

Q2'23 Results

Investor Presentation

MercadoLibre, Inc.



> August 2nd, 2023

Disclaimer

Second Quarter 2023

> This presentation may contain forward-looking statements relating to such matters as continued growth prospects for the Company, industry trends and product and technology initiatives.

These statements are based on currently available information and our current assumptions, expectations and projections about future events. While we believe that our assumptions, expectations and projections are reasonable in view of currently available information, you are cautioned not to place undue reliance on these forward-looking statements.

A reconciliation of Non-GAAP measures can be found in our Second Quarter 2023 earnings press release, available on our investor relations website, and in the section entitled "Non-GAAP Measures of Financial Performance" of our quarterly report on Form 10-Q for the quarter ended June 30th, 2023.

All the information included in this presentation is updated as of June 30th, 2023. Except as may be required by applicable law, we assume no obligation to publicly update or revise our statements.

Certain monetary amounts included elsewhere in this document have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be the arithmetic aggregation of the figures that precede them.

Our actual results may differ materially from those included in this conference call, for a variety of reasons, including those described in the forward-looking statements and risk factor sections of our annual report on Form 10-K for the year ended December 31st, 2022, and any of MercadoLibre Inc.'s other applicable filings with the Securities and Exchange Commission, which are available on our investor relations website (<http://investor.mercadolibre.com>).



Operational & Financial Highlights

Second Quarter 2023

US\$10.5BN

+47% FXN YoY

GMV

325.3MM

+18% YoY

ITEMS SOLD

93.9%

+288 bps YoY

MANAGED NETWORK²

US\$3.4BN

+57% FXN¹ YoY

NET REVENUES

US\$42.1BN

+97% FXN YoY

TPV

US\$31.0BN

+129% FXN YoY

TPV OFF MARKETPLACE

US\$3.3BN

+21% YoY

CREDIT PORTFOLIO

US\$558MM

16.3% Margin

INCOME FROM OPERATIONS

¹ FX-Neutral basis (Please see shareholder letter for reconciliation to nearest GAAP measure)

² Percentage of items sold that were shipped on our Managed Logistics Network

Key Messages

Second Quarter 2023

- > MercadoLibre delivered another strong performance in Q2'23, setting another **record for quarterly Income from Operations of \$558mn**, with a margin of 16.3%. Revenue and profit growth was broad-based across geographies and business lines, demonstrating our increasing ability to drive leverage in our financial model.
- > **Brazil and Mexico stood out** as the markets with the fastest profit growth due to solid operational KPIs, strong monetization and cost efficiency. These two markets accounted for 64% of Q2'23 Direct Contribution, up from 58% in Q1'23 and Q2'22.
- > Quarterly **Gross Merchandise Volume** surpassed \$10bn for the first time, on the back of FX-neutral growth of 47% year-on-year. Mexico's FX-neutral GMV growth accelerated to 34% YoY and Brazil's remained solid at 25% YoY, implying major market share gains based on third party data. On a consolidated basis, items sold accelerated for the third successive quarter to reach 18% YoY in Q2'23.
- > We continue to invest in logistics to offer the fastest delivery times across the region; as such, **fulfillment penetration rose to 46%**, driven primarily by Brazil.
- > Mercado Pago's **Total Payment Volume** surpassed \$42bn; with solid growth across all major geographies that led to FX-neutral growth of 97% YoY. In Argentina, Off-Platform TPV is significantly above the country's inflation rate.
- > **Mercado Pago's** credit portfolio grew by 7% QoQ to \$3.3bn with strong profitability as the annualized **NIMAL* spread reached 37%**, and broadly stable <90 day NPLs. We are seeing good results from the cohorts of credit cards issued in recent months in Brazil, and Mexico's consumer book continues to grow rapidly.

*NIMAL refers to net interest margin after losses, which is credit revenues (APRs and late fees) net of provisions for doubtful accounts and funding costs.



Agenda

1. Quarterly Highlights

2. Financial Metrics

3. Margins

4. Appendix





Q2'23 RESULTS

Quarterly Highlights

1

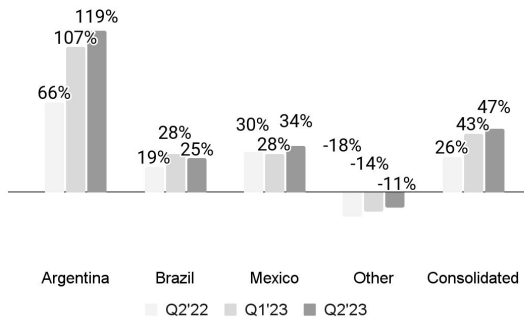


Marketplace Highlights

Momentum remains strong, with Mexico accelerating and Brazil continuing to stand out

Gross Merchandise Volume

(FX-Neutral YoY Growth)



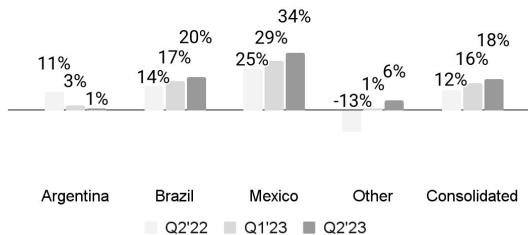
> Strong GMV growth, with Brazil solid and Mexico accelerating

Strong GMV growth in Mexico was driven by new buyer growth reaching its highest level for two years, helped by a well-executed Hot Sale event.

Growth in Brazil continues to be broad-based, with all categories making a strong contribution to overall GMV growth of 25%.

Items Sold

(YoY Growth)

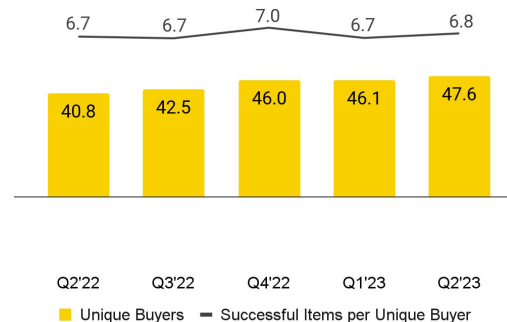


> Items sold accelerated for the third successive quarter

MercadoLibre sold an additional 50mn items YoY in Q2'23, selling more items than in last year's Q4.

Total Unique Buyers

(Units, MM)



> Unique buyers grew by almost 17% YoY

All major markets showed growth in unique buyers year-on-year, with Brazil and Mexico posting the fastest growth rates.

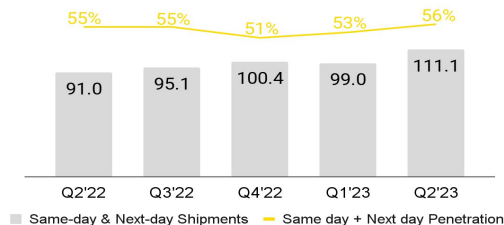
Items sold per buyer remained consistent with prior quarters, and continues to be impacted by lower items sold in the Supermarket category following last year's adjustments to the category's free shipping threshold.

Logistics Highlights

A new record of same- and next-day deliveries as Fulfillment penetration continues to rise

Same-day & Next-day Delivery

(MM, %)



> Over 100mn same-day & next-day shipments in Q2'23, with penetration at record levels

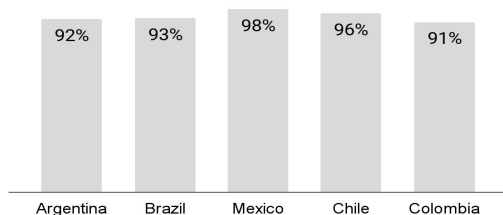
Mercado Libre shipped almost 319 million items in Q2'23, growing at 21% year-on-year.

Same-day or next-day shipments reached 56% of deliveries, the highest level in Mercado Libre's history and underlining the positive effect of our continued investment in logistics across the region.

Almost 80% of shipments were delivered within 48 hours across Latin America.

Managed Network¹ Penetration

(Q2'23, %)



> Ongoing improvements in our managed network in most geographic segments

Total Managed Network penetration reached 93.9%, a record level for Mercado Libre.

Fulfillment by MELI grew once again, and reached a record level with over 46% penetration. All markets with fulfillment operations posted higher penetration year-on-year, with Brazil showing the most progress.

Meli Places reached the important milestone of over 8,000 partner locations being used by millions of buyers and sellers.

Our crowdsourcing solution for last mile, Mercado Envíos Extra, is now operating in 4 countries: Brazil, Mexico, Chile and Colombia, with the latter gone live in Q2'23.

¹ Includes Fulfillment, Cross Docking & Flex

Core Fintech Highlights

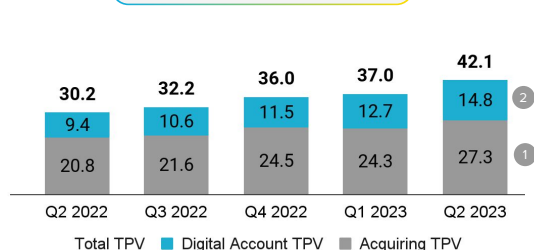
Growth remains robust, with solid gains on the acquiring and the digital account businesses

Acquiring & Digital Account¹ TPV

(US\$ BN, FX-Neutral YoY Growth)

Digital Account TPV: +181.8%

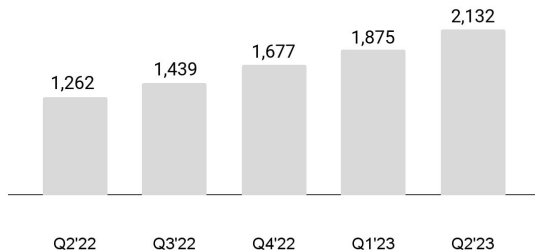
Acquiring TPV: +73.6%



TPN

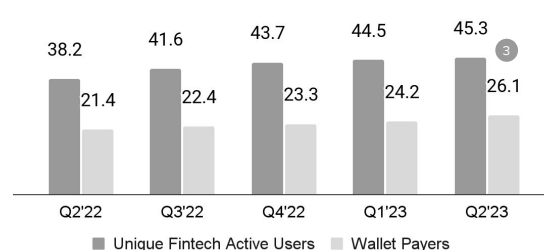
(Units, MM)

Year-on-Year growth: 69.0%



Unique Fintech Active Users² and Wallet Payers

(Units, MM)



1 Acquiring TPV sustained growth across all geographies and products

Acquiring TPV growth accelerated quarter-on-quarter in Argentina and Mexico. Mexico and Chile continue to deliver triple-digit TPV growth in POS, and their combined POS TPV surpassed Argentina. Merchant Services and QR TPV accelerated sequentially, offsetting a slower rate of growth - still at robust levels - in POS.

2 Digital Account TPV growth continues to grow rapidly

Mexico and Argentina continue to drive growth in all products. Digital Account TPV in Argentina is growing well above the country's inflation. Debit card in Chile increased its volume by half QoQ, thanks to partnerships with online businesses and payments during CyberDay.

3 Unique Fintech Active Users reached a new milestone by surpassing the 45 million users in a quarter, largely due to the increased adoption of the remunerated account in Brazil.

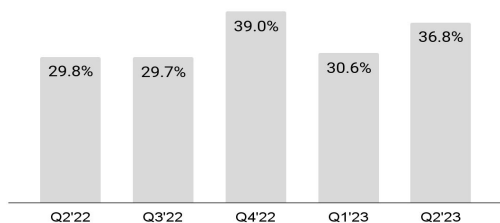
¹ Transfers to other external accounts are not considered payments volume

² Unique Fintech Users refers to the users who engage in at least one of the following services within the quarter: wallet payments online, in app or in store; transfers; withdrawals; consumer or merchant credit borrowers; card users; fintech sellers; and fintech active products such as asset management and insurtech users

Credits Highlights

Consolidated profitability expansion with largely stable credit portfolio

Net Interest Margin After Losses³, Total (% of avg portfolio)



Net Interest Margin After Losses (NIMAL) =

Credit Revenues

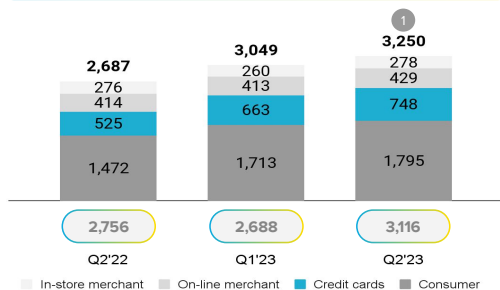
(-) Bad Debt

(-) Funding Costs

> NIMAL reached 36.8% in Q2, showing both a quarterly and an annual expansion. This can be explained by:

- Total portfolio maintained the same low-single digit pace of dollar growth as the previous quarter, still driven by Mexico's consumer and Brazil's credit card books.
- Revenue growth due to: accelerated originations in the Mexican consumer book, and repricing in the Argentinian books to maintain bottom line spread.
- Bad debt decrease due to: shift in originations and portfolio growth from Brazil to lower risk Mexican consumer book, and continued improvement in credit card asset quality.
- Continued measured approach to credit card originations, with encouraging Q2'23 results in terms of profitability and delinquency.

Credit Portfolio, Total & by Product (US\$ M)



**Originations¹
(US\$ M)**

Exposure per User² (US\$)

Duration (months)

	Exposure per User ² (US\$)	Duration (months)
In-store Merchant	388	3.5
Online Merchant	1.7k	4.5
Credit Cards	227	2.4
Consumer	203	2.1

¹ Originations include credit card TPV

² Exposure = Portfolio eop / Credit Active Users per book

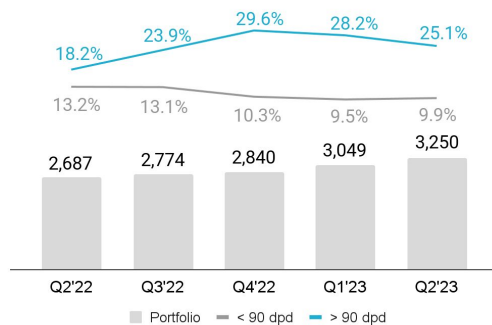
³ Net Interest Margin After Losses (NIMAL) = Revenues (interest from loans + late fees) net of provision for doubtful accounts and funding costs. Note: Interchange fee revenues from credit card is not considered Credit Revenues. Portfolio considered is annualized period average.

Credits Highlights

Resilient past dues thanks to improved asset quality and product and geography mix

Total Portfolio and Past Dues <90 & >90

(US\$ M, % NPLs / Total Portfolio)

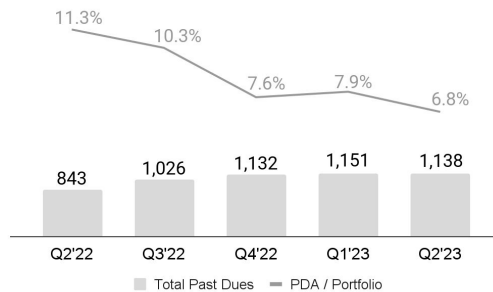


Our <90-day NPL edged slightly higher quarter-on quarter, driven by our Merchants book and partially offset by improvements on the Credit Card. We still skew portfolio exposure towards lower risk cohorts.

Our >90-day NPL trended downwards for the second quarter. Buckets from 90 to 300 dpd decreased sequentially in absolute terms, thanks to the natural aging of Brazil's loans. The largest portion of the USD improvement in longer NPLs is concentrated between 180 and 210 dpd, which shows that the shift in risk exposure we commenced in 2022 is harvesting promising results.

Past dues and PDA¹

(US\$ M, % of Total Portfolio)

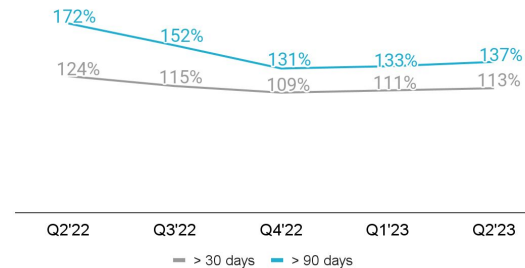


Our provision in Q2'23 was equivalent to 6.8% of the portfolio. Whilst our provisioning policies and accounting practices remain unchanged for all books, the decrease in PDA was due to focus on improved asset quality on the credit risk front.

¹ Provision for Doubtful Accounts

Provision Coverage

(% Allowance of Uncollectibles Provisions / NPLs)



Provision coverage increased sequentially and stayed above 100%.



Q2'23 RESULTS

Financial Metrics

2

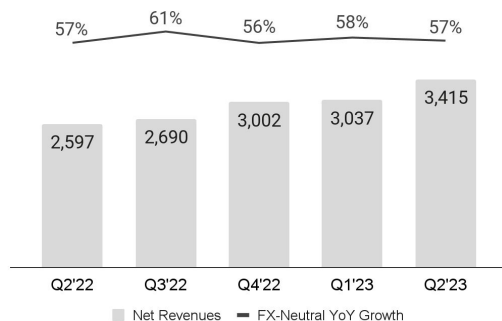


Financial Highlights

Continued strong Revenue growth alongside a major gain in the Income from Operations margin

Net Revenues

(US\$ M, %)



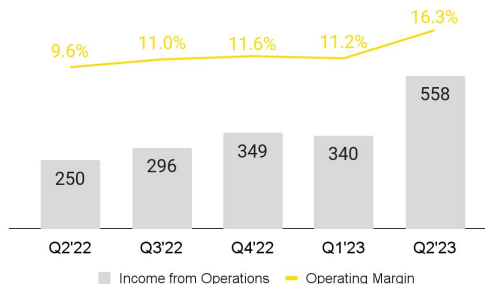
> **Consolidated Net Revenue up \$819 million year-on-year, growing at 31.5% in US dollars and 57% on a FX-neutral basis.**

Commerce revenues reached \$1,936mn, growing at 65% year-on-year on an FX-neutral basis.

Fintech revenues amounted to \$1,479mn, up 48% year-on-year on a FX-neutral basis.

Income from Operations and Margin

(US\$ M, % of Net Revenues)



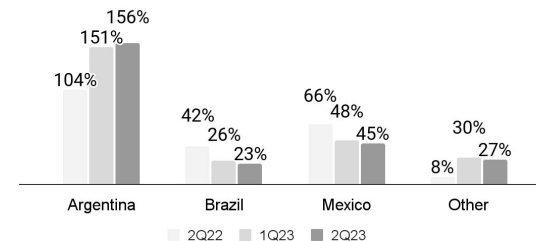
> **Income from operations more than doubled, with a YoY margin gain of 6.7ppts**

Continued strong growth led to dilution of costs in some cost of net revenue and operating expenses lines.

Margin expansion was broad-based across business lines and geographic segments.

Consolidated Net Revenues per Quarter

(FX-Neutral YoY Growth, %)



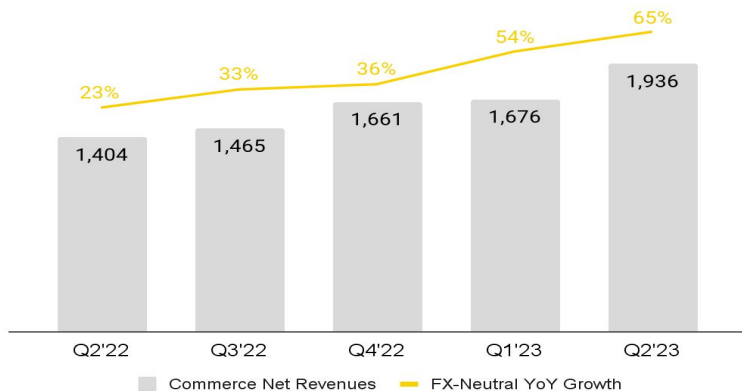
> **All geographic segments delivered revenue growth above 20% YoY in US dollars**

Financial Highlights

Commerce Revenue growth accelerated due to faster 3P GMV growth, a higher share of 1P and continued monetization efforts that drove the take rate higher

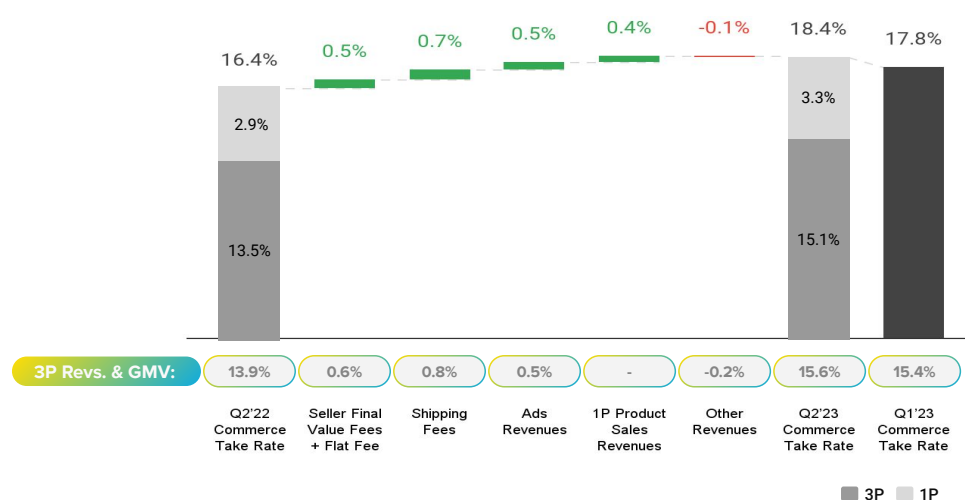
Commerce Net Revenues per Quarter

(US\$ M, %)



Commerce Take Rate¹

(YoY Growth)

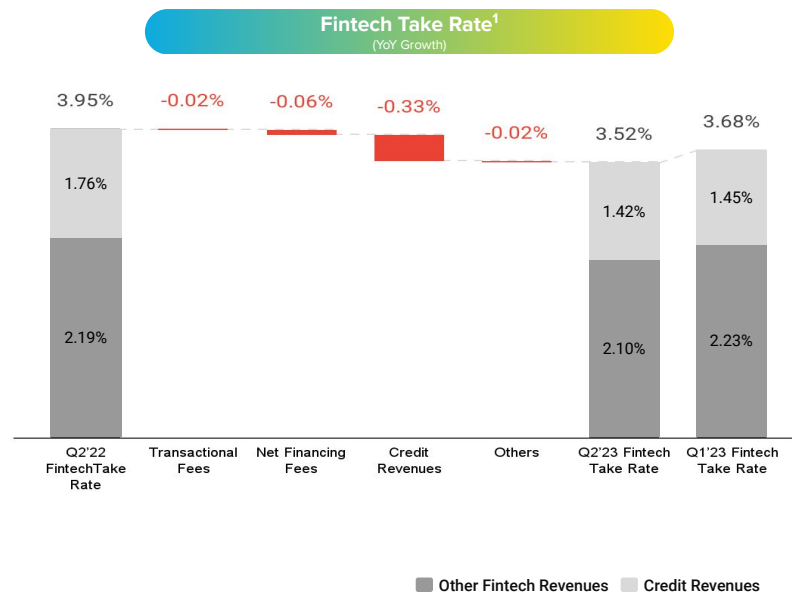
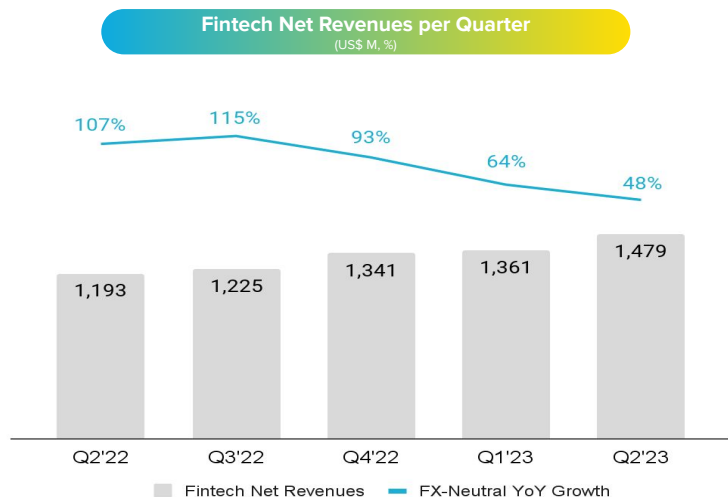


Revenues from Commerce transactions are mainly generated from: Marketplace final value fees paid by sellers derived from intermediation services and related shipping fees, classified fees derived from classified advertising services and ad sales, revenues from inventories sales and related shipping fees.

¹ Commerce Take Rate: Commerce Revenues as a % of Total GMV

Financial Highlights

Fintech Revenue growth remained high, but slowed as it lapped the 2022 peak of Credits growth



Fintech revenues are generated from payments fees. Regarding our Mercado Pago service, we generate payment fees attributable to: commissions representing a percentage of the payment volume processed that are charged to sellers in connection with off Marketplace platform transactions; commissions from additional fees we charge when a buyer elects to pay in installments through our Mercado Pago platform for transactions that occur either on or off our Marketplace platform; commissions from additional fees we charge when our sellers elect to withdraw cash; commissions that we charge from transactions carried out with Mercado Pago credit and debit cards; interest cash advances and fees from merchant and consumer credits granted under our Mercado Credito solution; and revenues from the sale of mobile points of sale products and insurtech fees.

¹ Fintech Take Rate: Fintech Revenues as a % of Total TPV

Net Revenue Breakdown by Products and Services

Second Quarter & First Half 2023

2023 ¹ & 2022 ² (US\$ M)	Brazil		Argentina		Mexico		Others		Total	
	2Q23	2Q22	2Q23	2Q22	2Q23	2Q22	2Q23	2Q22	2Q23	2Q22
	Commerce Services (a)	846	641	243	200	393	232	102	82	1,584
Commerce Products Sales (b)	203	111	59	70	82	58	8	10	352	249
Total Commerce Revenues	1,049	752	302	270	475	290	110	92	1,936	1,404
Fintech Services (c)	462	384	296	202	67	34	46	28	871	648
Credit Revenues (d)	263	307	172	120	159	101	2	1	596	529
Fintech Products Sales (e)	6	8	1	2	2	3	3	3	12	16
Total Fintech Revenues	731	699	469	324	228	138	51	32	1,479	1,193
Total Net Revenues	1,780	1,451	771	594	703	428	161	124	3,415	2,597
6M23 ³ & 6M22 ⁴ (US\$ M)	Brazil		Argentina		Mexico		Others		Total	
	6M23	6M22	6M23	6M22	6M23	6M22	6M23	6M22	6M23	6M22
	Commerce Services (a)	1,608	1,208	467	381	731	445	193	158	2,999
Commerce Products Sales (b)	348	233	108	129	142	107	15	21	613	490
Total Commerce Revenues	1,956	1,441	575	510	873	552	208	179	3,612	2,682
Fintech Services (c)	888	702	583	391	123	59	89	54	1,683	1,206
Credit Revenues (d)	504	546	331	208	294	176	3	1	1,132	931
Fintech Products Sales (e)	11	14	3	3	4	5	7	4	25	26
Total Fintech Revenues	1,403	1,262	917	602	421	240	99	59	2,840	2,163
Total Net Revenues	3,359	2,703	1,492	1,112	1,294	792	307	238	6,452	4,845

¹ Figures for the three month period ended June 30, 2023; ² Figures for the three month period ended June 30, 2022; ³ Figures for the six month period ended June 30, 2023; ⁴ Figures for the six month period months ended June 30, 2022; (a) Includes final value fees paid by sellers derived from intermediation services and related shipping fees, classified fees derived from classified advertising services and ad sales; (b) Includes revenues from inventory sales and related shipping fees; (c) Includes revenues from commissions the Company charges for transactions off-platform derived from use of the Company's payment solution, revenues as a result of offering installments for the payment to its Mercado Pago users, either when the Company finances the transactions directly or when the Company sells the corresponding financial assets, Mercado Pago credit and debit card fees and insurtech fees; (d) Includes interest earned on loans and advances granted to merchants and consumers, and interest earned on Mercado Pago credit card transactions; (e) Includes sales of mobile point of sales devices.



Q2'23 RESULTS

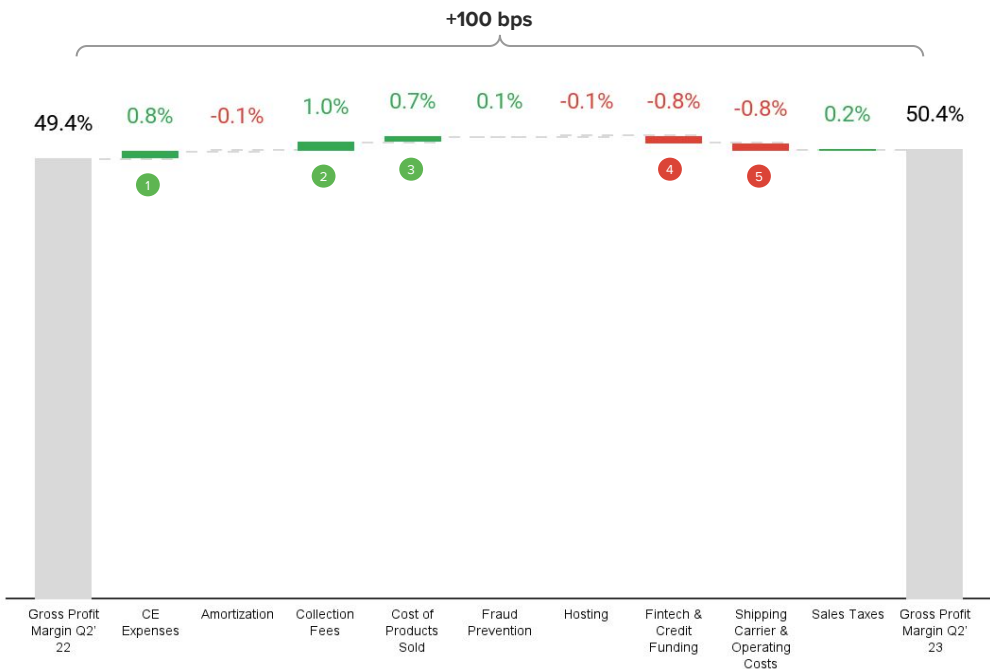
Margins

3



Gross Profit Margin

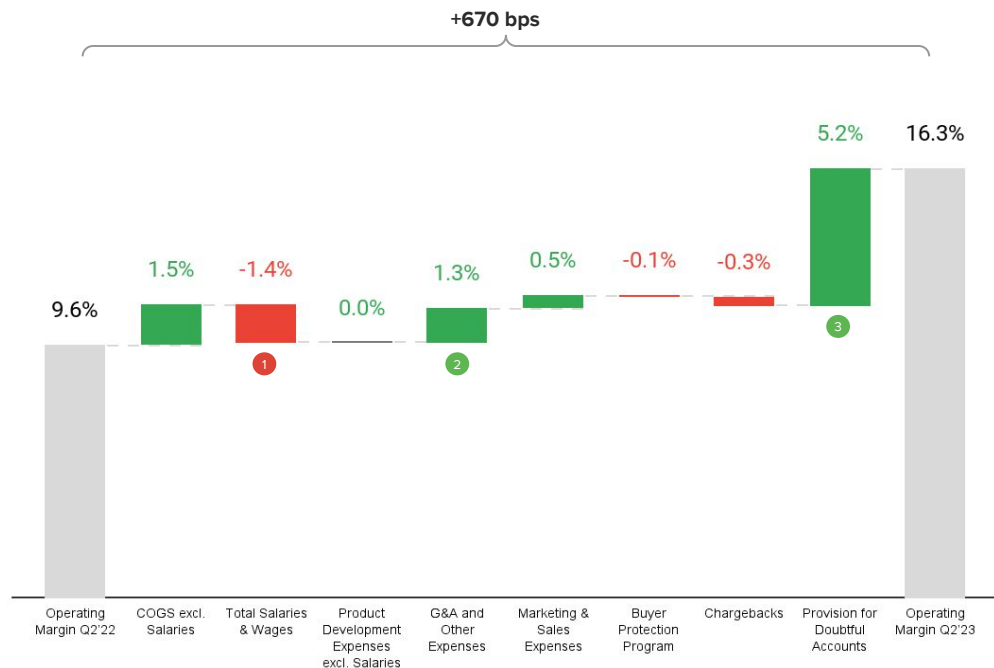
Gross margin expansion driven by cost dilution and efficiency, as well as lower POS device sales



- 1 Dilution of Customer Experience costs
- 2 Higher volumes through our own acquirer
- 3 Gain from lower POS device sales, partially offset by a headwind from 1P COGS (which are improving, but still dilutive overall)
- 4 Higher funding costs, including CDBs related to Credits
- 5 Higher shipping operations costs, primarily due to the increase in fulfillment penetration.

Income from Operations Margin

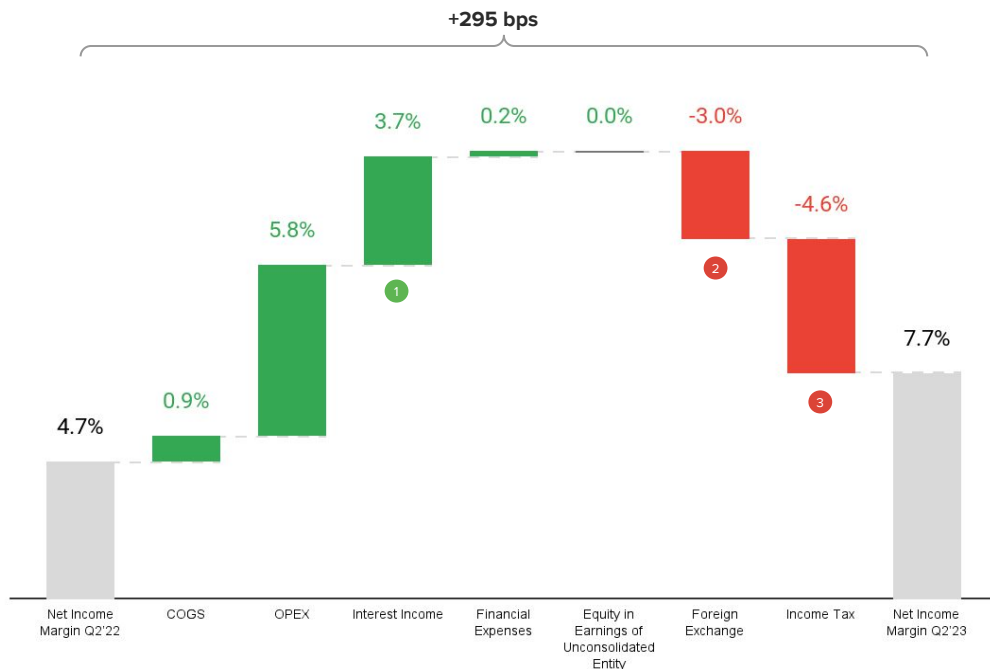
The 6.7ppts margin gain was broad-based across geographies and business lines



- 1 Higher Product Development expenses
- 2 Dilution of operating expenses, particularly G&A
- 3 Better asset quality alongside limited growth in originations in the credit business, as well as dilution from other company revenue streams that grew at a faster pace than Credits.

Net Income Margin

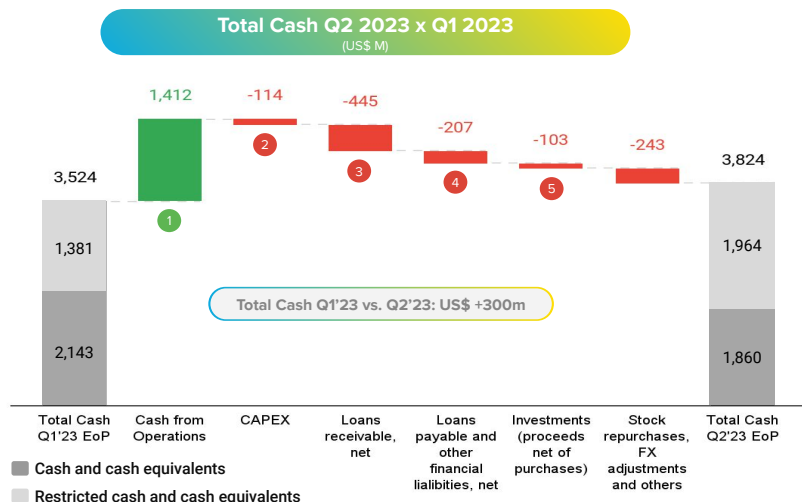
Strong Net Income margin expansion, driven by higher Income from Operations and margin expansion



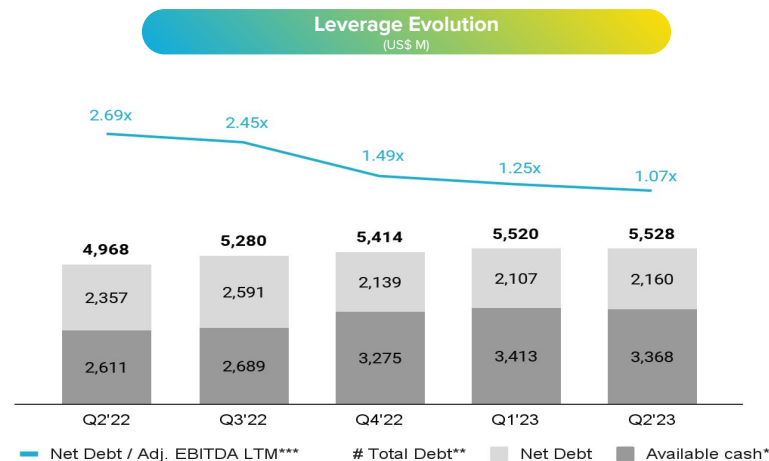
- 1 Higher interest income from balances stored in the MercadoPago wallet, particularly in Brazil and Argentina, and interest income on corporate cash balance
- 2 FX losses, primarily related to our share repurchase programme in the Argentine market
- 3 High tax rate driven by FX losses related to our share repurchase being non tax deductible. Higher pre-tax gains in top geographies in 2023.

Cash Flow & Leverage

Solid CFO generation, with resilient Available Cash



- 1 Higher profitability in Q2 and continuous improvements in working capital
- 2 Continued investments in our managed logistics network
- 3 Growth of the Total Credit Portfolio
- 4 Higher third party funding for Credit Portfolio, offset by interest payments and FX fluctuations
- 5 Increase in short and long-term investments

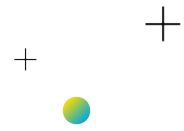


> Cash flow from operations amounted to USD 1,412 MM, fuelled by robust quarterly income from operations and strong working capital management.

Credit portfolio growth continues to be cautious but nonetheless delivers firm profitability. Funding strategies across all geographies remain unaltered.

Leverage ratios halved YoY, in line with appropriate cash management initiatives.

* Cash and cash equivalents and total investments (excl. restricted BACEN securities, securitization transactions and equity securities held at cost)
 ** Total loans payable and other financial liabilities plus total lease liabilities
 *** Adjusted EBITDA is calculated LTM



Q2'23 RESULTS

Appendix 4



Operational & Financial Factsheet

Second Quarter 2023

Volumes (US\$ M, %)

GMV (FX-Neutral growth)	10,506	47.2%
Items Sold (units)	325	18.2%
Live Listings (units)	424	13.9%
Managed Network Penetration (%)	93.9%	+288bps
TPV (FX-Neutral growth)	42,064	96.6%
TPV ON (FX-Neutral growth)	11,074	53.1%
TPV OFF (FX-Neutral growth)	30,990	128.7%
TPV Acquiring (FX-Neutral growth)	27,246	73.6%
TPV Digital Account (FX-Neutral growth)	14,818	181.8%
TPN (units, mn)	2,132	69.0%
Assets Under Management ² (US\$ growth)	3,133	194.9%
Credit Portfolio (US\$ growth)	3,250	21.0%
Merchant (US\$ growth)	707	2.5%
Consumer (US\$ growth)	1,795	21.9%
Credit Card (US\$ growth)	748	42.5%

Users (MM)

Unique MELI Active Users (units)	108.6	28.8%
Unique Marketplace Buyers (units)	47.6	16.6%
Unique Fintech Active Users (units)	45.3	18.6%
Unique Wallet Payers (units)	26.1	22.0%
Unique Asset Mgmt. Users (units)	21.5	18.2%

P&L (US\$ M, %)

Net Revenue (FX-Neutral growth)	3,415	57.2%
Commerce Revenues (FX-Neutral growth)	1,936	64.8%
Fintech Revenues (FX-Neutral growth)	1,479	48.4%
Gross Profit (FX-Neutral growth)	1,720	64.3%
Gross Profit Margin (%)	50.4%	+100bps
Income from Operations (FX-Neutral growth)	558	175.2%
Operating Margin (%)	16.3%	+670bps
Net Income (NI Margin %)	262	7.7%

Cons. Net Revs. per Country¹ (US\$ M, %)

Brazil	1,780	22.7%
Commerce	1,049	39.5%
Fintech	731	4.6%
Argentina	771	29.8%
Commerce	302	11.9%
Fintech	469	44.8%
México	703	64.3%
Commerce	475	63.8%
Fintech	228	65.2%
Other countries	161	29.8%
Commerce	110	19.6%
Fintech	51	59.4%
Consolidated	3,415	31.5%
Commerce	1,936	37.9%
Fintech	1,479	24.0%

Note: Growth rates presented on a yearly basis, except otherwise stated;

¹ Consolidated Net Revenues for the quarter ended June 30, 2023.

² Includes only asset under management related to remunerated accounts.

Q2'23 Results

Thank You

MercadoLibre, Inc.



> August 2nd, 2023

