



Conference Call Transcript

First Quarter 2026

May 2026

Introduction and Disclaimer

Investor Relations

Hello everyone, and welcome to the VTEX earnings conference call for the quarter ended March 31st, 2026. I am Julia Vater Fernández, VP of Investor Relations for VTEX.

Our senior executives presenting today are Geraldo Thomaz Jr., founder and co-CEO, and Ricardo Camatta Sodre, Chief Financial Officer. Additionally, Mariano Gomide de Faria, founder and co-CEO, and Andre Spolidoro, Chief Strategy Officer, will be available during today's Q&A session.

I would like to 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.

Certain risks and uncertainties are described under "Risk Factors" and "Forward-Looking Statements" sections of VTEX's Form 20-F and other VTEX's filings with the U.S. Securities and Exchange Commission, which are available on our investor relations website.

Finally, I would like to remind you that during the course of this conference call we may discuss some Non-GAAP measures. A reconciliation of those measures to the nearest comparable GAAP measures can be found in our first quarter 2026 earnings press release available on our investor relations website.



Overview

Geraldo Thomaz Jr.

Thank you, Julia, and good afternoon, everyone. Thank you for joining us.

Last quarter, we outlined a clear strategic framework centered on **four key growth vectors: Global Expansion, B2B, Ads, and AI**. In the first quarter, we continued to execute against this strategy. Today, I'll update you on **several recent product launches** that directly reinforce our positioning across these opportunities. From a financial perspective, **our top-line results were in line with our guidance, while our profitability and cash generation both doubled year-over-year and exceeded our guidance**. This reinforces the resilience of our model and our disciplined execution in a dynamic macro environment. While we acknowledge that recent growth has been below our long-term ambitions, we remain committed to executing with discipline and driving long-term value creation.

Starting with our vision and product launches. **We are seeing our industry entering a new phase**, where artificial intelligence transitions from a conceptual layer into a structural driver of growth, efficiency, and competitive advantage. **We see this as an attractive opportunity for VTEX**. In the last technological revolution, the cloud, we have architected our platform to fully embrace it from inception, with a multitenant approach, avoiding the technical debt that constrains many legacy systems. **Now, our highly scalable foundation positions us to capitalize on the AI technological shift**, enabling us to rapidly deploy innovation and operate at scale as we navigate this new era.

Promotions Editor Agent

Search Optimizer Agent

AI Assisted

Revenue

\$258,317.89

2.7% ▲

Enhance Product Titles for the 20 Most-Visited Products|

+ ✖ My Assistant



Overview

Geraldo Thomaz Jr.

At the heart of this transformation is our reinvented VTEX Commerce Platform. We are moving beyond the traditional software-as-a-service model to deliver the first AI-native commerce suite, one that delivers simplicity, ease of use, and most importantly, tangible and measurable business outcomes for our customers. This is AI with real impact.

The command center for this new paradigm is the **VTEX AI Workspace**. This is where our **agents for Catalog, Promotions, and Search live and collaborate**. They are engineered to do more than just flag problems; they autonomously diagnose root causes, architect strategic action plans, and execute them with minimal human oversight.

For example, our **Catalog Agent** doesn't just manage data; it hunts for revenue opportunities. It systematically analyzes an entire product assortment by leveraging real-time shopper navigation data to understand precisely where and how the catalog should change to increase conversion. It sees where

customers drop off, what search terms lead to a dead end, and how they interact with product attributes. Armed with these insights, the agent autonomously optimizes the catalog. It goes beyond simple data entry, **performing tailored content improvements across millions of SKUs by enriching descriptions, standardizing attributes, and ensuring every item perfectly aligns with your brand's merchandising guidelines.** This allows our customers to maintain a high-quality, high-converting catalog at a scale and speed previously unimaginable, **turning a traditionally labor-intensive process into a strategic advantage.**

This is just one of many intelligent experiences that are now possible. By laying this foundational groundwork, we are **paving the way to not only expand our own suite of agents but to eventually enable a marketplace** where our customers and partners can deploy third-party agents, creating a truly open and extensible commerce agentic ecosystem.

The screenshot displays the VTEX AI Workspace interface. At the top, it says "My Assistant" on the left and "My AI team" with a settings icon on the right. The main section is titled "Overview" and includes a sub-header "All channels" and "7 days ago". The dashboard features several key metrics:

- Revenue: \$158,317.89 (with a 2.7% downward trend indicator)
- Orders: 4,281 (with a 4.1% upward trend indicator)
- Average Order Value: \$237.00
- Items per Order: 5
- Sessions: 1,397,990
- Conversion Rate: 3.4%

Below the overview, there is a "Recommended Initiatives" section with three cards:

- High** priority initiative: "Fulfillment Routing Gaps Are Preventing Purchases of In-Stock It..." (GMV, IN4975)
- Medium** priority initiative: "Low-Quality Product Pages Are Dragging Conversion on High-Traffi..." (CONVERSION RATE, IN4975)
- Low** priority initiative: "Identified Search Gaps for High-Intent Traffic" (CONVERSION RATE, SEARCH CTR, IN4975)

At the bottom, there is a chat input field "Message My Assistant..." with a "My Assistant" button and a plus icon. Below the chat field are three suggested prompts: "How is my store performing?", "How is the store traffic?", and "What are my best-selling products?".

Overview

Geraldo Thomaz Jr.

And this **intelligence** extends far beyond the back office. It transforms the entire customer journey.

For shoppers, our **new storefronts with AI Personal Shopper** combine conversational interactions, semantic search, and hyper-personalization to guide discovery and dramatically increase conversion rates.

For our B2B customers, we are **streamlining complex sales cycles with B2B Commerce and AI Order Quotes**, enabling sales teams to generate complete, accurate quotes instantly, from a simple file upload or even a voice command. More broadly, our B2B and Global Expansion strategies are being significantly enhanced, as the inherent complexity of managing multi-country, multi-currency operations is precisely the challenge our AI Workspace is designed to address at scale.

To capture demand wherever it emerges, our **integration with Google's Universal Commerce Protocol**, enables shoppers to discover products and check out **directly within Gemini and Google's AI Mode**, with a native cart sync back to our platform.

And to empower our entire ecosystem, **we introduced the VTEX AI Developer Toolkit**, embedding AI assistants directly into the developer workflow, across tools like Cursor, Copilot, and others, while connecting them to VTEX's knowledge base to accelerate development and drive innovation.

We are delivering a platform where AI enhances efficiency for operators, drives conversion for shoppers, accelerates sales for B2B teams, and empowers developers to build faster. **This is a complete, end-to-end vision for AI-native commerce.**



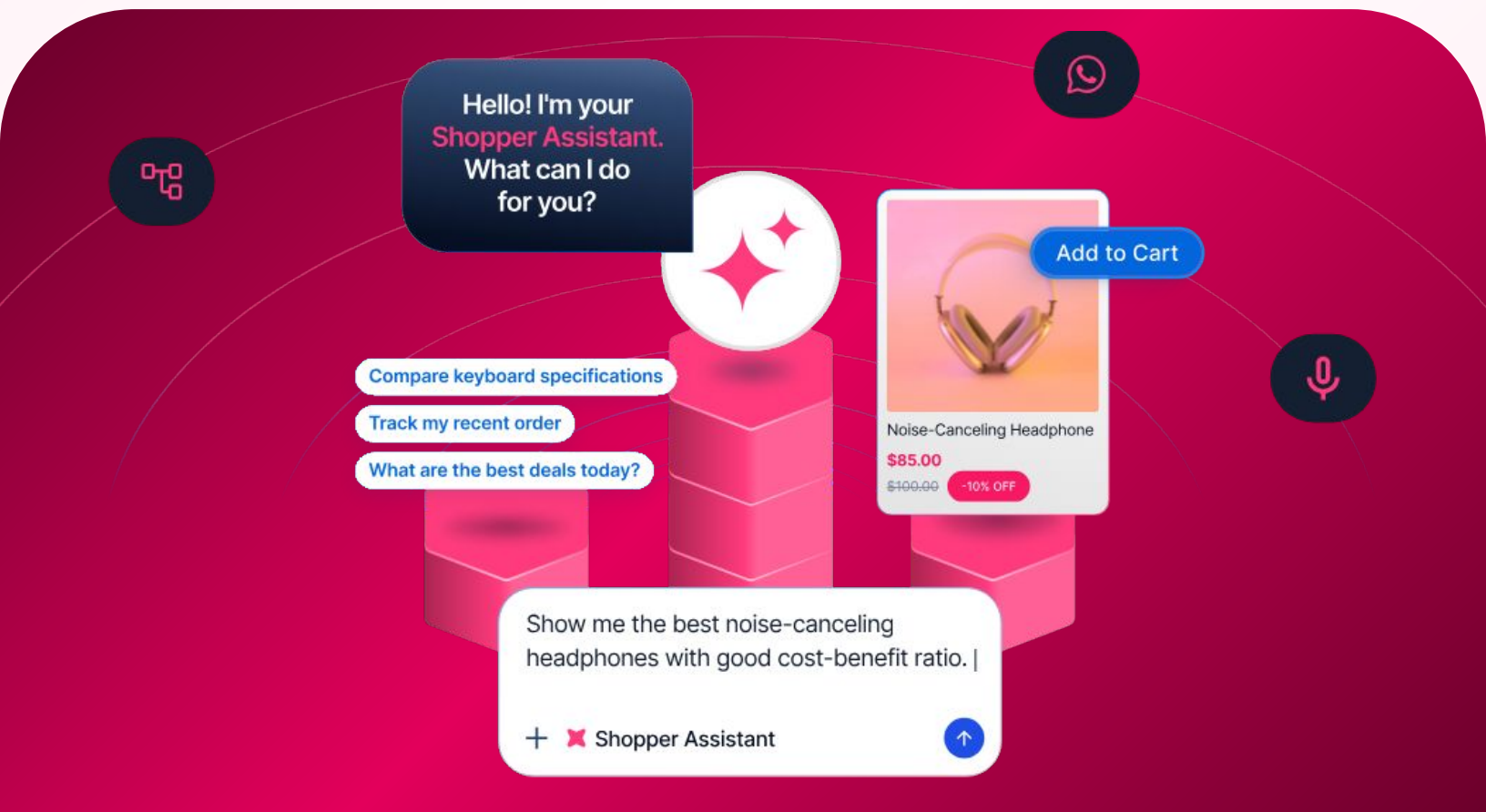
Overview

Geraldo Thomaz Jr.

But today, VTEX is much more than just its Commerce Platform; **we have evolved into a true multi-product company**. Beyond our core commerce platform, **we now offer two additional strategic solutions**, our **CX Platform** and our **Ads Platform**, both enhanced with AI, where we have also introduced significant recent advancements.

In our **CX Platform**, we are expanding beyond the traditional storefront to capture demand wherever it originates. The VTEX CX Platform redefines customer experience through **coordinated AI agents that operate seamlessly across the entire journey**, making commerce more fluid and conversational. This

includes a truly multichannel approach, where AI guides discovery and transactions across websites, WhatsApp, and other messaging interfaces. **We have introduced a fully integrated WhatsApp Store**, enabling consumers to complete their entire purchase journey without leaving the conversation, as well as **Voice Commerce** for real-time interactions. Importantly, this capability extends into the post-purchase phase, where **Autonomous Post-Sales agents manage order status, exchanges, and returns with over 91% automation**, allowing human teams to focus on more complex, high-value engagements.

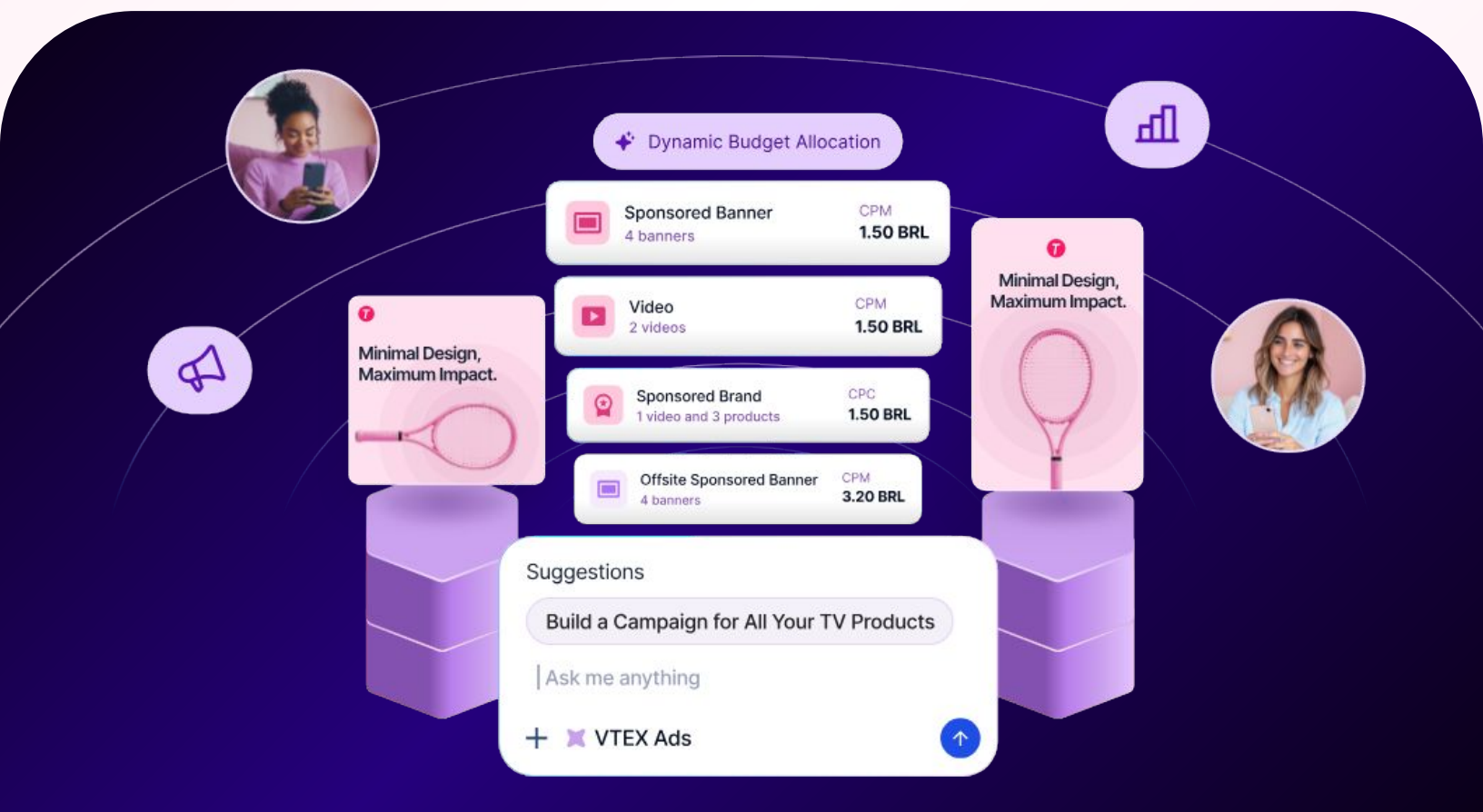


Overview

Geraldo Thomaz Jr.

In our **Ads Platform**, we are significantly enhancing the power of our platform by **embedding AI across audience orchestration and campaign execution**. This enables our customers to transform their digital environments into high-margin media assets and unlock new revenue streams. With our **AI Campaign Management capabilities**, retailers and their brand partners can move beyond manual workflows, simply defining an objective, such as improving return on ad spend, while AI agents autonomously build and optimize multichannel campaigns to deliver results.

This is further strengthened by **AI-driven insights**, offering real-time visibility into performance, attribution, and market share, **all within a privacy-first framework supported by our secure Data Clean Room**. Ultimately, we are helping customers convert their traffic into a scalable and strategic growth lever.



Overview

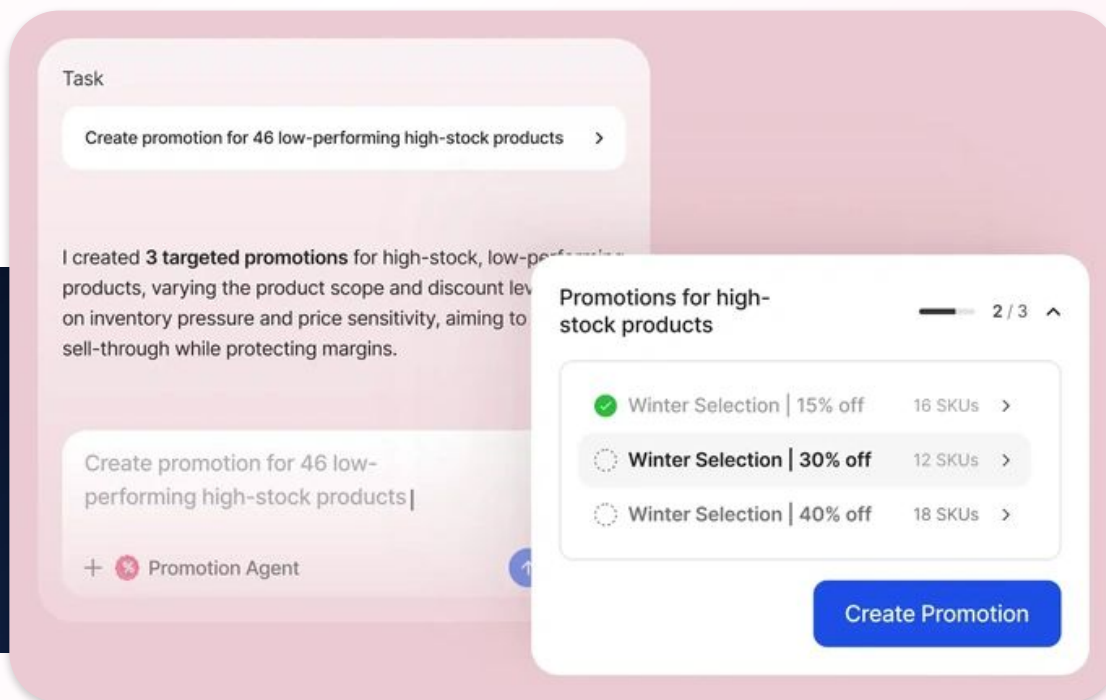
Geraldo Thomaz Jr.

While we have just launched these updates, we are already seeing some **early but encouraging results**. For instance, **Whirlpool** has leveraged our AI capabilities to **identify underperforming products, diagnose content gaps, and automatically generate optimized assets**, compressing what once took days of manual work into minutes while improving conversion. At **Decathlon**, our **Promotions Agent enables real-time competitive responses through automated campaign recommendations**. Across these use cases, the pattern is clear: AI is poised to redefine how customers drive sales, accelerate execution, and capture new levels of operational efficiency.

These outcomes are particularly relevant in the context of **enterprise commerce, where operations are complex, mission-critical, and increasingly global**. Customers are not simply selecting a software vendor; they are selecting a strategic backbone that can scale, adapt, and evolve with the next generation of commerce.

We acknowledge that it is early days, and our excitement around these innovations is not yet reflected in our current growth rates. To be fully transparent, we are still evaluating the long-term, transformational impact of these tools at scale. However, our commitment is to remain data-driven and grounded in reality, and we look forward to updating you on broader adoption in the coming quarters.

We have embedded AI at the core of VTEX, transforming the company into the first AI-Native commerce suite. We believe VTEX is uniquely positioned to serve this role. Our multi-tenant SaaS architecture, outcome-aligned business model, and deep transactional data foundation allow us to deploy innovation at scale and align directly with our customers' success.



Overview

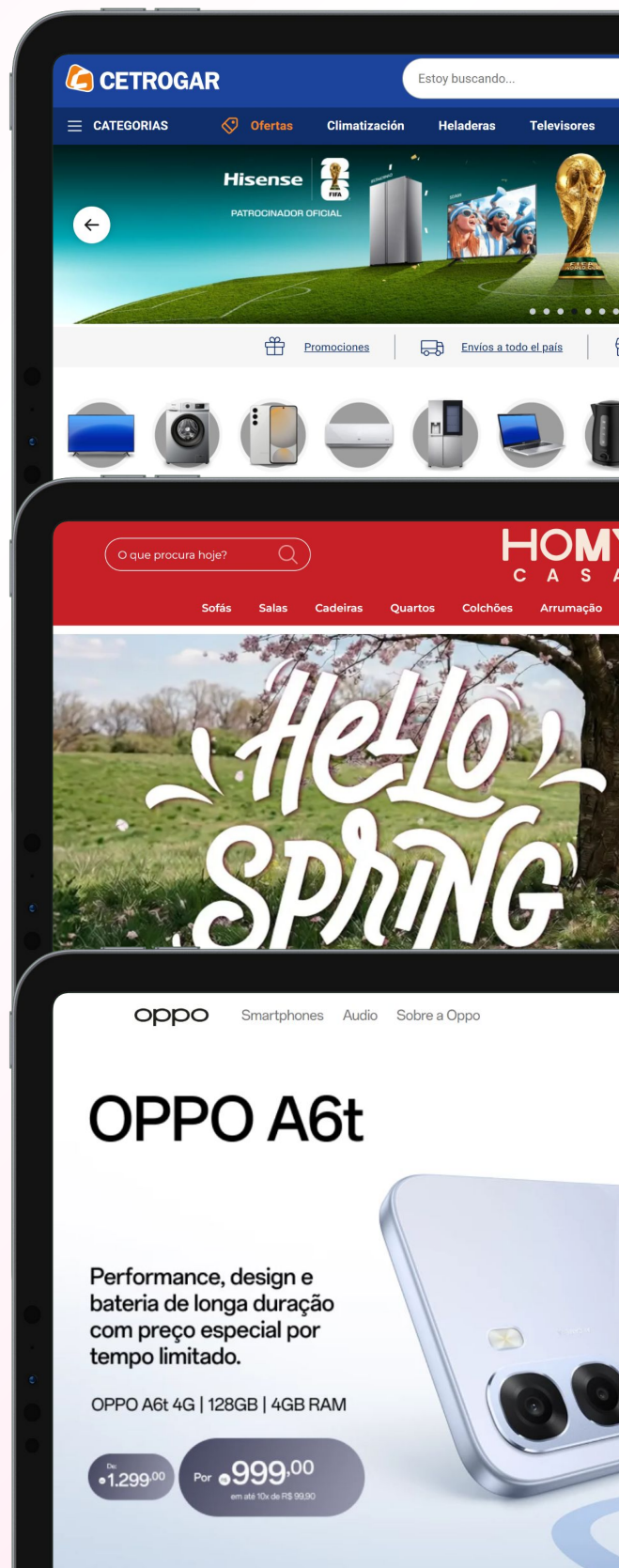
Geraldo Thomaz Jr.

With that, let me welcome some new customers who went live this first quarter of 2026, including:

- ❑ **Cetrogar** in Argentina;
- ❑ **Armazém Paraíba** and **Lunelli** in Brazil;
- ❑ **VPCL** in Canada;
- ❑ **Home Sentry** in Colombia; and
- ❑ **HOMYCASA** in Portugal.

We also expanded our relationships with our existing customers, such as:

- ❑ **Whirlpool** launched **Compra Direta Parceiros** in Brazil, its official B2B channel for distributors, resellers, and authorized service centers;
- ❑ **Electrolux** launched a **B2B channel in Chile**;
- ❑ **Grupo Ikesaki** launched **EBC Atacado de Beleza** in Brazil, its official B2B channel for beauty professionals and resellers;
- ❑ **Multilaser** launched the official **OPPO** store in Brazil, expanding the smartphone brand's presence in the country; and
- ❑ **Lindt** expanded into **Chile**, adding to its operations in Brazil.



Overview

Geraldo Thomaz Jr.

Now, before I hand the call over to Ricardo, I would like to express my sincere gratitude to our **1,147 VTEX employees**, our customers, partners, and investors for their continued trust and support. Together, we are building the future of commerce.

Ricardo, over to you.



Financial Update

Ricardo Camatta Sodre

Thank you, Geraldo. Hi everyone, I am pleased to share with you VTEX's financial results.

In Q1 2026, **GMV** reached **US\$5.1 billion, up 17% in USD** and **7% FX-neutral**. **Subscription revenue** was **US\$60.0 million** versus **US\$52.6 million** in Q1 2025, an increase of **14% in USD** and **4% FX-neutral**. The moderation in GMV growth relative to last quarter was primarily driven by Brazil, where the high interest rate environment and persistent promotional marketplace behavior continue to pressure consumer demand in proprietary channels.

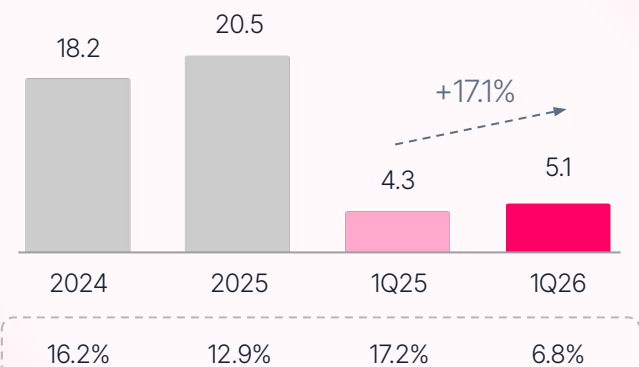
In Q1 our **non-GAAP subscription gross margin** reached **81.5%**, representing an **expansion of 240 basis points** year over year. This improvement is mainly driven by structural gains in AI-powered automation in customer support and, to a smaller extent, a positive FX tailwind.

Our **total gross margin**, including services, reached **80.0%**, an **expansion of 400 basis points** year over year. This continued improvement **reflects not only steady gains in subscription gross margin but also our deliberate de-emphasis of services**, as our global partner ecosystem increasingly leads complex implementations with reduced reliance on VTEX-led services.

Our expense management continues to reflect our discipline and alignment with long-term growth priorities. **Total non-GAAP operating expenses** in the first quarter were **\$38 million, up 6%** year over year. **While Sales & Marketing and G&A remained relatively stable, we deliberately increased investment in R&D**, focusing on innovation, product development, and AI capabilities that reinforce our competitive positioning. In other words, even as we expand margins, we are simultaneously strengthening the foundation for sustainable, profitable growth.

GMV

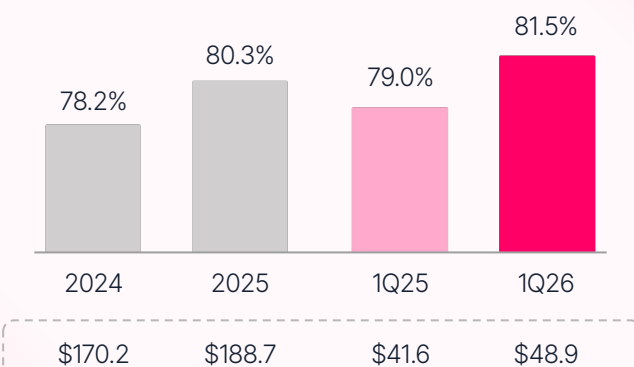
US\$ billions



YoY growth FX neutral (%)

Non-GAAP subscription gross profit

As % of subscription revenue



Non-GAAP subscription gross profit (\$mm)

Financial Update

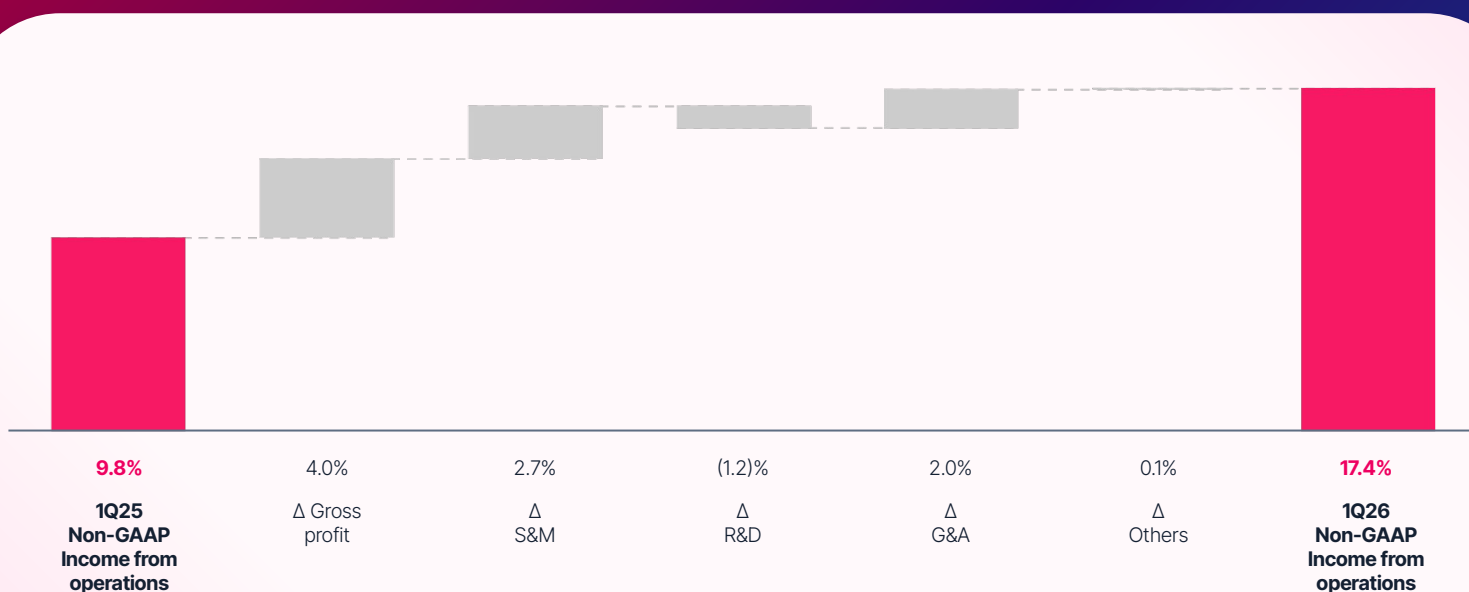
Ricardo Camatta Sodre

As a result, our **non-GAAP income from operations** reached **\$10.6 million**, doubling from **\$5.3 million** in Q1 2025. This also represented a **non-GAAP operating margin** of **17.4%**, a **7.7 percentage points margin expansion** year-over-year. In short, our operational discipline continues to translate into stronger margins and a more profitable growth trajectory, while we focus on revenue reacceleration.

Non-GAAP net income was **US\$8.1 million** in Q1 2026, **up 51% year-over-year**. This earnings step-up reflects strong underlying operational performance, **driven by operating leverage and efficiency gains**, reinforcing the sustainability of our model. This was partially offset by unrealized mark-to-market losses on our US dollar-denominated investment-grade cash position held in Cayman, following a significant repricing of the yield curve toward the end of the quarter, which has already recovered in April.

These continued profitability gains keep showing up in our cash generation, which remained strong once again this quarter. **Free cash flow** for the quarter was **US\$13.3 million**, doubling year-over-year and reaching a **free cash flow margin** of **21.9%**.

We also maintain a disciplined approach to **share repurchases**. During the first quarter, **under the US\$50 million 12-month share repurchase program** for Class A shares approved in February of 2026, we **repurchased 2.5 million** Class A common shares at an average price of **US\$3.86 per share** for a total cost of **US\$9.7 million**.



Financial Update

Ricardo Camatta Sodre

As we look ahead, our focus remains on disciplined execution as we work toward growth reacceleration, focused on our four growth levers: global expansion, B2B, Ads, and AI.

While macro headwinds persist, particularly in Brazil, where high interest rates and promotional marketplace behavior continue to weigh on GMV growth, we remain encouraged by the quality of new customer additions, our competitive positioning among global enterprise customers, and the compelling market opportunity across our four key long-term growth initiatives. Importantly, while this affects our near-term growth outlook, it does not change our conviction in the structural opportunity across our four growth levers, nor our ability to continue improving profitability.

With that, for **Q2 2026** we expect:

- **Subscription revenue** to grow at a **low-to-mid single digit** percentage rate on an FX-neutral year-over-year basis;
- **Gross profit** to grow at a **mid-single** digit percentage rate on an FX-neutral year-over-year basis;
- **Non-GAAP income from operations** to be in the **high-teens to low-twenties** percentage margin; and
- **Free cash flow** to be in the **high-teens to low-twenties** percentage margin.

For the **full year 2026**, we now expect **subscription revenue** to grow at a **mid-single** digit percentage rate on an FX-neutral year-over-year basis and **gross profit** to grow at a **high-single** digit FX-neutral rate, while maintaining our outlook for **non-GAAP income from operations** in the **low-twenties** percentage margin, and **free cash flow** also in the **low-twenties** percentage margin.

Assuming FX rates remain broadly consistent with April's average rates, the FX-neutral growth guidance outlined above would translate into higher reported USD subscription revenue growth, adding approximately **10.3 percentage points in the second quarter** and **8.6 percentage points for the full year 2026**.

We continue executing with discipline, investing behind our four growth levers to drive durable growth and shareholder value, while improving profitability and maintaining a strong balance sheet.

With that, let's open it up for questions now. Thank you.



Closing Remarks

Geraldo Thomaz Jr.

As we step back, what we are building at VTEX is increasingly clear. We are redefining how commerce operates. **The convergence of our cloud-native foundation with AI is enabling us to move from systems that support decisions to systems that execute them.**

We are still in the early stages of this transformation, but the direction is clear. **AI is already delivering measurable impact across our customers**, driving higher conversion, faster execution, and greater efficiency. And as adoption expands, we believe this can become a fundamental driver of long-term value creation for both our customers and our shareholders.

At the same time, **our evolution into a multi-product platform, with Commerce, CX, and Ads**, positions us to capture a broader share of the commerce value chain, while reinforcing our role as a strategic partner to global enterprise customers.

Looking ahead, **our priorities remain consistent: disciplined execution, continued innovation, and scaling these capabilities across our base.** We are confident in our ability to **translate this strategy into sustained growth, margin expansion, and durable competitive advantage.**

Thank you all for your time and continued support. You might now disconnect.



Thank you!

Contact

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