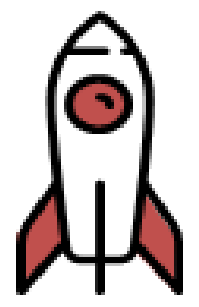
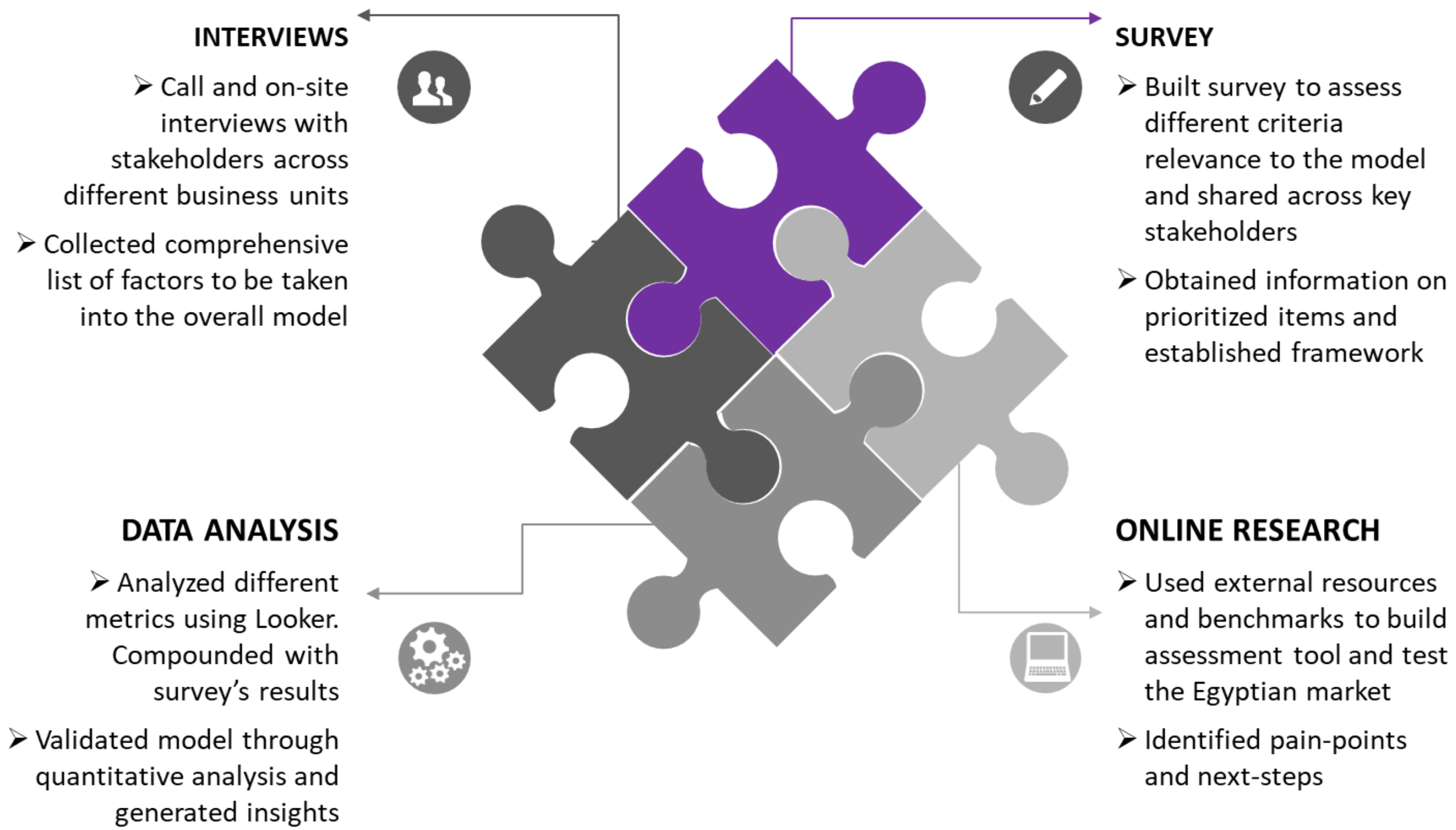


## PROJECT GOAL

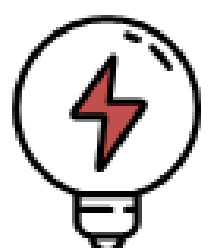
- Develop a strategy framework for new market entry for dLocal in their future expansion effort
- Framework will be used as a uniformed decision-making tool allowing dLocal to know the status of each potential market across different criteria

## RESEARCH METHODOLOGY



### Market Potential

- Assesses the market potential by estimating the Total Addressable Market (TAM) for the country; the numbers account for the competition in the market
- The higher the TAM and fewer the competition, the better the market



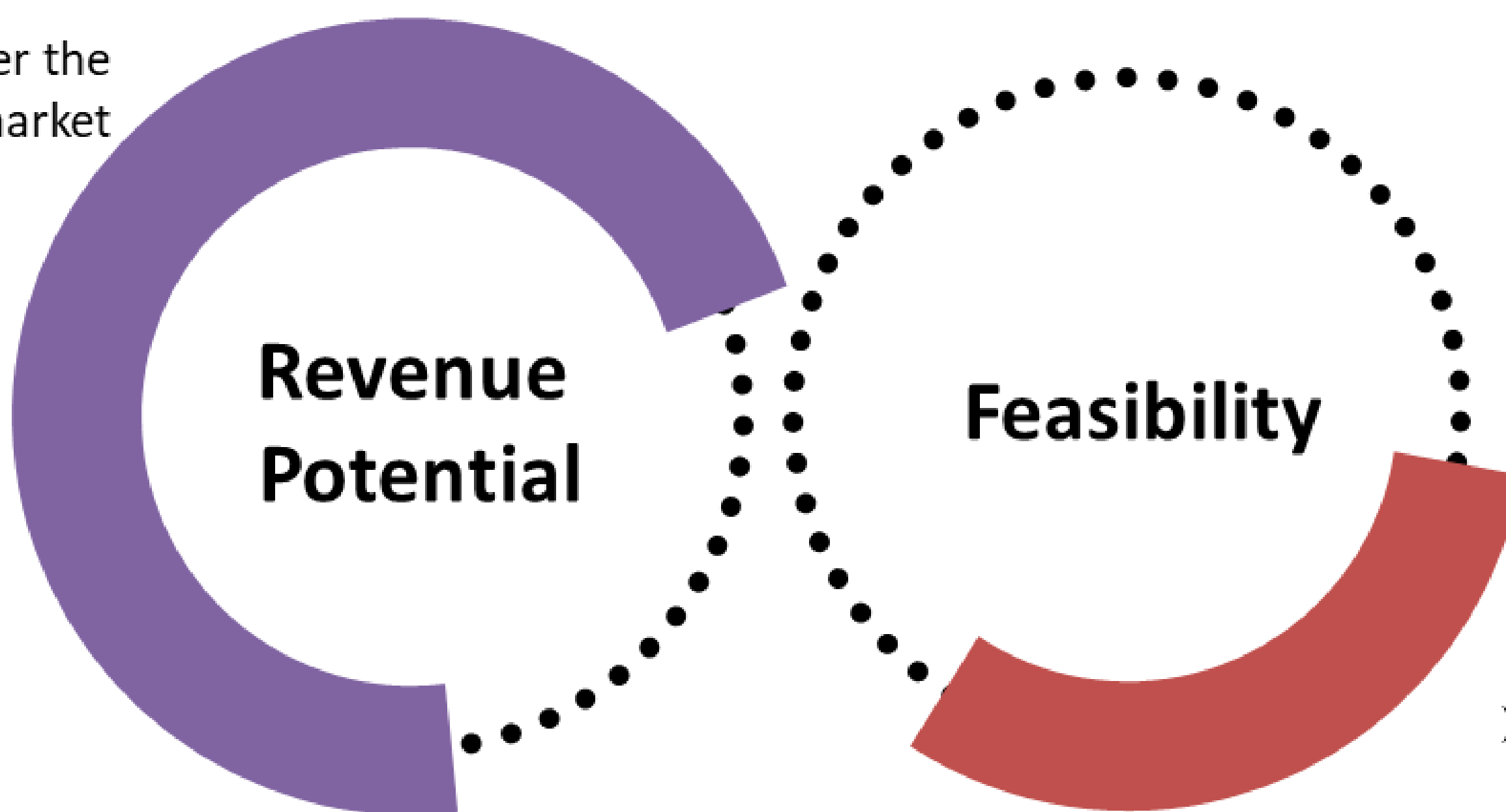
### Merchants

- Focuses on the possibility of luring existing merchants into the new market, also assessing the possibility to lock-in merchants
- We also account for minimum caps promised in the proposed market



### Margins

- Serve as the critical piece in deciding revenue potential in a new market
- We look at currency volatility and potential payment options of a particular market to predict margins for a market



### Regulations

- Assesses the regulatory hurdles and opportunities in a specific market
- We look into the ease of setting up local entity, KYC compliances needed and stability of a country to assess the hurdles. We also look at the ease of extracting funds from a country to evaluate the opportunities



### Partners

- Evaluates local processors and technical infrastructure in a specific country, by assessing the transaction time averages and redundant processor networks for better reliability and bargaining power

## NEXT STEPS

## TEAM

- Allocate responsibilities for different aspects of the model
- Analyze the metrics of each potential market and tackle the problematic categories first
- Set a single team that would own the tool. Such team should constantly update the tool according to the market's and company's needs.



JAIDA YANG || RONEN PARITZKY || CHEN TOPOLSKI || PRANOV RAI  
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MONTEVIDEO, URUGUAY