

MERCADOLIBRE 2Q'22 EARNINGS CONFERENCE CALL SCRIPT



August 3rd, 2022.

PART I: INTRODUCTION AND DISCLAIMER - INVESTOR RELATIONS

Hello everyone, and welcome to the Mercado Libre earnings conference call for the quarter ended June 30, 2022. I am Lissa Schreurs, Investor Relations Officer for Mercado Libre. Today we will share our quarterly highlights on video, after which we will begin our live Q&A session with our Chief Financial Officer, Pedro Arnt and Chief Executive Officer of MercadoPago, Osvaldo Gimenez.

I remind you that management may make 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 the currently available information, you are cautioned not to place undue reliance on these forward-looking statements.

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 Form 10-K for the year ended December 31st, 2021, and any of MercadoLibre Inc.'s other applicable filings with the Securities and Exchange Commission, which are available on our investor relations website.

PART II - OVERVIEW & FINANCIAL RESULTS - PEDRO ARNT

Hello everyone. I am pleased to present some of the highlights and key messages regarding the performance in Q2 of 2022. In a challenging macroeconomic scenario, we delivered a strong quarter across all of our businesses

Our marketplace achieved consistent results despite the challenging environment for retail businesses, with a gross merchandise volume of over \$8.6 billion dollars, delivering solid growth year on year, despite tough comps for Q2.

We reached over 40 million unique buyers in the second quarter, with sustained levels of engagement and items sold per buyer.

With a diverse seller base and an efficient logistic network for a wide variety of items, we have a differentiated user experience and product assortment to keep growing and drive further online commerce penetration in Latin America.

On the fintech side, Mercado Pago continues to grow and gain relevance in our ecosystem, delivering strong results in Q2.

TPV surpassed 30 billion dollars for the first time, growing both in Acquiring and Digital Wallet.

Mercado Pago reached 38 million Unique Active Users, growing across all geographies.

Mercado Credito continues to grow its credit book, reaching more consumers and sellers and delivering an important ecosystemic effect for engagement. With sustained healthy spreads in the second quarter, the credit business contributes to the operating margin expansion.

As a consequence of the consistent performance in commerce and fintech, we delivered record results in Net Revenues and EBIT, with strong improvements in cash generation in the second quarter.

Revenues for fintech have surpassed 1 billion dollars in the quarter for the first time ever as our fintech products gain more relevance in our ecosystem.

In commerce, revenue growth comes mainly from our strength in third party marketplace categories and the expansion of our Advertising business.

Our gross profit margin expanded year-over-year and quarter-on-quarter as we scaled our businesses, and delivered operating leverage across most COGS.

Consequently, our operating profit reached a record in the quarter, with operating margins that were directionally in line

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with last year's, as we continue to balance investments, mainly in product, technology and the credit business, with cost leveraging across other operational expenses.

The second quarter closed with net profit in our three main segments, including Mexico, and with improvements in net income margin year-over-year.

We also optimized our cash conversion cycle, leading to improved cash generation for all business units, and strong cash from operations results.

We will continue to target growth with the correct profitability and cash generation profile. This will mean balancing our focus on the long-term with a commitment to constructing sustainable businesses with scalable financial models.

The more detailed, customary commentary on the second quarter operational and financial highlights are now available in a management' commentary letter to stakeholders, which we release on our investor relations website on the day of earnings and it's accompanying material.

Before initiating the live Q&A sections of tonight's earnings call, we want to share with you some additional news and achievements from the last quarter.

PART III - OPERATIONAL HIGHLIGHTS

Our marketplace continues to grow and technology has an important role to improve the experience of our buyers and sellers, deploying continuous improvements to selection, search and discovery. In our apparel section we now have improved filters and brand searching.

We also expanded the MeliPlaces network enabled for reverse logistics to improve the shopping experience for our customers.

We also keep improving our delivery service throughout Latin America. With 10 new aircrafts, the MELI Air network reduced our delivery times by 2 to 6 days in the North, Northeast and Midwest regions of Brazil.

In line with improvements in our buyer experience, our loyalty program has been growing, reaching millions of subscribers and strong year on year growth. After reaching Level 6, the highest on the program, users have higher frequency, GMV and retention, enjoying multiple benefits from free shipping, special discounts and offers to access to content streaming partners. Our loyalty program also plays an important part in connecting and raising engagement both in Mercado Libre and Mercado Pago, offering benefits in all of our services for our users.

On the fintech side, our Credit business also plays an important ecosystemic role, as a tool to provide our merchant base with working capital, and our consumer base with Personal Loans and credit cards.

To continue to provide these solutions for our ecosystem, we recently announced new funding partnerships to expand credit lines in Brazil and Mexico.

All of these initiatives that potentialize our ecosystem are a result of our tech DNA and execution focus. We believe times like this are ideal to invest and create sustained long term differentiation leveraging technology and we will continue to invest in technology and in hiring engineers throughout the next quarters.

As we grow, we watch closely our impact in the communities and environment around us. That is why we just launched another round of investments in our preservation program, Regenera América, in Brazil and México, to preserve latin american biomes and biodiversity.

As always, the best is yet to come.

THANK YOU

