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**MercadoLibre, Inc.**  
**Consolidated Balance Sheets**  
**As of December 31, 2019 and 2018**  
**(In thousands of U.S. dollars, except par value)**

	December 31, 2019	December 31, 2018
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,384,740	\$ 440,332
Restricted cash and cash equivalents	66,684	24,363
Short-term investments (522,798 and 284,317 held in guarantee - see Note 4)	1,597,241	461,541
Accounts receivable, net	35,446	35,153
Credit cards receivable, net	379,969	360,298
Loans receivable, net	182,105	95,778
Prepaid expenses	45,309	27,477
Inventory	8,626	4,612
Other assets	88,736	61,569
Total current assets	3,788,856	1,511,123
Non-current assets:		
Long-term investments	263,983	276,136
Loans receivable, net	6,439	—
Property and equipment, net	244,257	165,614
Operating lease right-of-use assets	200,449	—
Goodwill	87,609	88,883
Intangible assets, net	14,275	18,581
Deferred tax assets	117,582	141,438
Other assets	58,241	37,744
Total non-current assets	992,835	728,396
Total assets	\$ 4,781,691	\$ 2,239,519
<b>Liabilities</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 372,309	\$ 266,759
Funds payable to customers	894,057	640,954
Salaries and social security payable	101,841	60,406
Taxes payable	60,247	31,058
Loans payable and other financial liabilities	186,138	132,949
Operating lease liabilities	23,259	—
Other liabilities	114,469	34,098
Total current liabilities	1,752,320	1,166,224
Non-current liabilities:		
Salaries and social security payable	26,803	23,161
Loans payable and other financial liabilities	631,353	602,228
Operating lease liabilities	176,673	—
Deferred tax liabilities	99,952	91,698
Other liabilities	12,627	19,508
Total non-current liabilities	947,408	736,595
Total liabilities	\$ 2,699,728	\$ 1,902,819
Commitments and contingencies (Note 13)		
Redeemable convertible preferred stock, \$0.001 par value, 40,000,000 shares authorized, 100,000 shares issued and outstanding at December 31, 2019	\$ 98,843	\$ —
<b>Equity</b>		
Common stock, \$0.001 par value, 110,000,000 shares authorized, 49,709,955 and 45,202,859 shares issued and outstanding at December 31, 2019 and December 31, 2018	\$ 50	\$ 45
Additional paid-in capital	2,067,869	224,800
Treasury stock	(720)	—
Retained earnings	322,592	503,432
Accumulated other comprehensive loss	(406,671)	(391,577)
Total Equity	1,983,120	336,700
Total Liabilities, Redeemable convertible preferred stock and Equity	\$ 4,781,691	\$ 2,239,519

The accompanying notes are an integral part of these consolidated financial statements.

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**MercadoLibre, Inc.**  
**Consolidated Statements of Income**  
**For the years ended December 31, 2019, 2018 and 2017**  
**(In thousands of U.S. dollars, except for share data)**

	Year Ended December 31,		
	2019	2018	2017
Net revenues	\$ 2,296,314	\$ 1,439,653	\$ 1,216,542
Cost of net revenues	(1,194,191)	(742,645)	(496,942)
Gross profit	1,102,123	697,008	719,600
Operating expenses:			
Product and technology development	(223,807)	(146,273)	(127,160)
Sales and marketing	(834,022)	(482,447)	(325,375)
General and administrative	(197,455)	(137,770)	(122,194)
Impairment of Long-Lived Assets	—	—	(2,837)
Loss on deconsolidation of Venezuelan subsidiaries	—	—	(85,761)
Total operating expenses	(1,255,284)	(766,490)	(663,327)
(Loss) income from operations	(153,161)	(69,482)	56,273
Other income (expenses):			
Interest income and other financial gains	113,523	42,039	45,901
Interest expense and other financial losses	(65,876)	(56,249)	(26,469)
Foreign currency (losses) gains	(1,732)	18,240	(21,635)
Net (loss) income before income tax (expense) gain	(107,246)	(65,452)	54,070
Income tax (expense) gain	(64,753)	28,867	(40,290)
Net (loss) income	\$ (171,999)	\$ (36,585)	\$ 13,780
	Year Ended December 31,		
	2019	2018	2017
<b>Basic EPS</b>			
<b>Basic net (loss) income</b>			
Available to shareholders per common share	\$ (3.71)	\$ (0.82)	\$ 0.31
Weighted average of outstanding common shares	48,692,906	44,529,614	44,157,364
<b>Diluted EPS</b>			
<b>Diluted net (loss) income</b>			
Available to shareholders per common share	\$ (3.71)	\$ (0.82)	\$ 0.31
Weighted average of outstanding common shares	48,692,906	44,529,614	44,157,364
<b>Cash Dividends declared (per share)</b>	—	—	0.600

The accompanying notes are an integral part of these consolidated financial statements.

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**MercadoLibre, Inc.**  
**Consolidated Statement of Cash Flows**  
**For the years ended December 31, 2019, 2018 and 2017**  
**(In thousands of U.S. dollars)**

	Year Ended December 31,		
	2019	2018	2017
Cash flows from operations:			
Net (loss) income	\$ (171,999)	\$ (36,585)	\$ 13,780
Adjustments to reconcile net (loss) income to net cash provided by operating activities:			
Unrealized devaluation loss, net	44,326	11,131	28,463
Impairment of Long-Lived Assets	—	—	2,837
Loss on deconsolidation of Venezuelan subsidiaries	—	—	85,761
Depreciation and amortization	73,320	45,792	40,921
Accrued interest	(54,309)	(17,811)	(20,192)
Non cash interest, convertible notes amortization of debt discount and amortization of debt issuance costs and other charges	86,694	11,408	10,855
Stock-based compensation expense - restricted shares	395	—	—
LTRP accrued compensation	51,662	27,525	35,719
Deferred income taxes	16,453	(92,585)	(24,575)
Changes in assets and liabilities:			
Accounts receivable	(507)	(27,105)	(21,817)
Credit cards receivable	(29,315)	42,655	(257,563)
Prepaid expenses	(17,956)	(23,342)	8,670
Inventory	(4,148)	(3,015)	(1,549)
Other assets	(49,390)	(17,617)	(54,780)
Payables and accrued expenses	143,495	90,123	150,215
Funds payable to customers	267,293	175,398	242,037
Other liabilities	45,452	28,202	7,680
Interest received from investments	49,625	16,733	22,548
Net cash provided by operating activities	451,091	230,907	269,010
Cash flows from investing activities:			
Purchase of investments	(4,490,678)	(3,176,078)	(4,553,649)
Proceeds from sale and maturity of investments	3,353,606	2,662,800	4,713,934
Payment for acquired businesses, net of cash acquired	—	(4,195)	(8,568)
Reduction of cash due to Venezuela deconsolidation	—	—	(27,230)
Purchases of intangible assets	(72)	(192)	(33)
Changes in principal loans receivable, net	(173,848)	(57,232)	(72,244)
Advance for property and equipment	—	(4,426)	(19,695)
Purchases of property and equipment	(136,798)	(93,136)	(55,156)
Net cash used in investing activities	(1,447,790)	(672,459)	(22,641)
Cash flows from financing activities:			
Funds received from the issuance of convertible notes	—	880,000	—
Transaction costs from the issuance of convertible notes	—	(16,264)	—
Payments on convertible note	(25)	(348,123)	—
Purchase of convertible note capped calls	(96,367)	(148,943)	(67,308)
Unwind of convertible note capped calls	—	136,108	—
Proceeds from loans payable and other financial liabilities	629,891	236,873	47,905
Payments on loans payable and other financing liabilities	(472,897)	(123,822)	(5,004)
Dividends paid	—	(6,624)	(26,496)
Payment of finance lease obligations	(1,929)	(323)	—
Common Stock repurchased	(720)	—	—
Dividends paid of preferred stock	(2,844)	—	—
Proceeds from issuance of convertible redeemable preferred stock, net	98,688	—	—
Proceeds from issuance of common stock, net	1,867,215	—	—
Net cash provided by (used in) financing activities	2,021,012	608,882	(50,903)
Effect of exchange rate changes on cash, cash equivalents, restricted cash and cash equivalents	(37,584)	(90,895)	(41,346)
Net increase in cash, cash equivalents, restricted cash and cash equivalents	986,729	76,435	154,120
Cash, cash equivalents, restricted cash and cash equivalents, beginning of the year	464,695	388,260	234,140
Cash, cash equivalents, restricted cash and cash equivalents, end of the year	\$ 1,451,424	\$ 464,695	\$ 388,260

The accompanying notes are an integral part of these consolidated financial statements.