



Business Overview

Second
Quarter 2021

August 2021



SAFE HARBOR

This presentation has been prepared by VTEX (“we,” “us,” “our,” “VTEX” or the “Company”).

This presentation may contain 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 currently available information, you are cautioned not to place undue reliance on these forward-looking statements. Forward-looking statements regarding VTEX involve known and unknown risks, uncertainties and other factors that may cause VTEX’s actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. Certain of these risks and uncertainties are described under “Risk Factors” and “Cautionary Statement Regarding Forward-Looking Statements” sections of VTEX’s registration statement on Form F-1 and certain of VTEX’s other filings with the U.S. Securities and Exchange Commission. You should read this information together with the sections of VTEX’s prospectus entitled “Selected Financial and Other Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” our audited consolidated financial statements and our unaudited interim condensed consolidated financial statements and their respective notes, which are available on our investor relations website (<https://www.investors.vtex.com/>).

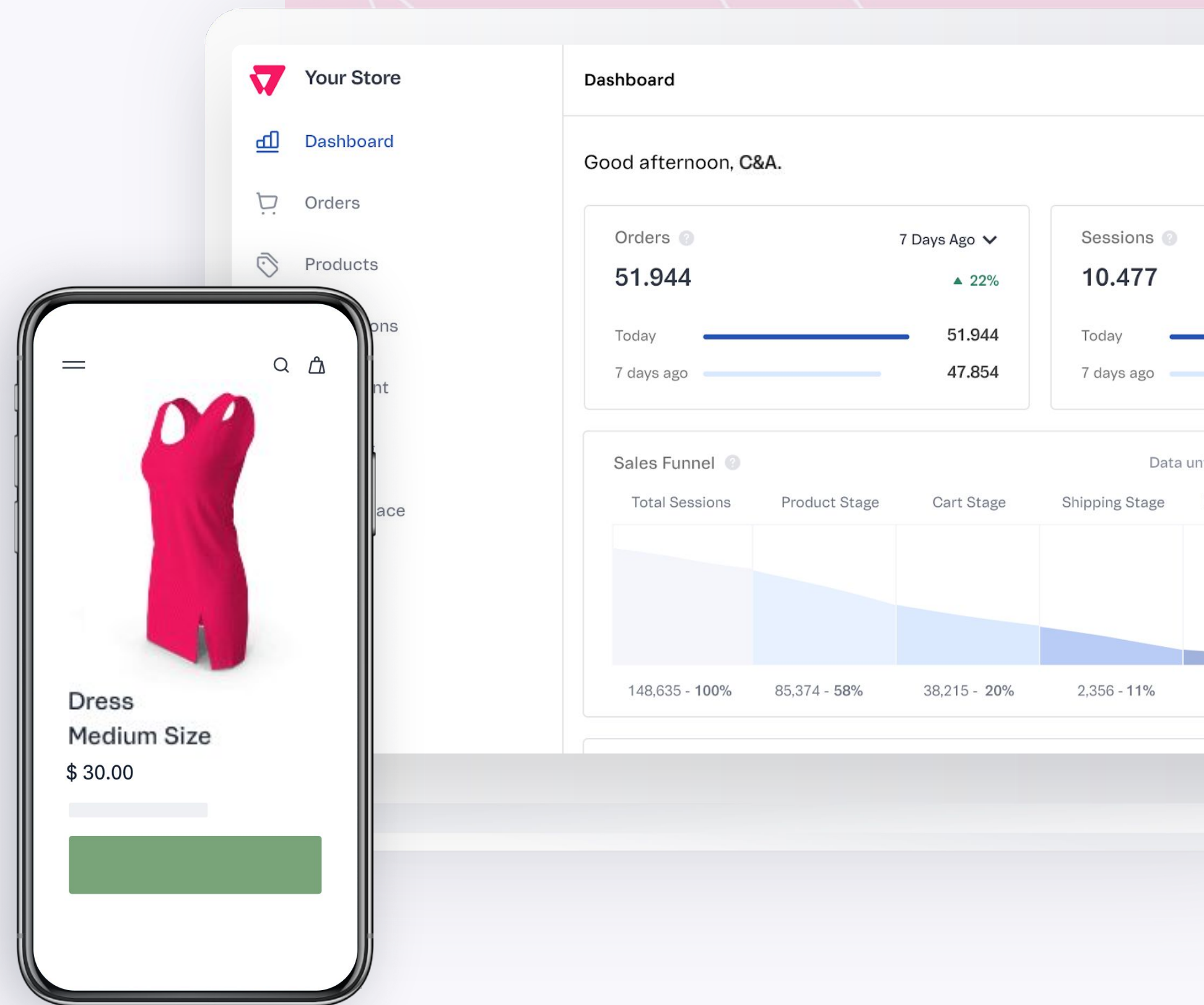
Unless required by law, VTEX undertakes no obligation to publicly update or revise any forward-looking statements to reflect circumstances or events after the date hereof.

his presentation also contains estimates and other statistical data made by independent parties and by us relating to market size and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such data and estimates. In addition, projections, assumptions and estimates of our future performance and the future performance of the markets in which we operate are necessarily subject to a high degree of uncertainty and risk. Neither we nor our affiliates, advisors or representatives makes any representation as to the accuracy or completeness of that data or undertake to update such data after the date of this presentation. In addition to financial information prepared in accordance with generally accepted accounting principles in the United States (“GAAP”), we use certain non-GAAP financial measures to clarify and enhance our understanding, and aid in the period-to-period comparison, of our performance. We believe that these non-GAAP financial measures provide supplemental information that is meaningful when assessing our operating performance because they exclude the impact of certain amounts that our management and board of directors do not consider part of core operating results when assessing our operational performance, allocating resources, preparing annual budgets, and determining compensation. The non-GAAP measures have limitations, including that they may not be directly comparable to other companies, and you should not consider them in isolation or as a substitute for or superior to our GAAP financial information. See the Appendix to this presentation for a reconciliation of non-GAAP financial measures to their nearest GAAP equivalent

All of the information included in this presentation is updated as of June 30, 2021, except annual information updated as of December 31, 2020.

Except as may be required by applicable law, we assume no obligation to publicly update or revise our statements. Numbers have been calculated using whole amounts rather than rounded amounts. This might cause some figures not to total due to rounding.

VTEX provides a software-as-a-service digital commerce platform for enterprise brands and retailers.



We are building
the infrastructure
that enables brands
to be **relevant** for the
convenience-driven
consumer.



84% of our
ARR comes
from enterprise
customers⁽¹⁾.

Each generating at least
\$25K ARR, with an average
of \$127K in ARR⁽¹⁾.

We are a SaaS commerce
platform for enterprises.

Apparel
Accessories



CALVIN KLEIN



Home
Appliances

Whirlpool

StanleyBlack&Decker

Crate&Barrel

TOK&STOK



Electronics

SAMSUNG

SONY



PHILIPS

FRÁVEGA

Food
& Grocery



ABInBev



Beauty
& Health

AVON

SALLY
BEAUTY



dérmage

VTEX at a glance

Financial stats



\$9.1 B

GMV B2C
(2Q21 LTM in USD)



\$114 M

Revenue
(2Q21 LTM in USD)



68%

Non-GAAP⁽¹⁾
subscription gross
margin (2Q21 LTM)

Company metrics



> 2.0k

Number of
customers
(FY 2020)



> 2.5k

Number of active online
stores⁽²⁾
(FY 2020)



32

Countries with active
online stores⁽²⁾
(FY 2020)



(1) Please see appendix for reconciliation of non-GAAP metrics.
(2) *Active online stores* means the number of unique domains generating gross merchandise value.



10 years of
continuous
learning



Focus on SaaS
Ecommerce Platform



Founded in
Rio de Janeiro by recently
graduated engineers



Ecommerce platform
provider for Walmart
in Brazil



2000

2008

2010

2011

2012

2013

2014

2015

2016

2017

2018

2019

2020

2021

International expansion
LatAm

Smart checkout
& cloud-native micro
services architecture

\$1 billion

In annual GMV

Cencosud implements
VTEX across LatAm



The first omnichannel
operation



Omnichannel/
click and collect/
delivery from store

Samsung
is deployed
in 5 countries
SAMSUNG

\$2.4 billion

In annual GMV

VTEX continues investing in
North America
& Europe

Commerce platform
provider for Carrefour
in Brazil



\$7.5 billion

In annual GMV

ARR over
\$100 M

15 offices
across the world

VTEX
LISTED
NYSE

Whirlpool deploys
their marketplace



A founder-led, future-driven culture of integrity

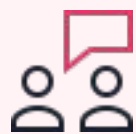


Employee headcount

2Q20



2Q21



Integrity

We honor our word

Extraordinary Commitment

We are in it for something
bigger than ourselves

Authenticity

We are free to be who we are

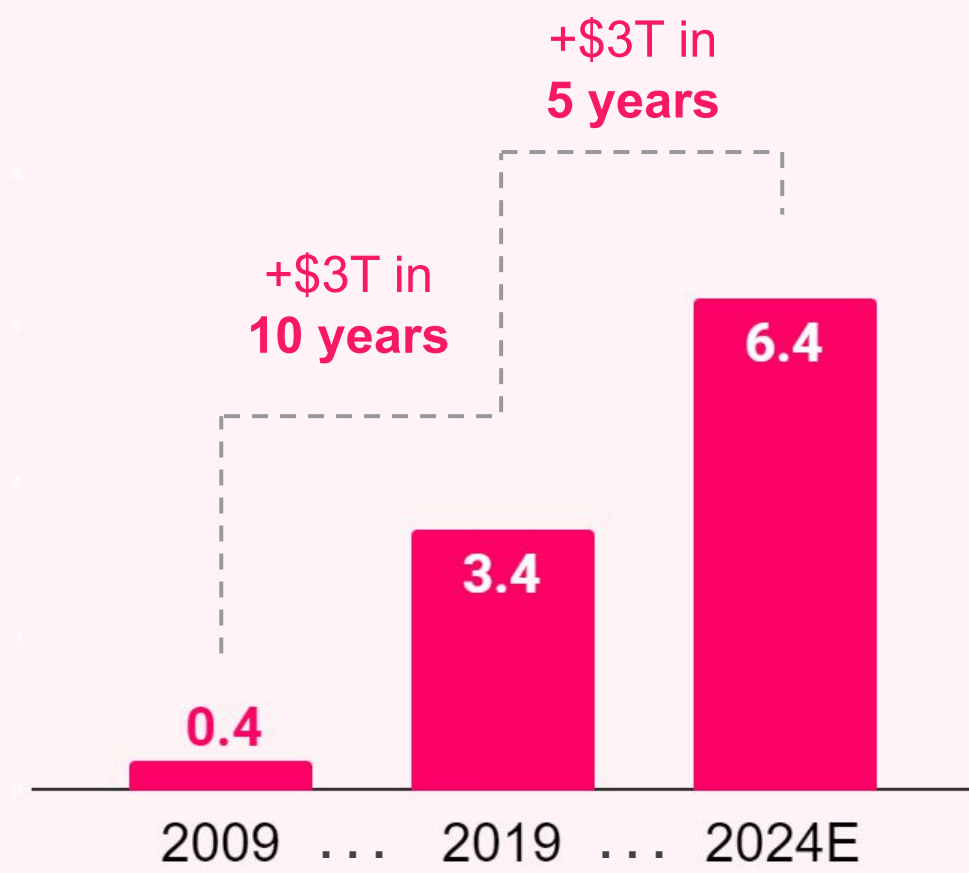
On the Playing Field

We make ourselves
responsible for success



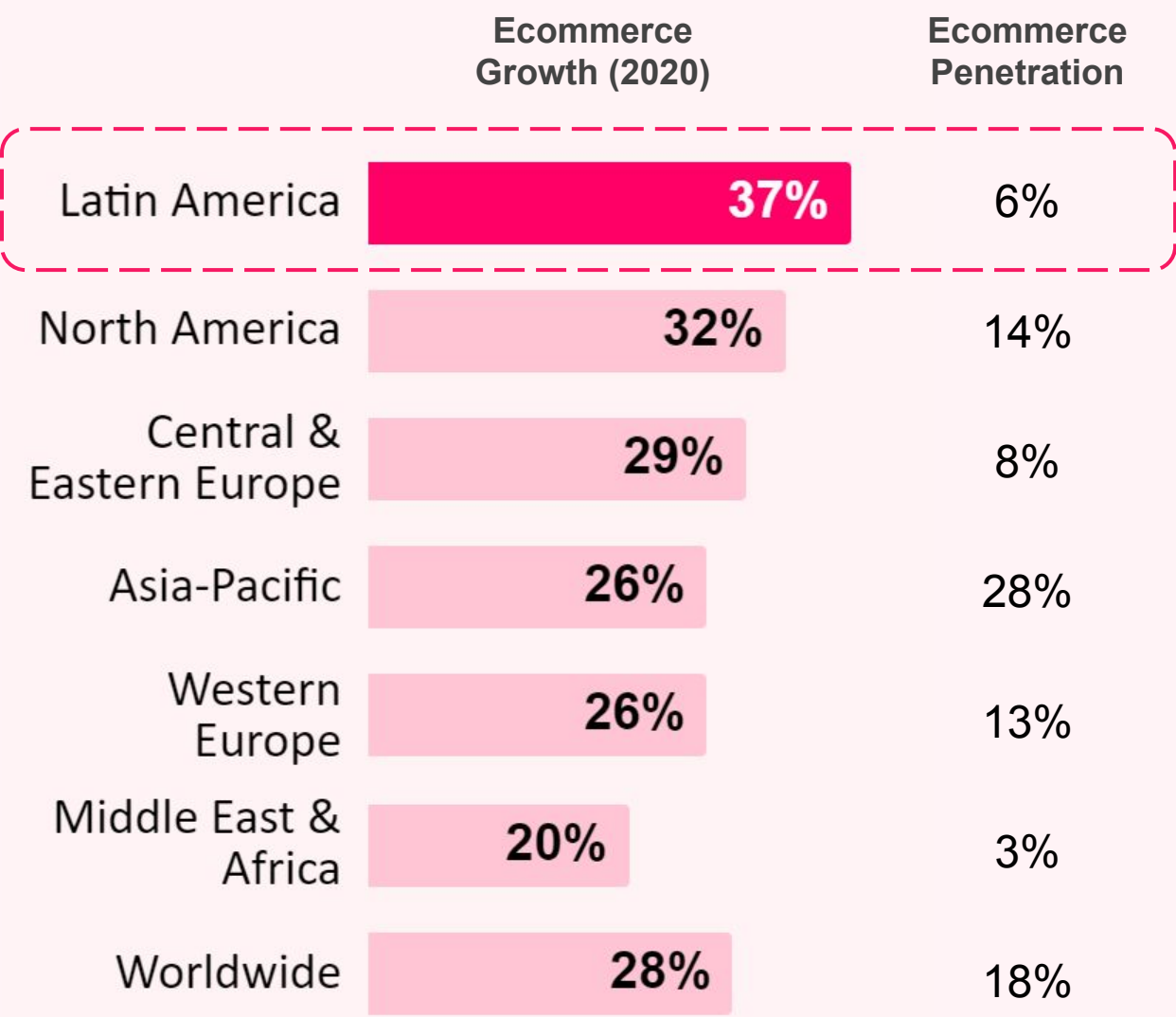
VTEX is the gateway to the fastest-growing ecommerce market in the world

Ecommerce is accelerating globally

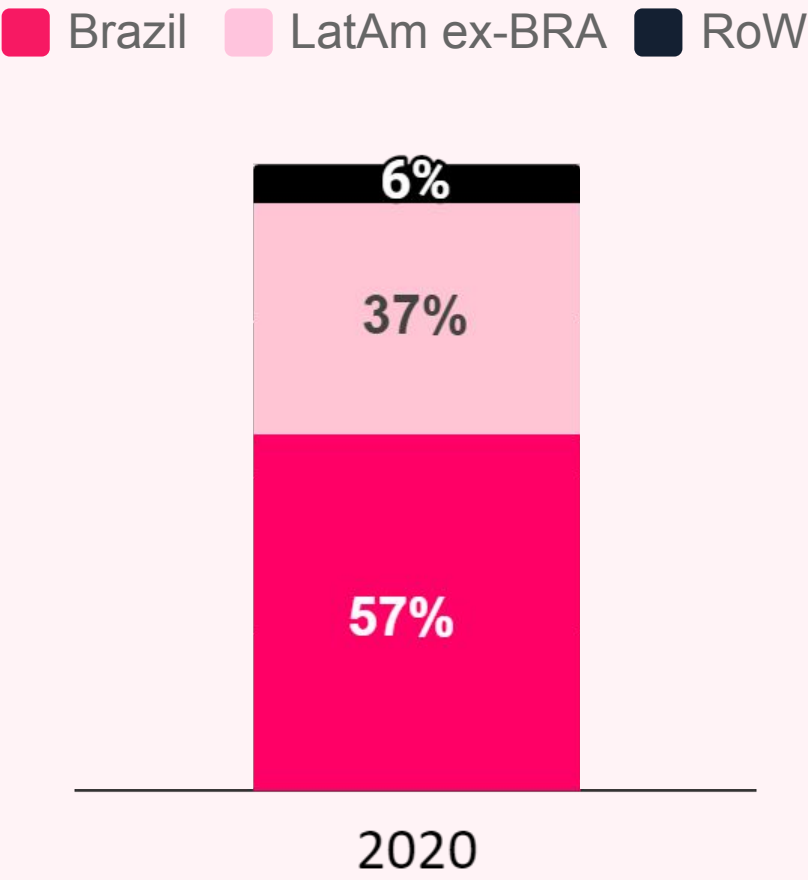


Worldwide retail ecommerce sales (\$ trillion)

LatAm is the fastest-growing region



VTEX is leading ecommerce in LatAm



Revenue breakdown (%) per region

Addressing
a massive
market with
significant
room for further
penetration

\$9.1bn GMV⁽¹⁾

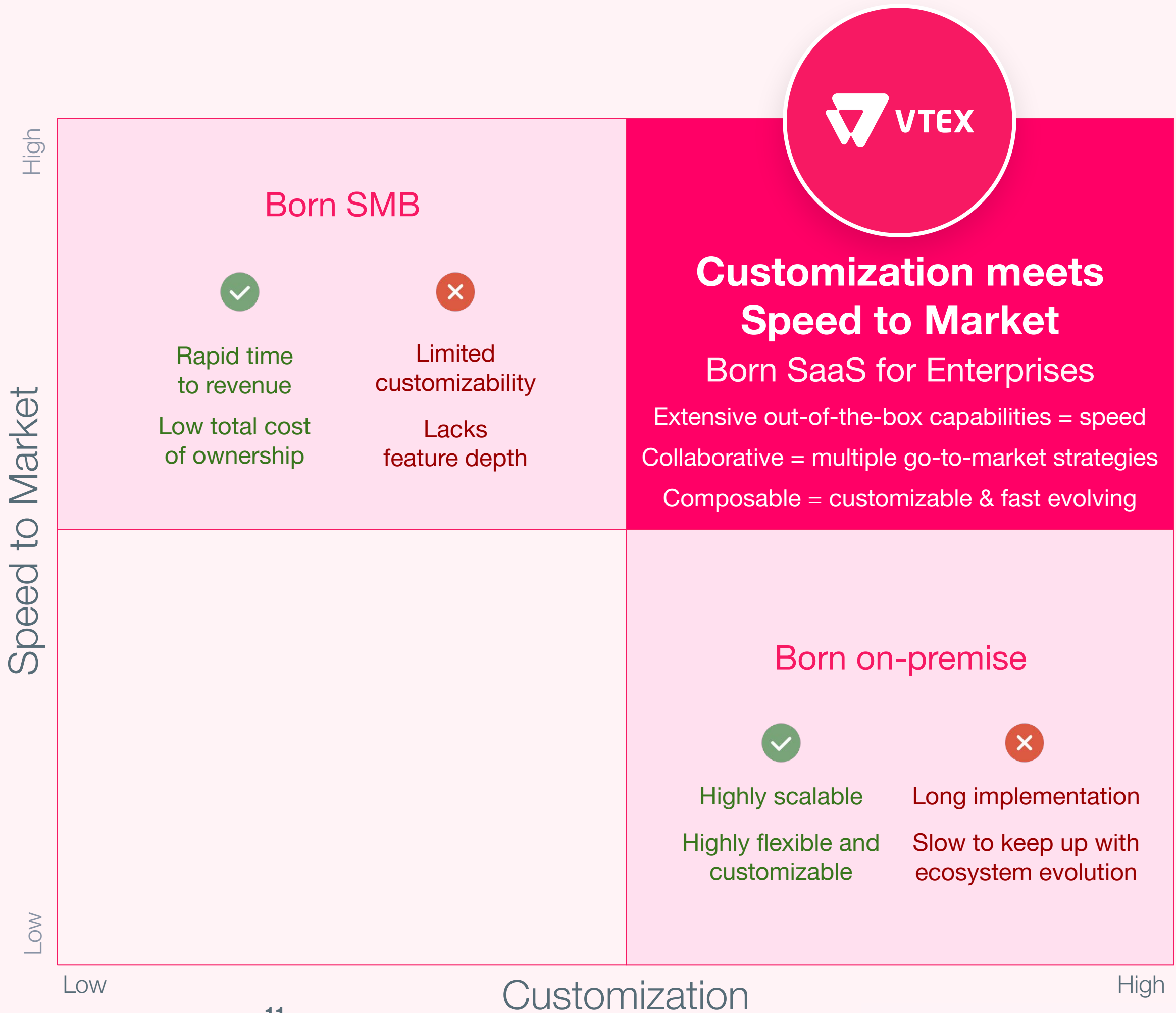


\$6.4T
Worldwide
ecommerce market
(2024)

Source: eMarketer

Source: Insider Intelligence

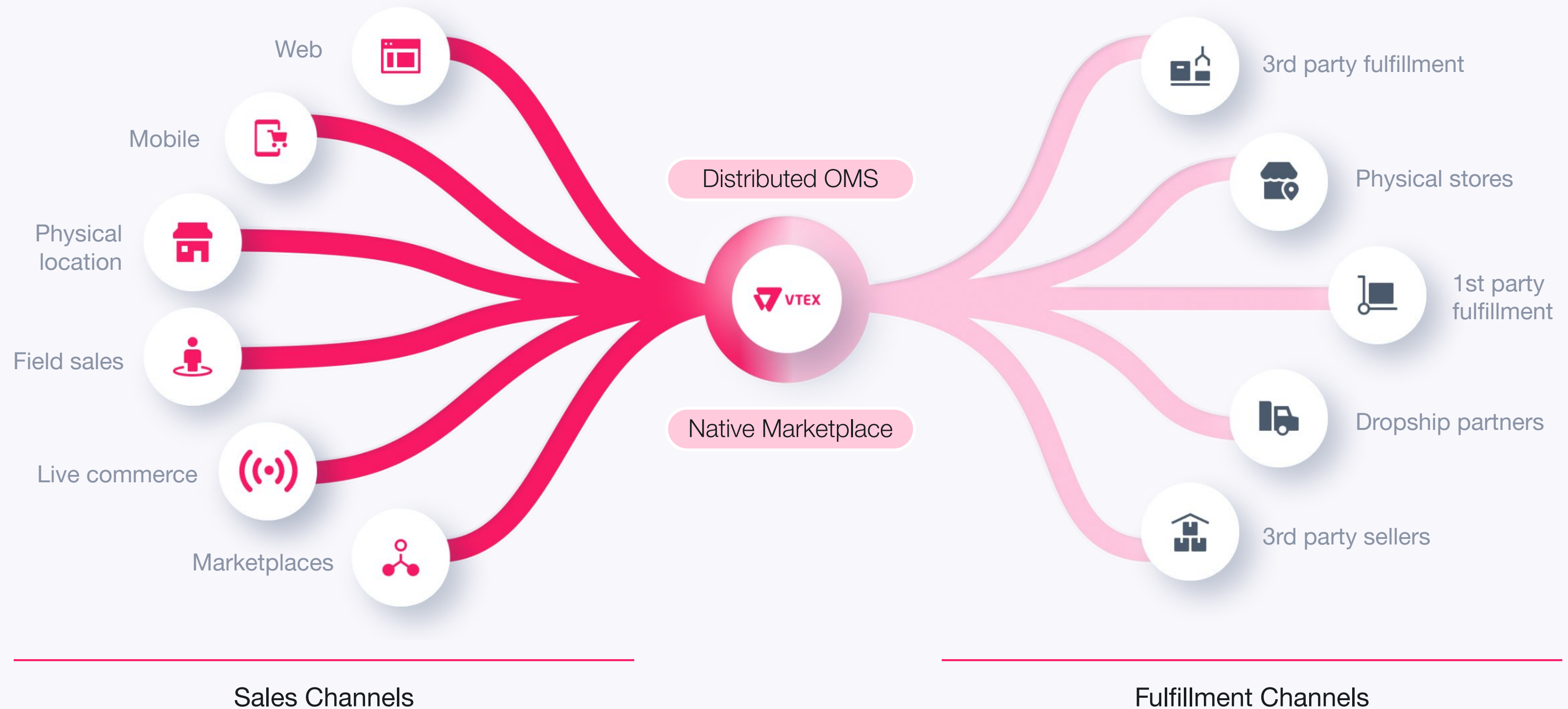
Current offerings force enterprises to choose between **deep customization** or **speed to market**.



We deliver
unprecedented
time to revenue with
an extensive set of
out-of-the-box
commerce
capabilities.



Our Collaborative Commerce approach enables enterprises to explore multiple ways to sell and fulfill.



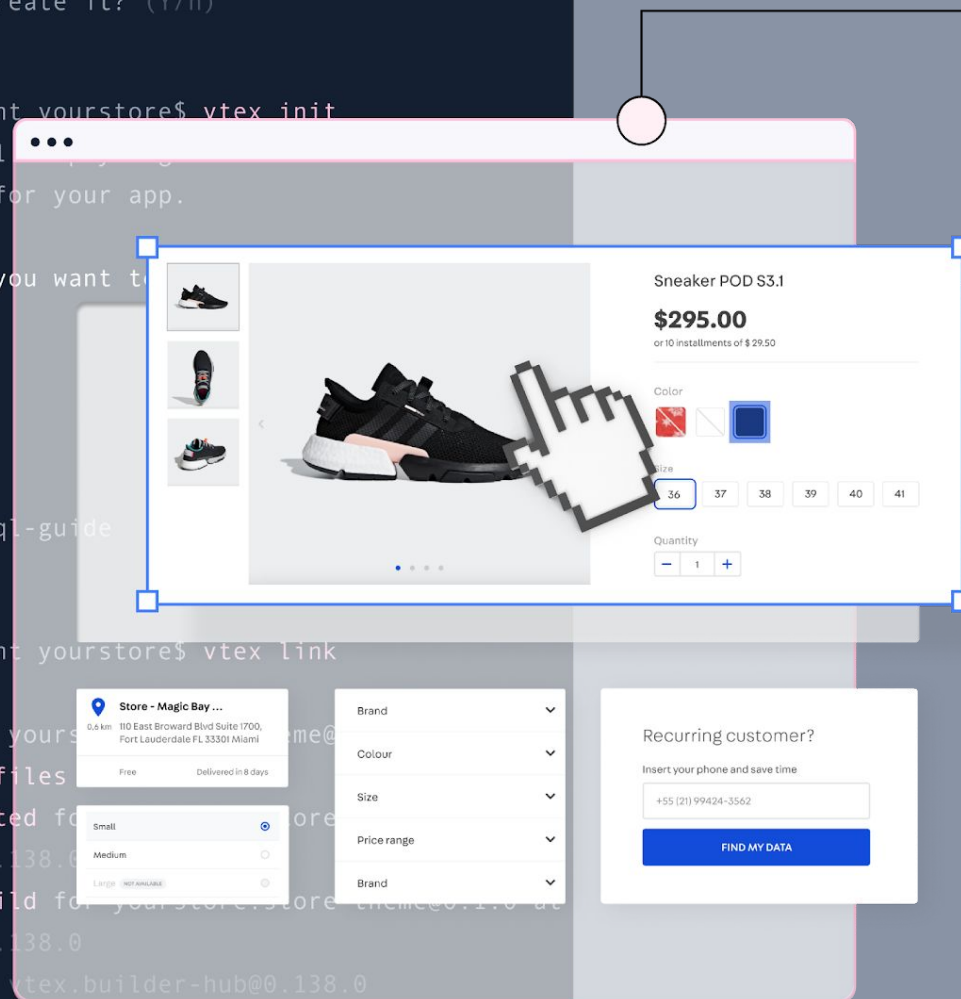

```
User:~ userlogin$ vtex use new-environment
! Workspace new-environment doesn't existe
? Do you wish to create it? (Y/n)
```

```
User:new-environment yourstore$ vtex init
info: Hello! I will create the necessary
files and folders for your app.
```

```
? Choose where do you want to create the app
graphql-example
admin-example
> store-theme
service-example
render-guide
masterdata-graphql-guide
```

```
User:new-environment yourstore$ vtex link
```

```
info: Linking app yourstore to vtex-builder-hub@0.138.0
info: Sending 25 files to vtex-builder-hub@0.138.0
info: Build accepted for yourstore by vtex-builder-hub@0.138.0
info: Starting build for yourstore by vtex-builder-hub@0.138.0
info: Linking app vtex-builder-hub@0.138.0
info: App linked successfully vtex-builder-hub@0.138.0
info: Style change event sent vtex-builder-hub@0.138.0
```



GET APP

Our Composable Commerce technology is flexible and extensible by design.

- ✓ API-first services
- ✓ Multi-tenant architecture
- ✓ VTEX IO low-code development

We leverage the network effect of a unique ecosystem of partners.

1,000+
Integrated solutions

200+
System integrators

100+
Marketplaces

80+
Payment solutions

50+
Logistics companies

10%+
of GMV from Collaborative
Commerce transactions

50%+
of GMV from customers using
Collaborative Commerce integrations

9,500+
Monthly active users accessing
VTEX developer portal

200+
Deploys by 3rd parties in
VTEX IO on average per day



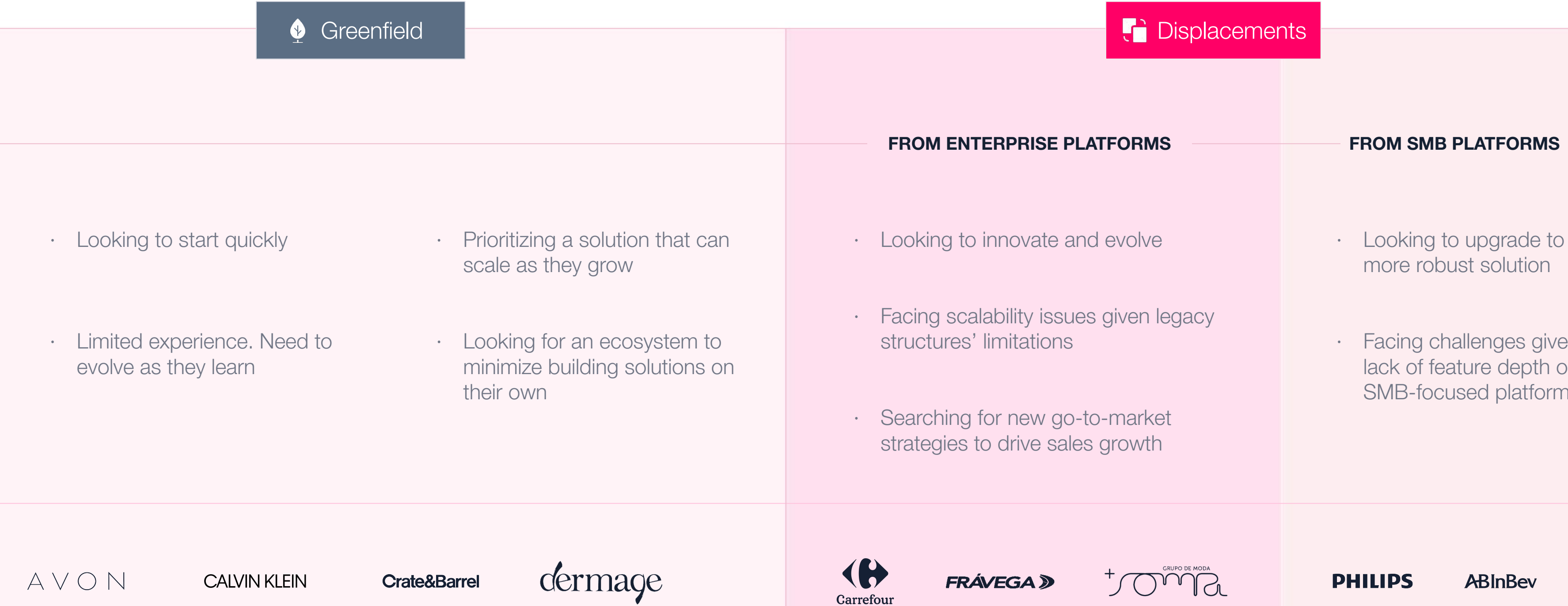
Note: ecosystem data as of 2Q21

Payment	<div>Digital River</div> <div>mercado pago</div> <div>adyen</div> <div>openpay</div> <div>CyberSource A Visa Solution</div>
Shipping	<div>ShipStation</div> <div>lineten</div> <div>Radial</div> <div>ups</div>
Fraud & Lending	<div>clearsale</div> <div>Signifyd</div> <div>splitit</div> <div>divido</div> <div>affirm</div> <div>Klarna.</div>
Marketplace	<div>amazon</div> <div>via</div> <div>varejo</div> <div>B2W DIGITAL</div> <div>L LENGOW</div> <div>magalu</div>
POS & Omnichannel	<div>mercado pago</div> <div>stone</div> <div>feedonomics</div> <div>SALSIFY</div>
Search & Merchandising	<div>POWER REVIEWS</div> <div>nosto</div> <div>tail</div> <div>richrelevance</div> <div>OMNILOGIC</div> <div>CELEBROS</div>
Marketing Automation	<div>KLAVIYO</div> <div>mailup BE RELEVANT</div> <div>Insider</div> <div>ActiveCampaign</div> <div>mailchimp</div> <div>hotjar</div>

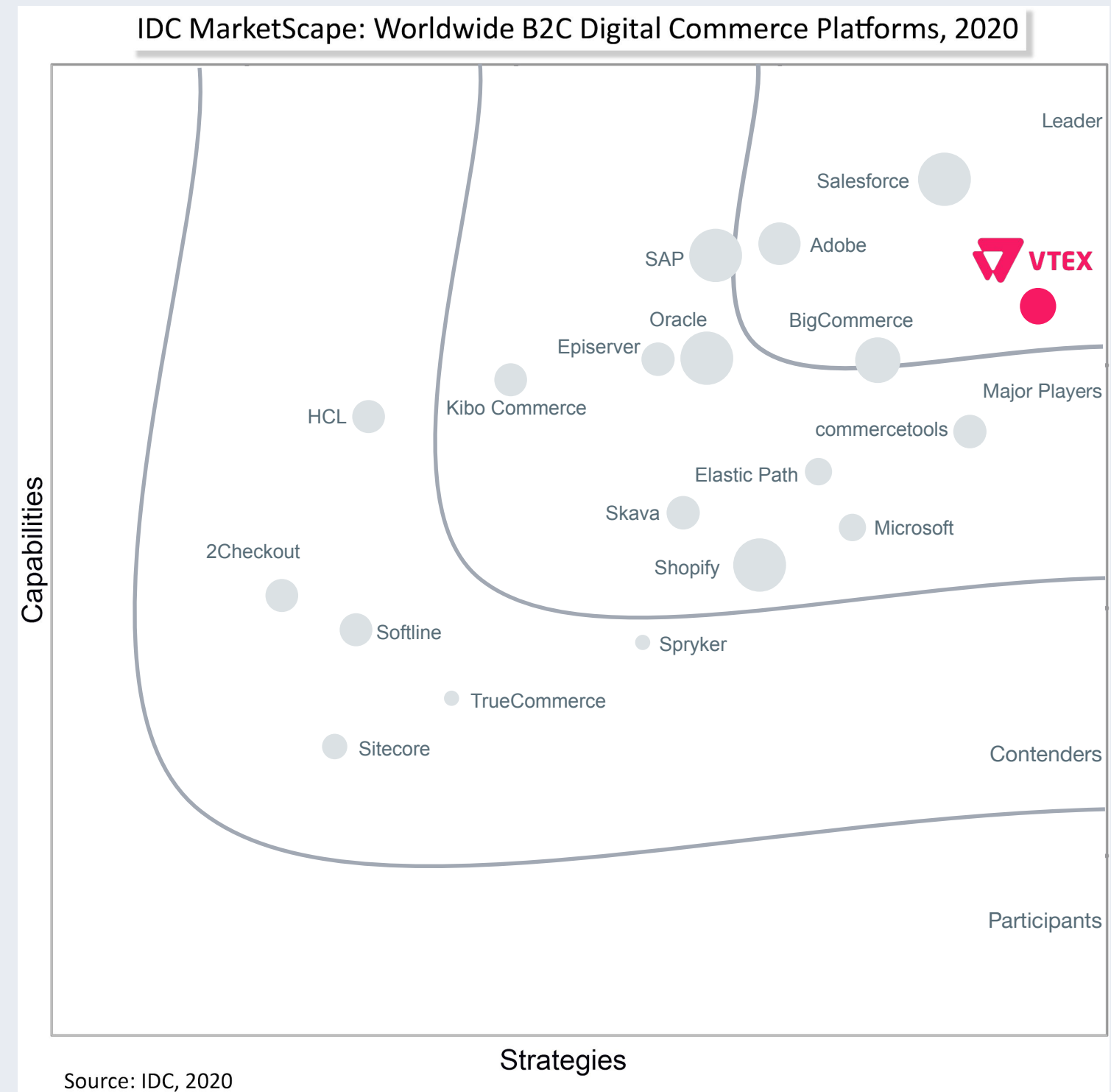
Our Competitive Advantages...

- Extensive out of the box solutions
- Collaborative commerce strategy
- Composable commerce technology
- Vibrant ecosystem

... Attract Customers at Different Stages of Maturity



Source: IDC, 2020



Leader in IDC MarketScape:
Worldwide B2C Digital Commerce Platforms





The age of standalone software is gone – modern software is as valuable as the network it powers.

We have a disciplined go-to-market and scaling strategy

Ecommerce Software

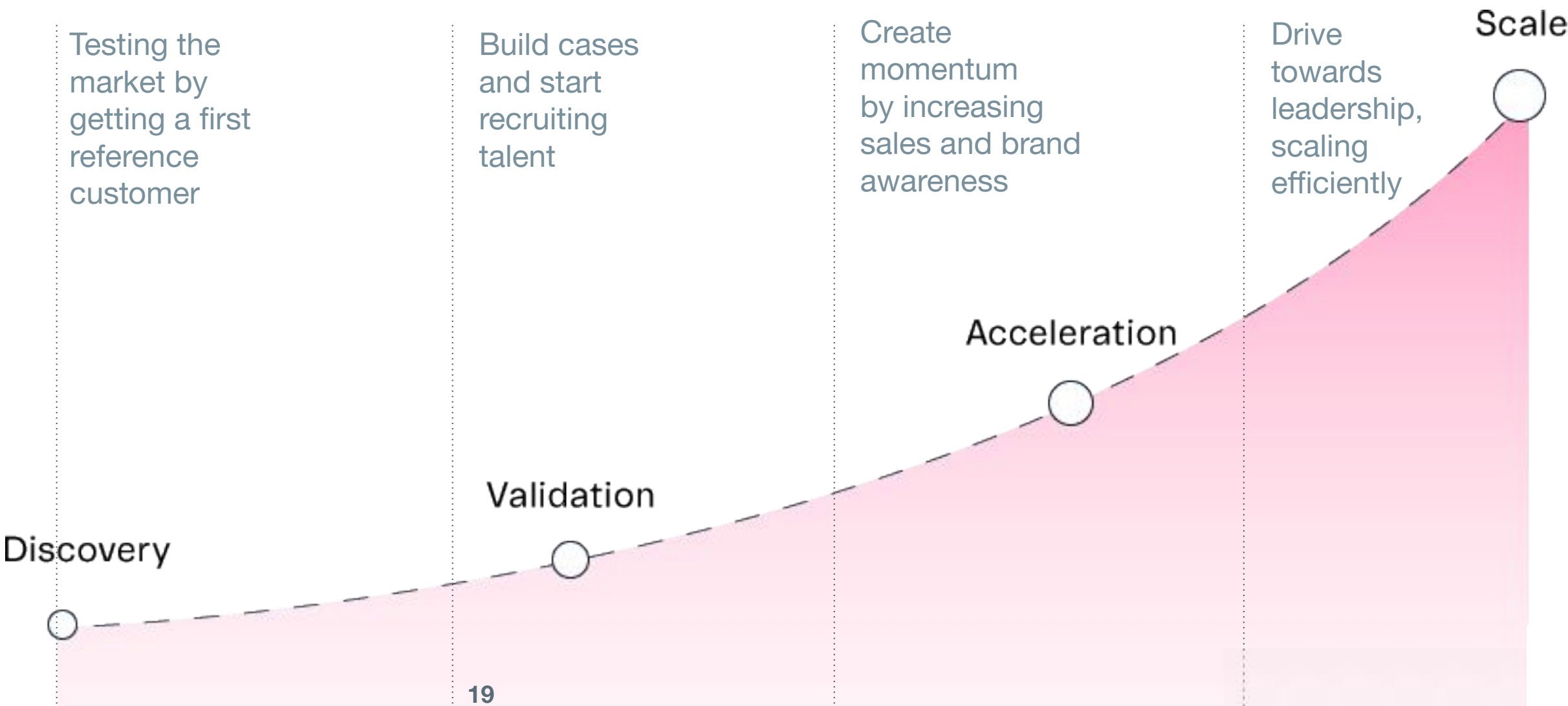
Commerce Ecosystem

Lower win rate

Higher win rate

All leads from the VTEX sales team

More than half of leads from ecosystem or in-bound



We lead LatAm's commerce ecosystem

VTEX DAY 2019 numbers:

Pres. Barack Obama live interview

22,000+ attendees

160+ speakers

14 rooms

180+ exhibitors

24 hours of event

The biggest ecommerce event
in LatAm and the 3rd globally.



Multiple vectors for ongoing growth

New customer additions



Grow GMV with existing customers



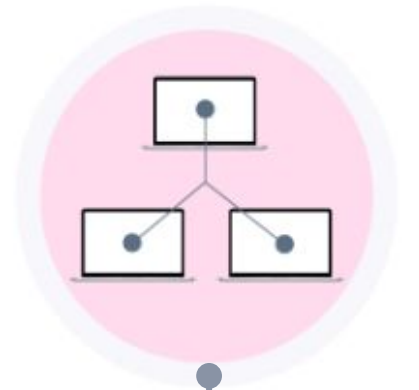
Innovation and platform expansion



Geographic expansion



Ecosystem development

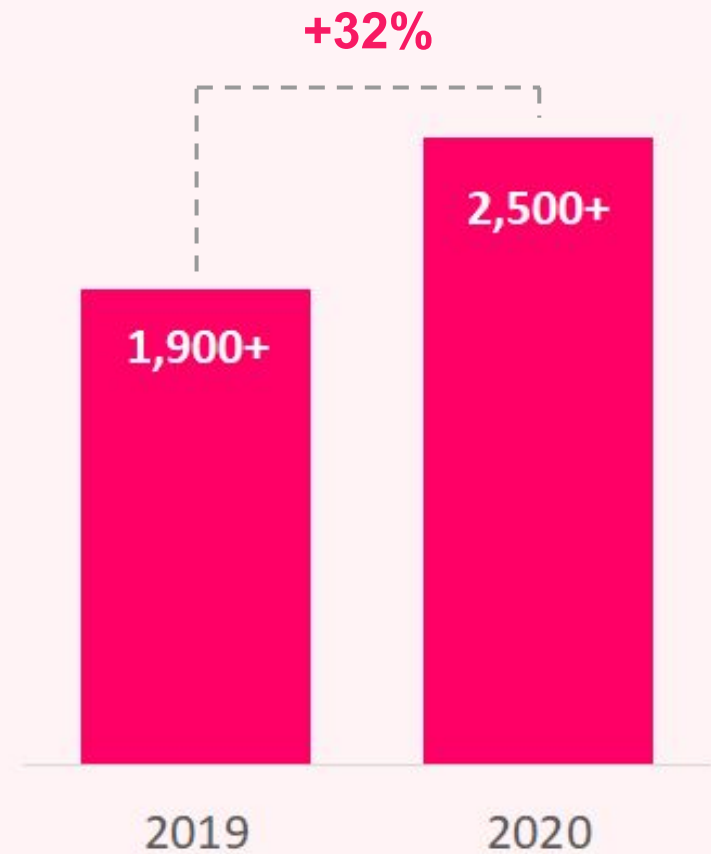


Financial Overview

We are driven by a
scalable and global future

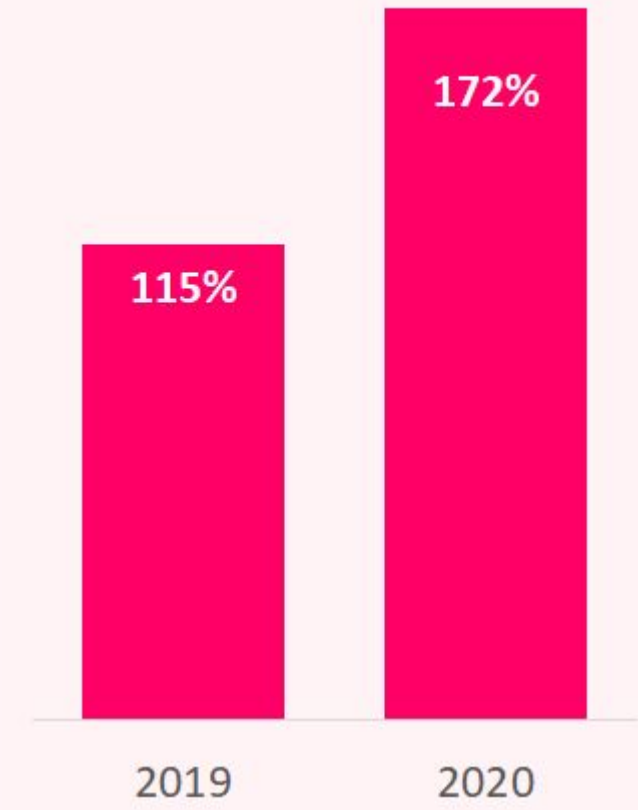
With an attractive unit economics: **LTV/CAC⁽¹⁾ above 6x**

Logo Expansion
Number of Stores⁽²⁾



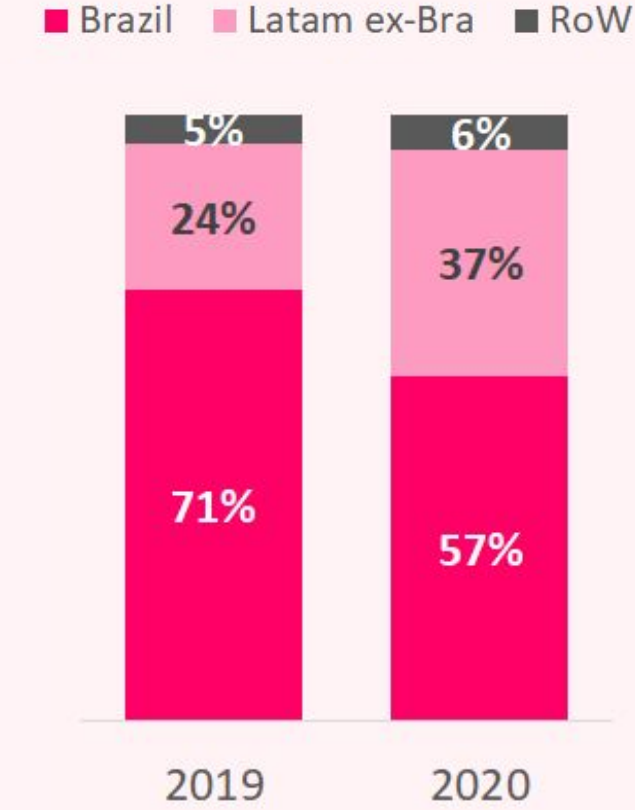
Only **8%** of our customers
have two or more stores

Land-and-Expand
NRR⁽³⁾ FX Neutral



44% **135%**
GMV Growth, FX Neutral YoY

Global Expansion
% Revenue



FX Neutral
YoY Growth

2019 vs.
2020

(4)

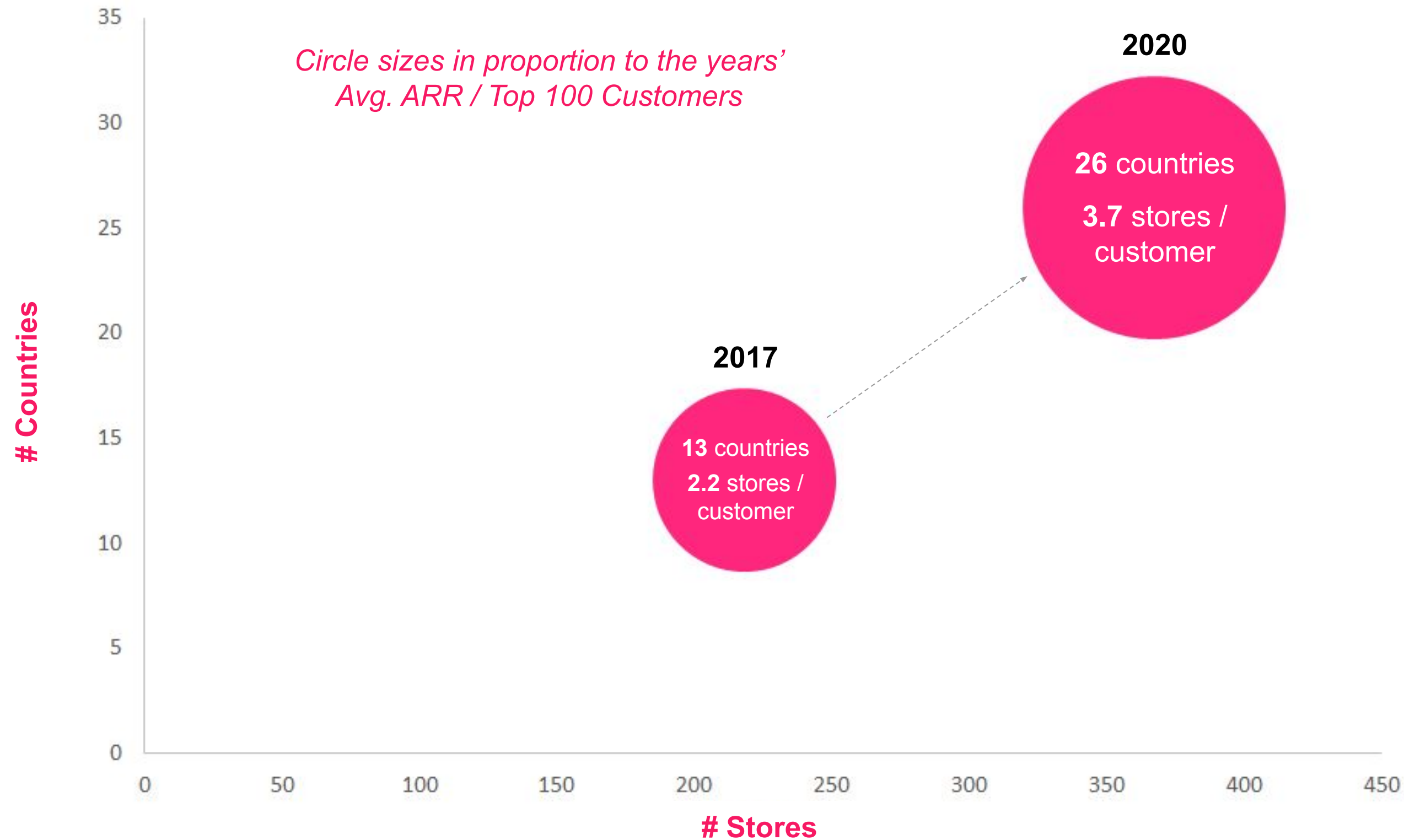
95%
167%
71%

(1) LTV/CAC means lifetime value to customer acquisition costs. LTV is calculated as gross profit from new sales divided by the subscription churn rate of the last twelve months, and CAC as total sales and marketing expenses incurred during the four quarters preceding the quarter in which the calculation is made.

(2) Active online stores: number of unique domains generating gross merchandise value in Vtex Platform.

(3) NRR means net revenue retention, calculated by dividing the subscription revenue from our platform during the current period by the subscription revenue in the same period of the previous year for the same base of online stores that were active in the same period of the previous year.

Top 100 Customers are growing and opening new stores in the same country and expanding to different countries



Diversified revenue mix

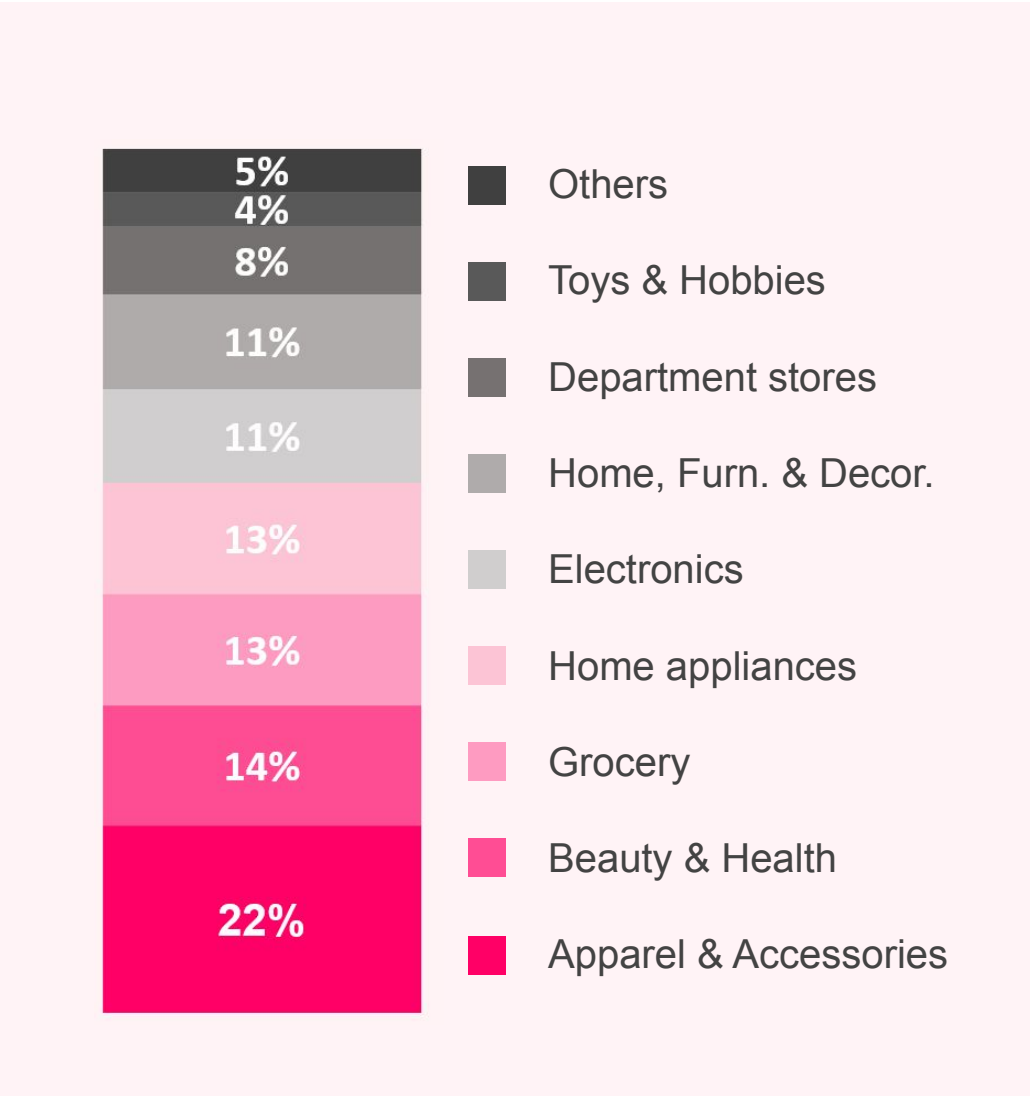
We are diversified across verticals. Our software works well for many different industries

We are also diversified across customer tenure. We create long-term relationships between VTEX and our customers

We have a fragmented and diversified customer base

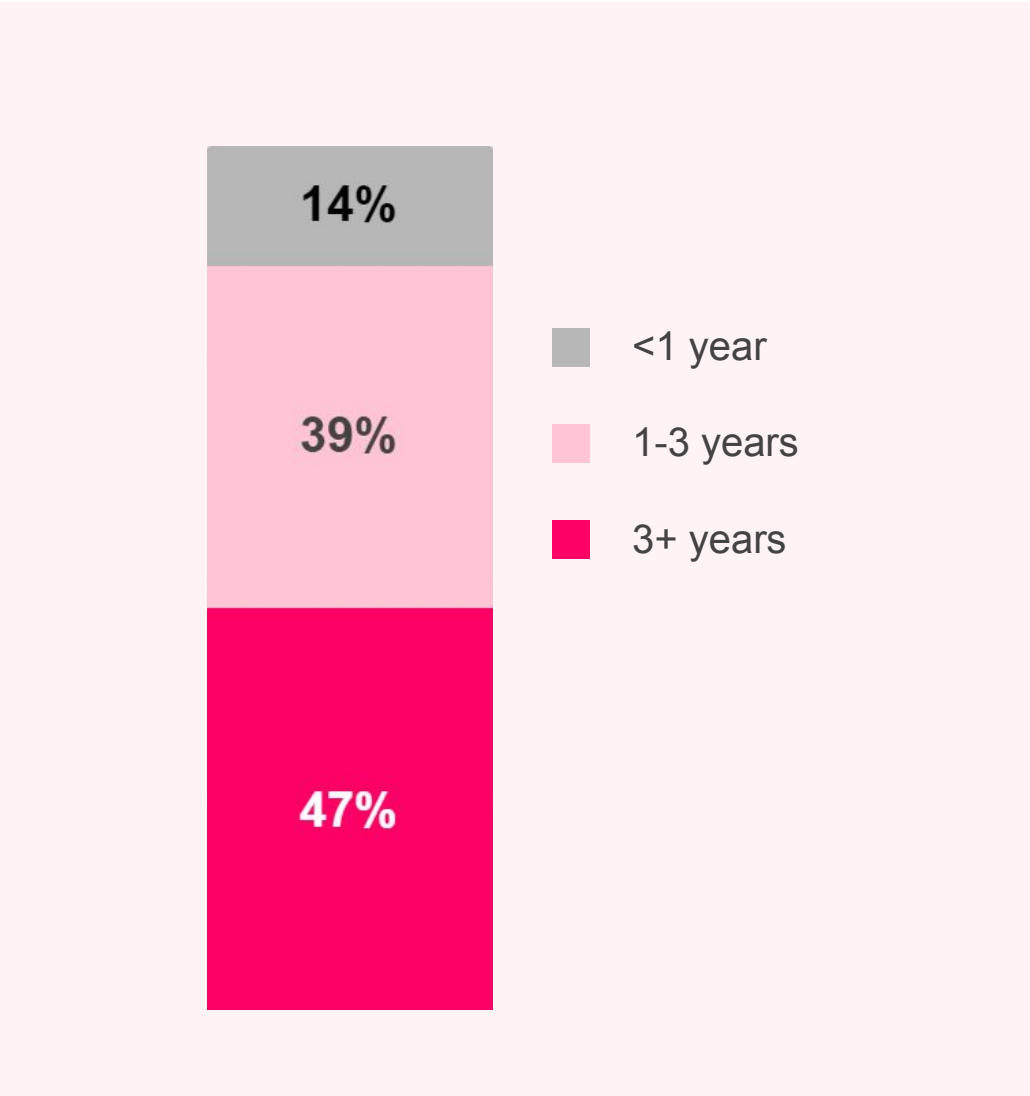
Customer verticals

% of 2020 VTEX platform revenue



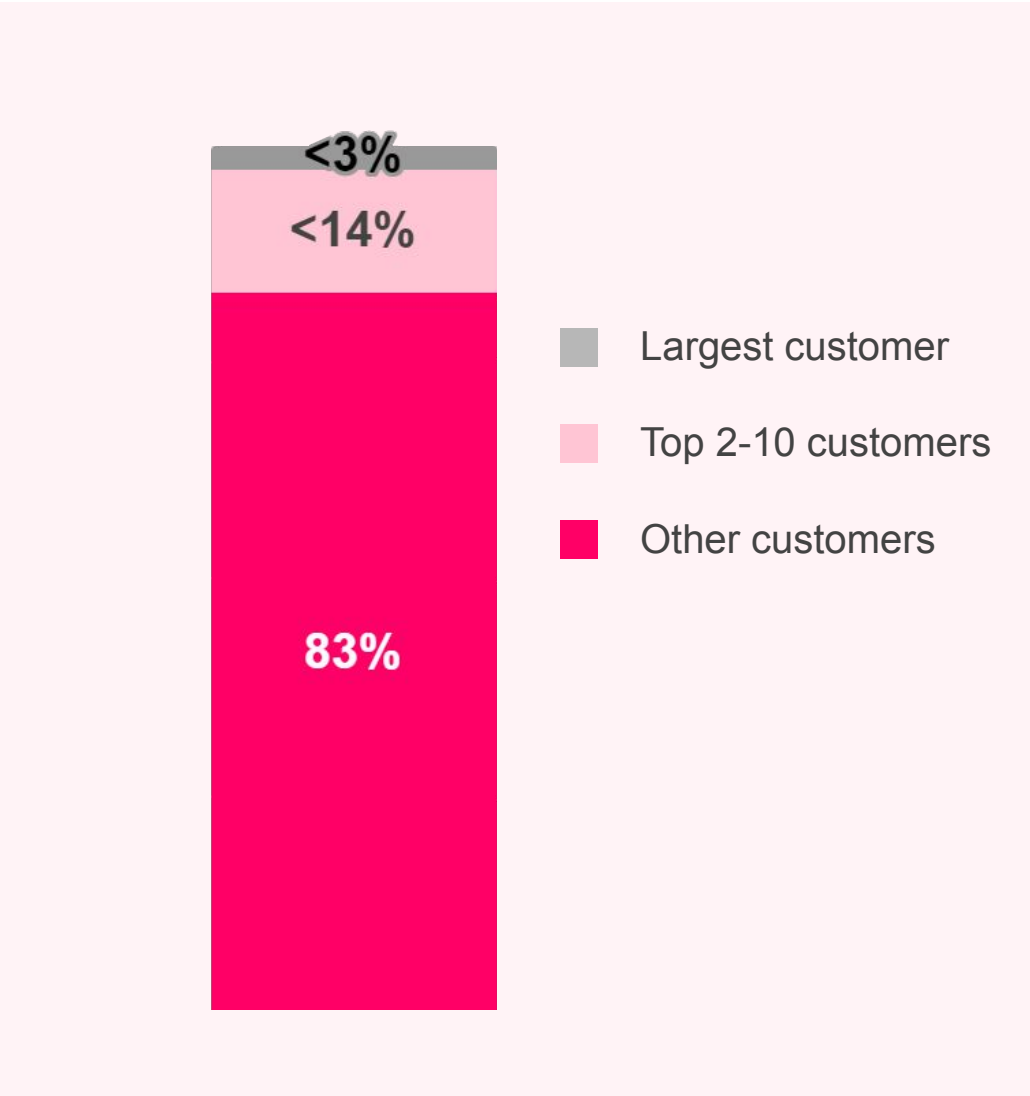
Customer tenure

% of 2020 VTEX platform revenue



Customer concentration

% of 2020 VTEX revenue



Competitors sell software and services

We sell growth

Business model

VTEX offers a comprehensive **subscription solution** that provides access to our homogeneous **multi-tenant SaaS platform**.

We grow with our customers and make ourselves responsible for their success, by charging **most of our revenues** from transaction-based fees.

 **VTEX Platform** clients are charged:

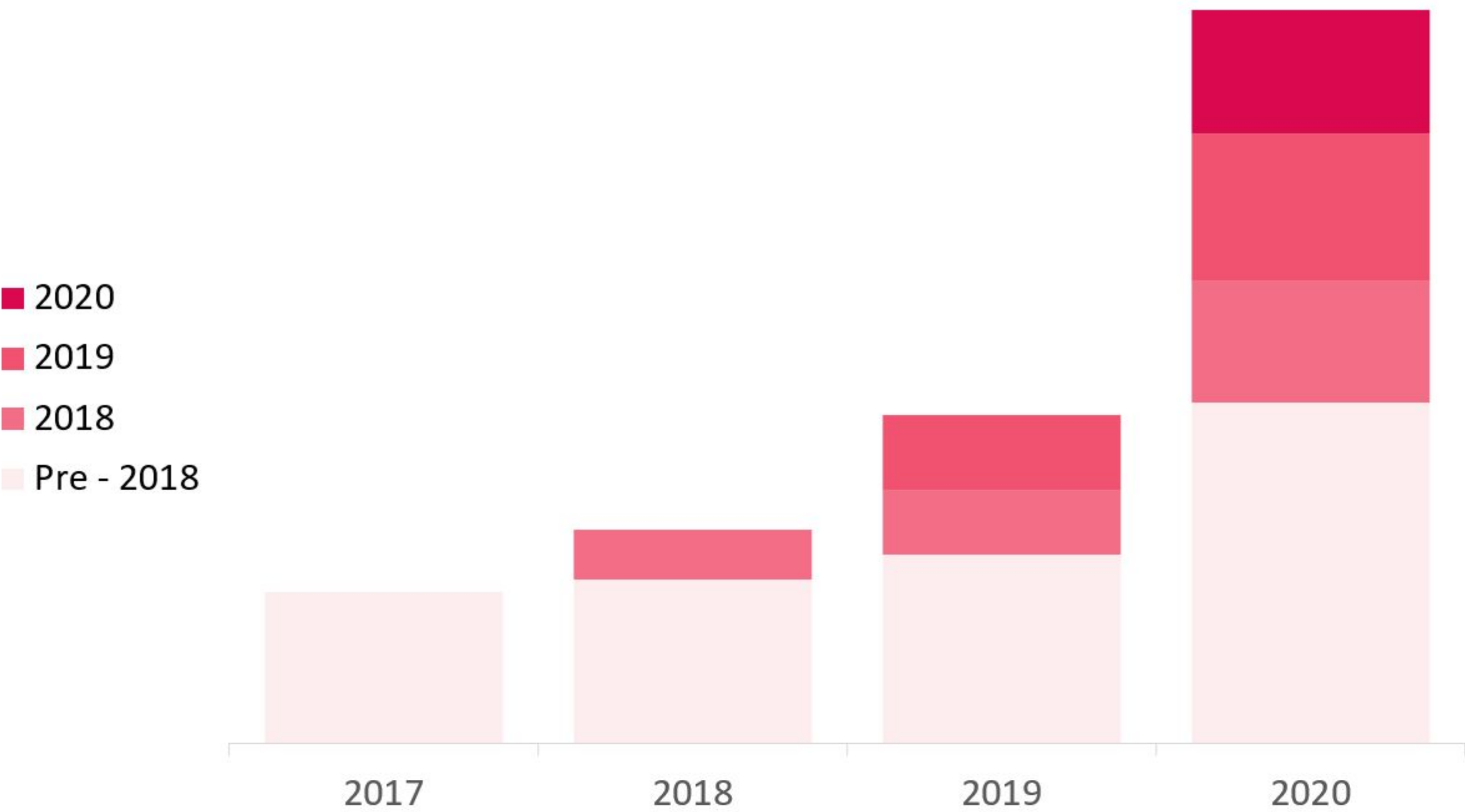
Fixed Fee



Variable Monthly Take Rate

Strong **land and expand** model driving results

Revenue cohort, FX neutral (US\$ millions)



Cohort analysis on a FX neutral basis. We define a yearly cohort of customers as the group of customers that received the first invoice of our VTEX platform in the prior year to remove customers ramp-up effect from our cohort analysis.

Directional P&L breakdown by existing vs. new stores

High margin **existing stores**’ P&L, growing at VTEX’s net revenue retention

Investment in **new stores**’ P&L, while impacting margin in short-term, yields returns aligned with our LTV/CAC

% of revenue, non-GAAP			
		2020A <i>(VTEX platform + SMB + others + services)</i>	
		2020 Existing stores <i>(~85% of VTEX rev., excl. SMB)</i>	2020 New stores <i>(~15% of VTEX rev., excl. SMB)</i>
Gross margin ⁽¹⁾	65%	~70%	~40%
Sales & Marketing	(23)%	~(2)%	~(120)%
Research & Development	(18)%	~(20)%	~(20)%
General & Administrative	(13)%	~(14)%	~(14)%
Operating margin	11%	~35%	~(115)%

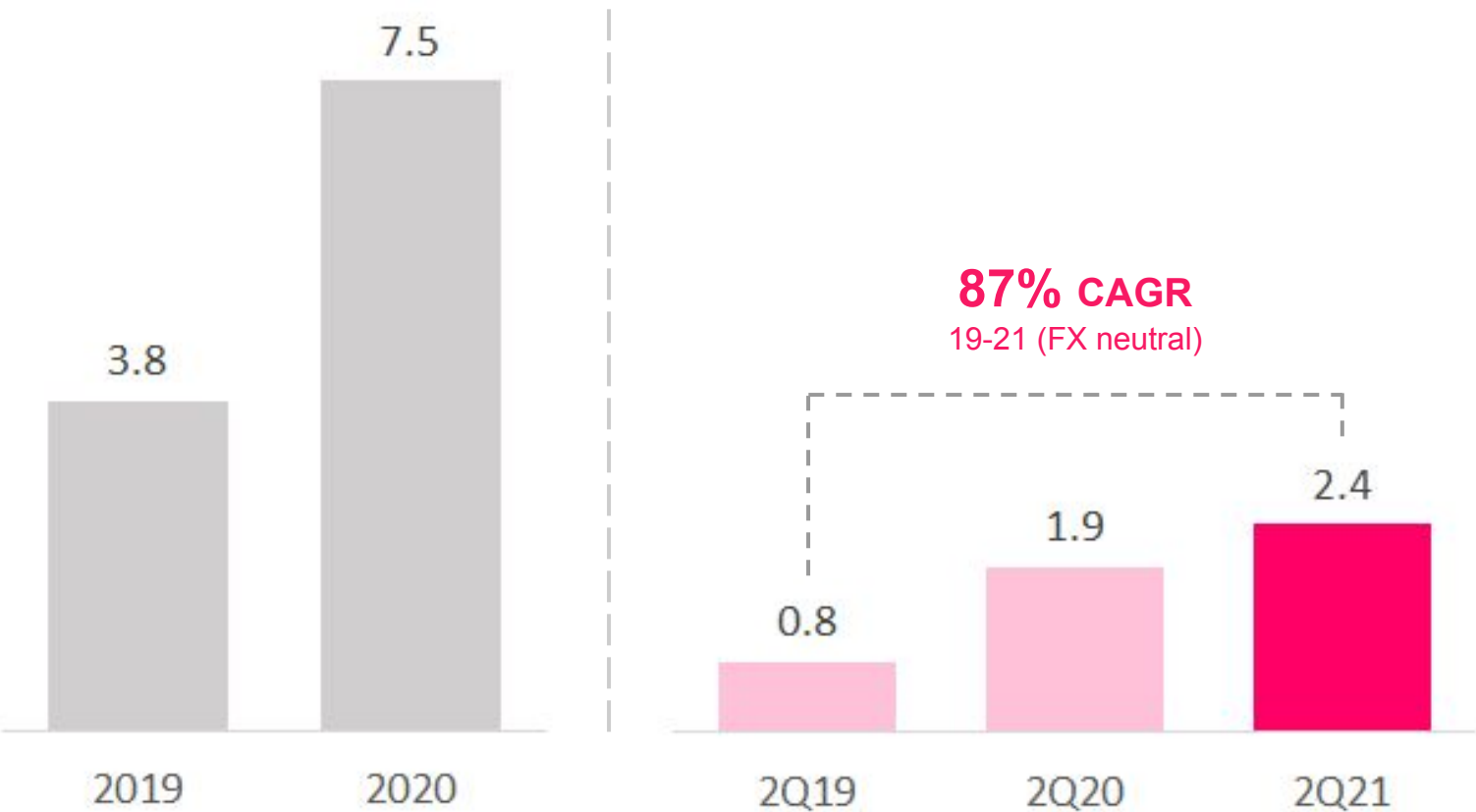


(1) Services revenue and services cost are included only in the “New Stores” P&L, as our services are mostly related to white glove PMO service to guide new stores implementations by 3rd party SIs.

Solid growth and SaaS metrics

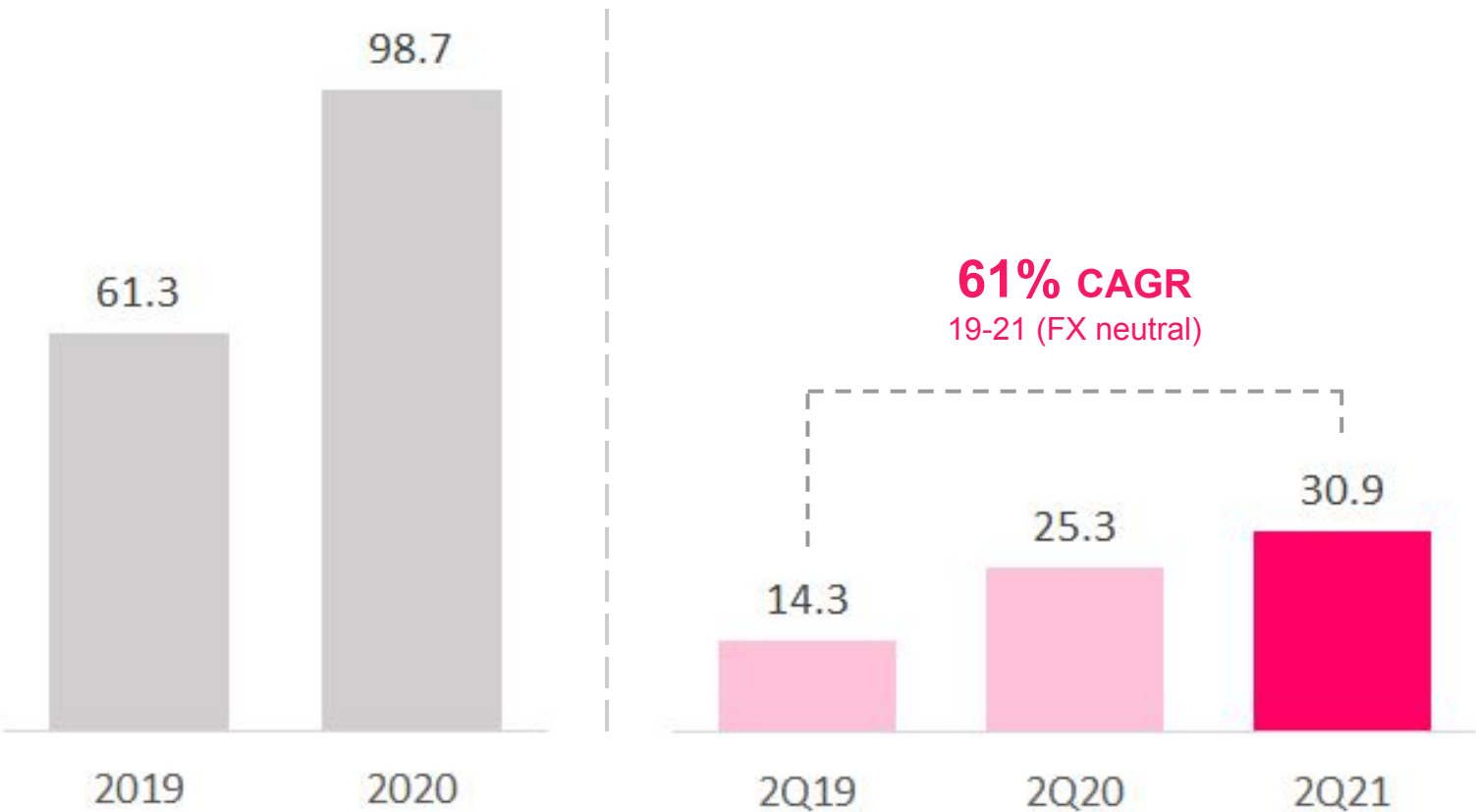
With an attractive business model: **we grow by enabling our customers to grow**

GMV
US\$ billions



YoY growth FX neutral (%)					
	2019	2020	2Q19	2Q20	2Q21
	44%	135%	34%	178%	25%

Revenue
US\$ millions



YoY growth FX neutral (%)					
	2019	2020	2Q19	2Q20	2Q21
	43%	95%	50%	118%	18%



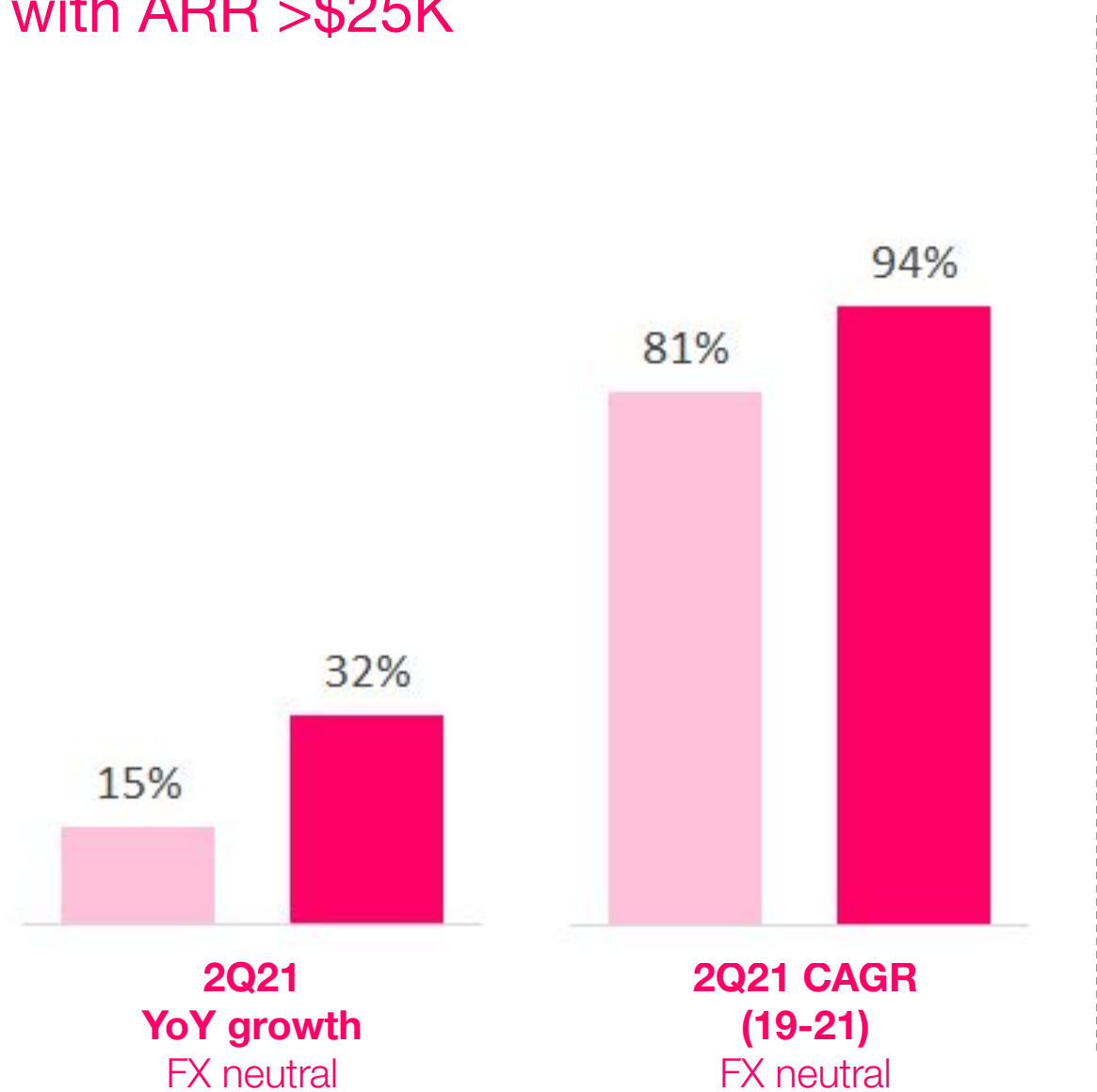
Note: we calculate FX Neutral measures by using the average monthly exchange rates for each month during the previous year and applying them to the corresponding months in the current year, so as to calculate what our results would have been had exchange rates remained stable from one financial year to the next.

GMV from customers with ARR >\$25K

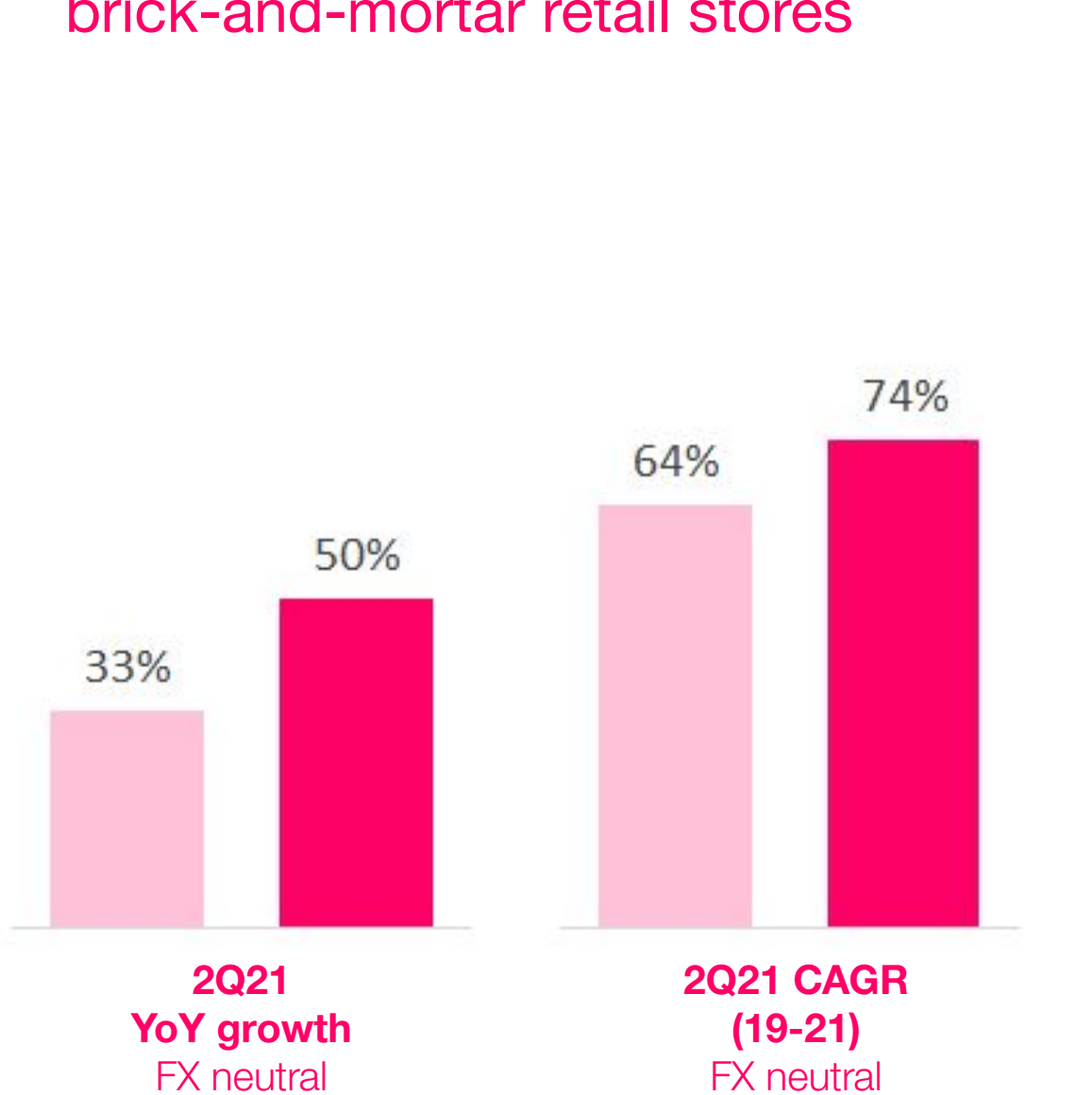
Customers with no relevant brick-and-mortar retail stores operations increased their GMV year-over-year by 50% on an FX neutral basis

Existing stores New + existing stores

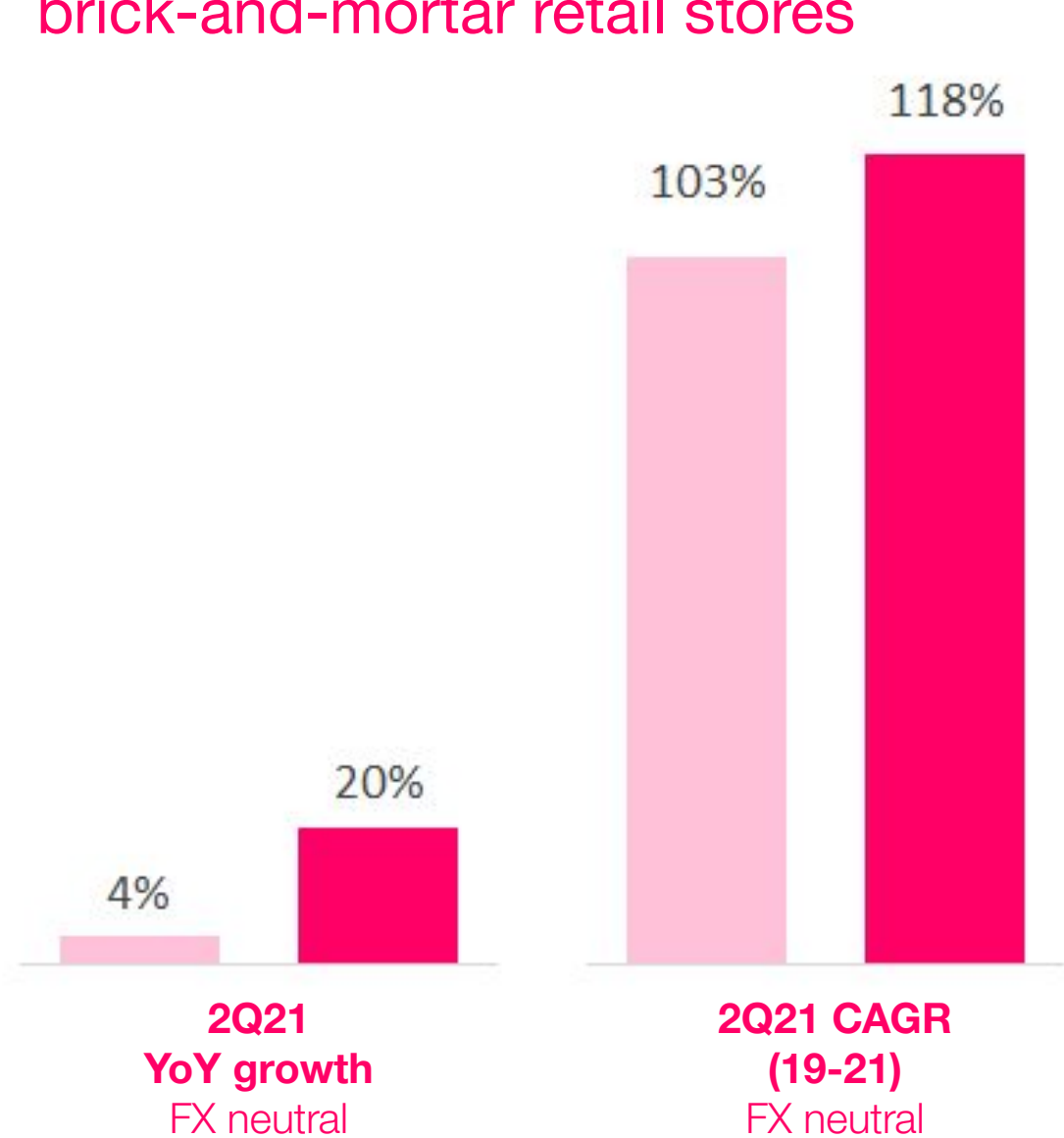
All customers with ARR >\$25K



Customers with no relevant brick-and-mortar retail stores

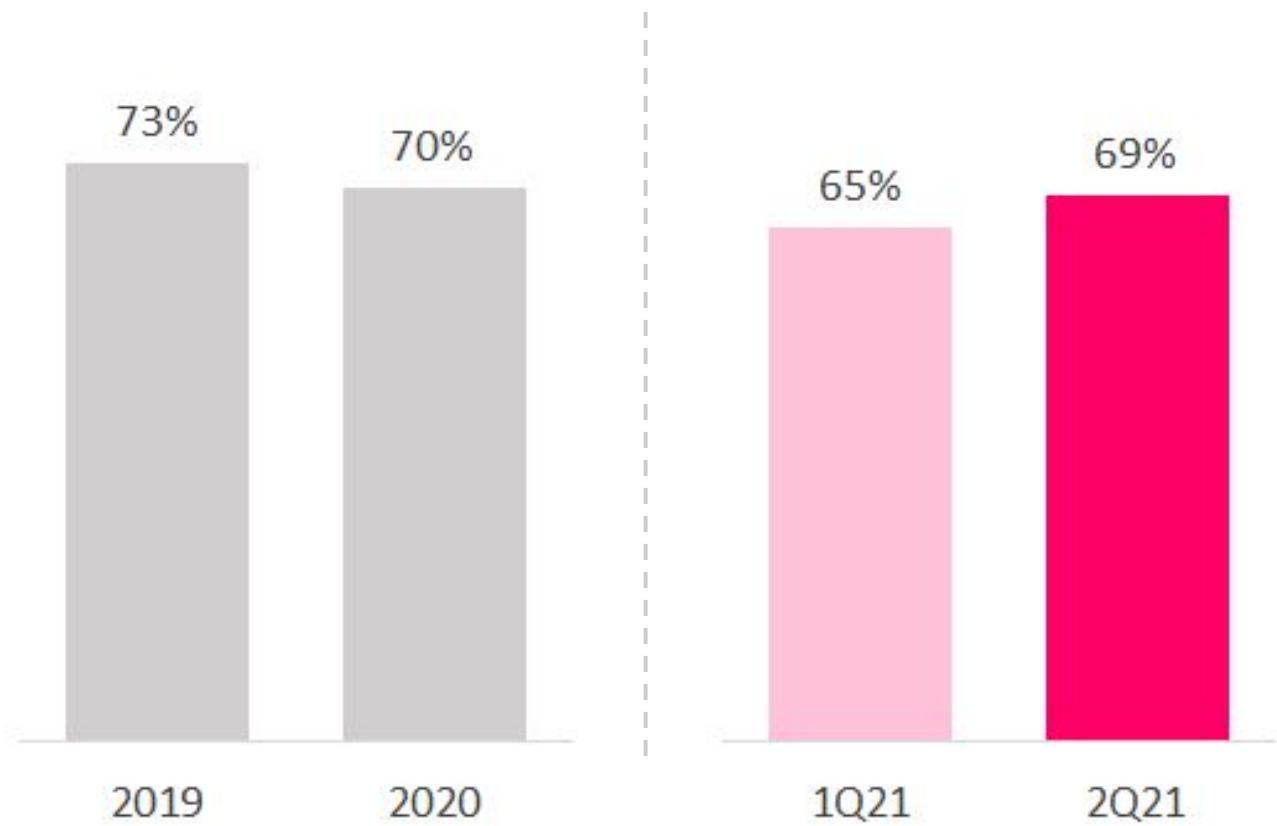


Customers with relevant brick-and-mortar retail stores



Non-GAAP subscription gross margin⁽¹⁾

As % of subscription revenue

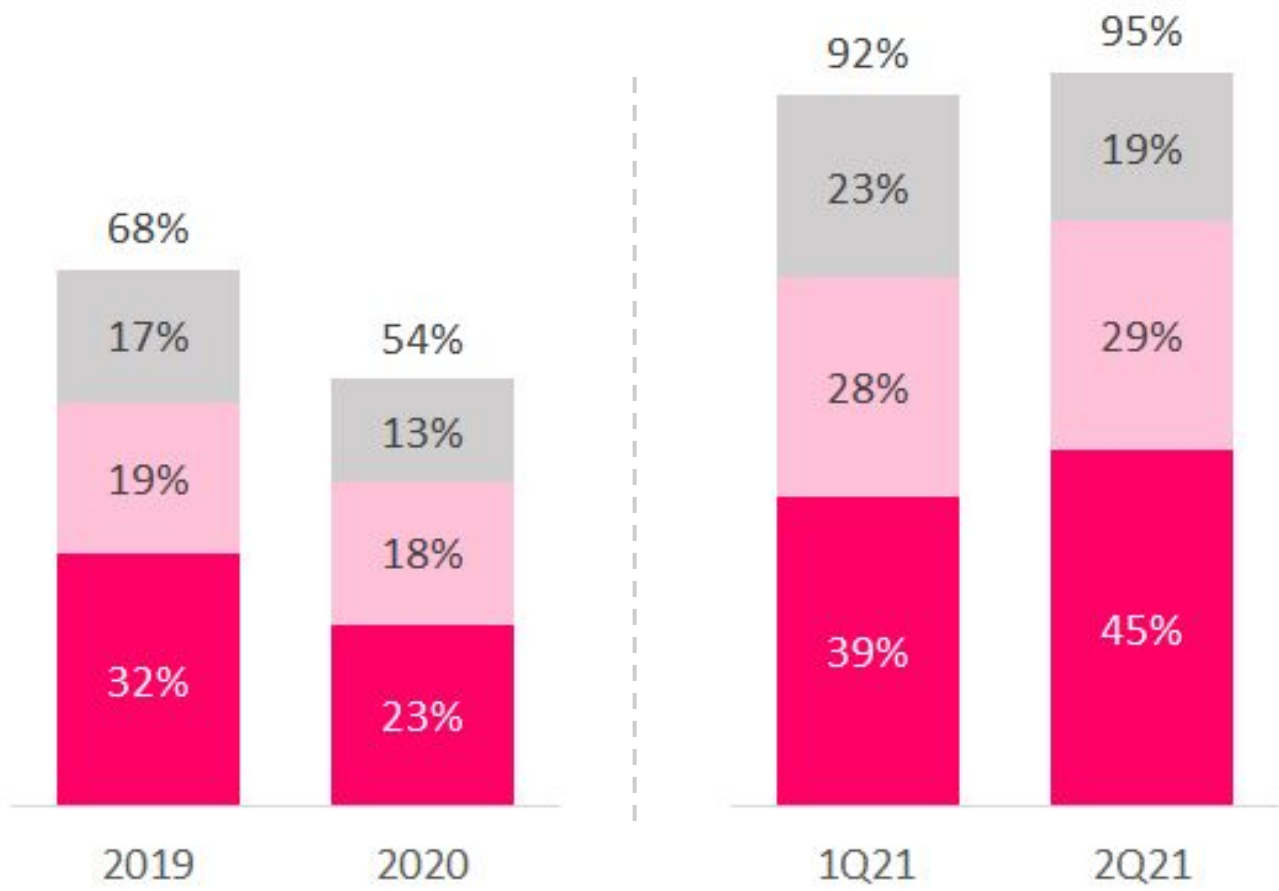


Subscription gross profit (\$mm)	\$42	\$66	\$16	\$20
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Non-GAAP loss from operations⁽¹⁾

As % of revenue⁽²⁾

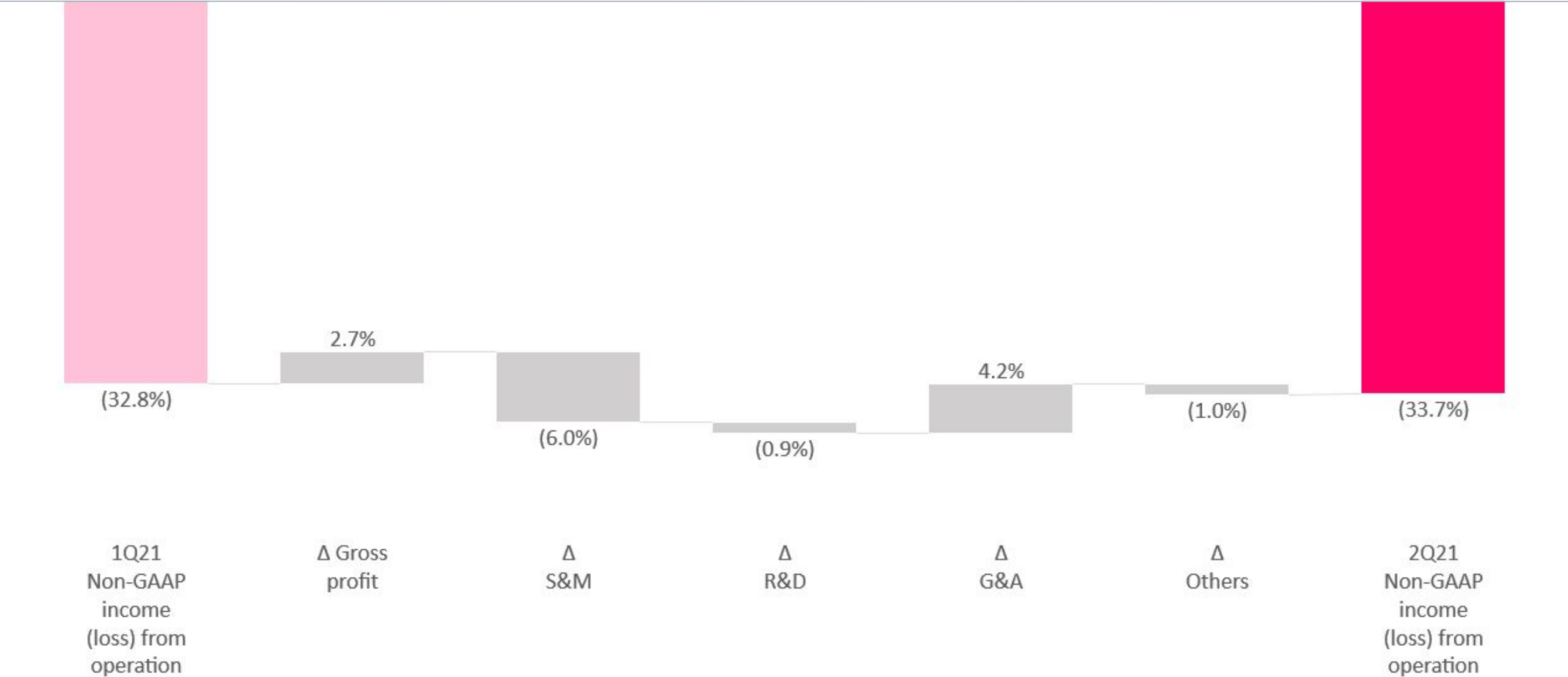
G&A R&D S&M



Operating expenses (\$mm)	\$41	\$53	\$24	\$29
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Non-GAAP income (loss) from operations bridge

Compression as a result of incremental investments as we move aggressively to capitalize on the acceleration of ecommerce growth





Massive TAM

Latam leadership growing globally

Blue-chip customer base

Robust technology with speed
to market and customization

Strong VTEX ecosystem

Powerful business model

Appendix

Subscription gross profit reconciliation (US\$ millions)

Subscription gross profit	2019	2020	Q1 2021	Q2 2021	LTM Q2 2021
Subscription revenue	58.3	93.4	24.7	29.7	108.3
Subscription gross profit	42.4	65.6	15.9	20.2	73.2
Shared base compensation	0.0	0.1	0.1	0.2	0.4
Non-GAAP subscription gross profit	42.5	65.7	16.1	20.4	73.6
Non-GAAP subscription gross margin	72.9%	70.3%	65.1%	68.8%	67.9%

Non-GAAP operating income reconciliation (US\$ millions)

Operating Income	2019	2020	Q1 2021	Q2 2021
Income (loss) from operation	(1.8)	6.5	(12.0)	(16.4)
Share-based compensation expense	0.7	3.3	3.2	5.5
Amortization of intangible related to acquisitions	0.7	0.8	0.4	0.5
Non-GAAP income (loss) from operations	(0.4)	10.6	(8.5)	(10.4)

Operating expenses reconciliation (US\$ millions)

Sales & Marketing	2019	2020	Q1 2021	Q2 2021
Sales & Marketing expense	(20.2)	(23.8)	(11.0)	(15.7)
Share-based compensation expense	0.2	1.0	0.7	1.6
Amortization of intangible related to acquisitions	0.2	0.4	0.2	0.3
Non-GAAP Sales & Marketing expense	(19.8)	(22.4)	(10.1)	(13.9)
Research & Development	2019	2020	Q1 2021	Q2 2021
Research & Development expense	(12.7)	(19.0)	(8.4)	(10.7)
Share-based compensation expense	0.3	1.1	1.1	1.7
Amortization of intangible related to acquisitions	0.6	0.4	0.1	0.2
Non-GAAP Research & Development expense	(11.8)	(17.5)	(7.2)	(8.8)
General & Administrative	2019	2020	Q1 2021	Q2 2021
General & Administrative expense	(10.7)	(14.0)	(7.2)	(7.8)
Share-based compensation expense	0.2	1.0	1.2	1.9
Non-GAAP General & Administrative expense	(10.5)	(13.0)	(6.1)	(5.9)

FX neutral measures reconciliation

	As Reported			FX Neutral Measures	As Reported	
<i>in USD millions</i>	2Q21	2Q20	Percentage Change	2Q21	2Q20	Percentage Change
Subscription revenue	29.7	23.9	23.9%	28.7	23.9	20.0%
Services revenue	1.2	1.3	(9.0)%	1.2	1.3	(12.5)%
Total revenue	30.9	25.3	22.1%	29.9	25.3	18.2%
Subscription cost	(9.5)	(5.8)	62.5%	(9.3)	(5.8)	60.2%
Services cost	(2.8)	(1.7)	66.3%	(2.6)	(1.7)	55.8%
Total cost	(12.2)	(7.5)	63.4%	(11.9)	(7.5)	59.2%
Gross profit	18.7	17.8	4.8%	18.0	17.8	1.0%
Operating expenses	(35.0)	(11.7)	200.4%	(33.6)	(11.7)	188.5%
Income (loss) from operations	(16.4)	6.1	n/a	(15.7)	6.1	n/a



Thanks!

investors@vtex.com

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