VTEX

Business Overview

First Quarter 2023



May 2023

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 risks and uncertainties are described under “Risk Factors” and “Forward-Looking Statements” sections of VTEX’s Form 20-F for the year ended December 31st, 2022 and other VTEX’s filings with the U.S. Securities and Exchange Commission which are available on our investor relations website. You should read this information together with the sections of VTEX’s Form 20-F entitled “Selected Financial Data” and “Information on the Company” 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/).

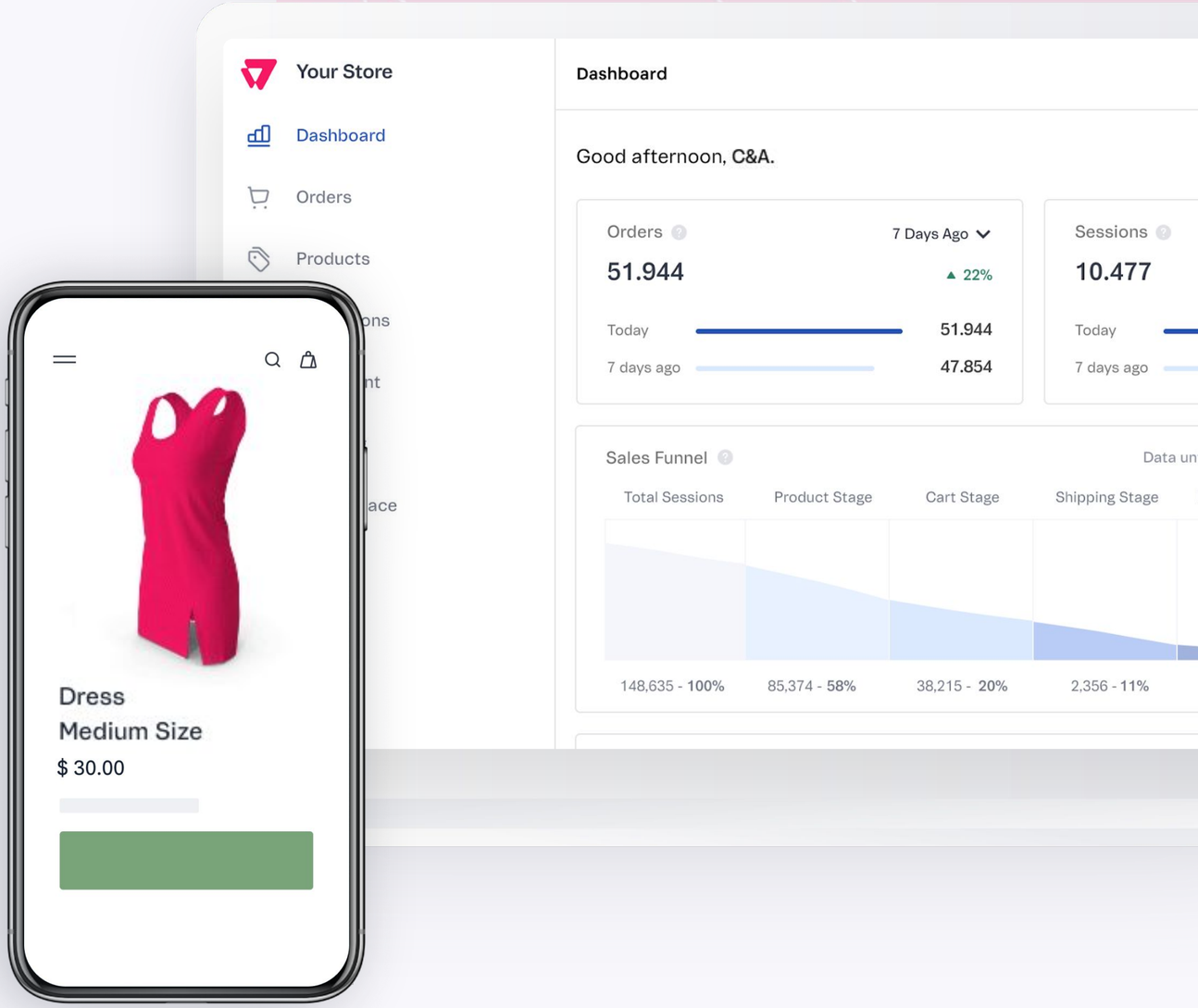
Unless required by law, VTEX undertakes no obligation to publicly update or revise any forward-looking statements to reflect circumstances or events after the date hereof.

This 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 March 31, 2023, unless otherwise indicated.

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.



85% of our ARR comes from enterprise customers[1].

Each generating at least $25K ARR, with an average of $138 in ARR[1].

We are a SaaS commerce platform for enterprises.

Apparel Accessories	Home Appliances	Electronics	Food & Grocery	Beauty & Health
adidas	Whirlpool	SAMSUNG	McDonald's	AVON
TFG	StanleyBlack&Decker	SONY	citric	SALLY BEAUTY
CALVIN KLEIN	Crate&Barrel	MOTOROLA	Carrefour	BELCORP
HERING	TOK&STOK	PHILIPS	Unilever	dermage
GUESS	Electrolux	FRÁVEGA	Nestlé	Colgate
UNDER ARMOUR	BRIGGS & STRATTON	Oster	Mondelēz International	farmacity

VTEX **(1)** As of December 31, 2022. Per active online store.

VTEX at a glance

Financial stats

$13.3 B
GMV B2C
(1Q23 LTM in USD)

$165.2 M
Revenue
(1Q23 LTM in USD)

73.4%
Non-GAAP(1) subscription gross margin (1Q23 LTM)

Company metrics

> 2.6k
Number of customers
(FY 2022)

> 3.4k
Number of active online stores(2)
(FY 2022)

38
Countries with active online stores(2)
(FY 2022)







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

A founder-led, future-driven culture of integrity

Employee headcount

1Q22

1,765

4Q22

1,347

1Q23

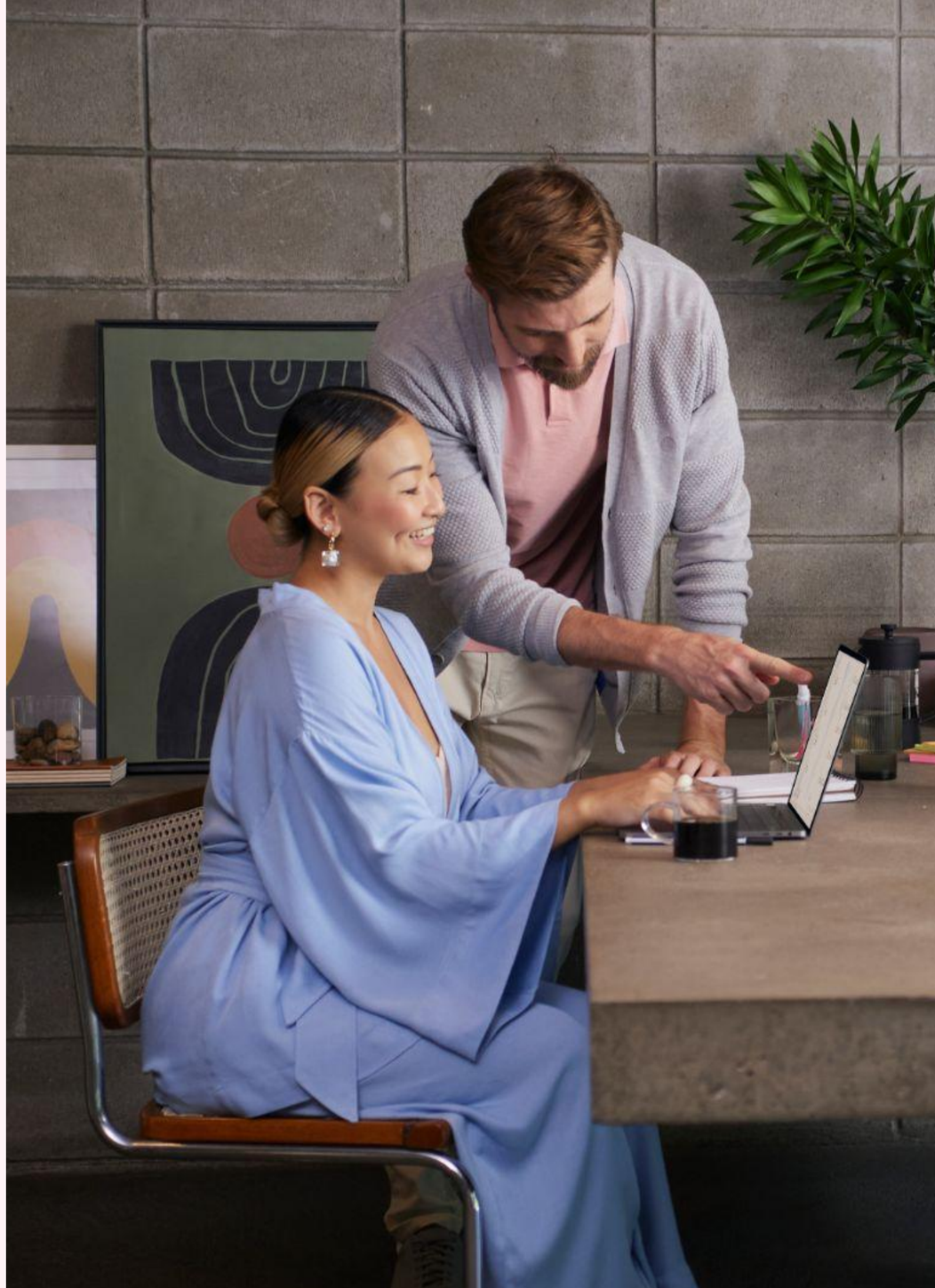
1,339

Integrity
We honor our word

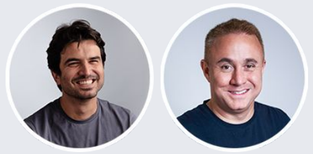
Extraordinary Commitment
We are in it for something bigger than ourselves

Authenticity
We are free to be who we are

On the Playing Field
We make ourselves responsible for success



10 years of continuous learning



Founded in Rio de Janeiro by recently graduated engineers

2000

Vtex VitrineTextil

Ecommerce platform provider for Walmart in Brazil

2008

Walmart



Focus on SaaS Ecommerce Platform

2010

Established revenue sharing business model

2011

2012

International expansion

LatAm

Smart checkout & cloud-native micro services architecture

2013

$1 billion

In annual GMV

2014

Whirlpool deploys their marketplace

Whirlpool CORPORATION

2015

Cencosud implements VTEX across LatAm

cencosud

2016

$2.4 billion

In annual GMV

2017

The first omnichannel operation

C&A

2018

Omnichannel/ click and collect/ delivery from store

Samsung is deployed in 5 countries

SAMSUNG

2019

VTEX continues investing in

North America & Europe

$7.5 billion

In annual GMV

ARR over $100 M

2020

Commerce platform provider for Carrefour in Brazil

Carrefour

2021

15 offices across the world

Customers operating in all continents

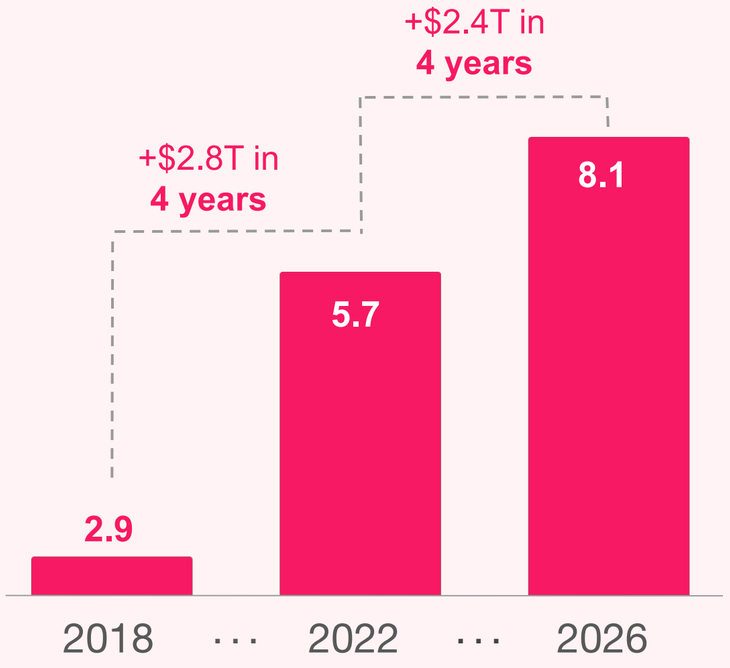
New solutions for customer engagement, like Live Shopping and Conversational Commerce

2022

VTEX LISTED NYSE

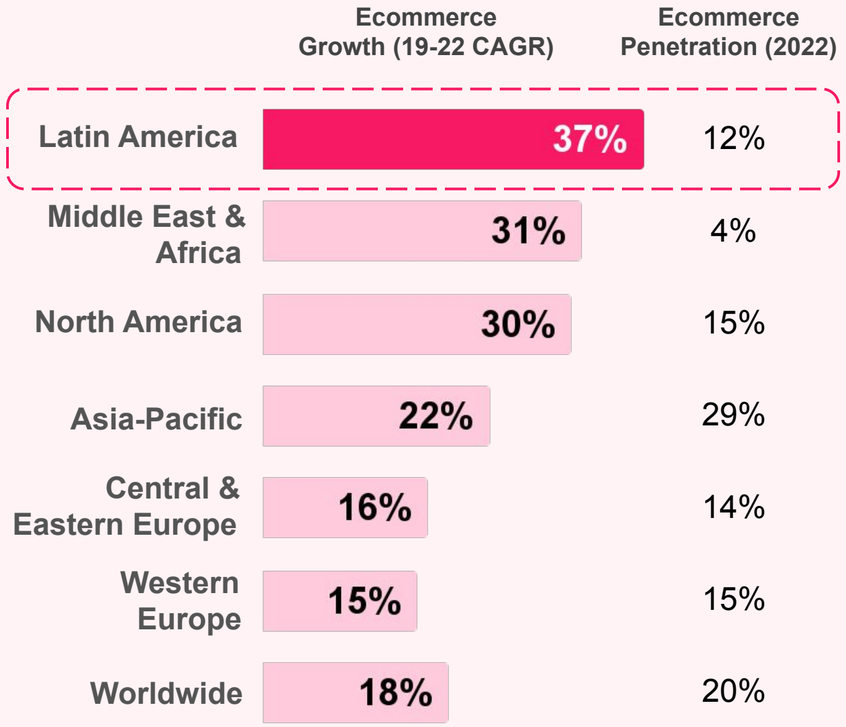
VTEX is the gateway to the fastest-growing ecommerce market in the world.

Ecommerce is accelerating globally

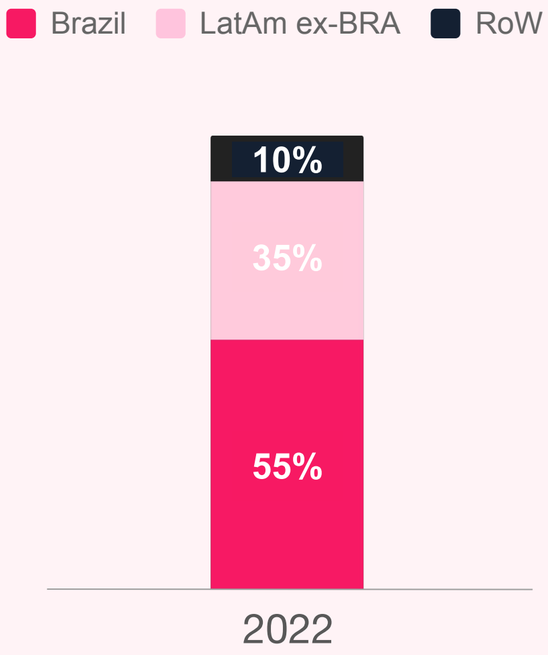


Worldwide retail ecommerce sales ($ trillion)

LatAm is the fastest-growing region



VTEX is leading ecommerce in LatAm



Revenue breakdown (%) per region

Source: eMarketer; Insider Intelligence

Addressing a massive market with significant room for further penetration.

$8.1T
Worldwide ecommerce market (2026)

$5.7T
Worldwide ecommerce market (2022)

$168bn
LatAm ecommerce market (2022)

$13.3bn GMV(1)

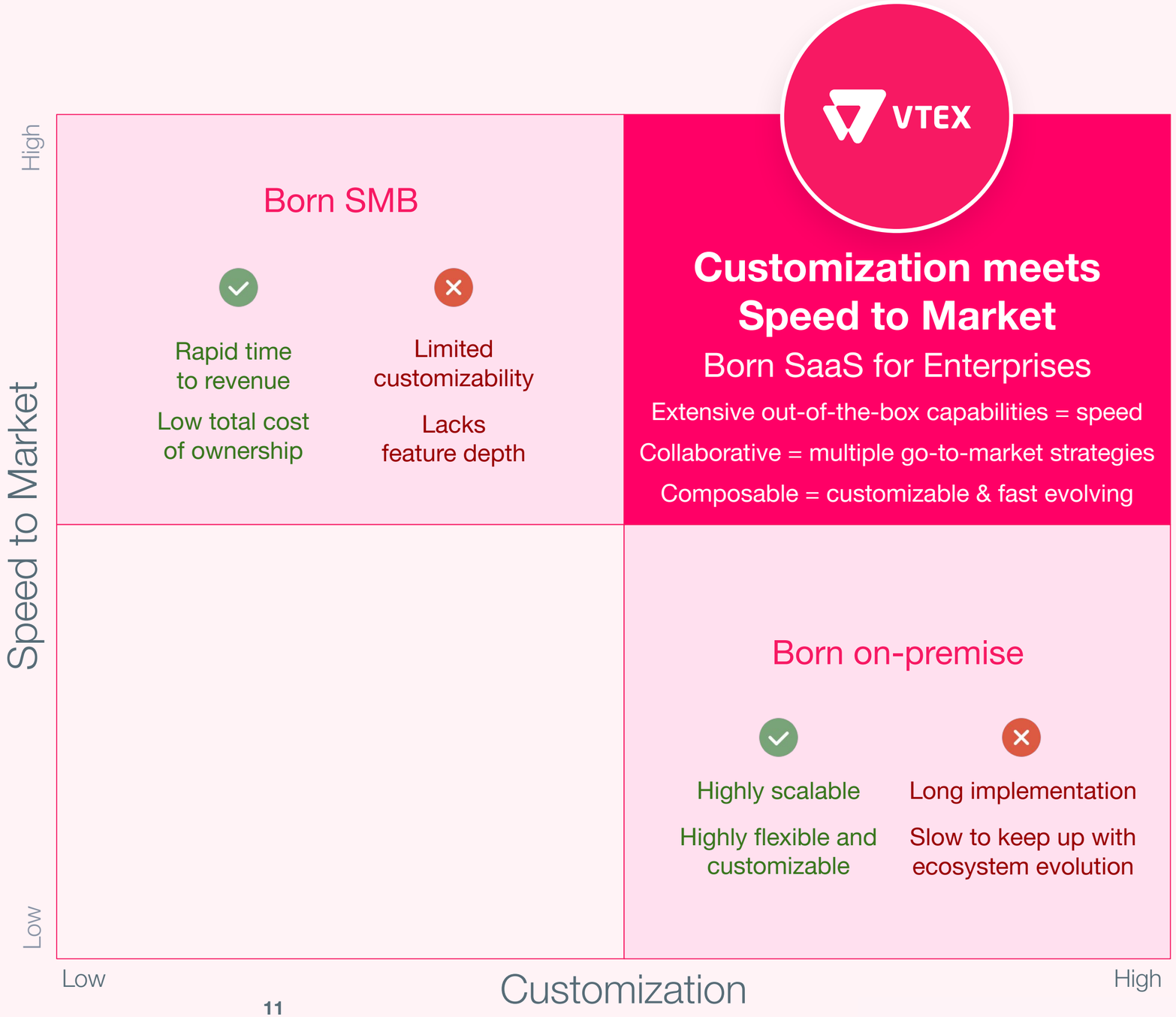


Source: eMarketer

Source: Insider Intelligence

(1) As of 1Q23 LTM in USD

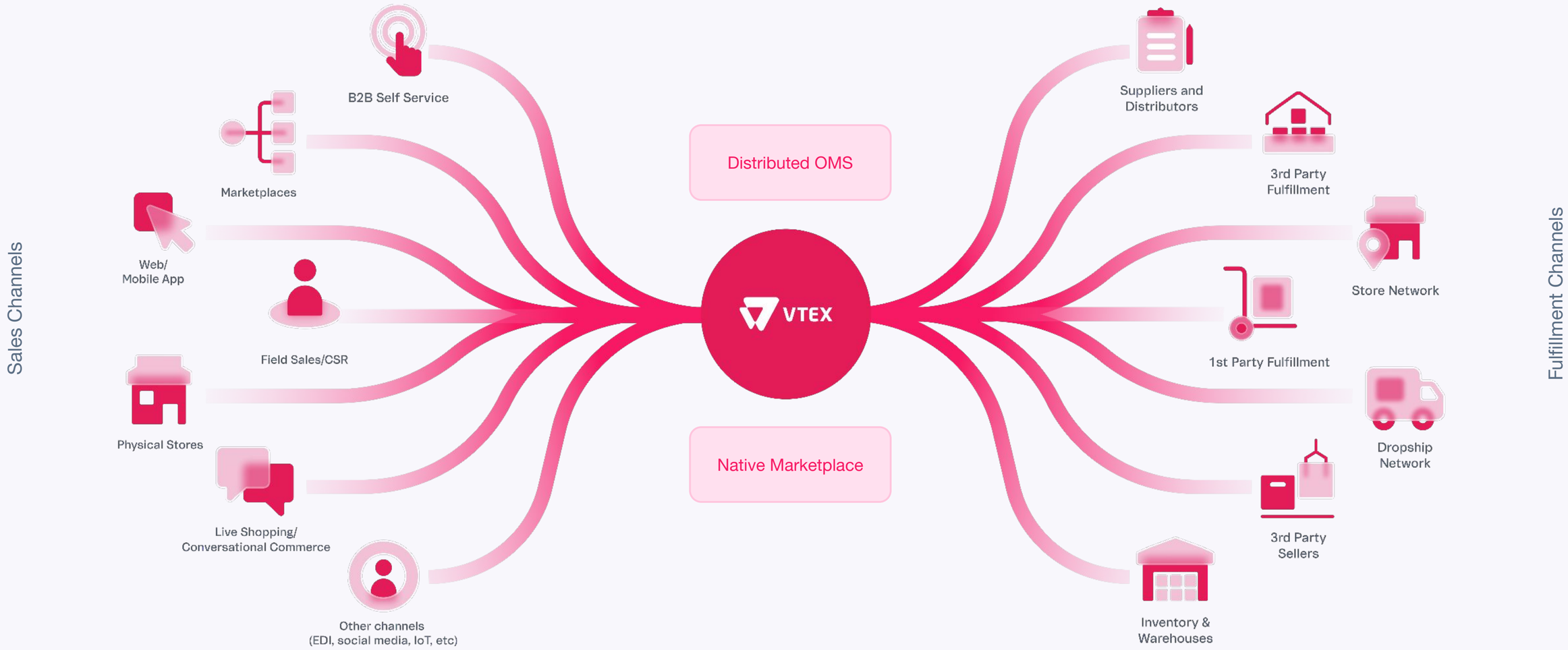
Current offerings force enterprises to choose between deep customization or speed to market.

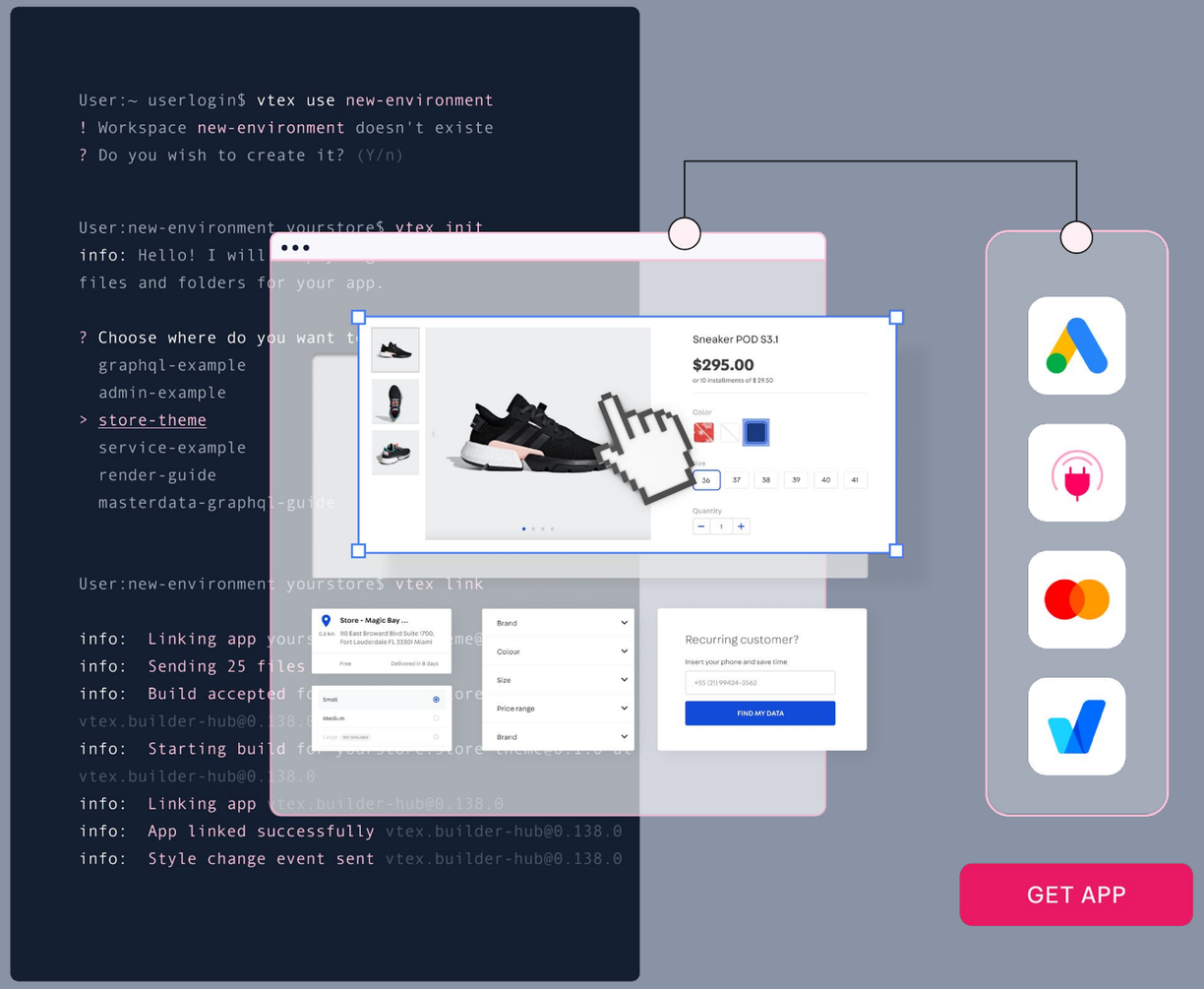


We deliver unprecedented time to revenue with an extensive set of out-of-the-box commerce capabilities.



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





Our Composable Commerce technology is flexible and extensible by design.

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

We have a live and connected global ecosystem of partners that lead to exponential growth.

3,000+
Integrated solutions

1,000+
System integrators

300+
Marketplaces

150+
Payment solutions

90+
Logistics companies

35%+
of GMV from Collaborative Commerce transactions

75%+
of GMV from customers using Collaborative Commerce integrations

25,000+
Monthly active users accessing VTEX developer portal

525+
Deploys by 3rd parties in VTEX IO on average per day

VTEX

Note: ecosystem data as of 1Q23

System Integrators	corebiz, ACCT, raccoon monks, enext (A WUNDERMAN THOMPSON COMPANY), keyrus, GORILLA (A WUNDERMAN THOMPSON COMPANY), valtech., BORN., AIRTANK, publicis sapient
Marketplace	amazon, mercado livre, TikTok, Google, viavarejo, LENGOW, magalu, B2W DIGITAL
Payment	Digital River, mercado pago, adyen, PayPal, CyberSource A Visa Solution, openpay, NUPay, stripe, EBANX
Shipping	ShipStation, Radial, lineten, shiphero, ups
Fraud & Lending	clearsale, Signifyd, splitit, divido, affirm, Klarna.
POS & Omnichannel	mercado pago, feedonomics, stone, STIBO SYSTEMS MASTER DATA MANAGEMENT, SALSIFY
Search & Merchandising	POWER REVIEWS, nosto, tail, richrelevance, OMNILOGIC, CELEBROS, algolia
Marketing Automation	KLAVIYO, Meta, mapp, ActiveCampaign, mailup BE RELEVANT, hotjar, Insider

Our Competitive Advantages...

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

… Attract Customers at Different Stages of Maturity

Greenfield

- Looking to start quickly
- Limited experience. Need to evolve as they learn
- Prioritizing a solution that can scale as they grow
- Looking for an ecosystem to minimize building solutions on their own

Displacements

FROM ENTERPRISE PLATFORMS

- Looking to innovate and evolve
- Facing scalability issues given legacy structures' limitations
- Searching for new go-to-market strategies to drive sales growth

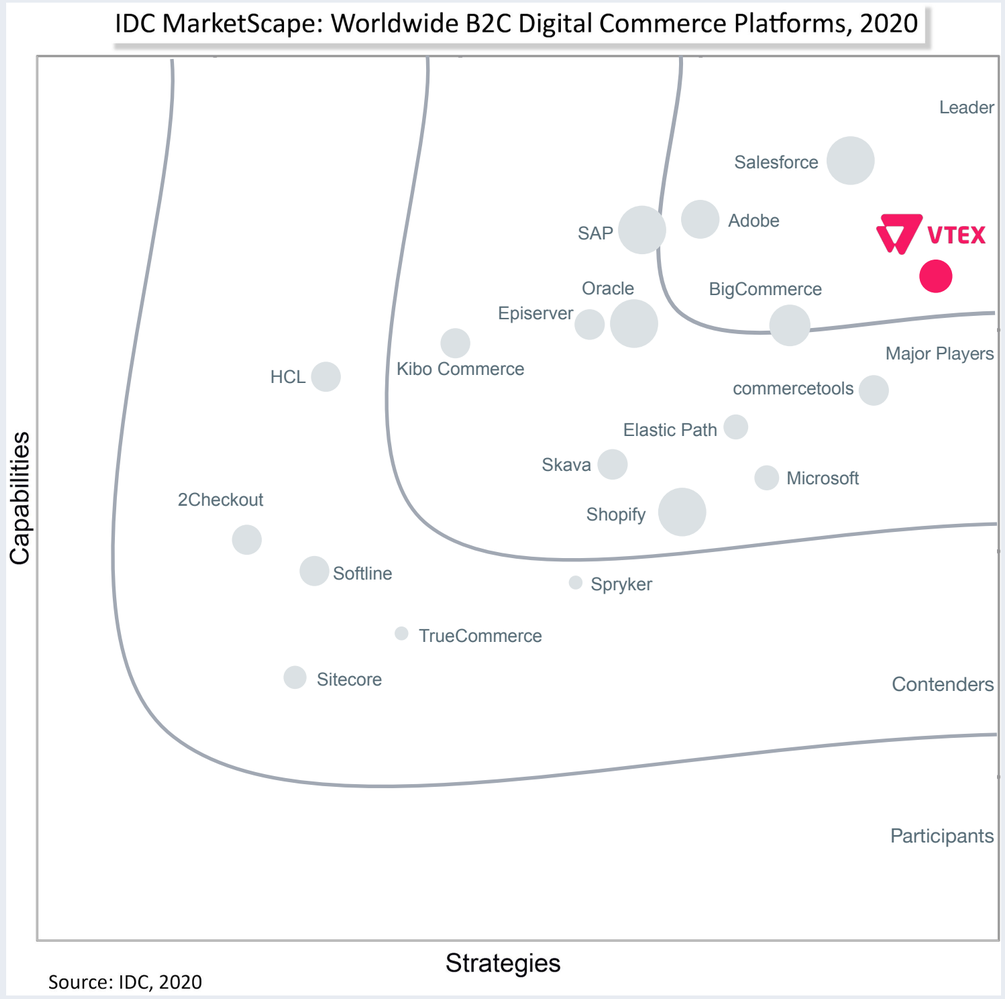
FROM SMB PLATFORMS

- Looking to upgrade to a more robust solution
- Facing challenges given lack of feature depth on SMB-focused platforms

MOTOROLA · BELCORP · Walmart ¡Siempre encuentras todo y pagas menos! · TFG · adidas · HERING · Carrefour · Whirlpool · PHILIPS · YAMAHA

We are recognized as a global leader.

Source: IDC, 2020



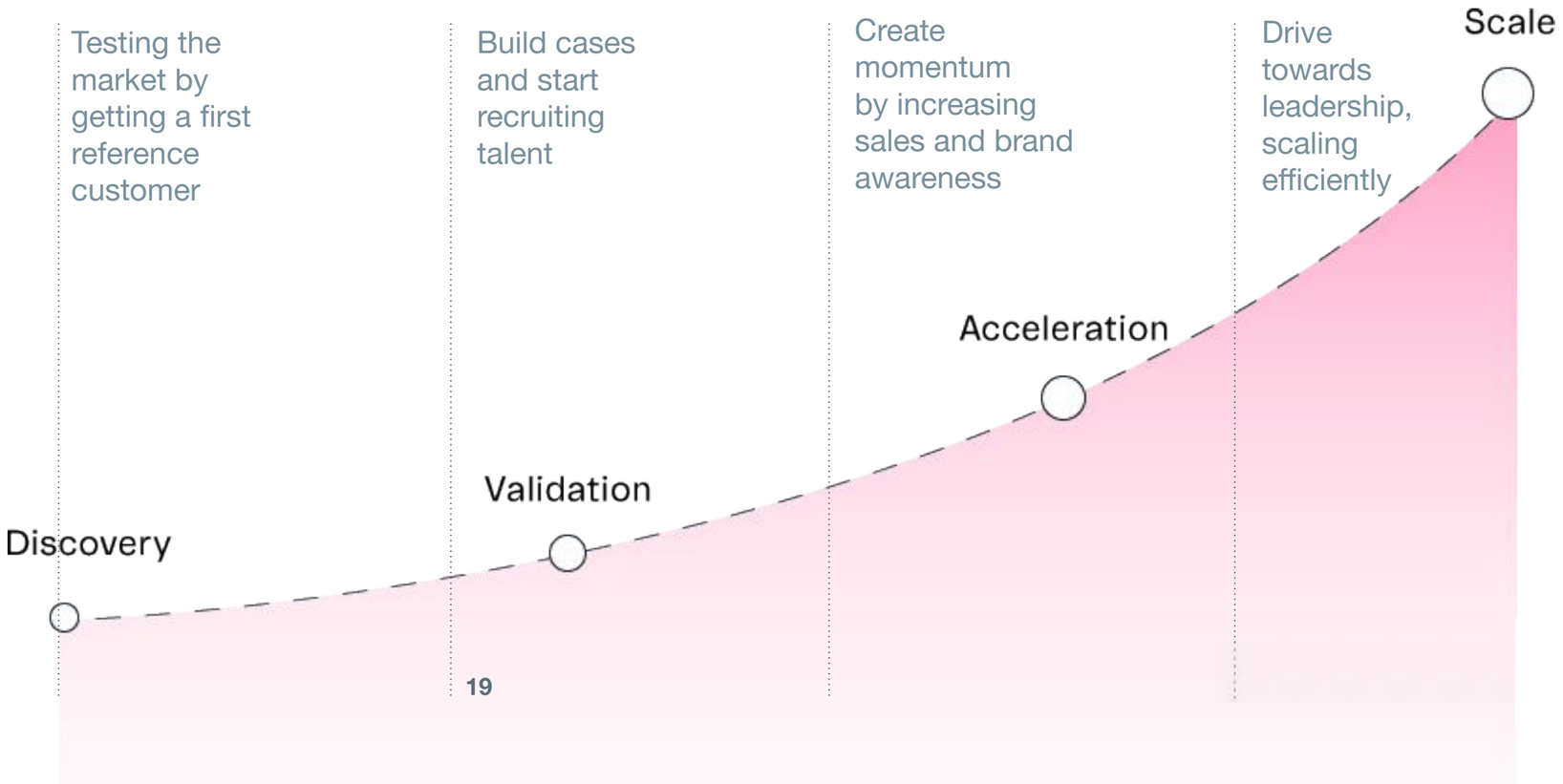
Leader in IDC MarketScape:
Worldwide B2C Digital Commerce Platforms



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	Approximately half of leads from ecosystem or inbound



Multiple vectors for ongoing growth.

New customer additions



Grow GMV with existing customers



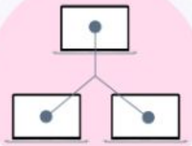
Innovation and platform expansion



Geographic expansion



Ecosystem development



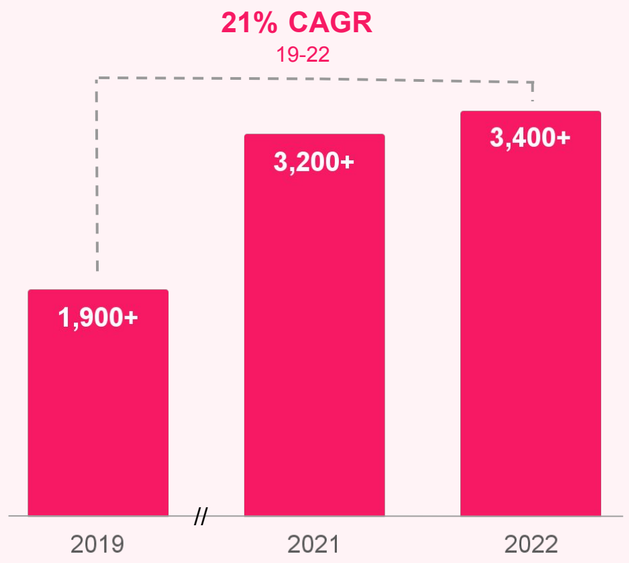
Financial Overview

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]

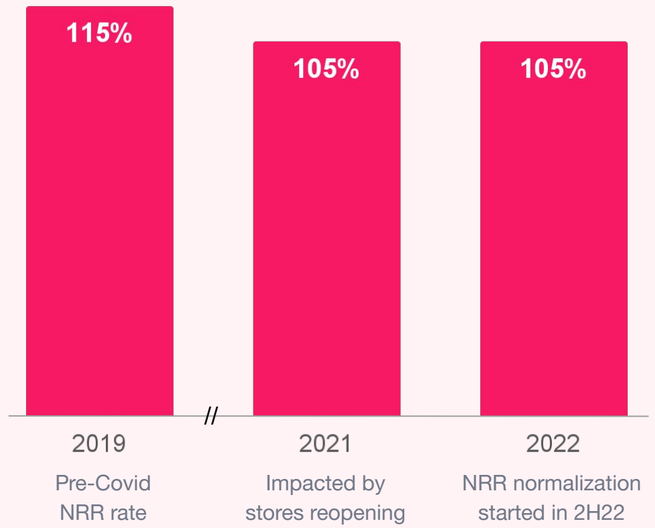


16% **25%** **6%**

Number of Stores Growth, YoY

Land-and-Expand

NRR[3] FX Neutral

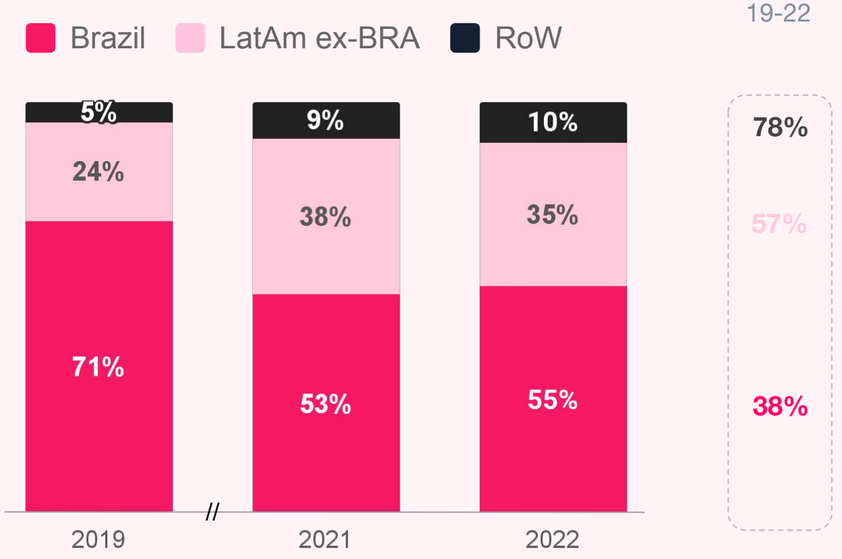


33% **12%** **17%**

Same Store Sales (FX Neutral)

Global Expansion

% Revenue



(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.

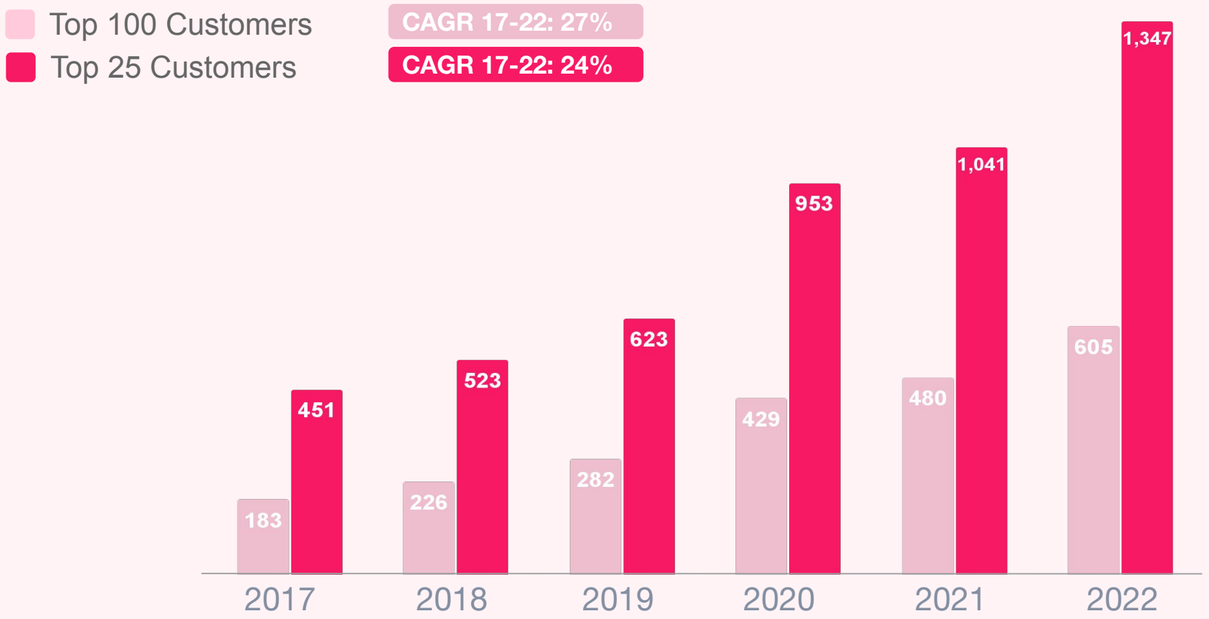
(3) Calculated by using the average monthly exchange rates for the applicable months during 2021, adjusted by inflation in countries with hyperinflation, and applying them to the corresponding months in 2022, as applicable, so as to calculate what our results would have been had exchange rates remained stable from one year to the next.

We are proud of our customers' journeys

Our customers continued growing at a healthy pace, on top of the growth they experienced in 2020

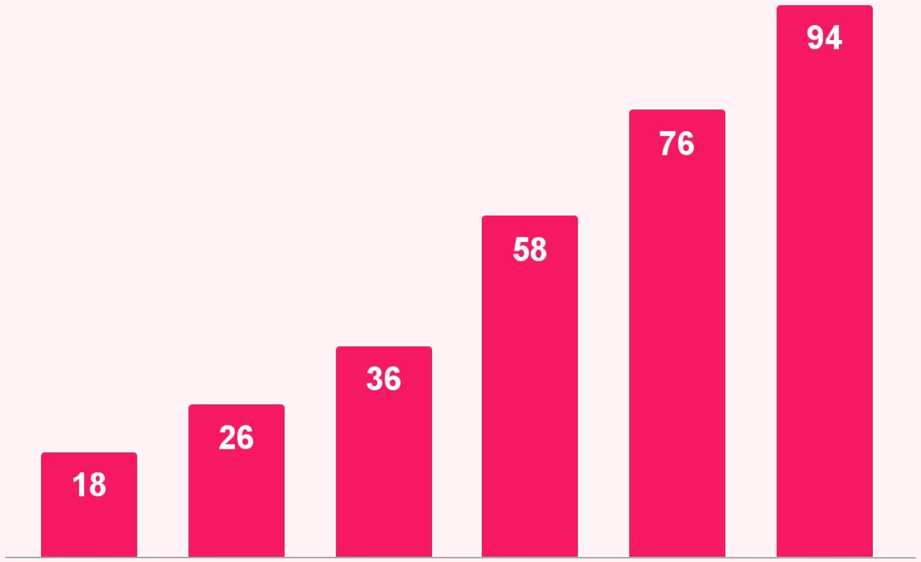
Average Revenue by Customer: Top 100 vs Top 25

USD (Thousands)



	2017	2018	2019	2020	2021	2022
SSS Top 100	29%	23%	35%	98%	13%	21%
SSS Top 25	30%	25%	35%	103%	13%	22%

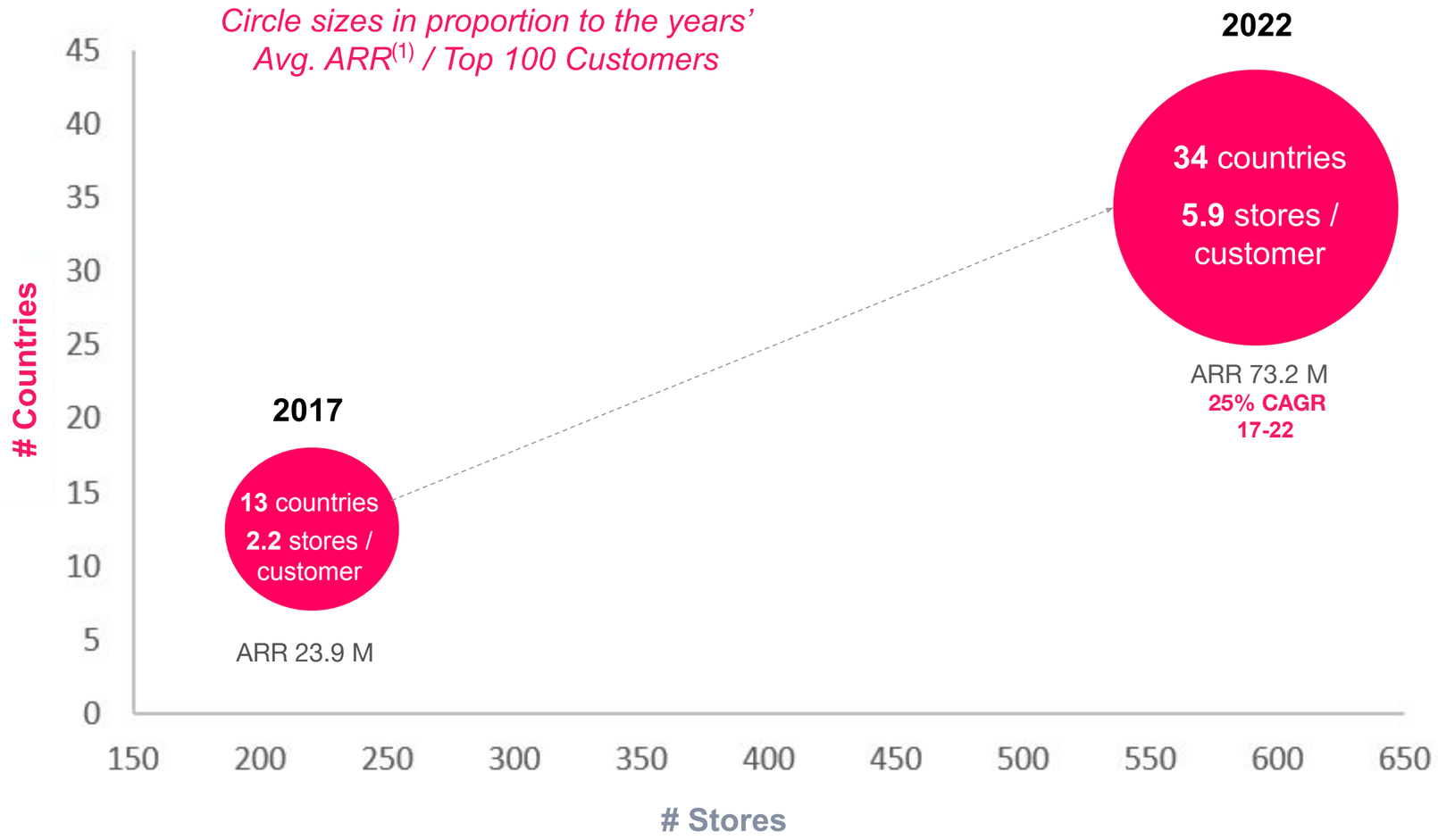
Number of customers with revenue >US$250k



	2017	2018	2019	2020	2021	2022
Stores	46	139	190	313	424	557
Stores / Customer	2.6	5.3	5.3	5.4	5.6	5.9

Note: Same Store Sales (SSS) for Top 100 and Top 25 Customers calculated in FX Neutral.

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



(1) "ARR" means annual recurring revenue, calculated as subscription revenue in the most recent quarter multiplied by four.

Diversified revenue mix

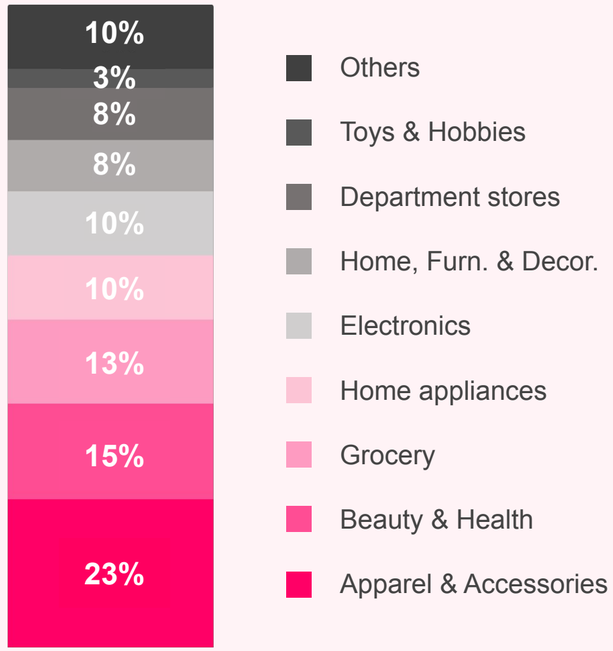
We are diversified across verticals. Our software works well for many different industries

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

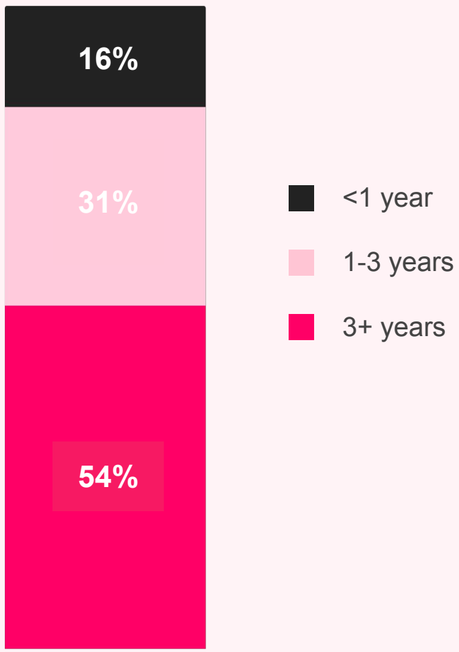
Customer verticals

% of 2022 VTEX platform revenue



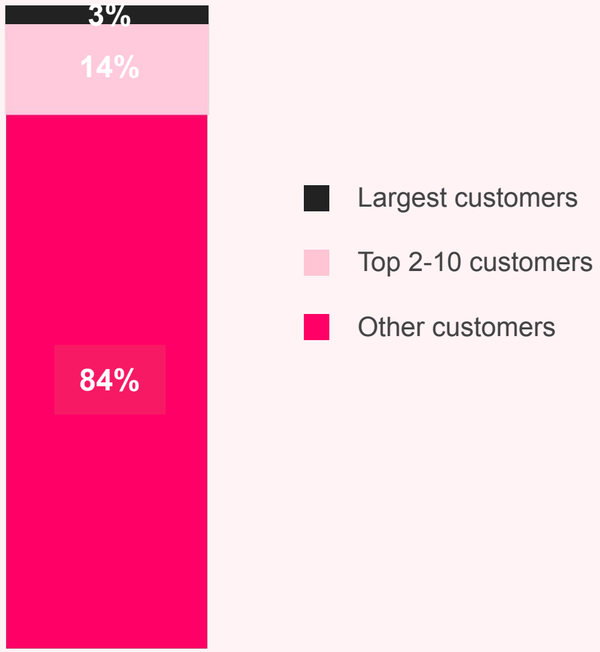
Customer tenure

% of 2022 VTEX platform revenue



Customer concentration

% of 2022 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:

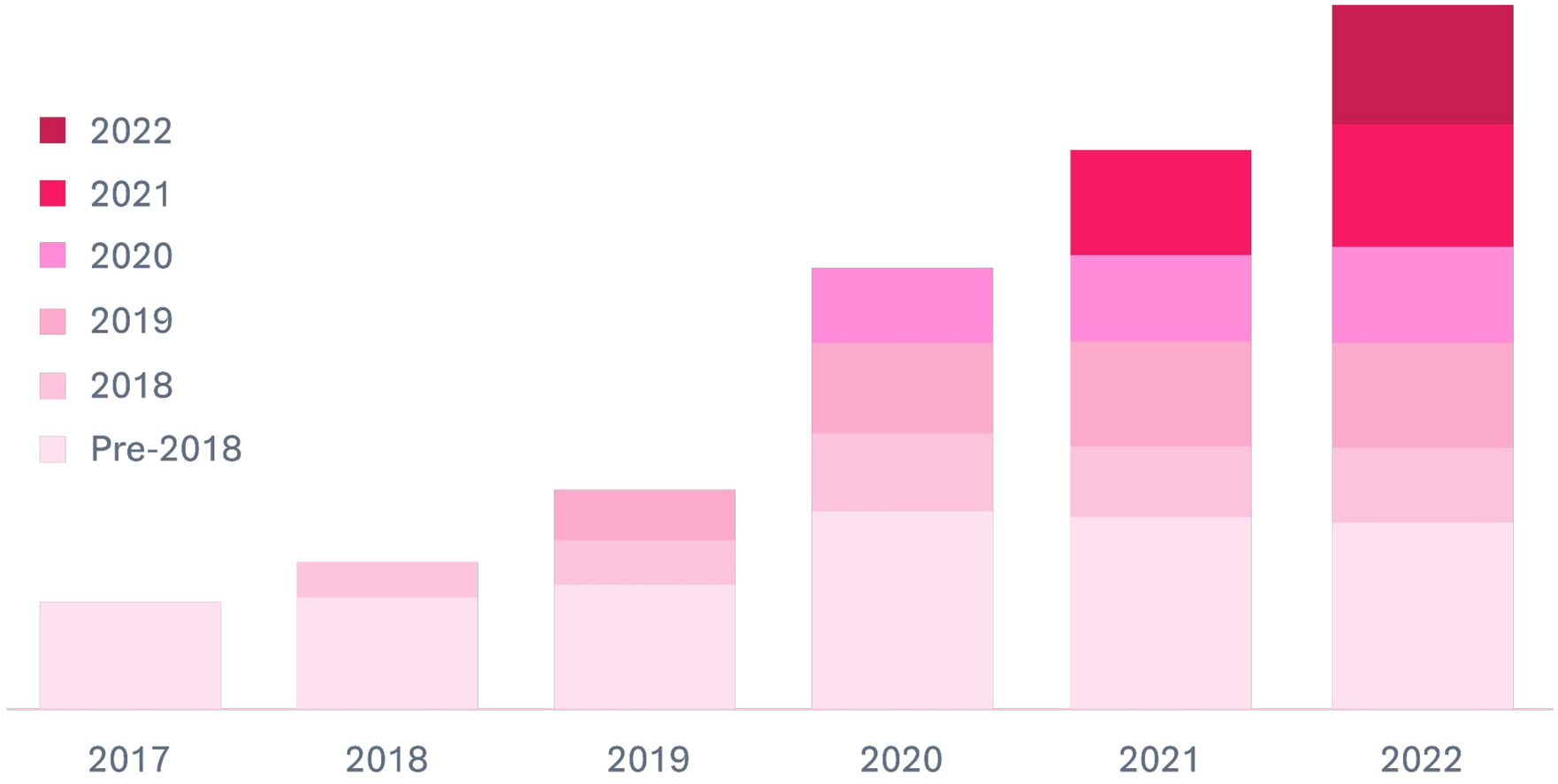
Fixed Fee

+

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

Our global expansion outside of Latam has an estimated impact of ~30% of our total expenses

% of revenue, non-GAAP	**2022A** *(VTEX platform + SMB + others + services)*	**2022 Existing stores** *(~85% of VTEX rev., excl. SMB)*	**2022 New stores** *(~15% of VTEX rev., excl. SMB)*
Gross margin[1]	**67%**	**~73%**	**~45%**
Sales & Marketing	(40)%	~(3)%	~(186)%
Research & Development	(33)%	~(33)%	~(33)%
General & Administrative	(15)%	~(15)%	~(15)%
Operating margin	**(22)%**	**~22%**	**~(189)%**

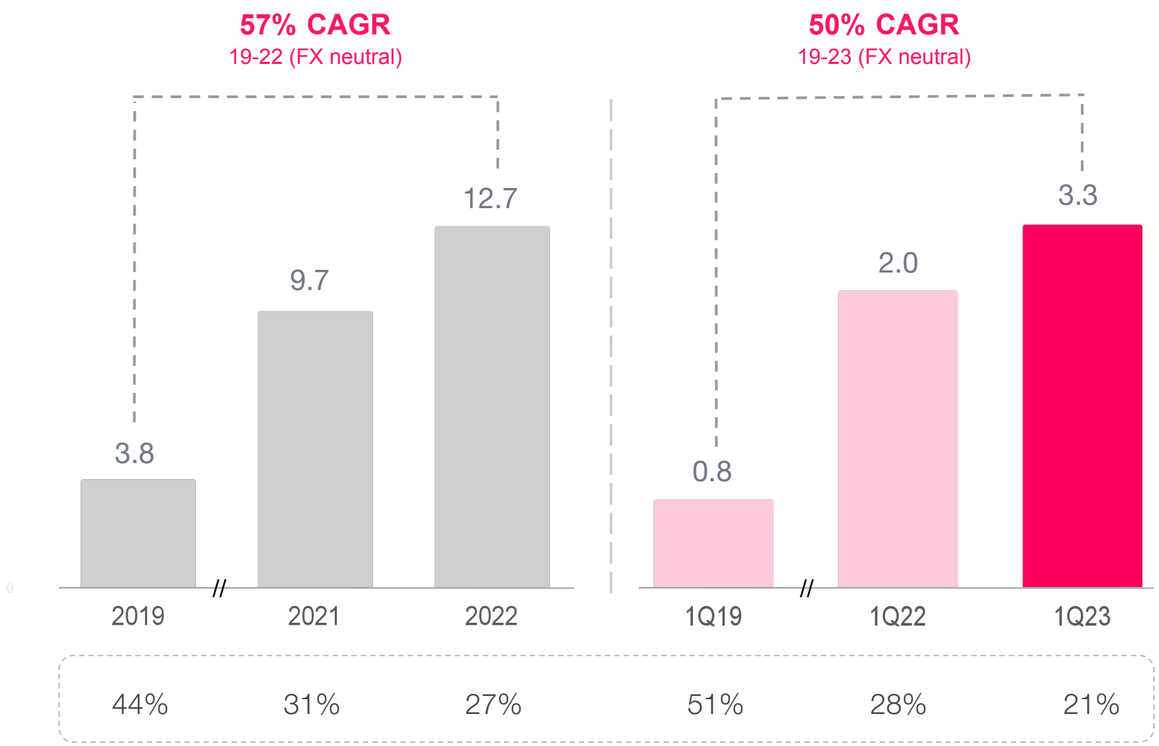
(1) Services revenue and services cost are included only in the "New Stores" P&L, as our services are mostly related to white glove PMO service to guide new stores implementations by 3rd party SIs.

Solid growth and SaaS metrics

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

GMV

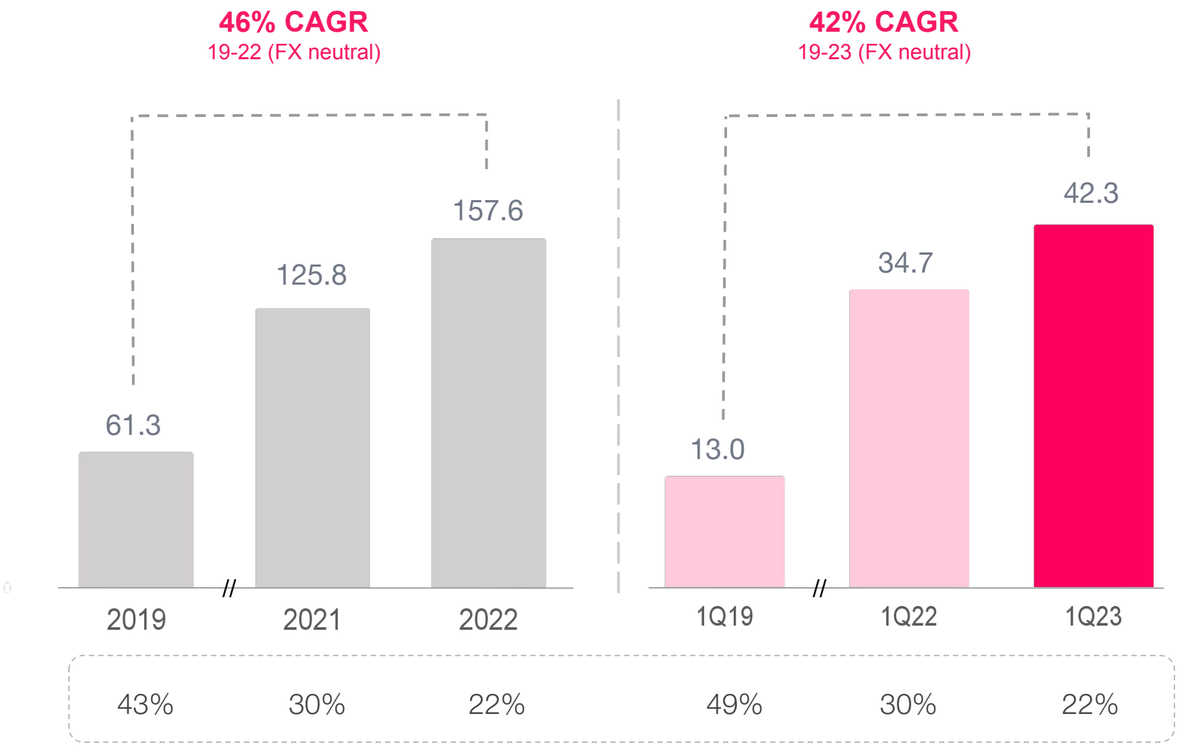
US$ billions



YoY growth FX neutral (%)

Revenue

US$ millions



YoY growth FX neutral (%)

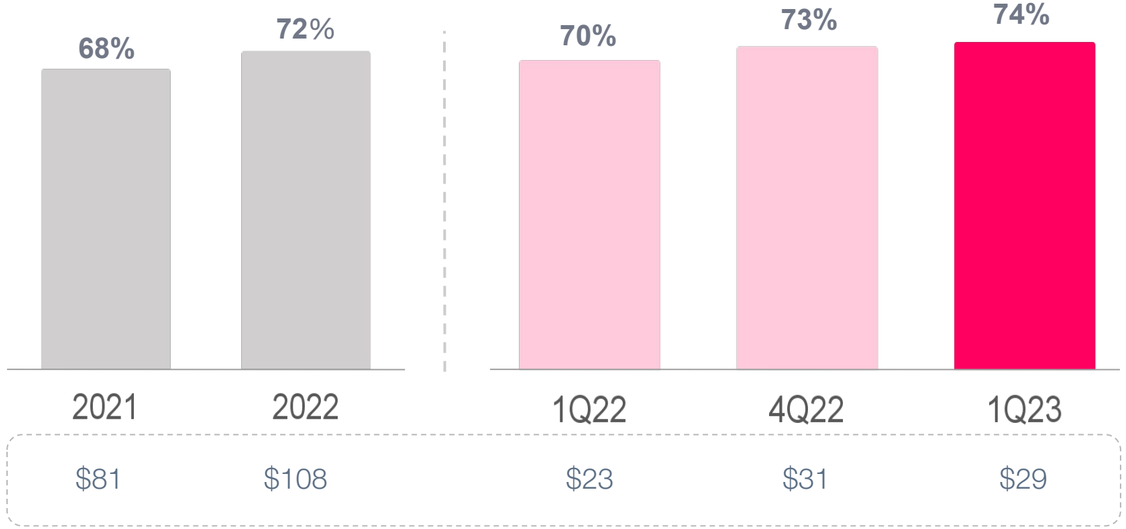
Note: we calculate FX Neutral measures by using the average monthly exchange rates for each month during the previous year and applying them to the corresponding months in the current year, so as to calculate what our results would have been had exchange rates remained stable from one financial year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

Subscription gross margin continues to grow

Leaner and agile organizational structure to capture the ecommerce market opportunity

Non-GAAP subscription gross profit[1]

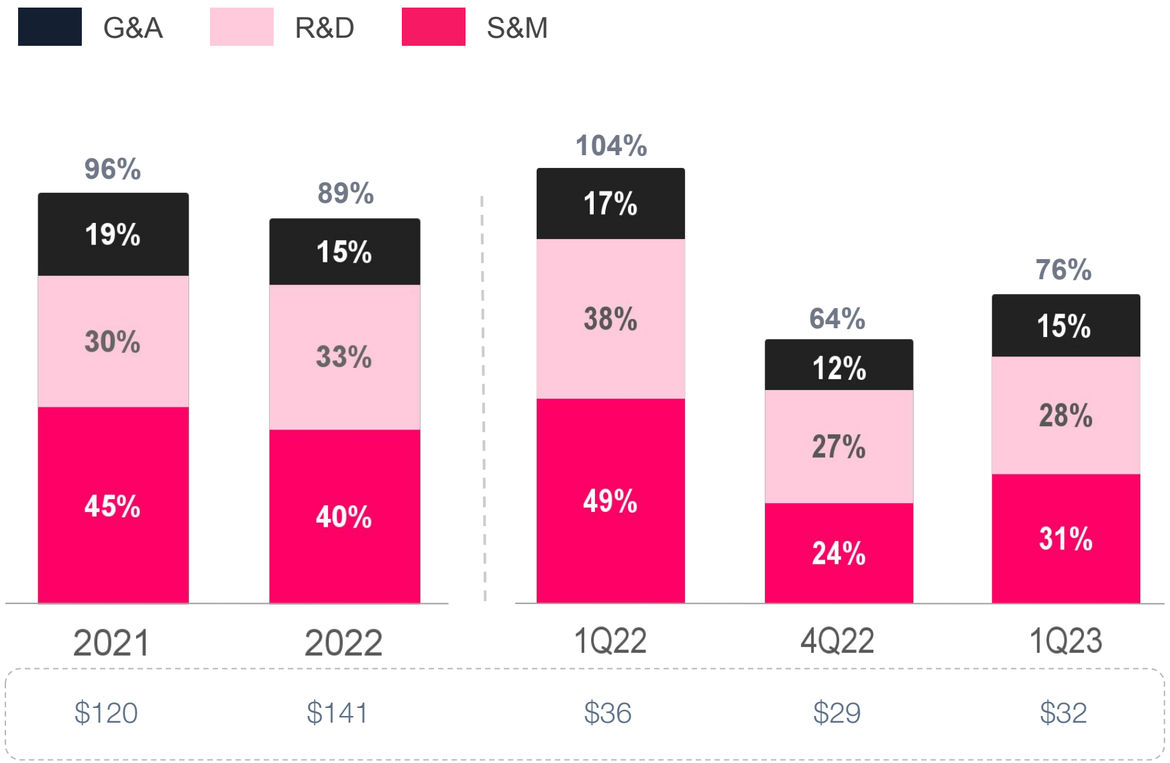
As % of subscription revenue



Non-GAAP subscription gross profit ($mm)

Non-GAAP operating expenses[1]

As % of revenue[2]

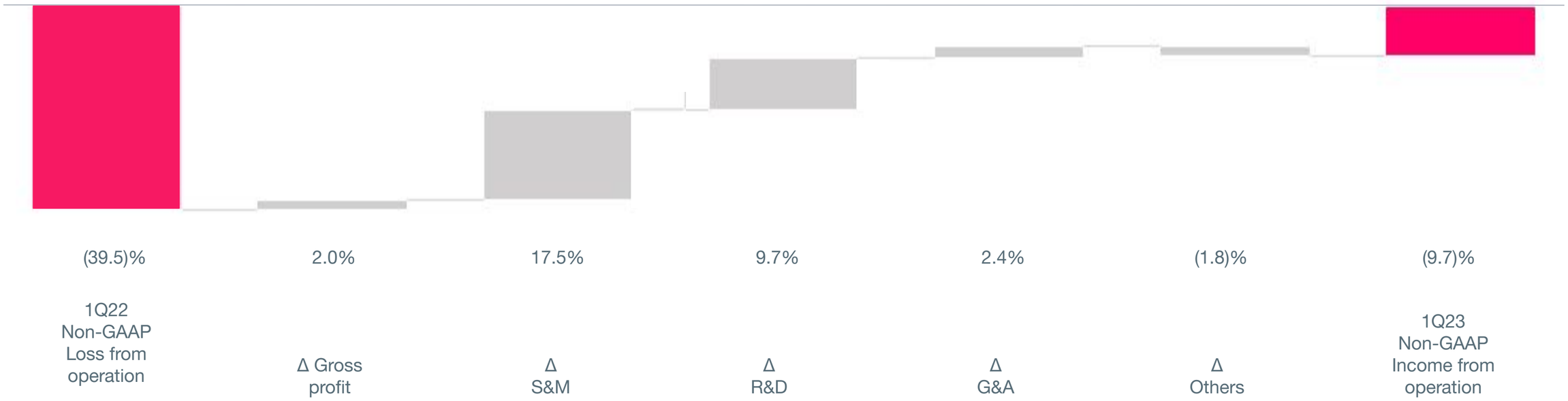


Non-GAAP operating expenses ($mm)

(1) Non-GAAP metrics. See appendix for reconciliation.
(2) The total percentage of total expenses over net revenue presented in the chart includes other revenues (expenses).

Non-GAAP income (loss) from operations bridge

YoY margin increase was mostly driven by VTEX revenue growth



VTEX

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	2020	2021	2022	Q1 2022	Q4 2022	Q1 2023
Subscription revenue	93.4	118.5	148.5	32.6	42.7	39.8
Subscription gross profit	65.6	80.1	107.1	22.6	31.2	29.4
Shared base compensation	0.1	0.7	0.5	0.1	0.2	0.0
Non-GAAP subscription gross profit	**65.7**	**80.8**	**107.6**	**22.7**	**31.4**	**29.4**
Non-GAAP subscription gross margin	***70.3%***	***68.2%***	***72.4%***	***69.6%***	***73.5%***	***73.9%***

Non-GAAP income (loss) from operations (US$ millions)

Operating Income	2020	2021	2022	Q1 2022	Q4 2022	Q1 2023
Income (loss) from operation	6.5	(65.9)	(49.9)	(16.7)	(3.0)	(9.7)
Share-based compensation expense	3.3	19.6	12.8	2.5	4.6	5.1
Amortization of intangibles related to acquisitions	0.8	2.0	2.1	0.5	0.5	0.5
Offering expenses ("IPO") [1]	-	1.3	-	-	-	-
Non-GAAP income (loss) from operations	**10.6**	**(43.1)**	**(35.1)**	**(13.7)**	**2.1**	**(4.1)**
Non-GAAP income (loss) from operations margin	***10.8%***	***(34.3)%***	***(22.3)%***	***(39.5)%***	***4.6%***	***(9.7)%***

(1) Offering expenses ("IPO") for Sales and Marketing and Research and Development are travel-related expenses exclusively for the Event Day.

Operating expenses reconciliation (US$ millions)

Sales & Marketing	2020	2021	2022	Q1 2022	Q4 2022	Q1 2023
Sales & Marketing expense	(23.8)	(63.5)	(67.8)	(17.9)	(12.4)	(14.8)
Share-based compensation expense	1.0	5.5	2.9	0.7	1.1	1.3
Amortization of intangibles related to acquisitions	0.4	1.1	1.2	0.3	0.3	0.3
Offering expenses ("IPO") [1]	-	0.2	-	-	-	-
Non-GAAP Sales & Marketing expense	**(22.4)**	**(56.7)**	**(63.7)**	**(16.9)**	**(11.0)**	**(13.2)**
Non-GAAP Sales & Marketing expense margin	*(22.7)%*	*(45.1)%*	*(40.4)%*	*(48.7)%*	*(24.1)%*	*(31.1)%*

Research & Development	2020	2021	2022	Q1 2022	Q4 2022	Q1 2023
Research & Development expense	(19.0)	(45.2)	(57.2)	(13.9)	(14.1)	(14.0)
Share-based compensation expense	1.1	5.9	4.8	0.6	1.7	1.9
Amortization of intangibles related to acquisitions	0.4	0.9	0.9	0.2	0.2	0.2
Offering expenses ("IPO") [1]	-	0.1	-	-	-	-
Non-GAAP Research & Development expense	**(17.5)**	**(38.3)**	**(51.5)**	**(13.1)**	**(12.1)**	**(11.8)**
Non-GAAP Research & Development expense margin	*(17.8)%*	*(30.4)%*	*(32.7)%*	*(37.7)%*	*(26.7)%*	*(28.0)%*

General & Administrative	2020	2021	2022	Q1 2022	Q4 2022	Q1 2023
General & Administrative expense	(14.0)	(31.9)	(28.3)	(6.9)	(7.1)	(7.9)
Share-based compensation expense	1.0	7.1	4.4	1.0	1.5	1.7
Amortization of intangibles related to acquisitions	-	0.0	0.0	0.0	0.0	0.0
Offering expenses ("IPO")	-	0.9	-	-	-	-
Non-GAAP General & Administrative expense	**(13.0)**	**(23.9)**	**(24.0)**	**(5.9)**	**(5.6)**	**(6.2)**
Non-GAAP General & Administrative expense margin	*(13.1)%*	*(19.0)%*	*(15.2)%*	*(17.1)%*	*(12.2)%*	*(14.7)%*

(1) Offering expenses ("IPO") for Sales and Marketing and Research and Development are travel-related expenses exclusively for the Event Day.

FX neutral measures reconciliation

	As Reported			FX Neutral Measures	As Reported	
in USD millions	**1Q23**	**1Q22**	Percentage Change	**1Q23**	**1Q22**	Percentage Change
Subscription revenue	39.8	32.6	22.0%	39.7	32.6	21.9%
Services revenue	2.5	2.1	20.7%	2.7	2.1	27.7%
Total revenue	**42.3**	**34.7**	**22.0%**	**42.4**	**34.7**	**22.2%**
Subscription cost	(10.4)	(10.0)	4.0%	(10.5)	(10.0)	4.7%
Services cost	(4.2)	(2.6)	59.8%	(4.3)	(2.6)	63.5%
Total cost	**(14.6)**	**(12.6)**	**15.6%**	**(14.7)**	**(12.6)**	**16.9%**
Gross profit	**27.7**	**22.1**	**25.6%**	**27.6**	**22.1**	**25.3%**
Operating expenses	(37.4)	(38.7)	(3.4)%	(38.1)	(38.7)	(1.6)%
Loss from operations	**(9.7)**	**(16.7)**	**(41.8)%**	**(10.5)**	**(16.7)**	**(37.2)%**



Thanks!

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