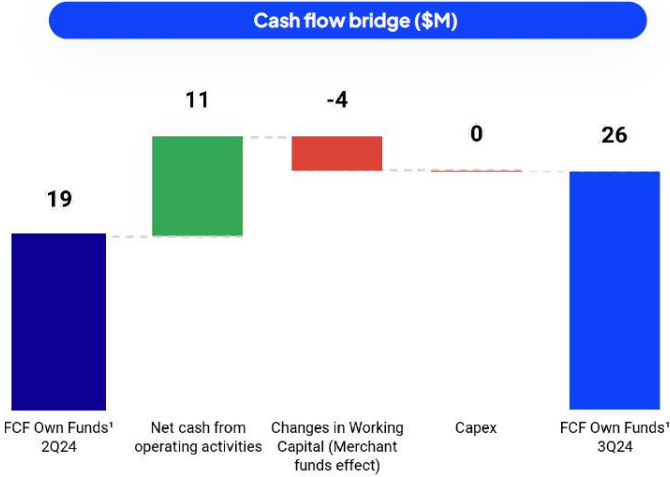
Strong earnings, despite technical accounting effects



Note: ¹As disclosed on on Note 11 - Other Results of our Financial Statements as of September 30, 2024. ²Other finance expense, as disclosed on Note 11 - Other Results of our Financial Statements as of September 30, 2024, includes net effects of foreign exchange results in subsidiaries and in an intra-group loan denominated in US Dollars between subsidiaries located in Argentina and Malta, the fair value adjustments of other financial assets measured at FVTP and borrowing costs, of which around 95% refers to the net effects of foreign exchange results in subsidiaries and in an intra-group loan denominated in US Dollars between subsidiaries located in Argentina and Malta.

d.

FCF Own Funds \$26M: Q3 cash conversion of ≈100% of net income



Cash flow evolution by quarter

In millions of US\$	1Q24	2Q24	3Q24
Net cash from operating activities	40	29	40
Merchant funds effect	(21)	(5)	(8)
Capex	(6)	(5)	(5)
Free Cash Flow Own Funds¹	13	19	26

Note: ¹ Free Cash Flow Own Funds is calculated as Net cash from operating activities, adjusted for merchant funds effect (which includes Trade and other receivables, Trade and other payables, and Other tax liabilities related to the merchants), less Acquisition of Property, plant and equipment and Additions of Intangible assets.

Gracias | Thank you | תודה | 谢谢
| شكرا | Obrigado | ありがとう

d-local



Investment Highlights

We power a market leading **massive and expanding emerging markets ecosystem** accepting more than **900 local payment methods** across **40+ countries**

We are **directly integrated** with some of the world's largest online merchants, driving very strong NRR and 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 **diversified across industries, clients and geographies**

We are **growing rapidly and profitably at scale with strong cash generation**



d·local

d.

24

Appendix

d.

TPV

EARNINGS PRESENTATION | Q3 2024 25

TPV breakdown by type of product¹

In millions of US\$	3Q23	4Q23	1Q24	2Q24	3Q24
Pay-ins	3,429	3,701	3,657	4,273	4,632
As % of total	74%	72%	69%	71%	71%
Pay-outs	1,189	1,410	1,653	1,763	1,884
As % of total	26%	28%	31%	29%	29%
Total TPV	4,618	5,111	5,310	6,035	6,516

TPV breakdown by type of flow²

In millions of US\$	3Q23	4Q23	1Q24	2Q24	3Q24
Cross-border	2,256	2,235	2,426	2,701	3,035
As % of total	49%	44%	46%	45%	47%
Local to Local	2,362	2,876	2,884	3,334	3,480
As % of total	51%	56%	54%	55%	53%
Total TPV	4,618	5,111	5,310	6,035	6,516

Note: ¹"Pay-in" means a payment transaction whereby dLocal's merchant customers receive payment from their customers. "Pay-out" means a payment transaction whereby dLocal disburses money in local currency to the business partners or customers of dLocal's merchant customers.
²"Cross-border" means a payment transaction whereby dLocal is collecting in one currency and settling into a different currency and/or in a different geography. "Local-to-local" means a payment transaction whereby dLocal is collecting and settling in the same currency.

d. Revenue

EARNINGS PRESENTATION | Q3 2024 26

Revenue breakdown by geography

In millions of US\$	3Q23	4Q23	1Q24	2Q24	3Q24
Brazil	44.7	50.2	43.1	42.3	32.9
Argentina	23.9	10.5	13.8	20.5	26.0
Mexico	30.2	35.6	34.0	35.8	38.9
Chile	12.4	14.9	12.4	12.3	13.0
Other LatAm	24.8	20.3	22.1	27.8	34.3
Latin America	136.0	131.5	125.4	138.7	145.2
Nigeria	8.3	28.4	7.2	1.1	2.1
Egypt	10.1	18.4	39.0	15.0	18.6
Other Africa & Asia	9.4	9.7	12.8	16.5	19.9
Africa & Asia	27.9	56.5	59.0	32.6	40.6
Total Revenue	163.9	188.0	184.4	171.3	185.8

Note: Unaudited quarterly results

d. **Gross profit**EARNINGS PRESENTATION | Q3 2024 **27****Gross profit breakdown by geography**

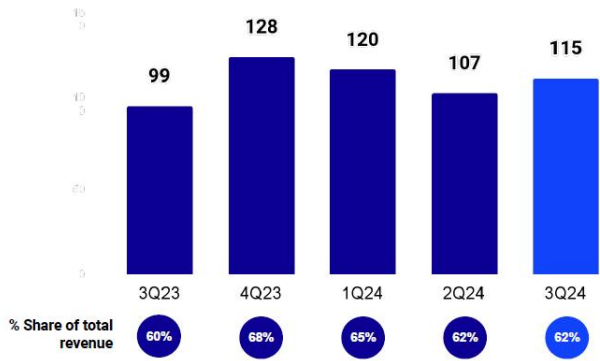
In millions of US\$	3Q23	4Q23	1Q24	2Q24	3Q24
Brazil	22.7	25.5	17.9	19.2	15.4
Argentina	13.1	4.0	5.2	7.6	6.7
Mexico	7.9	9.3	9.9	8.8	12.8
Chile	6.9	9.1	7.5	8.3	8.2
Other LatAm	8.9	7.0	8.1	9.6	12.5
Latin America	59.4	54.7	48.6	53.5	55.6
Nigeria	1.7	1.5	0.5	2.0	1.7
Egypt	9.6	9.6	10.3	9.8	12.3
Other Africa & Asia	3.7	3.9	3.6	4.5	8.5
Africa & Asia	15.1	15.0	14.4	16.3	22.6
Total Gross Profit	74.5	69.7	63.0	69.8	78.2

Note: Unaudited quarterly results

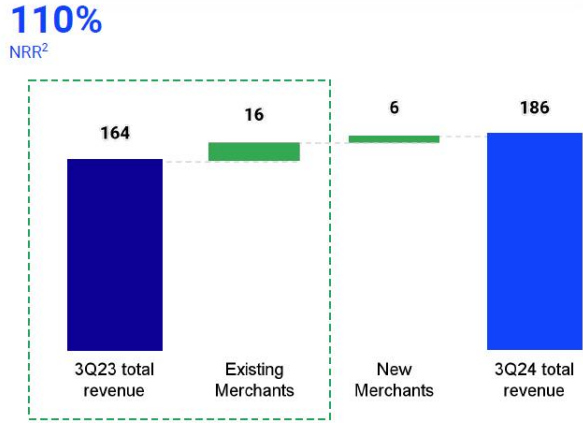
d. Revenue

EARNINGS PRESENTATION | Q3 2024 28

Top 10 merchant revenue¹ (\$M) and concentration (%)



Revenue composition (\$M)

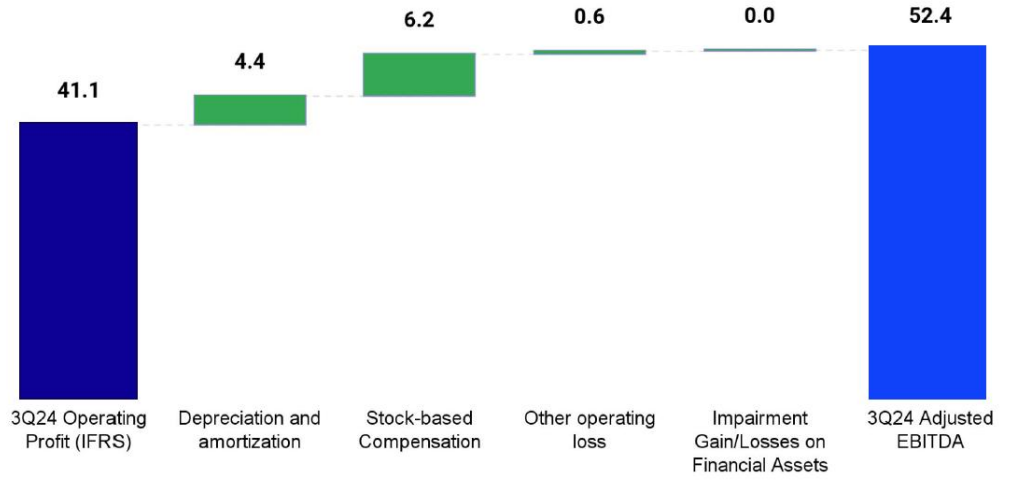


Note: ¹Top 10 merchants may vary from period to period. ²NRR* means Net Revenue Retention rate, which is the U.S. dollar-based measure of retention and growth of our merchants. We calculate the NRR of a period by dividing the Current Period Revenue by the Prior Period Revenue. The Prior Period Revenue 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. Current Period Revenue includes any upsells and cross sells of products, geographies, and payment methods to such merchant customers, and is net of any contractions or attrition, but excludes revenue from new customers onboarded in the last 12 months. Unaudited quarterly results.

d.

Adjusted EBITDA

Adjusted EBITDA bridge (\$M)



Note: Adjusted EBITDA excludes one-off expenses and non-cash items. Unaudited quarterly results. See detailed methodology for Adjusted EBITDA in slide 30.

d.

Adjusted EBITDA

Note: 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. 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, transaction expenses and inflation adjustment.

1 In Q2 2024, the Finance income and costs, net line was impacted by the non-cash mark to market effect related to Argentine bonds investments in the amount of US\$22.8 million. 2 In Q2 and Q3 2024, the company wrote-off certain amounts related to merchants/processors off-boarded by dLocal.

Unaudited quarterly results.

Reconciliation of Profit to Adjusted EBITDA

\$ in thousands	3Q23	2Q24	3Q24
Profit for the period	40,364	46,239	26,811
Income tax expense	8,897	10,060	2,286
Depreciation and amortization	3,237	4,089	4,438
Finance income and costs, net ¹	(1,548)	(28,045)	10,085
Share-based payment non-cash charges	3,322	6,776	6,204
Other operating loss ²	-	1,553	578
Impairment loss / (gain) on financial assets	(2,508)	76	8
Inflation adjustment	3,817	1,941	1,954
Adjusted EBITDA	55,581	42,689	52,364

d.

Adjusted Net Income

Note: Adjusted Net Income is a non-IFRS financial measure. As used by dLocal, Adjusted Net Income is defined as the profit for the period (net income) excluding impairment gains/(losses) on financial assets, transaction costs, share-based payment non-cash charges, and other operating (gain)/loss, in line with our Adjusted EBITDA calculation (see detailed methodology for Adjusted EBITDA on page 30). It further excludes the accounting non-cash charges related to the fair value gain from the Argentine dollar-linked bonds, the exchange difference loss from the intercompany loan denominated in USD that we granted to our Argentine subsidiary to purchase the bonds, and the hedging cost associated with the Argentina treasury notes. In addition, it excludes the inflation adjustment based on IFRS rules for hyperinflationary economies. We believe Adjusted Net Income is a useful measure for understanding our results of operations while excluding certain non-cash effects such as currency devaluation, inflation, and hedging costs. Our calculation for Adjusted Net Income may differ from similarly-titled measures presented by other companies and should not be considered in isolation or as a replacement for our measure of profit for the period as presented in accordance with IFRS.

Unaudited quarterly results.

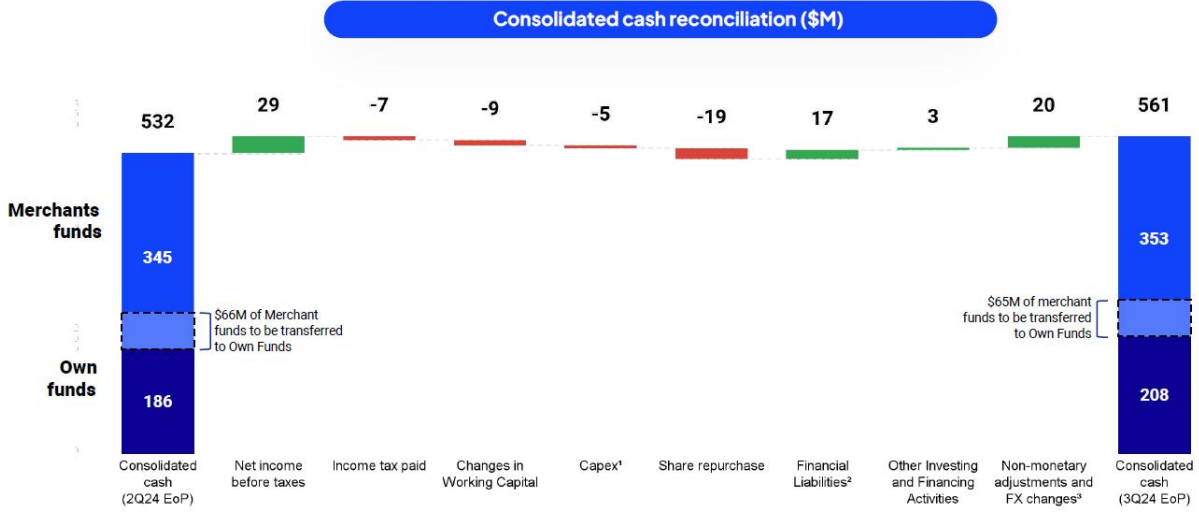
EARNINGS PRESENTATION | Q3 2024

31

Reconciliation of Profit to Adjusted Net Income

\$ in thousands	3Q23	2Q24	3Q24
Net income as reported	40,364	46,239	26,811
Inflation adjustment	3,817	1,941	1,954
Loan - exchange difference	27,351	5,831	7,710
Argentina Treasury Notes Hedging Costs	-	-	4,272
Fair value (loss) / gains of financial assets at FVTPL	(24,232)	(22,774)	95
Impairment loss / (gain) on financial assets	(2,508)	76	8
Share-based payment non-cash charges	3,322	6,776	6,204
Other operating (gain)/loss	-	1,553	578
Tax effect on adjustments	1,092	5,998	(4,227)
Adjusted net income	49,206	45,640	43,405

d. Consolidated cash



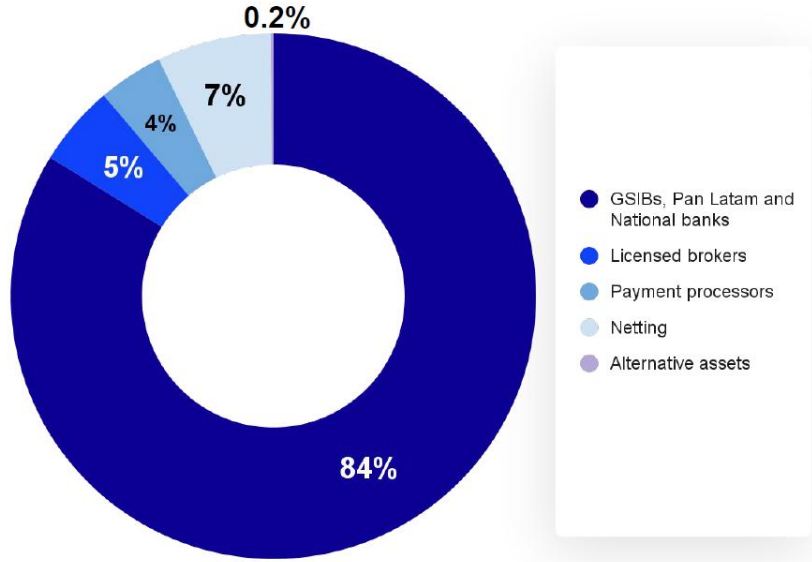
Note: ¹ Capex includes Acquisition of Property, plant and equipment and Additions of Intangible assets. ² Financial liabilities breakdown is available in the Unaudited Consolidated Condensed Interim Financial Statements as of September 30, 2024 - Note 23. ³ Non-monetary adjustments as shown in the Cash Flows of the Unaudited Consolidated Condensed Interim Financial Statements as of September 30, 2024. FX changes considers the Effects of exchange rate changes and inflation on cash and cash equivalents.

d.

Robust global network of trusted financial partners

In Q3 2024, we expatriated **84%** of the Pay-ins Cross-border TPV through **banks (global, continental or national partner banks)**

3Q24 Cross-border volumes by partner mix:



d-local

IR Contact:
investor@dlocal.com
