

Q4'23 Results

Investor Presentation

MercadoLibre, Inc.



> February 22nd, 2024

Disclaimers

Fourth Quarter 2023

This presentation may contain forward-looking statements including, but not limited to, statements regarding MercadoLibre, Inc.'s expectations, objectives and progress against strategic priorities; initiatives and strategies related to our products and services; business and market outlook, opportunities, strategies and trends; impacts of foreign exchange; the potential impact of the uncertain macroeconomic and geopolitical environment on our financial results; customer demand and market expansion; our planned product and services releases and capabilities; industry growth rates; future stock repurchases; our expected tax rate and tax strategies; and the impact and result of pending legal, administrative and tax proceedings.

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 Fourth Quarter 2023 earnings press release, available on our investor relations website, and in the section entitled "Non-GAAP Measures of Financial Performance" of our upcoming annual report on Form 10-K for the year ended December 31st, 2023.

All the information included in this presentation is updated as of December 31st, 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 upcoming annual report on Form 10-K for the year ended December 31st, 2023, 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

Fourth Quarter 2023

US\$13.5BN

+79% FXN YoY

GMV

US\$4.3BN

+83% FXN¹ YoY

NET REVENUES

US\$240MM

5.6% Margin

INCOME FROM OPERATIONS²

US\$165MM

3.9% Margin

NET INCOME

413.1MM

+29% YoY

ITEMS SOLD

US\$56.5BN

+153% FXN YoY

TPV

US\$42.3BN

+182% FXN YoY

TPV OFF MARKETPLACE

US\$3.8BN

+33% YoY

CREDIT PORTFOLIO

¹ FX-Neutral basis (Please see Q4'23 Shareholder Letter for reconciliation to nearest GAAP measure)

² Income from operations includes \$351mm of one-off expenses, which are detailed in the Q4'23 Shareholder Letter

Key Messages

Fourth Quarter 2023

- **Q4'23 was another quarter of strong growth & profitability.** Revenue of \$4,261mn grew at 42% YoY, its fastest pace since Q3'22. Income from operations for Q4'23 was \$240mn and was negatively impacted by one-off expenses** of \$351mn associated with contingent tax liabilities mostly related to previous periods. Excluding one-off expenses related to previous quarters (but including all expenses incurred in Q4'23), our 5.6% income from operations margin would have been 13.4%, a 270bps YoY gain. This is consistent with our ambition of gradual margin expansion whilst continuing to invest in growth.
- Results in Commerce were solid. Gross Merchandise Volume (GMV) reached \$13.5bn whilst **growth in items sold accelerated to 29% YoY, the highest since Q2'21**, driven by Argentina, Brazil and Mexico. Our first-party business performed well, with FXN-neutral GMV growth of 85% YoY in Q4'23.
- **In Q4'23, we delivered almost 122mn packages on the same or next day, a 21% YoY increase.** This was helped by the expansion of our fulfillment network, which carried almost 50% of shipments in Q4'23, a new record.
- Fintech KPIs also showed strong trends. **Total Payment Volume reached \$56.5bn** and within this, Acquiring TPV of \$34.7bn grew at 104% YoY on an FX-neutral basis. Off-platform TPV growth accelerated sequentially in Argentina, Brazil and Mexico, while Chile (within our Other segment) continued to grow at strong triple-digit rates.
- **Mercado Pago's credit portfolio reached almost \$3.8bn in Q4'23, up 33% YoY.** Our Credit Card and Consumer books were the main drivers of growth. The annualized NIMAL* spread rose YoY and QoQ, to 39.8%, which reflects our ability to accurately price for risk and cautious risk management.



*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. **For more detail on one-off expenses, see the Q4'23 Shareholder Letter.

Agenda

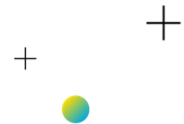
1. Quarterly Highlights

2. Financial Metrics

3. Margins

4. Appendix





Q4'23 RESULTS

Quarterly Highlights

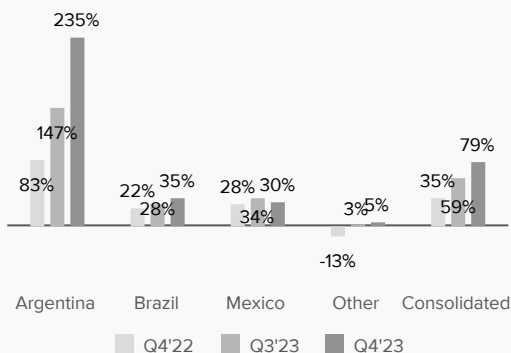
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Marketplace Highlights

Momentum remains strong, with Items Sold growth accelerating again

Gross Merchandise Volume (FX-Neutral YoY Growth)

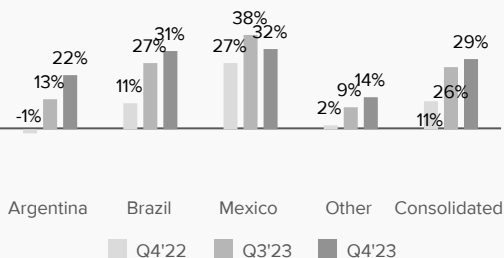


> GMV growth accelerates in Brazil and overall

Growth in Brazil continues to be broad-based, with most categories making a strong contribution to overall FX-neutral GMV growth of 35 YoY%.

Faster growth in Argentina was supported by a pick up in items sold growth. Mexico's FX-neutral GMV growth was above 30% for the third successive quarter, driven mainly by items sold.

Items Sold (YoY Growth)

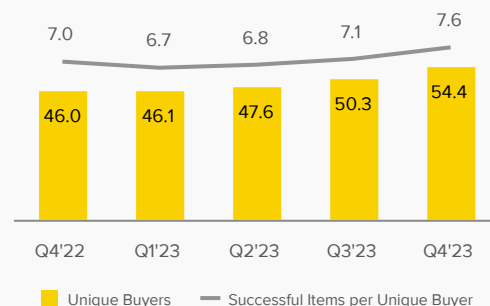


> Items sold accelerated for the fifth successive quarter

MercadoLibre sold an additional 92mn items YoY in Q4'23, accelerating significantly vs. the additional 73mn items sold in Q3'23 and 50mn in Q2'23.

Items sold growth is at its highest level since Q2'21. Both Brazil and Mexico delivered growth of more than 30% YoY in items sold, whilst Argentina showed acceleration.

Total Unique Buyers (Units, MM)



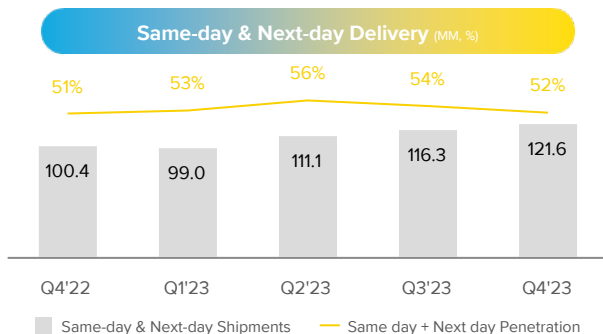
> Unique buyers grew by 18% YoY

Unique buyer growth remained at similar levels as the prior quarter (Q3'23), which showed the highest growth since Q2'21. All segments continue to show healthy trends, with Mexico posting the highest growth.

Items sold per buyer ticked up, helped in part by Grocery returning to growth after lapping the introduction of higher free shipping thresholds in 2022.

Logistics Highlights

Fulfillment reached a new record of almost 50% of shipments, growing in all geographies

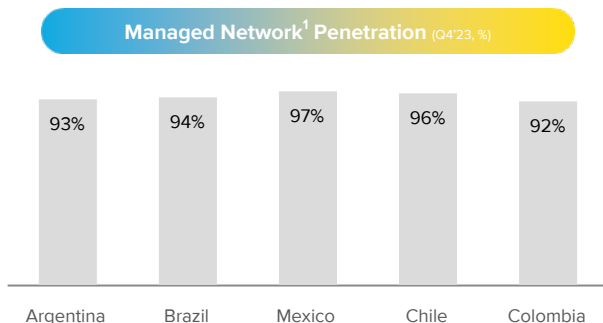


> Almost 122mn same-day & next-day shipments in Q4'23

MercadoLibre shipped 407 million items in Q4'23, growing at 31% year-on-year, the highest level of growth since Q3'21.

The number of shipments delivered same-day or next-day increased by 21% YoY and almost 5% QoQ. The proportion is up marginally YoY despite a headwind from a larger number of consumers choosing slower deliveries (such as MELI Delivery Day) and a larger contribution to total volumes from more distant regions that we do not reach as quickly as the largest cities.

Just over 75% of shipments were delivered within 48 hours across Latin America, broadly stable YoY.



> Ongoing improvements in our managed network in most geographic segments

Total Managed Network penetration reached 94.4%, a record level for Mercado Libre.

Fulfillment by MELI grew once again, and reached a record level of almost 50% of shipments. All markets with fulfillment operations posted higher penetration year-on-year, with Brazil showing the most progress (up 10ppts YoY).

Meli Places has over 10,000 partner locations, which now handle more than 50% of returns, in addition to acting as first mile and last mile hubs.

¹ Includes Fulfillment, Cross Docking & Flex

Fintech Highlights

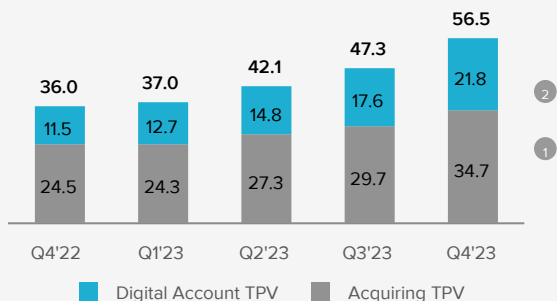
Growth accelerated sequentially on a widespread basis

Acquiring & Digital Account¹ TPV

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

Digital Account TPV: +258.8%

Acquiring TPV: +103.6%



TPN²

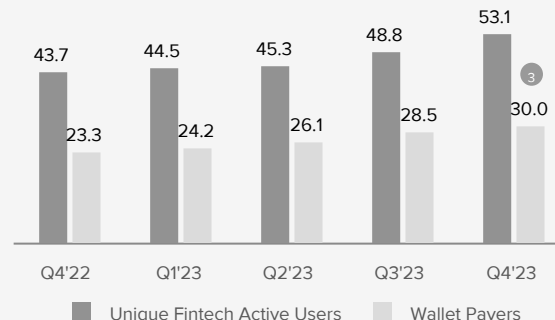
(Units, MM)

Year-on-Year growth: 76.2%



Unique Fintech Active Users³ and Wallet Payers

(Units, MM)



1 Acquiring TPV is resilient and continues delivering accelerated growth

MPOS continued stable sequential growth in Mexico, and the re-launch of commercial strategy in Brazil has generated promising initial results. Online Payments has delivered robust and resilient growth, with a strong performance in Brazil. QR TPV continued to accelerated sequentially.

2 Digital Account TPV growth continues to grow rapidly in all countries

With Q4 being the height of user interaction, Digital Account TPV reached triple digits growth both in Mexico and Brazil for the first time ever. Credit card adoption, activation and utilization have driven stickiness and volume growth. Core wallet products continue to capture new volume and, in some cases, act as first adoption products for our fintech solutions.

3 Unique Fintech Active Users hit a record high of 53m, with all three top geographies contributing strongly to the 4.3m QoQ increase.

¹ Transfers to other external accounts are not considered payments volume

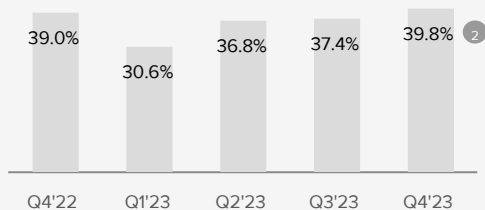
² Total payment transactions

³ 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

Healthy profitability with continued growth in Consumer and Cards

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



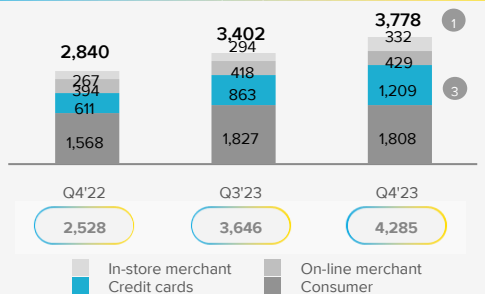
Net Interest Margin After Losses (NIMAL) =

Credit Revenues

(-) Provision for doubtful accounts

(-) Funding Costs

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



Originations¹ (US\$ M)

> **Portfolio grew by 33% YoY and NIMAL reached 39.8% in Q4, showing modest annual increase with sequential expansion. This can be explained by:**

- 1 Slight uptick in portfolio growth on a sequential basis compared to previous quarters, led mostly by Brazil, followed by Mexico, and partially offset by the sharp contraction due to FX devaluation in Argentina's portfolio.
- 2 NIMAL expansion was driven by both growing revenues and dilution of bad debt increase as percentage of portfolio. Q4 is seasonally a quarter where collections are better because of higher liquidity available (i.e: thirteen salary), which impacted improved roll rates and decreased first payment default.
- 3 Credit card has driven the bulk of originations expansion, with TPV reaching \$1.6bn+ in Q4 and total portfolio surpassing the \$1bn mark for the first time. Its share increase has partially offset NIMAL improvement.

	Exposure per User ² (US\$)	Duration (months)
In-store Merchant	288	3.0
Online Merchant	1.2k	5.1
Credit Cards	219	2.6
Consumer	140	1.9

¹ Originations include credit card TPV

² Exposure = Portfolio eop / Credit Active Users per book

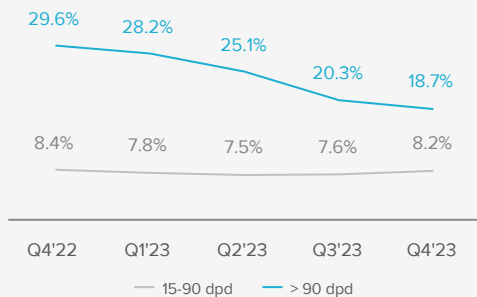
³ Net Interest Margin After Losses (NIMAL) = Revenues (interest from loans + late fees) net of provision for doubtful accounts and funding costs. Note: Interchange fee revenues from credit card is not considered Credit Revenues. Portfolio considered is annualized period average.

Credits Highlights

Total NPLs below 30%, thanks to continued flight to asset quality and product and geography mix

Past Dues 15-90 & >90

(% NPLs / Total Portfolio)



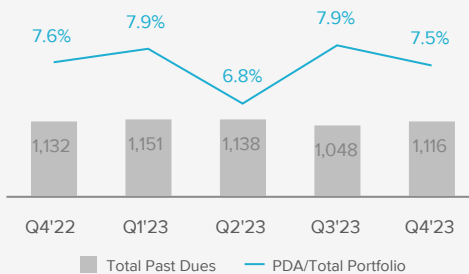
Total NPLs pierced the 30% rate for the first time in over a year, landing at 29.5%. In line with our prudent and conservative criteria, we include all renegotiations as part of our past dues.

Our 15-90-day NPL edged slightly higher quarter-on quarter, driven by product mix, specifically Credit Card Brazil. Overall, and in line with seasonality, Q4 showed improved roll rate

Our >90-day NPL continue to decrease, extending the cleansing of cohorts that commenced in 2022. We observe an expected increase in the medium term NPLs (91-210 dpd) as Q3's larger originations age accordingly.

Past dues and PDA¹

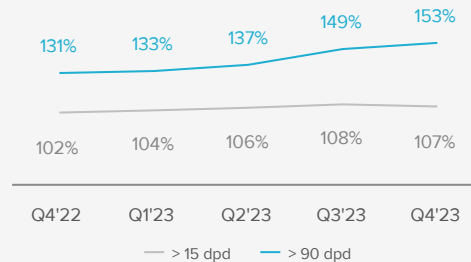
(US\$ M, % of Total Portfolio)



Our provision in Q4'23 was equivalent to 7.5% of the portfolio. The decrease in total past dues in dollar terms was due to continued prioritization of asset quality, and organic write off of previous cohorts.

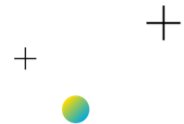
Provision Coverage

(% Allowance for Doubtful Accounts / NPLs)



Our conservative provisioning policy at inception and throughout the life of the loan ensures that we establish and retain high levels of coverage.

¹Provision for Doubtful Accounts



Q4'23 RESULTS

Financial Metrics

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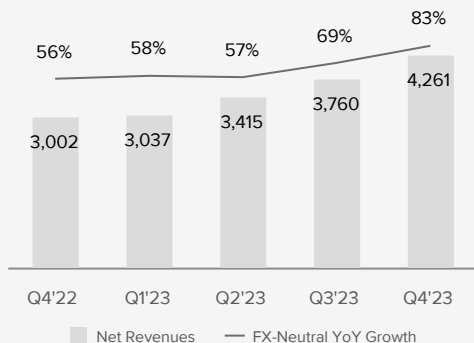


Financial Highlights

Revenue growth remains strong overall and across geographic segments

Net Revenues

(US\$ M, %)



> MELI added more than \$1.2bn in additional net revenue (YoY), with growth of 42% in US dollars and 83% on a FX-neutral basis.

Commerce revenue reached \$2.5bn, growing at 91% YoY on an FX-neutral basis and 48% in USD.

Fintech revenues amounted to \$1.8bn, up 73% YoY on an FX-neutral basis and 34% in USD.

Income from Operations¹ and Margin

(US\$ M, % of Net Revenues)



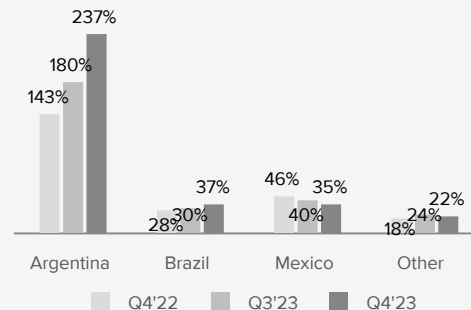
> Income from operations reached \$240mn, or \$572mn excluding one-off expenses.

Excluding one-off expenses, income from operations would have grown 78% YoY with a margin gain of 270bps with all four expense lines showing cost dilution.

Brazil showed the most profit (direct contribution) growth.

Net Revenues Growth by Segment

(FX-Neutral YoY Growth, %)



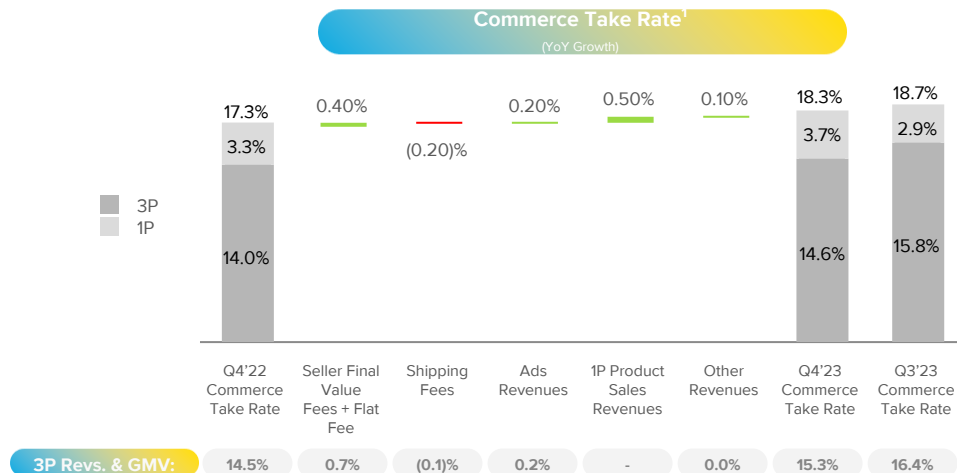
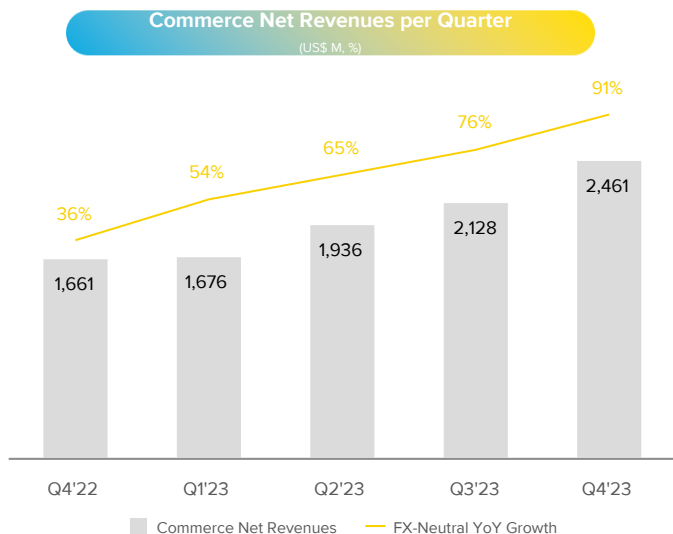
> FX-neutral revenue growth remains strong in all of our geographic segments, with another quarter of accelerating growth in Brazil.

Revenue growth in Argentina accelerated in real terms for the second successive quarter.

¹Income from operations includes \$351mn of one-off expenses, which are detailed in the Q4'23 Shareholder Letter

Financial Highlights

Commerce revenue growth remained strong, despite the tailwind from Shipping Fees in previous 2023 quarters becoming a headwind



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.

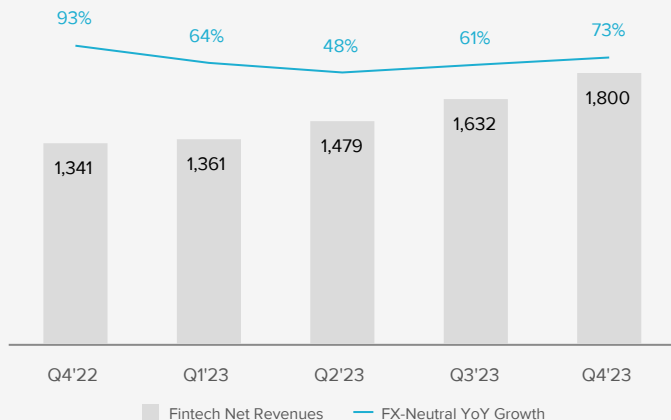
¹ Commerce Take Rate: Commerce Revenues as a % of Total GMV

Financial Highlights

Fintech revenue growth remained strong, despite some pressure on monetization

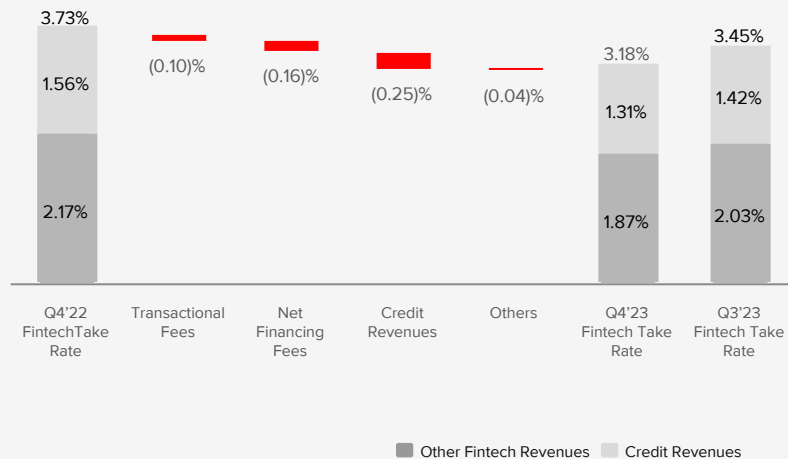
Fintech Net Revenues per Quarter

(US\$ M. %)



Fintech Take Rate¹

(YoY 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.

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

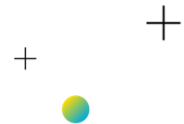
Net Revenue Breakdown by Products and Services

Fourth Quarter & 12-month period 2023

4Q23 ¹ & 4Q22 ² (US\$ M)	Brazil		Argentina		Mexico		Others		Total	
	4Q23	4Q22	4Q23	4Q22	4Q23	4Q22	4Q23	4Q22	4Q23	4Q22
	Commerce Services (a)	1,040	708	309	212	493	334	117	95	1,959
Commerce Products Sales (b)	305	143	67	73	114	85	16	11	502	312
Total Commerce Revenues	1,345	851	376	285	607	419	133	106	2,461	1,661
Fintech Services (c)	535	405	365	268	98	55	51	39	1,049	767
Credit Revenues (d)	347	269	182	159	210	130	3	2	742	560
Fintech Products Sales (e)	3	7	—	1	4	3	2	3	9	14
Total Fintech Revenues	885	681	547	428	312	188	56	44	1,800	1,341
Total Net Revenues	2,230	1,532	923	713	919	607	189	150	4,261	3,002

12M23 ³ & 12M22 ⁴ (US\$ M)	Brazil		Argentina		Mexico		Others		Total	
	12M23	12M22	12M23	12M22	12M23	12M22	12M23	12M22	12M23	12M22
	Commerce Services (a)	3,655	2,585	1,036	814	1,653	1,036	410	329	6,754
Commerce Products Sales (b)	857	487	225	271	326	246	39	40	1,447	1,044
Total Commerce Revenues	4,512	3,072	1,261	1,085	1,979	1,282	449	369	8,201	5,808
Fintech Services (c)	1,910	1,464	1,292	904	296	152	185	125	3,683	2,645
Credit Revenues (d)	1,155	1,102	684	506	699	421	8	4	2,546	2,033
Fintech Products Sales (e)	18	28	3	5	11	9	11	9	43	51
Total Fintech Revenues	3,083	2,594	1,979	1,415	1,006	582	204	138	6,272	4,729
Total Net Revenues	7,595	5,666	3,240	2,500	2,985	1,864	653	507	14,473	10,537

¹ Figures for the three month period ended December 31, 2023; ² Figures for the three month period ended December 31, 2022; ³ Figures for the twelve month period ended December 31, 2023; ⁴ Figures for the twelve month period months ended December 31, 2022; (a) Includes final value fees paid by sellers derived from intermediation services and related shipping and storage 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.



Q4'23 RESULTS

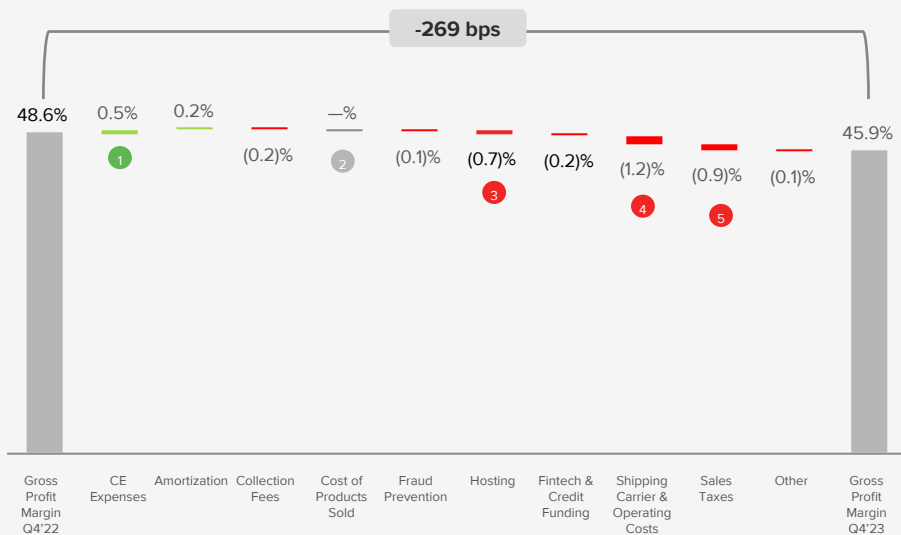
Margins

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Gross Profit Margin

Gross margin was negatively impacted by 2.1ppts of one-off expenses, as well as investments in our 1P and logistics operations and a lower contribution from credit revenues



- 1 Dilution of Customer Experience costs
- 2 Headwind from higher mix of first-party (1P) revenue (~80bps)* offset by lower sales of POS devices
- 3 Headwind of almost 1.2ppts from one-off expenses (more detail in the Q4'23 Shareholder Letter)
- 4 Investments in our logistics network, with new fulfillment centers coming on stream in Brazil and Mexico, combined with higher fulfillment penetration overall, particularly in Brazil
- 5 Sales taxes includes \$31mn one-off expense related to the DIFAL sales tax, as mentioned in the Q4'23 Shareholder Letter, equivalent to 70bps.

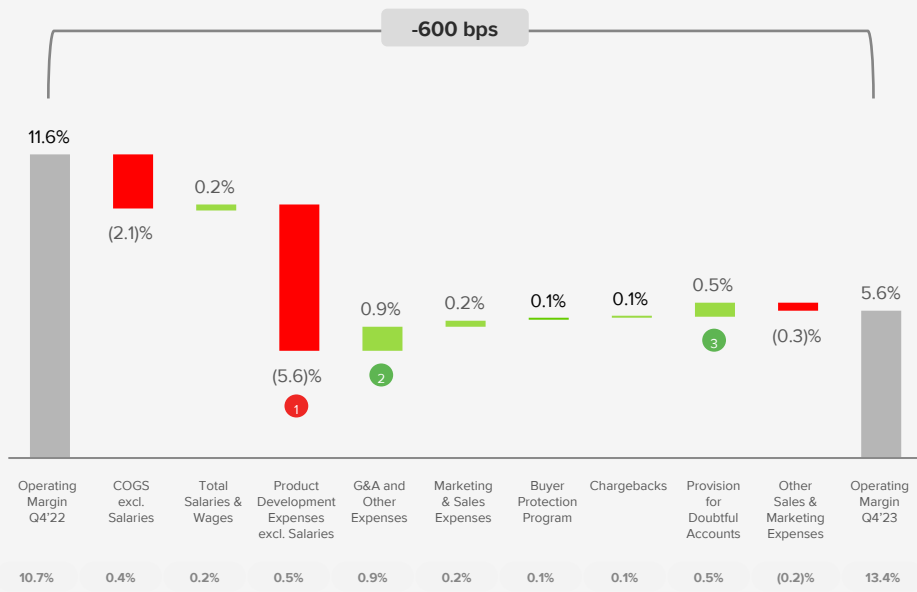
Excluding one-offs

Gross Profit Margin Q4'22	48.2%	0.5%	0.2%	(0.2)%	-	(0.1)%	0.5%	(0.2)%	(1.2)%	0.3%	(0.1)%	Gross Profit Margin Q4'23	47.9%
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*this figure has been corrected to ~80bps from >200bps in the original version of this presentation

Income from Operations Margin

Q4'23 margin was negatively impacted by one-off expenses equivalent to 8.2ppts of revenue

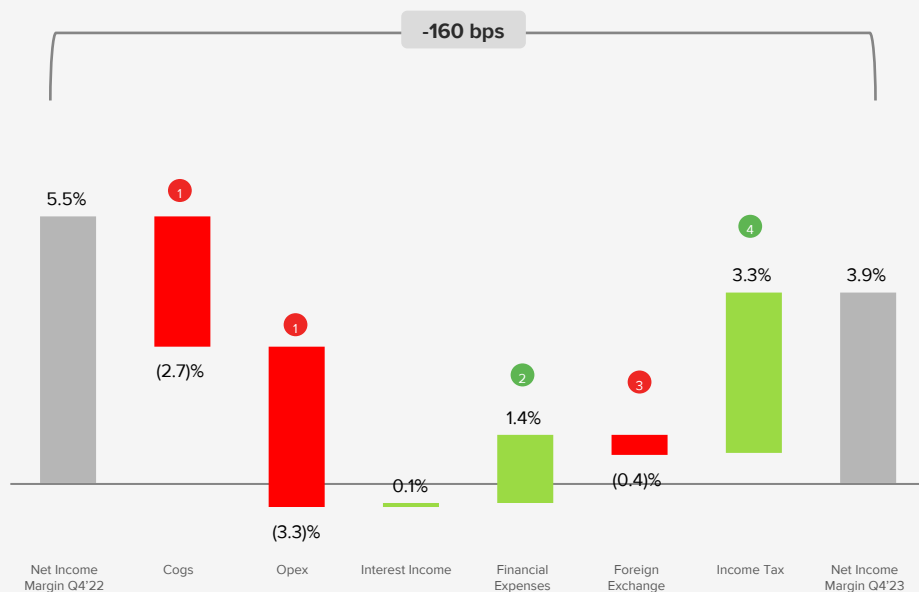


- 1 Includes one-off expenses equivalent to 6.1ppts of revenue, as discussed in the Q4'23 Shareholder Letter
- 2 Dilution of operating expenses
- 3 Provision charge as a percentage of credit revenue broadly stable, with the EBIT margin gain driven by dilution from other company revenue streams that grew at a faster pace than credit

Excluding one-offs

Net Income Margin

Excluding one-off expenses, net income margin would have been 9.0%

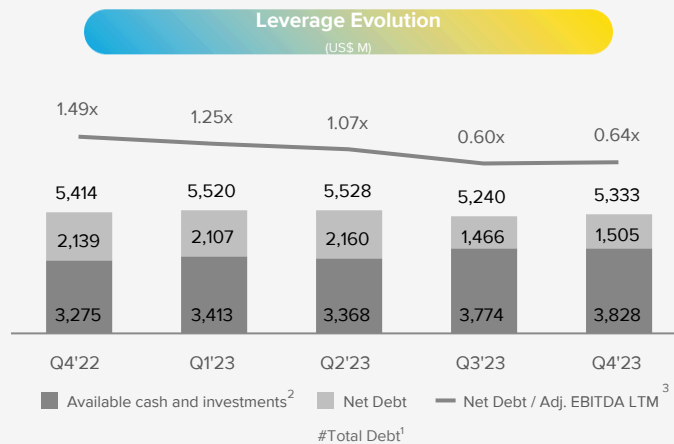
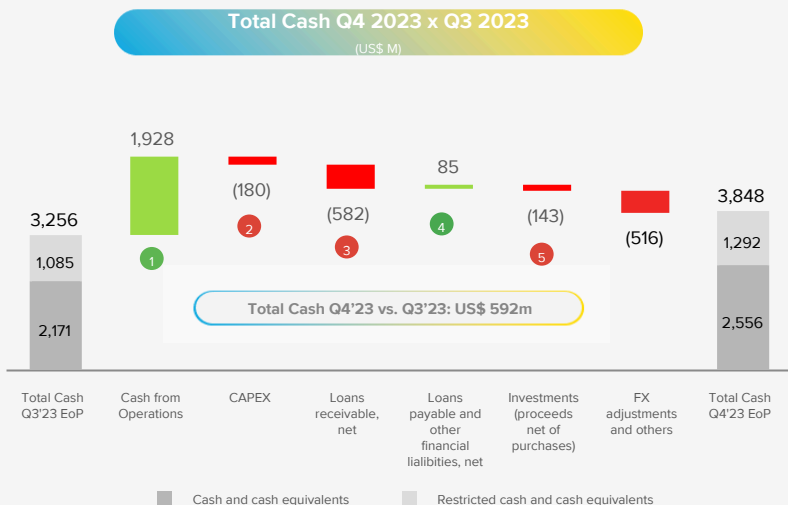


- 1 Lower income from operations margin, driven by one-off expenses equivalent to 8.2ppts of revenue
- 2 Reduction of financial expenses following redemption of convertible bond, plus dilution of financial expenses from 42% YoY revenue growth
- 3 Higher FX losses due to revaluation of assets & liabilities in Argentina
- 4 Income tax gain primarily due to tax shield on the one-off expenses booked in cost of revenue and operating expenses (as detailed in the Q4'23 Shareholder Letter)

Excluding one-offs

Cash Flow & Leverage

Cash generation remains robust, while leverage metrics remain healthy and promising



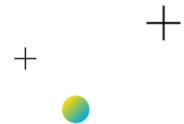
- 1 Higher profitability in Q4 including USD ~490 MM in unrealized foreign currency losses for the whole year
- 2 Continued investments in our managed logistics network, specifically fulfillment
- 3 Cautious growth of the Total Credit Portfolio
- 4 Higher third party funding for Credit Portfolio, partially offset by interest payments and FX fluctuations
- 5 Continued short and long-term investments, both locally and in the US

> **Cash flow from operations amounted to USD 1,928 MM, showing another quarter of strong cash generation.**

Credit portfolio continues to grow without hindering profitability; funding strategies remain unaltered. Short and long term investments remained active throughout the whole quarter.

Net debt remained roughly stable sequentially. Excluding one-off expenses, leverage ratio would have decreased to 0.57x.

¹ Total loans payable and other financial liabilities plus total lease liabilities
² Cash and cash equivalents and total investments (excl. restricted BACEN securities restricted and held in guarantee, securitization transactions and equity securities held at cost)
³ Adjusted EBITDA is calculated LTM



Q4'23 RESULTS

Appendix

4



Operational & Financial Factsheet

Fourth Quarter 2023

Volumes (US\$ M, %)

GMV (FX-Neutral growth)	13,450	79.5%
Items Sold (units)	413	28.7%
Live Listings (units)	418	3.1%
Managed Network Penetration (%)	94.4%	73 bps
TPV (FX-Neutral growth)	56,514	153.2%
TPV ON (FX-Neutral growth)	14,185	80.6%
TPV OFF (FX-Neutral growth)	42,329	181.6%
TPV Acquiring (FX-Neutral growth)	34,742	103.6%
TPV Digital Account (FX-Neutral growth)	21,772	258.8%
TPN (units, mn)	2,955	76.2%
Assets Under Management ² (US\$ growth)	4,625	65.2%
Credit Portfolio (US\$ growth)	3,778	33.0%
Merchant (US\$ growth)	761	15.1%
Consumer (US\$ growth)	1,808	15.3%
Credit Card (US\$ growth)	1,209	97.9%

Users (MM)

Unique MELI Active Users (units)	144.7	49.7%
Unique Marketplace Buyers (units)	54.4	18.3%
Unique Fintech Active Users (units)	53.1	21.5%
Unique Wallet Payers (units)	30.0	28.8%
Unique Asset Mgmt. Users (units)	30.4	93.6%

P&L (US\$ M, %)

Net Revenue (FX-Neutral growth)	4,261	83.2%
Commerce Revenues (FX-Neutral growth)	2,461	91.3%
Fintech Revenues (FX-Neutral growth)	1,800	73.2%
Gross Profit (FX-Neutral growth)	1,955	82.7%
Gross Profit Margin (%)	45.9%	-269 bps
Income from Operations (FX-Neutral growth)	240	30.9%
Operating Margin (%)	5.6%	-600 bps
Net Income (NI Margin %)	165	3.9%

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

Brazil	2,230	45.6%
Commerce	1,345	58.0%
Fintech	885	30.0%
Argentina	923	29.5%
Commerce	376	31.9%
Fintech	547	27.8%
México	919	51.4%
Commerce	607	44.9%
Fintech	312	66.0%
Other countries	189	26.0%
Commerce	133	25.5%
Fintech	56	27.3%
Consolidated	4,261	41.9%
Commerce	2,461	48.2%
Fintech	1,800	34.2%

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

¹ Consolidated Net Revenues for the quarter ended December 31, 2023.

² Includes asset under management related to remunerated accounts, savings and investments, and non-invested balances.

Q4'23 Results

Thank You

MercadoLibre, Inc.



> February 22nd, 2024

