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BRAZIL



COMPANY CREDIT REPORT



Inquiry/Order on	***Redacted***
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Report/Delivery Date	19.08.2022
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1. IDENTIFICATION DETAILS

Corporate/Legal Name (as specified in its charter)	***Redacted***
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Trade/Business Name	DLOCAL
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Operating address	Av. Pulista 1374, Sala 111A137, 11 Andar
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District/Neighborhood	Bela Vista
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Town	CEP 01310-916 SAO PAULO
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State/Province	SP/Sao Paulo
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Telephone	(55-11) 5555 6910
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Country	BRAZIL
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2. BACKGROUND INFORMATION & BUSINESS PROFILE

LEGAL STRUCTURE

Legal Status	Privately-held corporation (Closely-held corporation). A legal entity of private law, duly incorporated, organized and existing under the laws of the Federative Republic of Brazil. A Closely held corporation (also known as Closed Corporation) is a company in which a small group of shareholders controls the majority of the shares.
Formation date	02.05.2016
Mercantile Registry	15.06.2016, NIRE 35.300.580.494




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Latest Bylaws Alteration	September/2021
Company status	ACTIVE - GOOD STANDING

TAX ID # (CNPJ)	25.021.356/0001-32
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HISTORICAL SUMMARY: The company was initially founded in 2016 as a limited liability company named ***Redacted****, and was later converted into a corporation under the current name of***Redacted*** in September/2021.

CAPITAL STRUCTURE, OWNERSHIP & BENEFICIAL CONTROL: in BRL, Brazilian real

AUTHORIZED NOMINAL CAPITAL	BRL 18.000.000
ISSUED CAPITAL	BRL 18.000.000
PAID-IN CAPITAL	BRL 18.000.000

Its stock is split into 180.000.000 nominative BRL 1 par-value shares.

It is a privately-owned company (or closely held company) whose shares are no traded on the Stock Exchange , and whose controlling shareholder (100 %) ***Redacted ** is , a Cayman Island - incorporated company that operates from Montevideo, URUGUAY, at Dr. Luis Bonavita 1294, Off. 507, WTC Montevideo Free Zone.

Redacted founded and is majority controlled by two Uruguayan entrepreneurs: Sergio Enrique FOGEL KAPLAN, and Andres BZUROVSKI BAY, and since 2020 trades its shares on the New York NASDAQ, being considered the first Uruguayan "Unicorn", with a market value of up to USD 1 billion.

MANAGEMENT:

Director	Juan Gabriel PEREZ FERRES
Director	Martin OBERLANDER HOLZ

They both are Uruguayan, and reside in Brazil.

No negative occurrences on subject's principals are recorded.

**TYPE OF BUSINESS****SERVICES****BUSINESS CATEGORY****FINANCIAL SERVICES - PAYMENTS PLATFORM**

NATURE OF OPERATIONS The company's principal activity is to operate as a financial technology company (fintech) and an electronic money institution focused on providing cross-border payments connecting global merchants to emerging markets.

The Company offers an all-in-one single payment platform which accept, and processes payments done with local cards, processes cash payments, sends payouts, and settles funds, connecting global enterprise merchants with billions of emerging market consumers across APAC, the Middle East, Latin America and Africa.

Through the Company's direct application programming interface (API), one technology platform, and one contract, which is collectively referred as the One dLocal model, global companies and enterprise merchants can accept payments, send payouts and settle funds globally without the need to manage separate pay-in and payout processors, set up numerous local entities, and integrate multiple acquirers and payment methods in each market.

The company enables businesses to accept online and mobile payments in the local currencies of their customers, offering services in categories, such as bank transfers, credit cards and debit cards, e-wallets, instant credits, cash (points of sale), crypto wallets and currencies, bank checks, vouchers, prepaid cards, and international transfers, and to get paid (pay-in) and to make payments (pay-out) online in a safe and efficient manner.

The Company's cloud-based platform powers both cross-border and local-to-local transactions in approximately 29 countries, enabling global merchants to connect with over 600 local payment methods across different geographies, which expands their addressable markets.

It operates in different verticals and geographies, including retail, streaming, ride hailing, financial institutions, advertising, software as a service (SaaS), travel, e-learning and gaming.

Among its clients are mentioned UBER, DIDI, TRIPADVISOR, INDRIVER, PANGGOOD, WIX, AMAZON, GODDADY, MICROSOFT, GOOGLE, NIKE, GEARBEST, MALLCHIMP, etc,

OVERALL ASSESSMENT**Company Size**

SME/Small and medium-sized enterprise (or SMB/Small & Midsize Business).

Category: Moderate-size

Business trend

Stable



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Present situation	Operating normally
Outlook	Favorable
Organization	Average. No major problems observed.
Reputation	Well-known company of good reputation. An active company in its line. Good market position.
Management standard	The management consists of well-known businessmen of good repute, and with years of experience in related fields. Traditional methods of management with good forward planning, and well defined corporate policy.
Total Annual Revenues/ Turnover	USD 50.000.000
Staff	50
Bankers	<ul style="list-style-type: none"> ● Banco do Brasil ● Banco Santander Brasil ● Banco Itaú Unibanco S.A. ● Banco Bradesco ● Citibank

3. TANGIBLE FIXED ASSETS, INVESTMENTS, ETC.

REAL ESTATE PROPERTIES : No properties

RELATED COMPANIES: as sister companies operate:



4. CREDIT STATUS INFORMATION & PAYMENT PERFORMANCE

BANKING RECORD : Bank sources consulted confirm the subject company as their client.

Its usual banking transactions comprise checking accounts -properly managed and without bounced (NSF) checks recorded-; foreign trade operations through L/C, secured credit facilities, etc.

Bank officers declined further comment per bank policy, although no negative information as of reporting day

TRADE CREDIT PAYMENT ANALYSIS : A trade survey has been undertaken among the company's domestic commercial credit grantors at the time this report was produced with the following results :

Type of creditors	Traders & service suppliers
Known since	2016
Buying terms	30-day O/A
Paying record	PROMPT
Payment Patterns	Good bill-pay habits, within agreed terms, no complaints
NSF checks	NO
Delayed payments	NO
Non-payments	NO
Commercial Morality	GOOD - Commitments are respected
Creditors assessment	Good




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COMPANY CREDIT REPORT
Repayment Capacity

Moderate

Negative occurrences & facts check

defaults	No
delinquencies	No
legal suits	No
judgments	No
collection claims	No
protested items	No
returned checks	No
detrimental record	No
adverse references	No

5. FINANCIAL INFORMATION

No financial statements are available yet because the company's current legal form of a corporation has been in force since September/2021.

As a limited liability company (subject's former legal form) it was not required to disclose financial statements.

6. CONCLUSIVE OPINION

We are reporting upon a "fintech" or financial technology company that, together with other sister companies run and managed from Montevideo, Uruguay, comprises a group that offers an all-in-one single payment platform which accept and processes payments done with local cards, processes cash payments, sends payouts, and settles funds, connecting global enterprise merchants with billions of emerging market consumers across APAC, the Middle East, Latin America and Africa.

It operates on a good scale, and enjoys an ample and well diversified clientele worldwide.

Based upon existing information from outside sources, its organisational structure is stable, the management is adequately experienced, and financial performance is good, so its future outlook is estimated as favourable.

The credit history revealed also that subject appears to be reputable and pays creditors within the normal terms.

No detrimental records were found and no payment delays were noted, so no objections were found in relation to its current trading position.



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Therefore, business connections with this company are suitable, and moderate credits are recommended.

7. CREDIT RISK ASSESSMENT & ANALYSIS

	Credit rating	A
	Risk profile	Normal-risk buyer (within Standard level)
	Creditworthiness	Creditworthy - Good credit standing. Capacity of meeting commercial commitments is satisfactory.
	Credit Opinion	Potential Credit Limit: USD 500.000
	Appraisal	Recommended. A reasonable amount of credit can be extended
	Surveillance opinion	Subject to regular review & supervision

Exchange Rate USD 1 : BRL 5,16



EXPLANATORY NOTES ON OUR "CREDIT RISK ASSESSMENT & ANALYSIS"

The CREDIT RISK ASSESSMENT & ANALYSIS provides is a reliable indicator of the credit worthiness of a company.

For the calculation of the CREDIT RATING are taken into account all significant elements of credit including company history, business performance, management background, financial position, payment history, overall market conditions, market trend and reputation of the company.

When assigning a CREDIT RATING to a company, automatically is determined its RISK PROFILE, which indicates its CREDIT SOUNDNESS.

Concerning the CREDIT RATING, one can distinguish 6 classes:

CREDIT RATING	RISK PROFILE	CREDIT WORTHINESS	CREDIT OPINION
C	Extremely High Risk	Poor Credit Standing	Unacceptable- Deal for cash only
B	High-risk buyer	Modest Credit Standing	Caution - Secured Terms only
B+	Below Average Risk	Fair Credit Standing	Credit against security
A	Normal-risk buyer	Creditworthy	Recommended
A+	Low-risk buyer	Superior Credit Standing	Very Recommended
AA	Minimum-risk buyer	Excelent Credit Standing	Strongly Recommended

1) The rating "C" characterizes an entity (person or business) of which the past and actual experience is TOO RISKY, including bad financial condition, unpaid balances or too slow-pay habits, bad sectorial predictions, incidents, rumors, conflicts, bad management performance, etc. to be still considered as viable in the short term. It is an UNACCEPTABLE credit appraisal. Business dealings should conducted on a cash basis only.

2) The rating "B" characterizes an entity of which the past and actual experience comprises negative factors (i.e. claims and complaints from suppliers and creditors, delays in payments, lawsuits, etc.) or which faces financial difficulties, inciting CAUTION in the granting of credit and suggesting that credit or business dealings are advised upon a close watch, and preferably under secured basis.

3) The rating "B+" characterizes an entity of which the past and actual experience is situated at a low or undetermined level, which is often the case with a young company in its first years of life as the information available is very limited, or the case of those other firms with poor, insufficient or vague credit experience, or which hold no physical assets, etc. Credit or business dealings upon regular monitoring basis.

4) The rating "A" characterizes an entity of which the past and actual experience is situated on a generally right level. Credit or business dealings are recommended.

5) The rating "A+" characterizes an entity of which the past and actual experience is situated on a superior level, and with very good structural and balance factors.

6) The rating "AA" characterizes entity of which the past and actual experience is situated on a very positive and superior trend. Credit or business dealings strongly recommended



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