



# mercado libre: Ecosystem-powered Growth

## 1 Overview of Key Business Units (non-exhaustive)

Originally built to handle Mercado Libre's marketplace transactions, Mercado Pago has evolved into a full-fledged digital bank, serving customers beyond the platform.

Operating Geos:



FINTECH

Offer direct loans to underserved individuals and businesses

Operating Geos:



SMB FINANCE

Advertising platform that enables businesses to promote their products and services on the Mercado Libre Marketplace and Mercado Pago Platform

Geos:



ADVERTISEMENTS



MARKETPLACE

Core Marketplace platform includes 1<sup>st</sup> party & 3<sup>rd</sup> goods and services

Operating Geos:

+10 markets



Shipping business to complement & improve marketplace op. efficiency

Operating Geos:



LOGISTICS

Webshop platform that is integrated to the Mercado Libre Ecosystem\*

Operating Geos:



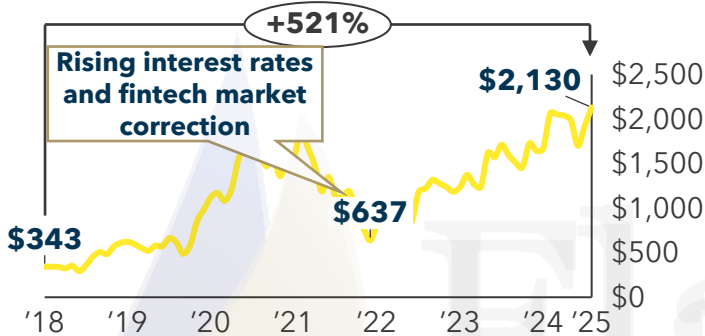
ADVERTISEMENTS

WEBSHOP PLATFORM

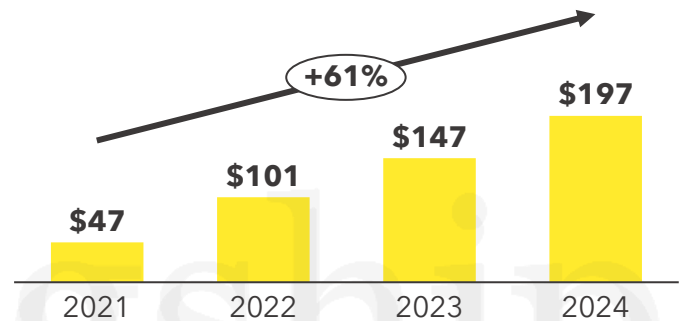
\*Mercado Shops will be discontinued as of December 31, 2025 and will be replaced by "Mi Página," which offers similar functionalities but is fully embedded within the Marketplace (without an external storefront).  
Sources: Company's annual reports; Flagship Advisory Partners March 2025

## 2 Select Key Performance Indicators (select figures)

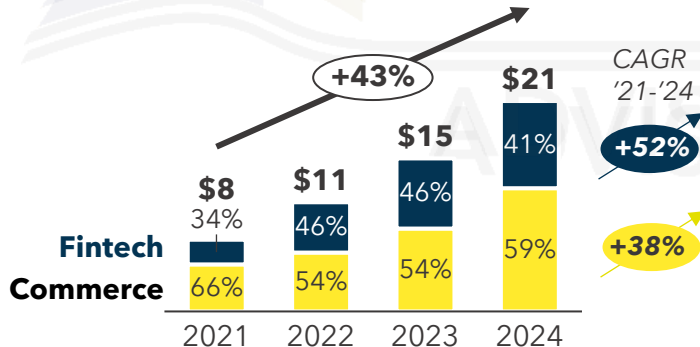
### Stock Price Evolution (price per stock in \$)



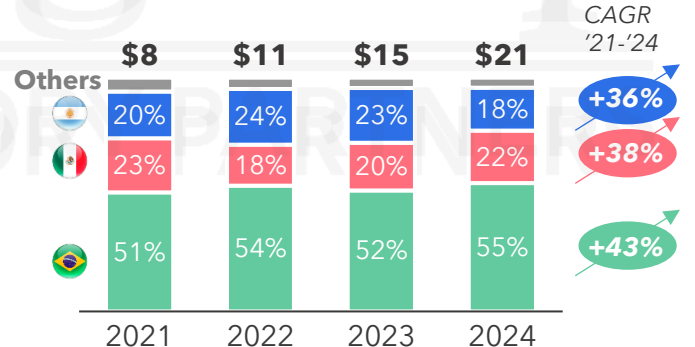
### Total Payment Volume<sup>1</sup> (in \$ bil.)



### Net Revenue by Business Unit (in \$ bil.)



### Net Revenues by Market (in \$ bil.)



Notes: <sup>1</sup>Total U.S. dollar sum of all transactions settled using our Mercado Pago and Mercado Pago's payment processing and settling services in marketplace and non-marketplace transactions  
Sources: Company's annual reports; Yahoo Finance; Flagship Advisory Partners March 2025

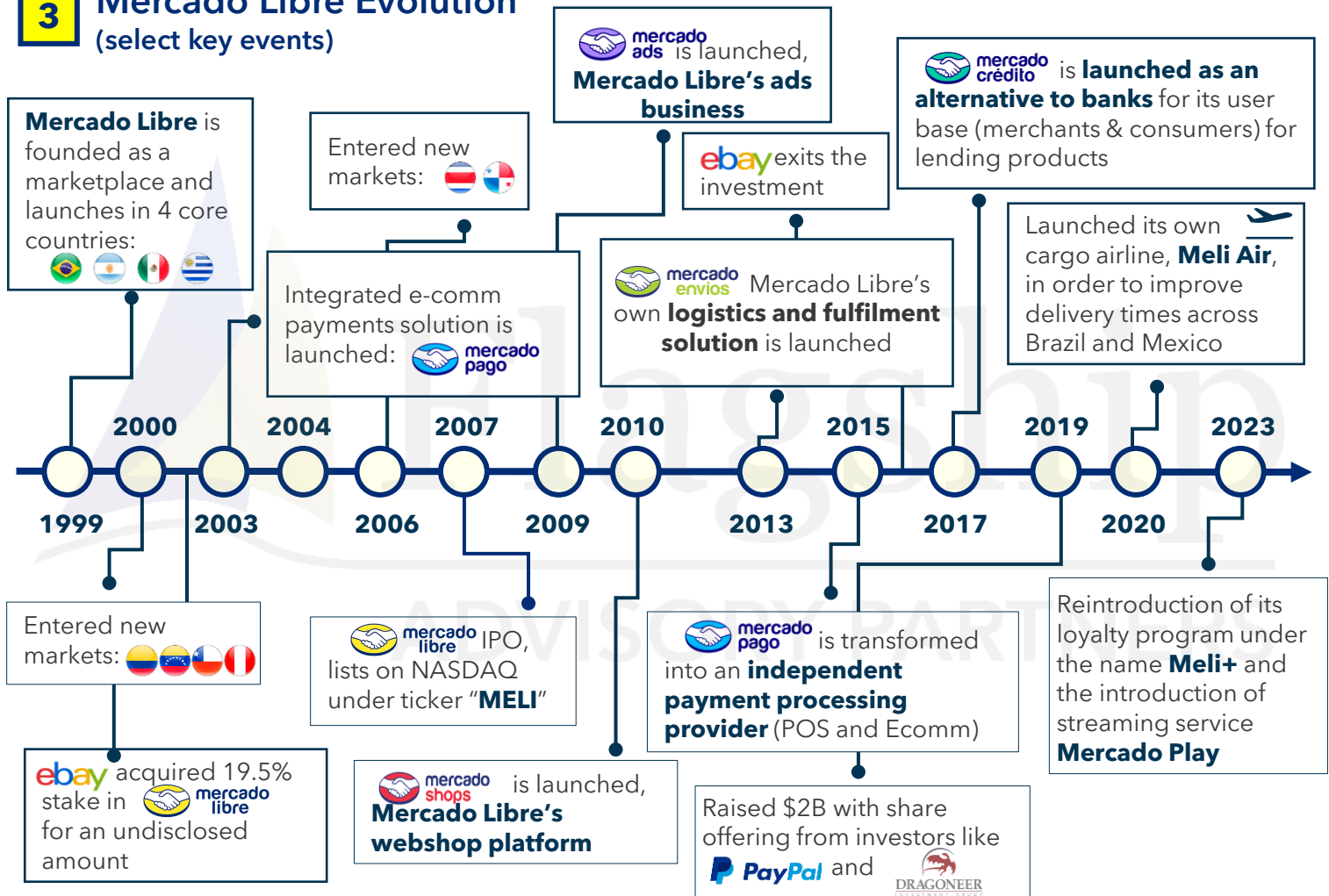
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## 3 Mercado Libre Evolution (select key events)



Sources: Company's annual reports; Flagship Advisory Partners March 2025

## 4 Flagship Commentary

- **Founded in Argentina in 1999**, Mercado Libre rapidly became **Latin America's leading e-commerce platform** by expanding into Brazil, Mexico, and Uruguay, adapting to local market needs.
- **Launched in 2003, Mercado Pago evolved from a marketplace payment solution into a full-fledged digital bank**, offering payments, credit, and financial services. By 2024, it accounted for 41% of revenues—demonstrating how **embedded finance within an e-commerce ecosystem drives sustained growth and customer retention**.
- **Going public on NASDAQ in 2007**, rather than local exchanges, provided Mercado Libre with **global capital access, credibility, and liquidity**—showcasing how emerging market companies can accelerate growth through international financial markets.
- **Diversifying beyond e-commerce, Mercado Libre expanded into multiple business units** such as fintech (Mercado Pago), logistics (Mercado Envíos), storefronts (Mercado Shops), and advertising (Mercado Ads), **creating a suite of interconnected services that strengthened market leadership and boosted profitability**.
- While Mercado Libre thrived in Latin America's dynamic market, **its model—integrating fintech with commerce, scaling digital services, and leveraging global capital—offers a playbook for fintech and digital businesses worldwide**.
- **From marketplace to \$100 billion fintech giant, Mercado Libre exemplifies how platform-driven expansion and embedded finance can transform digital businesses**, providing a compelling blueprint for global growth.

# NAVIGATING FINTECH INNOVATION

Flagship Advisory Partners is a boutique strategy and M&A advisory firm focused on payments and fintech. We serve clients globally and have a team of 30+ professionals who have a unique depth of knowledge in payments and fintech.



## Thank you!

For any questions, please do not hesitate to contact the author(s):

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