

Mercado Libre builds on 2024 momentum with strong Q1 2025 results, reporting \$5.9 billion revenue and \$494 million net income

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- *Unique buyers in commerce reached almost 67 million in the first quarter, with new buyers sustaining the highest level of growth since early 2021, and fintech monthly active users crossed 64 million in the first quarter, growing 31% YoY.*
- *Commerce value prop strengthens as brand preference reaches all-time highs in key markets and Fintech is seeing rising engagement.*
- *Argentina was the highlight of the quarter, capturing strong growth in GMV, TPV, credit and AUM given the strength of our competitive position and brand amid macro stabilization.*

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Mercado Libre (NASDAQ: MELI), the leading e-commerce and fintech platform in Latin America, kicked off the year with strong momentum, reporting solid results for the first quarter of 2025, boosted by continued strategic investments and ever improving value proposition. Net revenue and financial income increased 37% YoY to reach \$5.9 billion, while income from operations rose 45% YoY to \$763 million. Net income for the quarter reached \$494 million, a 44% YoY increase.

Mercado Libre's commerce business continues to strengthen as brand preference reached all-time highs in key markets, including Brazil, Mexico, Argentina, and Chile. This is helping to take share from physical commerce, which still accounts for approximately 85% of retail spend in Latin America. This quarter, Gross Merchandise Value (GMV), the total value of merchandise sold on the platform, rose 17% YoY in dollars to reach \$13.3 billion, with 40% FX Neutral growth. Unique buyers increased 25% YoY to almost 67 million, sustaining the highest level of new buyer growth since early 2021. Items sold rose 28% in Q1'25, reaching 492 million units.

Argentina's performance was spectacular, with FX-neutral GMV surging 126% YoY, and items sold growing 52% YoY.

Mercado Libre also recorded strong FX-neutral GMV growth of 30% in Brazil and 23% in

Mexico, in both cases growing ahead of the market. Regionally, the supermarket items sold grew 65% YoY in Q1, outpacing all other categories as user experience initiatives, such as improved navigation and a repeat purchase feature, helped support higher purchase frequency.

In logistics, our growing scale and sharp focus on efficiency and productivity initiatives are reducing costs. This led to a YoY decline in cost per fulfillment order in local currency in Brazil, Mexico and Chile. These improvements are fueling continued investment in key initiatives like free shipping. The company also expanded its advertising inventory by launching the Mercado Play app on TVs at the end of Q1 2025. The app is now available to download on more than 70 million Smart TVs across the region delivering over 15,000 hours of free content across mobile and TV platforms. Advertising revenue increased 26% YoY (50% FXN), leveraging the company's first-party data to gain share in Latin America's digital advertising market.

In fintech,

Mercado Pago monthly active users reached 64 million in the first quarter, a 31% YoY increase, with Brazil, Mexico, and Chile outpacing the overall average. Users benefited from competitive yields on deposits with immediate liquidity, driving stronger engagement and greater loyalty across the platform's services. The credit portfolio expanded considerably, growing 75% YoY to \$7.8 billion, with particularly strong growth in Brazil. Non-performing loans remained stable, with a 15–90 day NPL ratio of 8.2% for the overall portfolio and first payment defaults in Brazil's credit card portfolio reaching new lows.

Merchant acquiring continued to see rapid payment volume growth, with acquiring total payment volume (TPV) rising close to 30% YoY in Brazil, 50% in Mexico and 144% in Argentina, on an FX-neutral basis, reflecting not only sustained momentum across markets, but also continued market share gains across all three markets.

“Mercado Libre started 2025 with exceptional momentum, driven by strong operational performance across both commerce and fintech. This quarter highlights our continued commitment to sustainable, profitable growth as we capture the many opportunities ahead. We remain a key force in accelerating the shift from traditional retail to e-commerce, supported by ongoing investments aimed at delivering a seamless user experience.

Engagement in

Mercado Pago remains robust, with strong growth in assets under management and our credit portfolio. Our outstanding financial performance in Q1 is clear evidence that our strategic investments are delivering results and further strengthening our leadership in commerce and fintech across the region.” **said Mercado Libre CFO**

Martin de los Santos.

Highlights for Q1 2025

Financial:

- **Net revenue** of \$5.9 billion, rising 37% YoY in dollars.
- **Income from operations** reached \$763 million, a 12.9% margin.
- **Net income** reached \$494 million, a 8.3% margin.

Commerce:

- **Net revenue** from the commerce business in the first quarter grew 32% in dollars YoY, reaching \$3.3 billion, 59% FXN growth.
- **Gross Merchandise Value (GMV)**, the total value of merchandise sold on our platform, rose 17% in dollars YoY to reach \$13.3 billion, with a 40% FXN growth.
- **Unique buyers** across the region rose 25% YoY to almost 67 million.
- **Items sold** rose 28% this quarter, reaching 492 million units.
- **Same and next day shipping** reaching 50% and shipping in **less than 48h** reaching 74%.
- **Advertising revenue from Mercado Ads**, the digital advertising business grew 26% YoY (50% FXN) in Q1'25.

Fintech:

- **Net revenue** from Mercado Pago in the first quarter grew 43% in dollars YoY, reaching \$2.6 billion, 72% FXN growth.
- **Total payment volume (TPV)** rose 43% YoY in dollars to reach \$58.3 billion.
- **Monthly active users** rose over 31% to reach 64 million.
- **Assets under management** grew 103% YoY reaching \$11.2 billion.
- **Credit portfolio** grew 75% YoY to \$7.8 billion in the first quarter.
- Mercado Pago's **credit card portfolio** has increased an impressive 111% YoY, reaching \$3.2 billion.
- **Acquiring TPV**, which represents all payments processed and settled via Mercado Pago, both on the marketplace and outside of it (MPOS devices, online payments and QR codes), grew 32% in dollars YoY to reach \$40.3 billion.
- **Total payment transactions (TPN)** in the first quarter increased by 38% YoY, reaching over 3.3 billion.

About

Mercado Libre

Founded in 1999, MercadoLibre, Inc (NASDAQ: MELI) is the leading company in e-commerce and financial technology in Latin America, with operations in 18 countries. It offers a complete ecosystem of solutions for individuals and businesses to buy, sell, advertise, obtain credit and insurance, collect, send money, save, and pay for goods and services both online and offline.

Mercado Libre looks to facilitate access to commerce and financial services in Latin America, a market that offers great opportunities and high growth potential. It uses world-class technology to create intuitive solutions tailored to the local culture to transform the lives of millions of people in the region. More information at <http://investor.mercadolibre.com/>

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