

INVESTOR
DAY
2022

The Path to Sustainable Growth at Scale

Steve Priest
Chief Financial Officer



eBay Is a Global Leader in Commerce

147M

Buyers

190+

Markets

17M

Sellers



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Note: Active Buyers and Active Sellers are trailing 12-month measures as of 12/31/2021.

eBay Is Where Scaled Demand Meets Scaled Supply

60M+

Weekly visitors

1.5B+

Listings

80%
Organic

10% Free

10% Paid

Large businesses,
small businesses
& consumers



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Note: Average weekly visitors and total active listings as of 12/31/21.

Top 5 Categories Each > \$10B in Annual GMV



\$10B+
Motors
Parts &
Accessories



\$10B+
Electronics



\$10B+
Collectibles



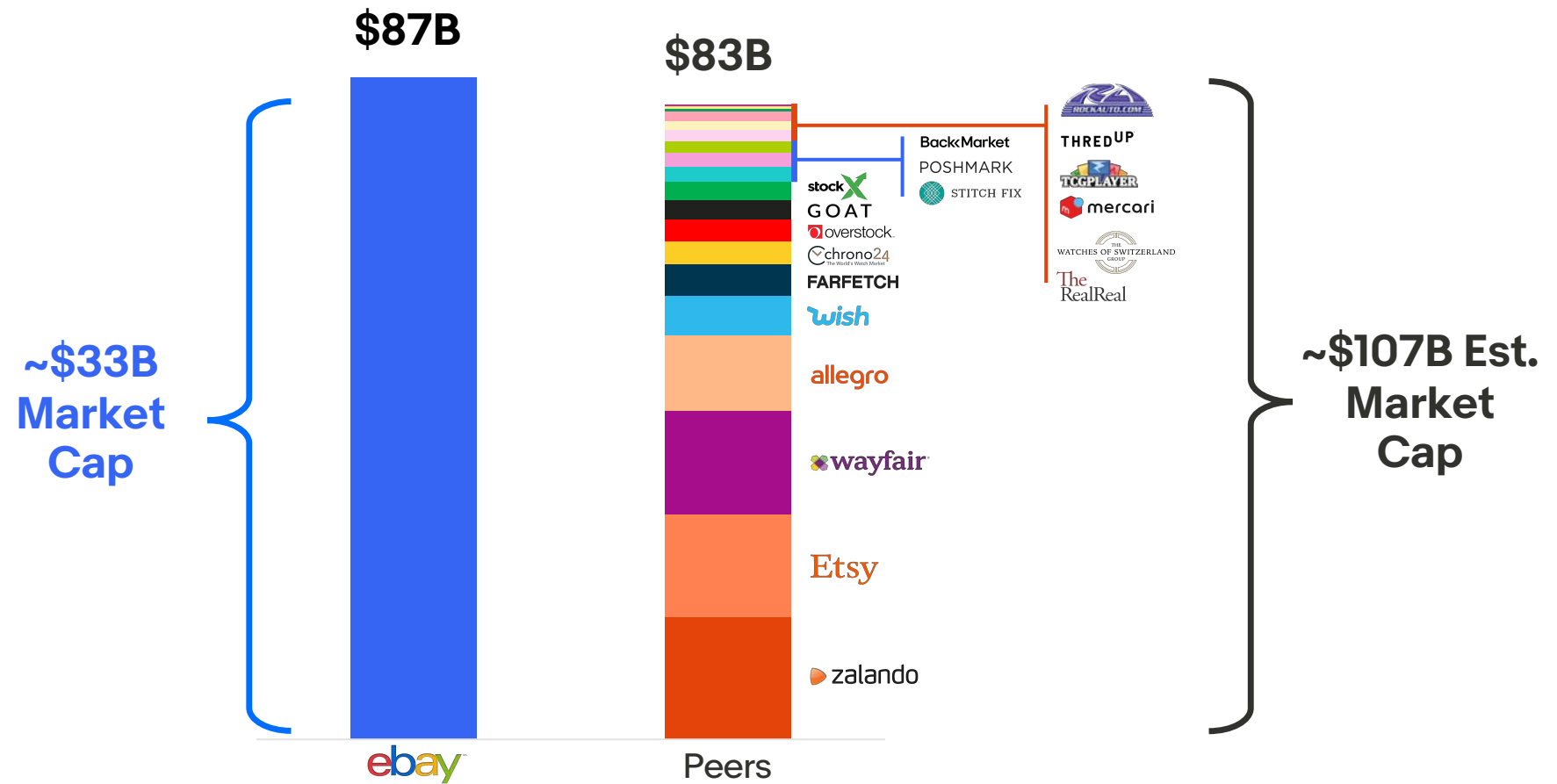
\$10B+
Home &
Garden



\$10B+
Fashion

eBay Is Far Larger Than Its Vertical Competitors

eCommerce Competitors GMV | 2021, \$B

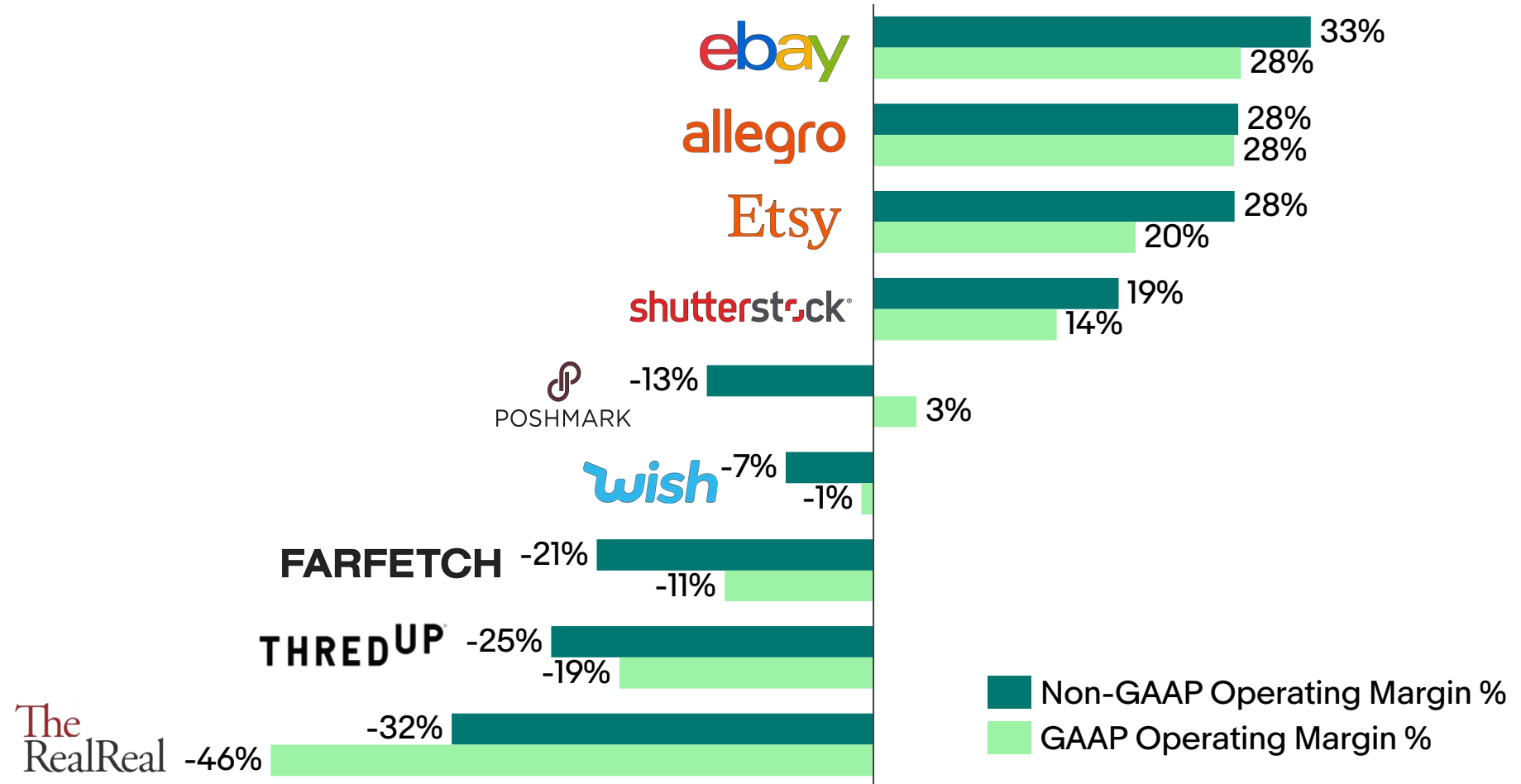


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Source(s): Company reports, SEC documents, FactSet, E-commerce DB, Pitchbook, and sell-side research estimates. Mercari represents US GMV estimates only. Public company market capitalizations as of 3/5/22. Non-public company data triangulated from best available third-party sources and may vary slightly from actuals. Sell-side data sources include Goldman Sachs, JP Morgan, Barclays, and Cowen.

eBay Has Best-in-Class Margins in eCommerce

2021 Operating Margins among eCommerce marketplaces



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Source(s): Company filings, FactSet. Note: CY'21 margins shown for most companies; for companies that had not reported CQ4'21 results by 2/28/22, YTD margins through CQ3'21 are shown. Reconciliations of non-GAAP measures are included in the Appendix of this presentation.

2021 Sustainability Milestones

100%

Carbon neutrality for scope
1 & 2 emissions

540,000

Metric tons of CO2 emissions
avoided this year through
Recommerce

2030

Science-based reduction targets
90% scope 1 & 2, 20% scope 3

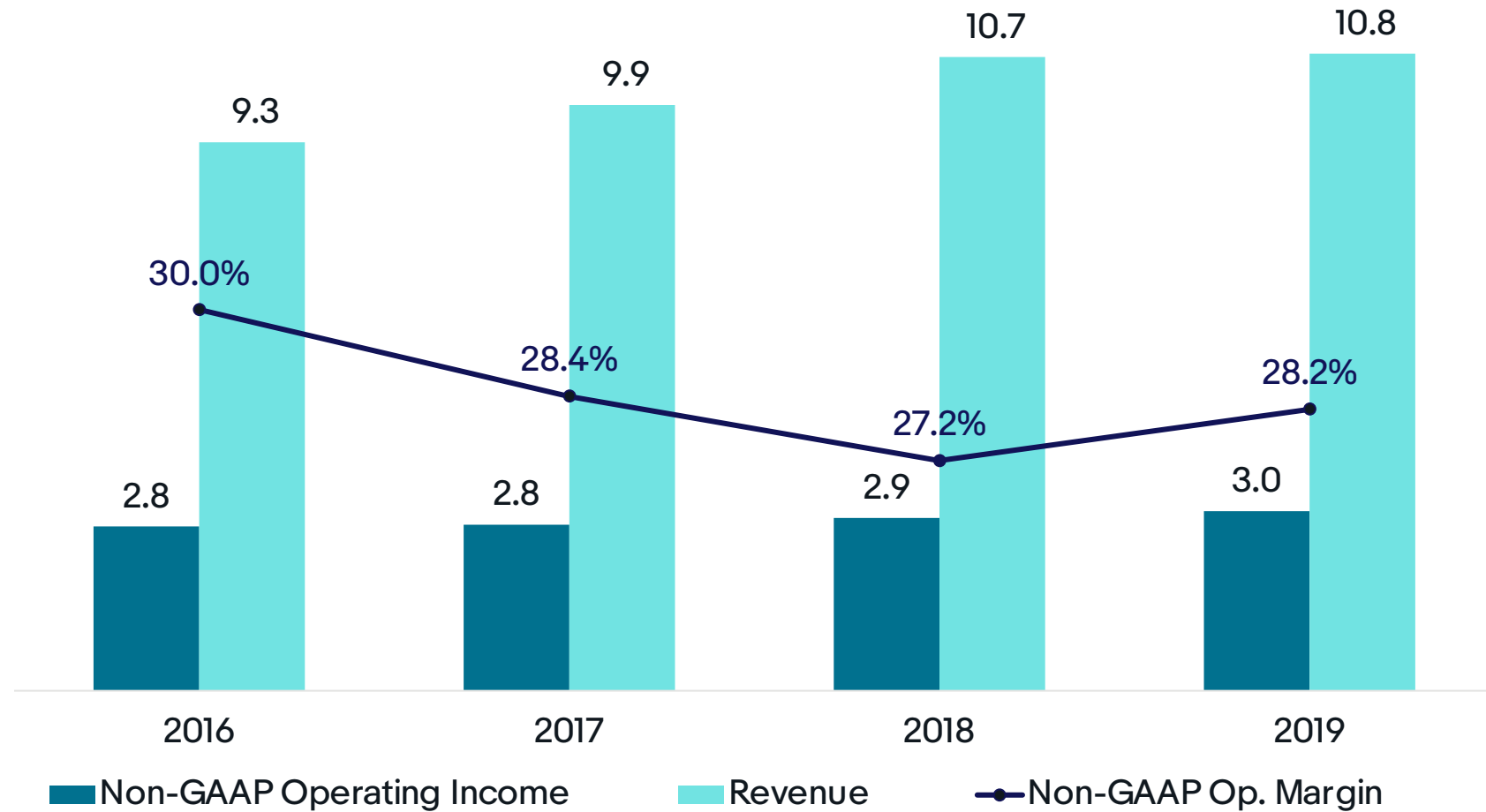


Where We Were



Top-Line Growth, But Operating Income Flat

Revenue, Non-GAAP Operating Income | 2016-2019, \$B

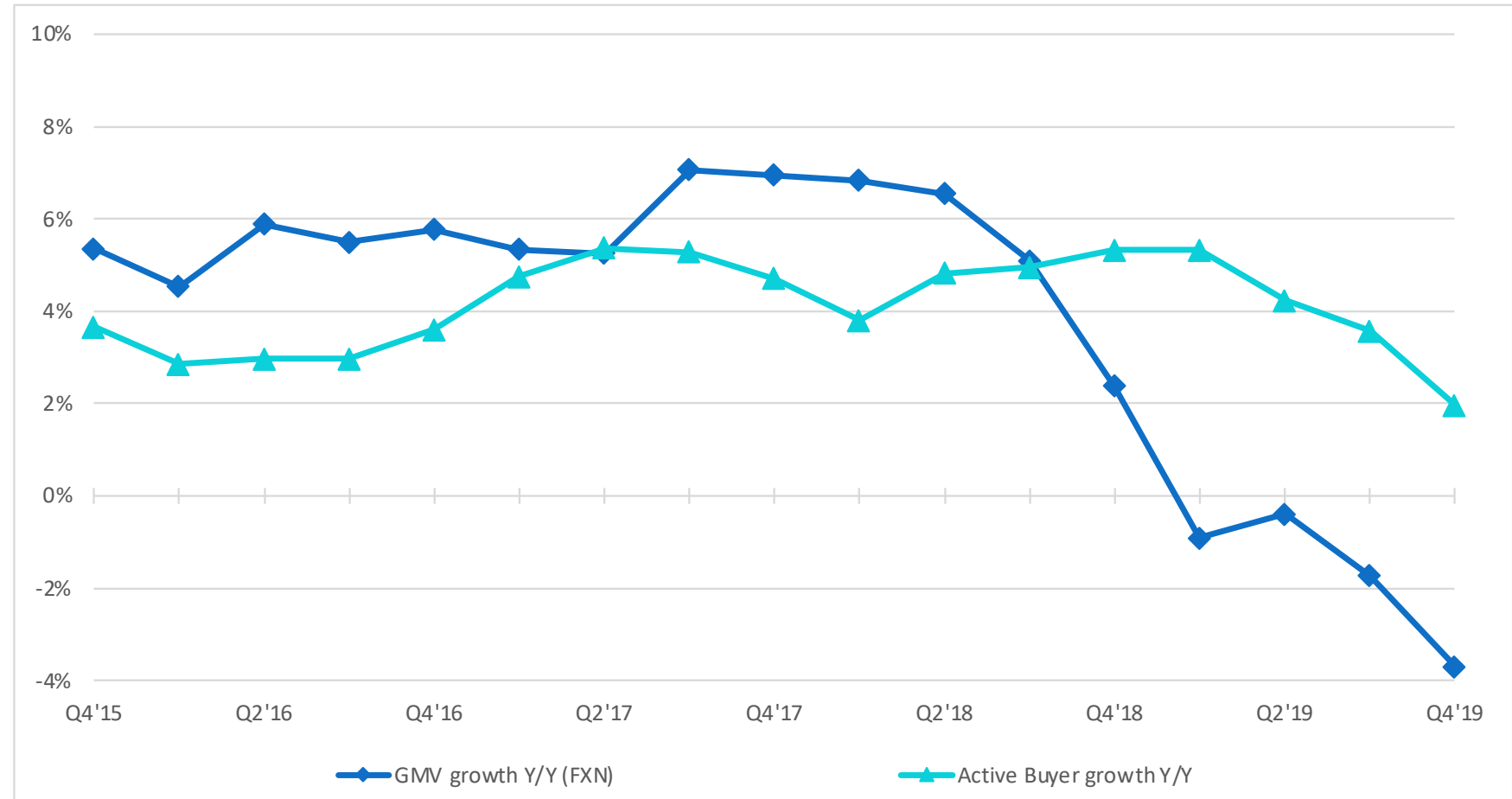


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Note: Revenue, Non-GAAP Operating Income, and Non-GAAP Operating Margin as restated under ASC 606 for FY'16, FY'17 and as originally reported for FY'18, FY'19. These figures are not restated for 2020-2021 dispositions. Reconciliations of non-GAAP measures are included in the Appendix of this presentation.

New In-Season Growth Was Short-Lived

eBay GMV and Active Buyer growth | 2015-2019

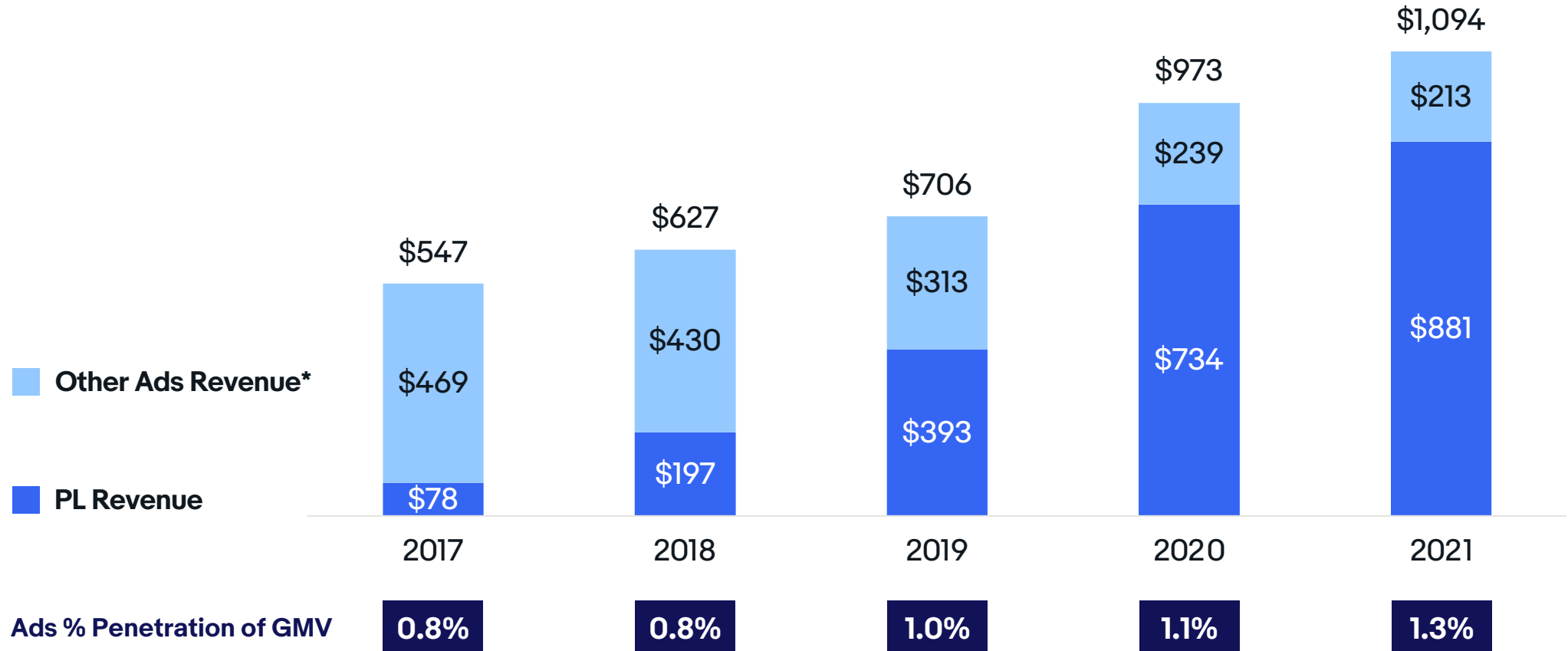


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Note: GMV, revenue, and trailing 12-month buyers as originally reported for Q4'15 through Q4'19 (i.e. not restated for subsequent dispositions).

Advertising Revenue Doubled in 4 Years

eBay Total Advertising Revenue | 2017-2021, \$M

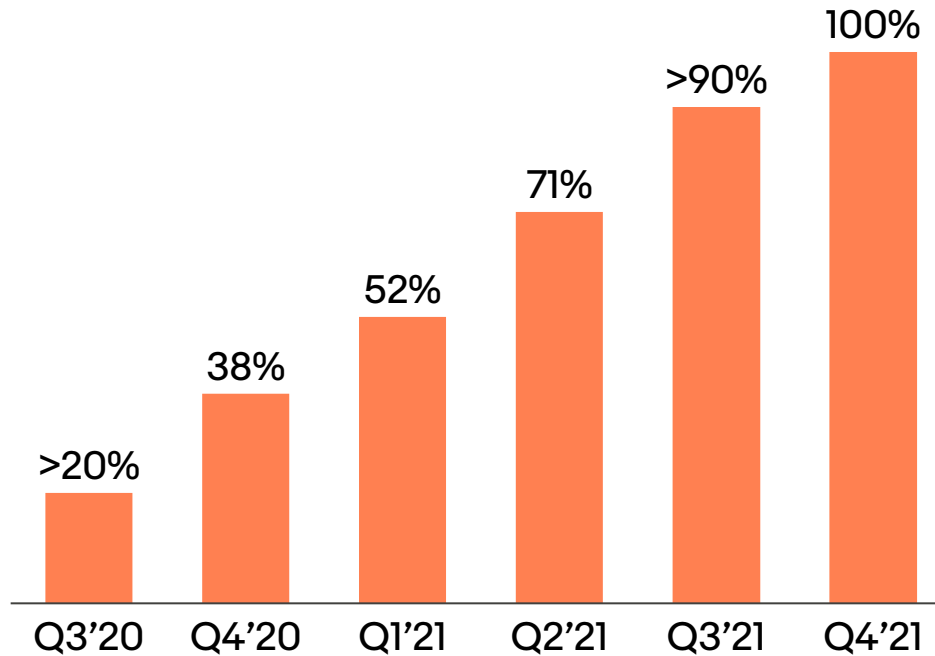


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*Other Ads Revenue primarily third-party display and text ads.
Notes: Penetration % of GMV calculated under current GMV definition. All advertising revenue figures restated for dispositions.

Payments Created Significant Value

Payments GMV migration % over 18-month rollout



Exited 2021 with:

- ✓ \$2B revenue in FY'21
- ✓ 25% Operating Margin run-rate
- ✓ \$1.5B in Adyen shares & warrants



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Notes: GMV migration refers to % of GMV processed through eBay Managed Payments in that quarter divided by total GMV in that quarter, as reported at the time (not restated). Fair value of Adyen shares & warrants calculated as of 12/31/22.

Divestitures Created Over \$20B in Value

Deal value
at closing



\$4.1



\$13.3

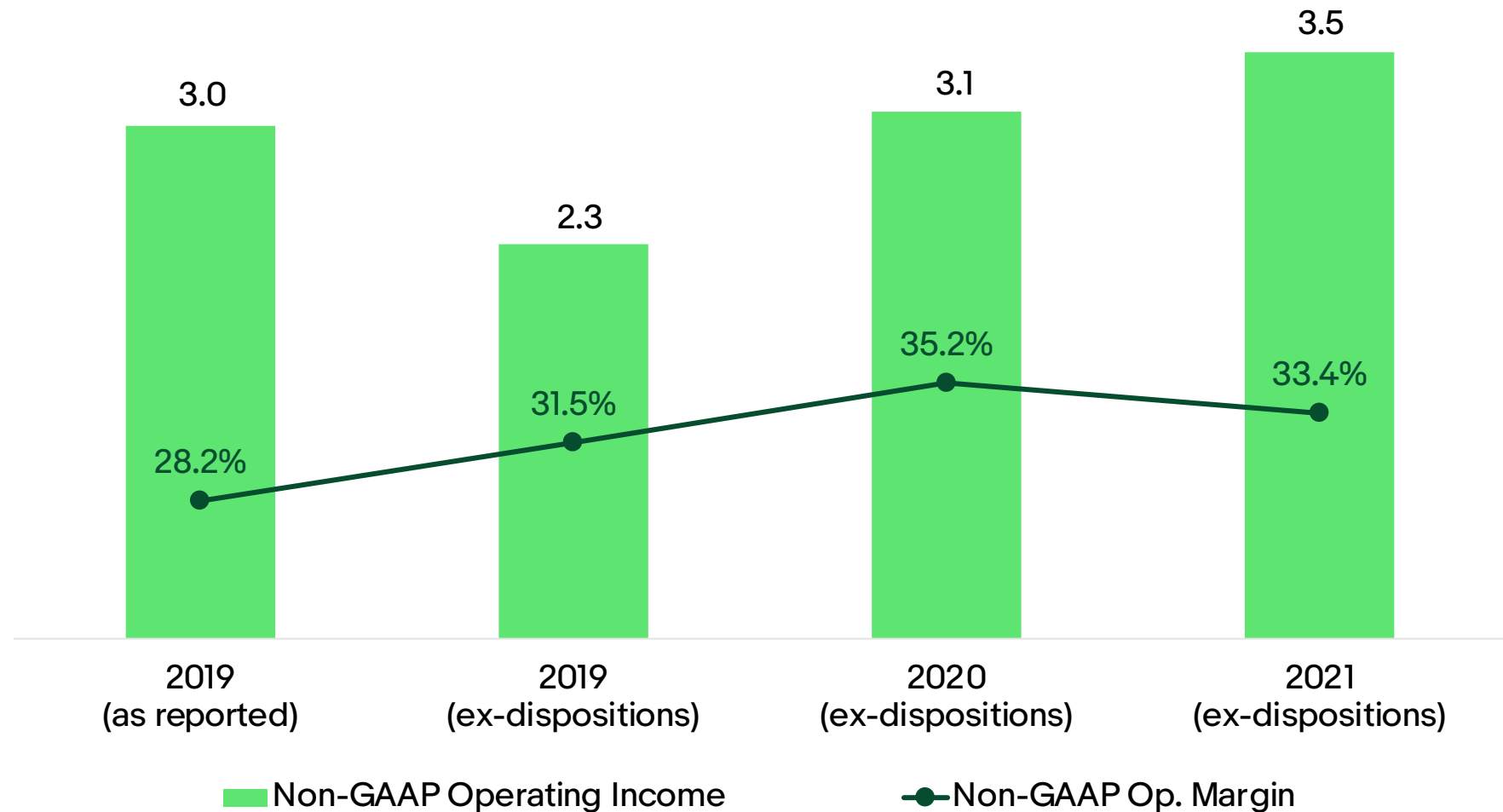


\$3.0

Total \$20.4

Replaced Lost Op. Income and Increased Margins


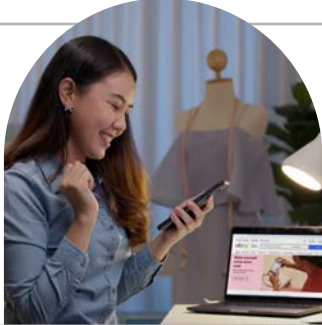
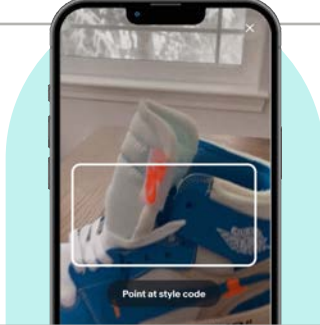








Non-GAAP Operating Income | 2019-2021, \$B



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Note: "As reported" refers to figures as originally reported. "Ex-dispositions" refers to restated numbers following the divestitures of StubHub, eBay Classifieds Group, and eBay Korea. Reconciliations of non-GAAP measures are included in the Appendix of this presentation.

Build / Buy / Partner Approach

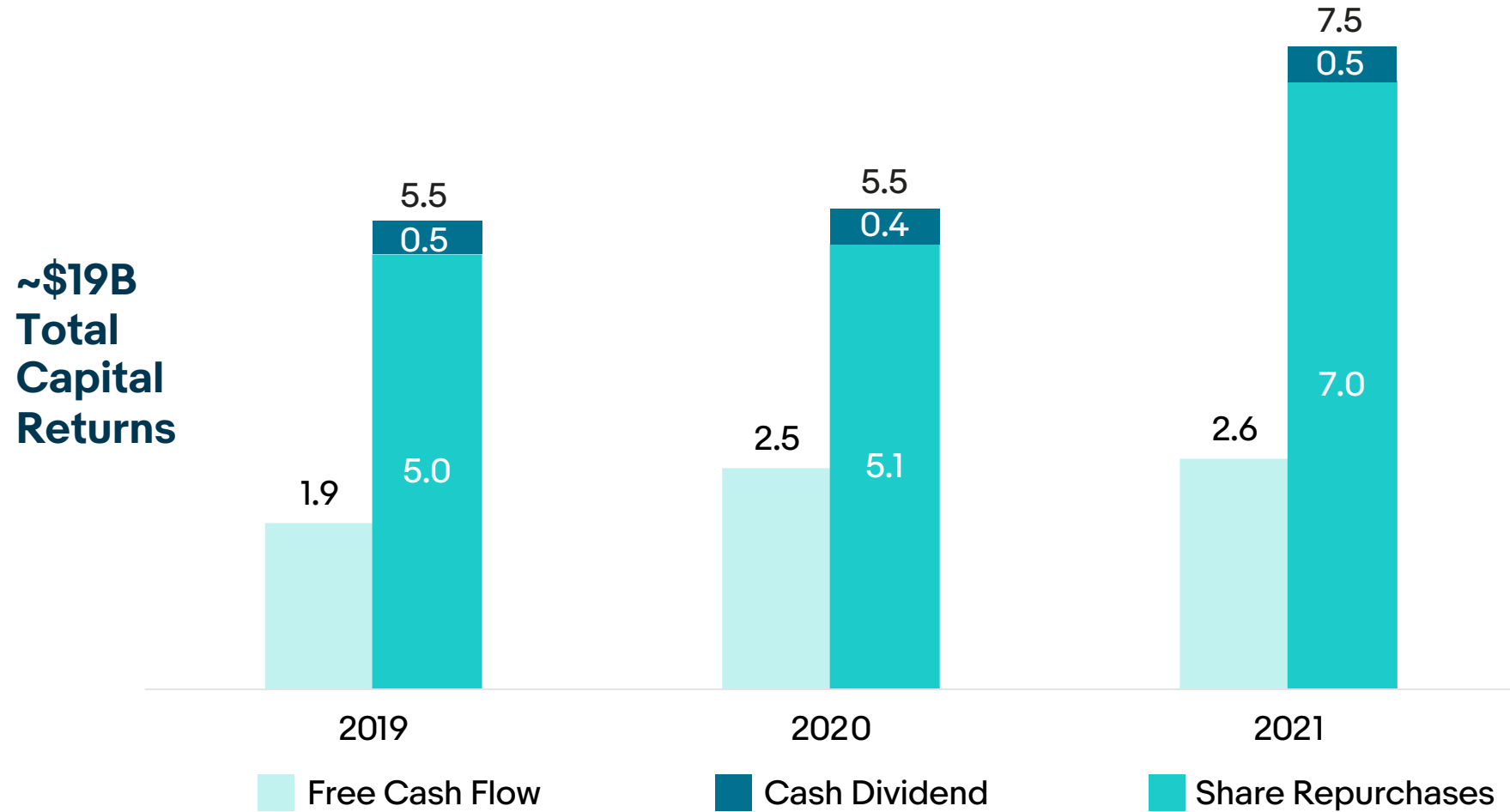
	Advertising Stack	Computer Vision Technology	The Vault
 Build			
 Buy			
 Partner			

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Note: Adyen and Payoneer partnerships are related to Managed Payments. Bidadoo investment announced in September 2021. Sneakercon acquisition announced in November 2021.

Capital Allocation History

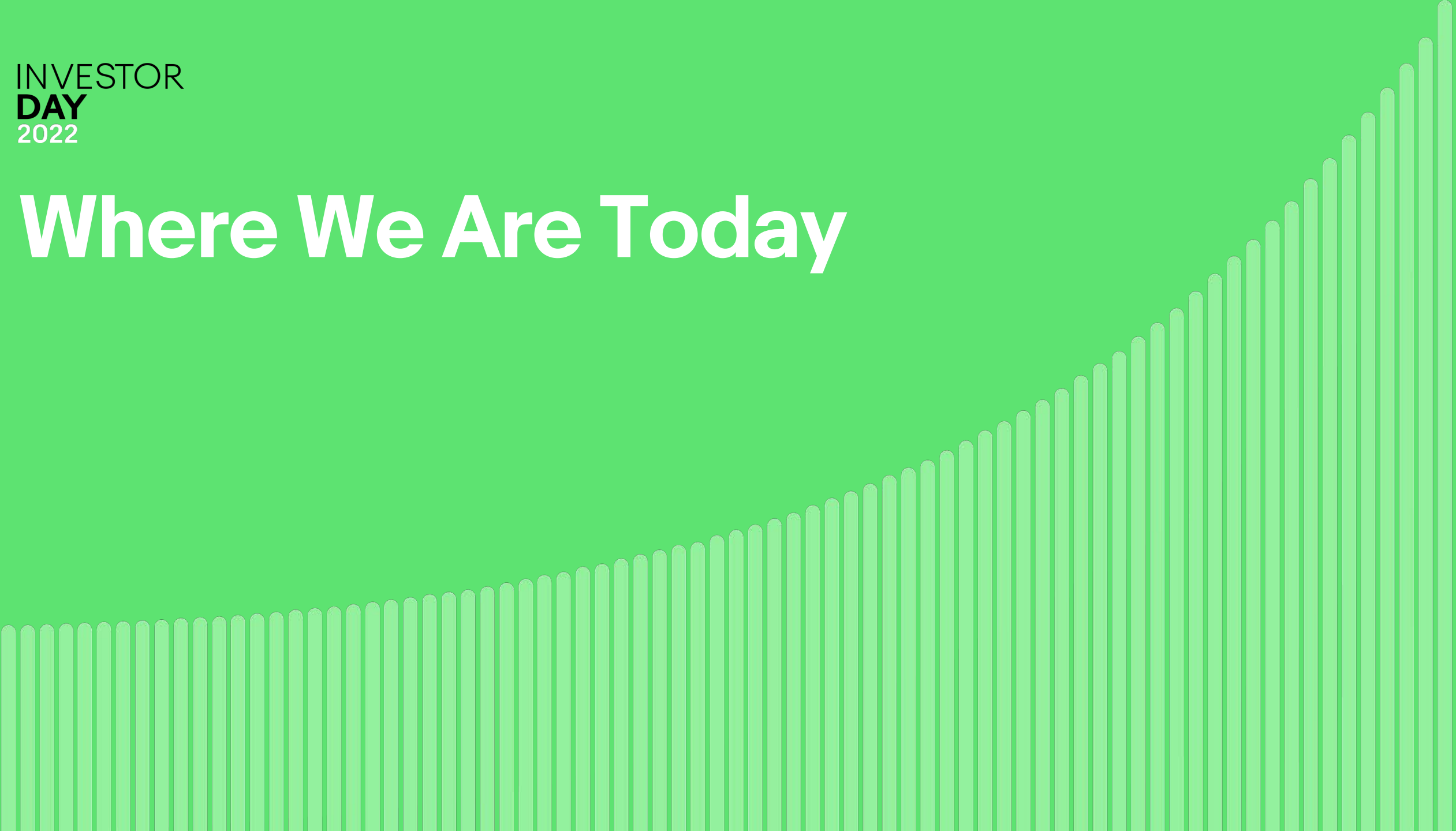
Free Cash Flow and Capital Returns | 2019-2021, \$B



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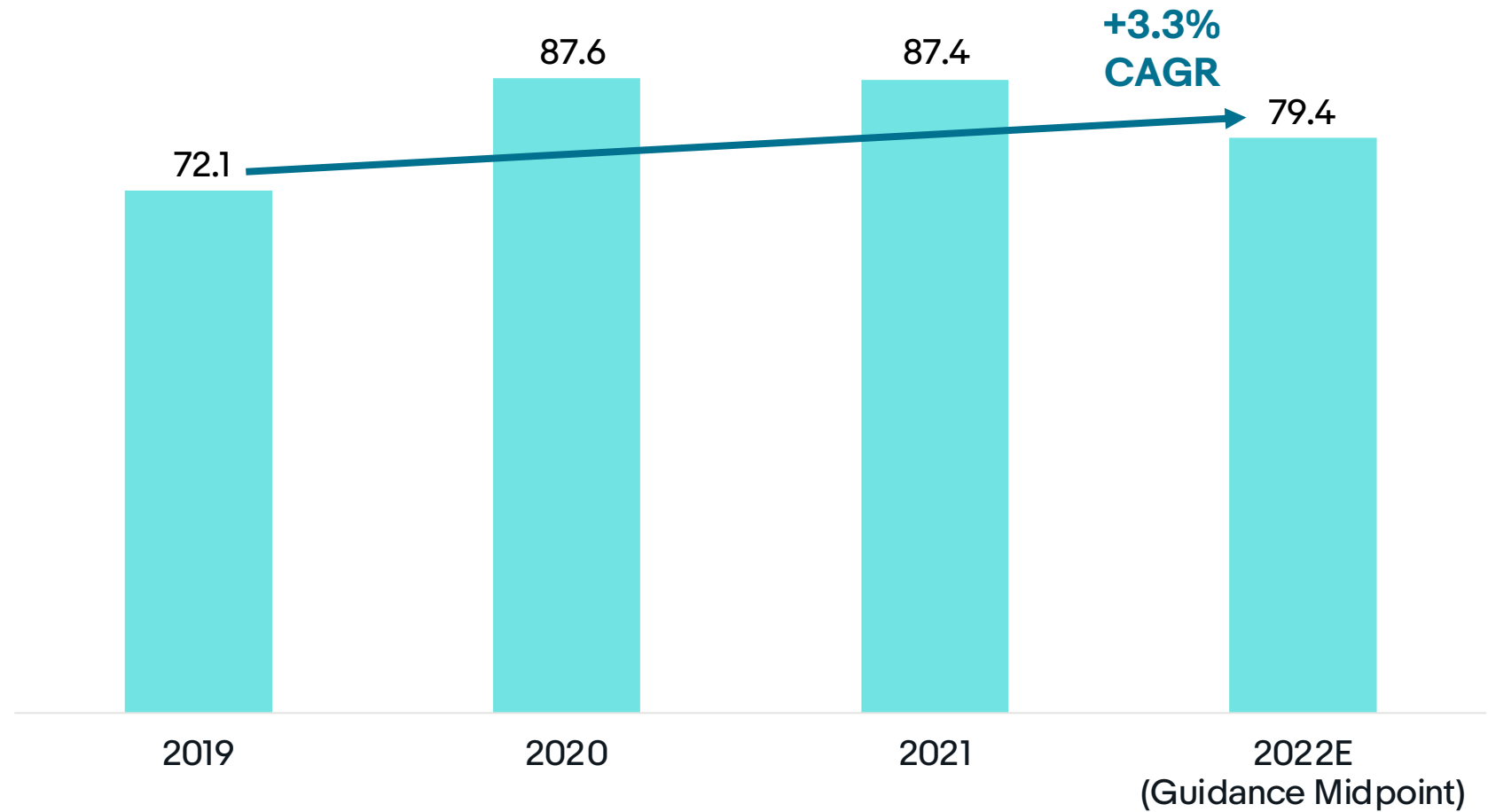
Note: Free Cash Flow is restated for dispositions. Reconciliations of non-GAAP measures are included in the Appendix of this presentation.

Where We Are Today



eBay in a Stronger Position than Pre-Pandemic

GMV by year | 2019-2022E, \$B

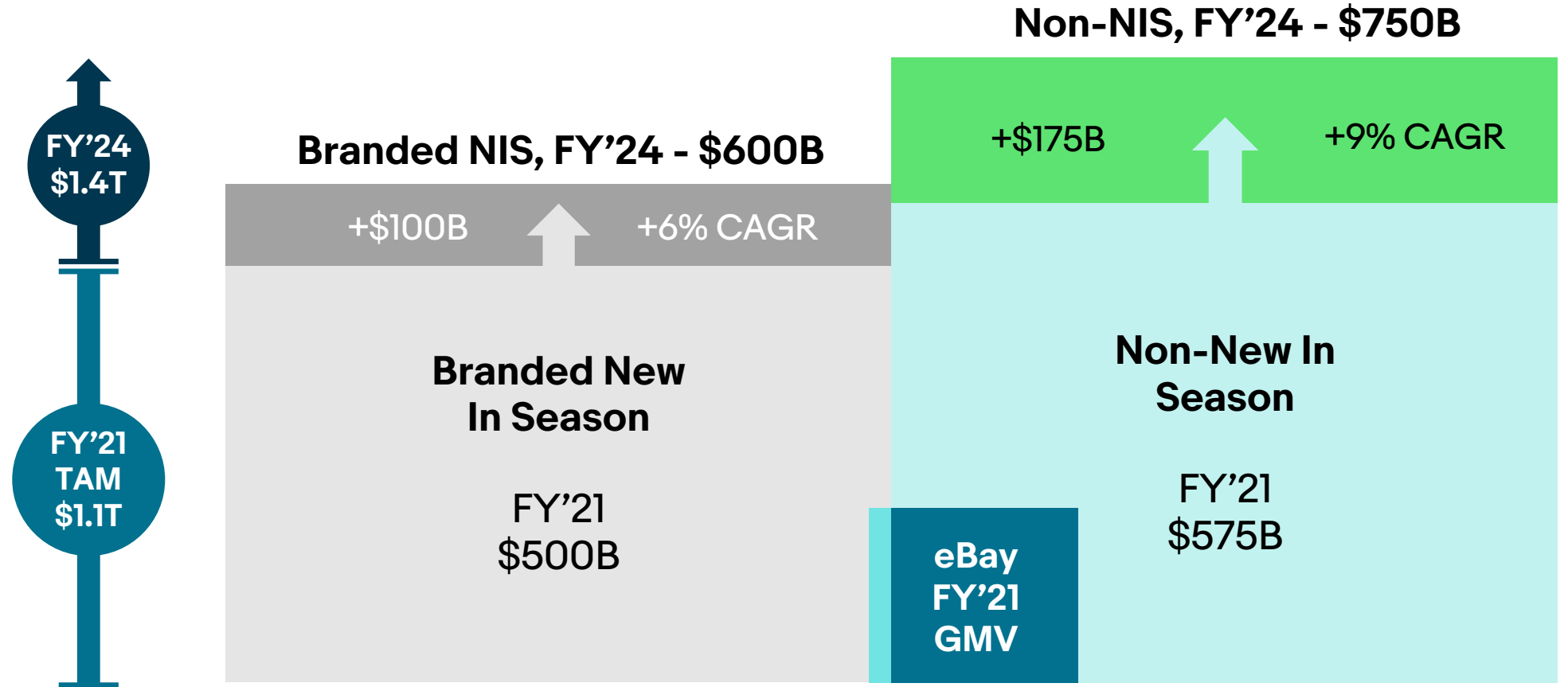


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Note: All GMV figures under current definition, restated for dispositions

\$1.1T TAM in Top 3 Markets Alone; eBay Aligned with Largest & Fastest Growing Portion

Online Retail Market Size | US, UK, DE, 2021-2024

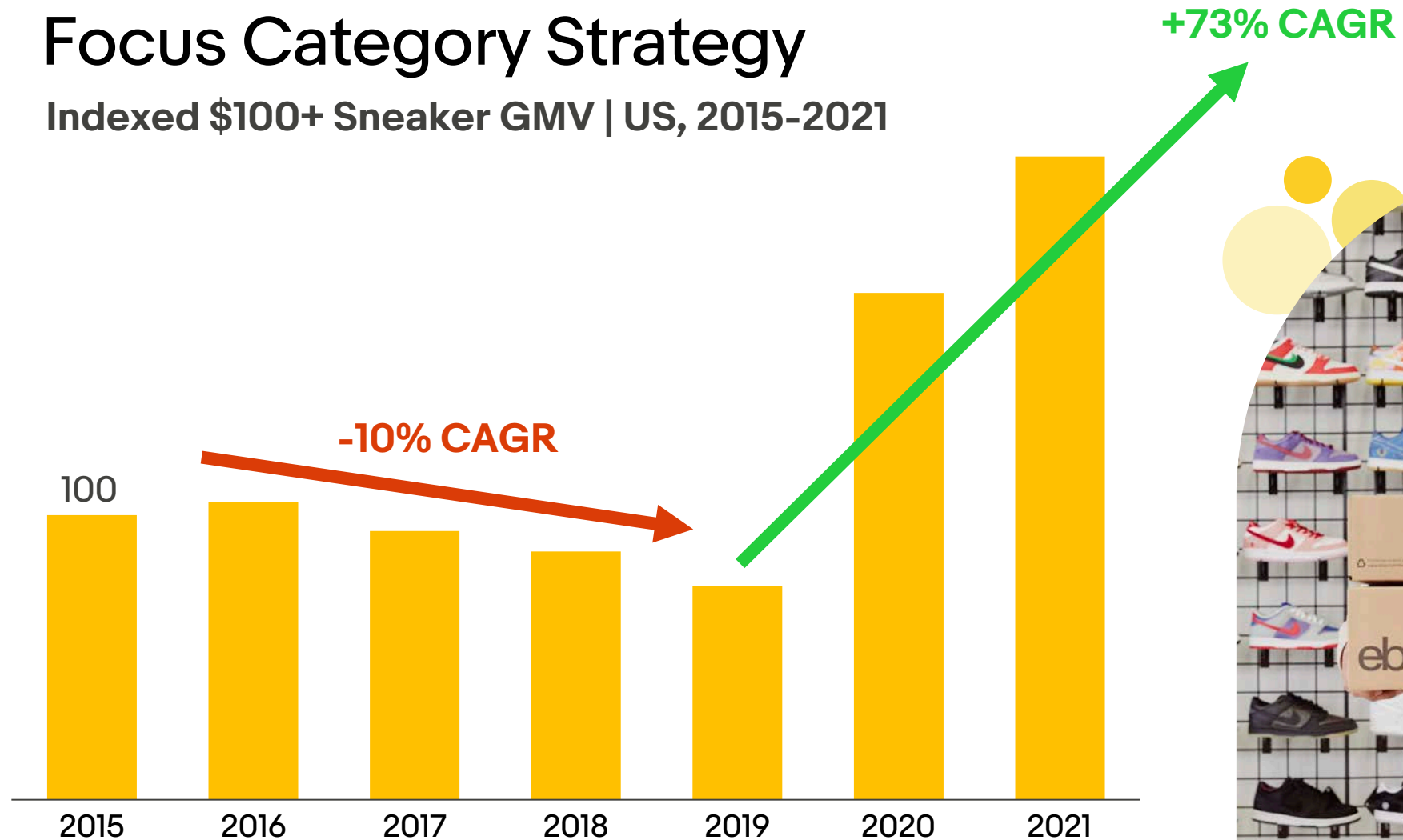


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Source: Forrester, Euromonitor, expert interviews, and eBay strategy team analyses. TAM estimates focus on categories relevant to eBay and excludes categories like perishable food and grocery. Note: NIS Includes 'non-seasonal'/basic products with longer shelf-life than 1 season. eBay GMV refers to US, UK, and DE markets; shades denote approximate GMV overlap with NIS vs. NNIS TAM.

Sneakers Turnaround Validates Focus Category Strategy

Indexed \$100+ Sneaker GMV | US, 2015-2021

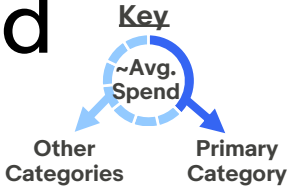


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Note: Columns represent historical GMV for sneakers over \$100 in the US (under current definition), indexed to 2015 levels (2015 = 100).

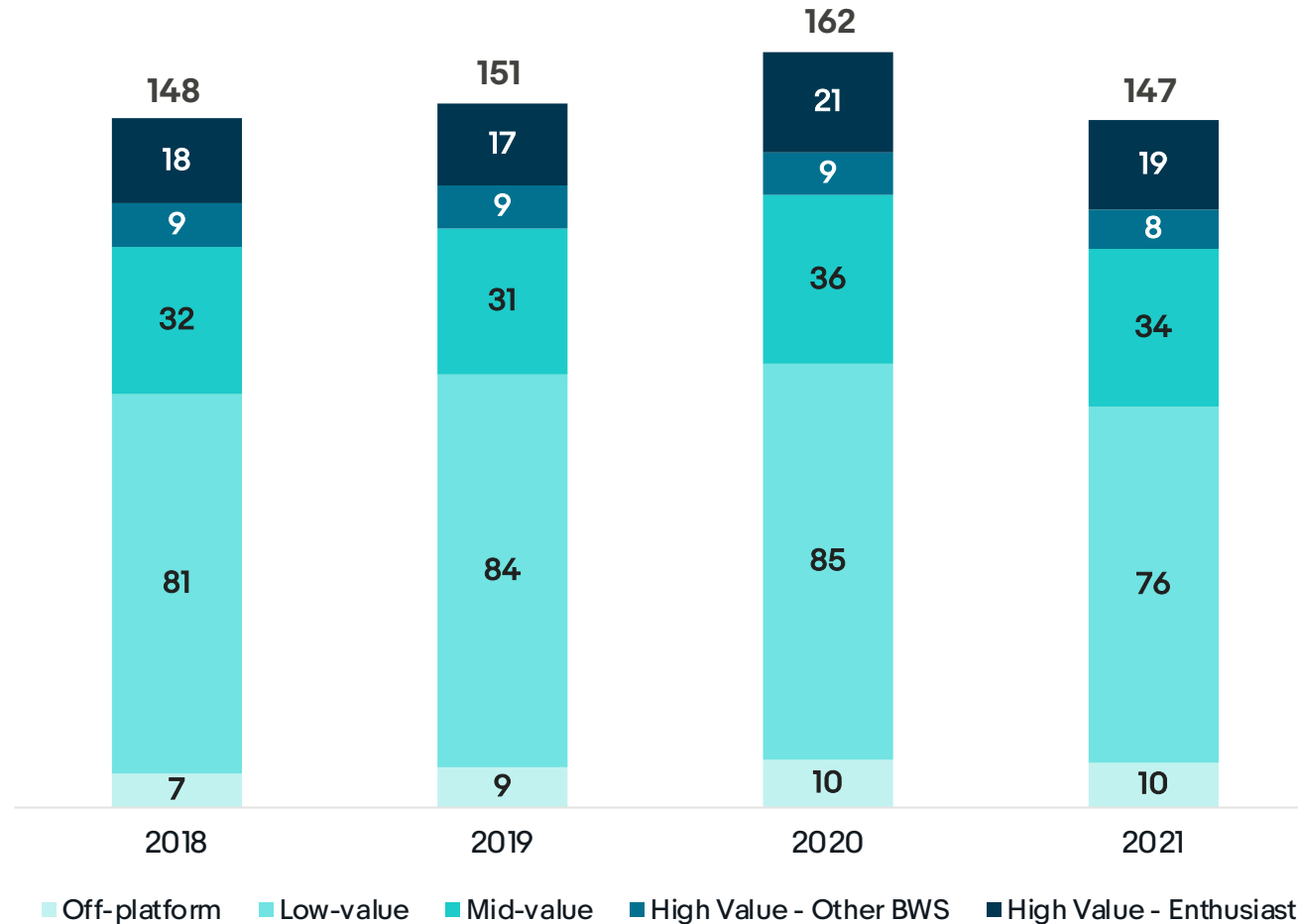
Cross-Category Shopping Drives Higher Spend

Avg. spend per buyer for Focus Category shoppers | US, 2021

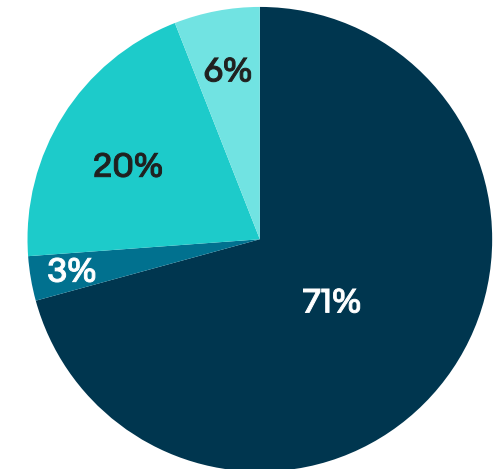


19M Enthusiast Buyers Driving Roughly 71% of GMV

T12M Active Buyers by Group, in Millions



2021 GMV Contribution (On-Platform)

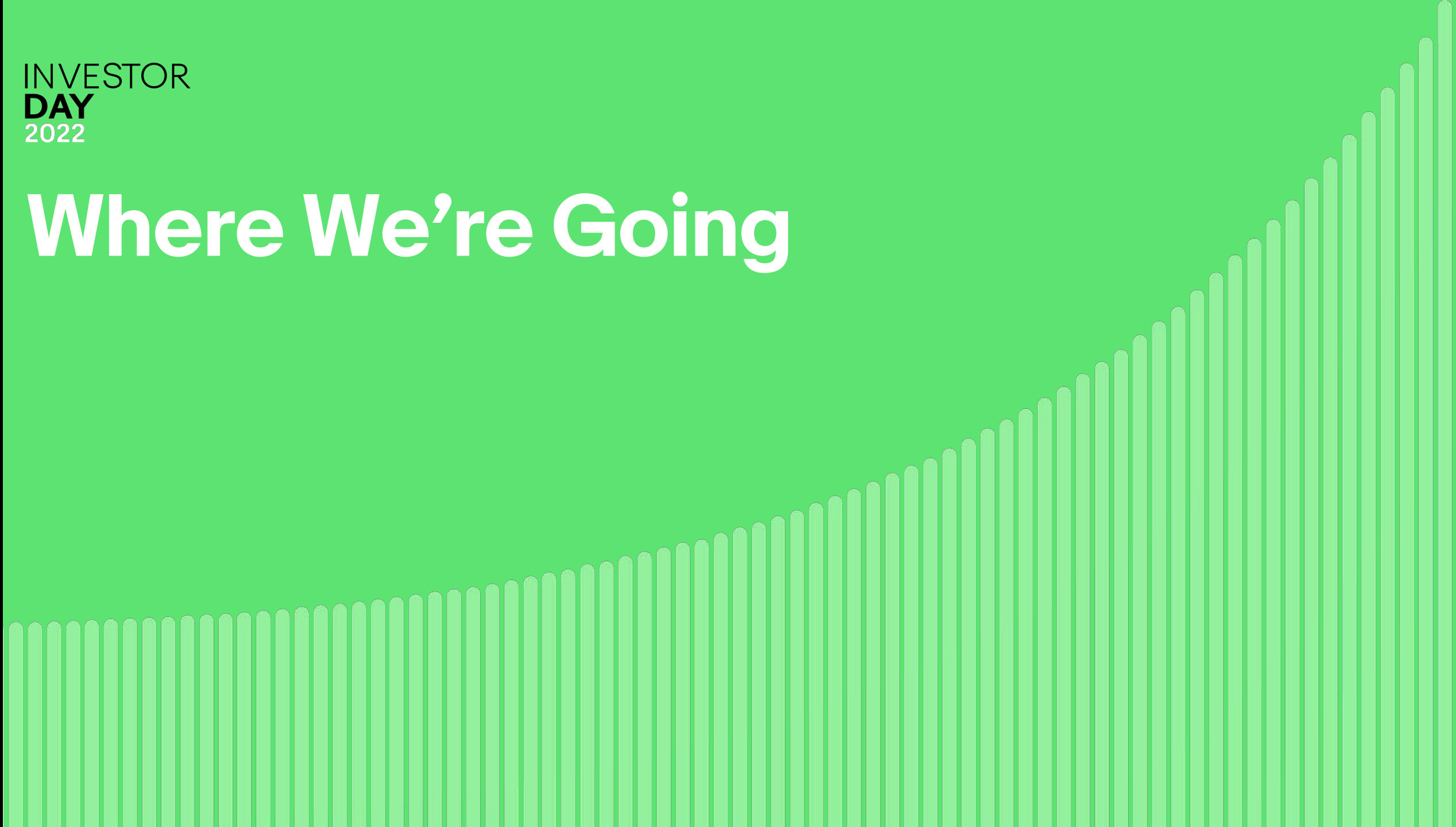


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Notes: T12M = trailing 12-month measure as of 12/31 of each year; all buyer groups are restated for asset dispositions. 2021 GMV contribution refers to on-platform GMV under current definition. High Value Enthusiasts = all buyers with at least 6 purchase days and \$800+ annual spend; Other BWS = all sellers that do not meet these purchasing thresholds.

Mid-value buyers = buyers who spend at least \$200 annually but <\$800; Low-value = all on-platform buyers who do not sell or spend \$200+ annually; Off-platform = users of Giosis (Japan) and GittiGidiyor (Turkey).

Where We're Going



Key Investor Questions:

Long-term GMV growth?

Incremental Ads
& Payments Revenue?

Operating income growth?

Approach to capital allocation?



GMV Growth 2022-2024

Guidance	Context
-5% to -8% GMV Growth 2022 FXN	<ul style="list-style-type: none">• H1'22 negative mid-teens due to COVID lapping• H2'22 flat to modestly positive• 2022 exit at +2% to +3% growth• Focus category coverage from ~20% entering 2022 to ~50% at 2024 exit• Focus categories growing near market rates
+3% to +4% GMV Growth 2023 FXN	
~+5% GMV Growth 2024 FXN	

Revenue Growth 2022-2024

Guidance	Context
0% to 3% Revenue Growth 2022 FXN	<ul style="list-style-type: none">• Throughout 2022-2024, revenue will outpace GMV due to Ads and Payments
5% to 6% Revenue Growth 2023 FXN	<ul style="list-style-type: none">• 2022 driven primarily by full year benefits of payments migration• Advertising revenue to double by 2025, CAGR ~20%
7% to 8% Revenue Growth 2024 FXN	<ul style="list-style-type: none">• Payments to add \$300M cumulative incremental revenue by 2024, independent of volume

Margin Growth 2022-2024

Guidance	Context
30 – 31% Non-GAAP Operating Margin 2022	<ul style="list-style-type: none">• Continue to maintain attractive margins as we invest in our business
31 – 32% Non-GAAP Operating Margin 2024	<ul style="list-style-type: none">• \$300M structural cost program to fund investments in growth strategy• Total margin expansion of +100bps by end of 2024
	<ul style="list-style-type: none">• Product & full-funnel marketing investment, offset by volume leverage and operating efficiency in 2023 / 2024

Capital Allocation Outlook

Guidance	Context
~\$7B FCF (3 years 2022-2024)	<ul style="list-style-type: none">• Build / buy / partner approach• Long-term tenets & targets unchanged<ul style="list-style-type: none">• Target BBB+ rating• 1.5x net debt• < 3x gross debt to EBITDA• Cash balance target \$3.5B• Strong balance sheet and FCF fund share repurchases, dividends and M&A• Capex in line with historical average
~125% Capital returns as % FCF	

EPS Outlook

Guidance	Context
\$4.20 – \$4.40 Non-GAAP EPS 2022	<ul style="list-style-type: none">• EPS growth acceleration from 2022-2024 as revenue and margins improve• Approximately two-thirds of EPS growth driven by operating income• Additional EPS contribution from capital returns
~10% Non-GAAP EPS Growth 2023	
~15% Non-GAAP EPS Growth 2024	

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Note: Please refer to slide 26 of our Q4'21 earnings presentation for more information regarding assumptions underlying our FY'22 EPS outlook.

eBay's Building Blocks for Sustainable Growth

GMV

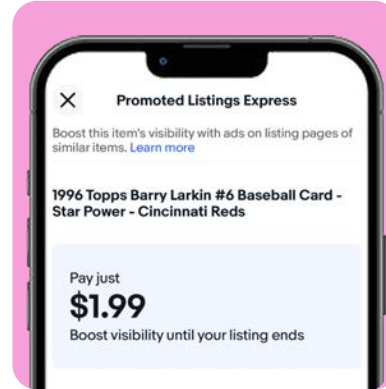


Focus Categories

Enthusiast Buyers

Empowering Sellers

Revenue



Volume Growth

Advertising

Payments

EPS



Marketing & Product Investment

Operating Income Growth

Structural Cost Program

Capital Allocation



Build/Buy/Partner Framework

Opportunistic Share Buyback

Predictable Dividends

ESG



Recommerce

Sustainability Goals

Diversity, Equity & Inclusion

eBay's 3-Year Outlook

	2022	2023	2024
GMV	-5 to -8%	3 - 4%	~5%
Revenue	0 - 3%	5 - 6%	7 - 8%
EPS	\$4.20 - \$4.40	10%	~15%

Free Cash Flow ~\$7B over 3 years

Capital Return 125% average

Note: Please refer to our Q4'21 earnings presentation for more information regarding assumptions underlying our FY'22 outlook.

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Appendix



GAAP to Non-GAAP Reconciliations

Operating Margin

	Twelve months ended							
	December 31,	December 31,	December 31,	December 31,	December 31,	December 31,	December 31,	December 31,
	2016	2017	2017	2019	2019	2020	2021	
	(as restated under ASC 606 adoption FY'16-17, as reported FY'18-19)				(restated)*			
GAAP operating income	\$ 2,325	\$ 2,265	\$ 2,222	\$ 2,321	\$ 1,770	\$ 2,636	\$ 2,923	
Stock-based compensation expense and related employer payroll taxes	424	497	554	522	430	425	489	
Amortization of acquired intangible assets within cost of net revenues	23	24	14	7	7	1	-	
Amortization of acquired intangible assets within operating expenses	34	38	49	48	28	27	9	
Other significant gains, losses or charges	(16)	(3)	87	145	103	39	58	
Non-GAAP operating income	\$ 2,790	\$ 2,821	\$ 2,926	\$ 3,043	\$ 2,338	\$ 3,128	\$ 3,479	
Revenues	\$ 9,298	\$ 9,926	\$ 10,746	\$ 10,800	\$ 7,429	\$ 8,894	\$ 10,420	
GAAP operating margin	25.0 %	22.8 %	20.7 %	21.5 %	23.8 %	29.6 %	28.1 %	
Non-GAAP operating margin	30.0 %	28.4 %	27.2 %	28.2 %	31.5 %	35.2 %	33.4 %	

* Restated to reflect the divestiture of StubHub, eBay Classifieds Group, and eBay Korea.

Reconciliation of Total Revenue (\$M)

	Twelve months ended						
	December 31,	December 31,	December 31,	December 31,	December 31,	December 31,	December 31,
	2016	2017	2017	2019	2019	2020	2021
	(as restated under ASC 606 adoption FY'16-17, as reported FY'18-19)				(restated)*		
Net Revenues by Type							
Net Transaction Revenues:							
Marketplace	\$ 6,425	\$ 6,809	\$ 7,416	\$ 7,578			
StubHub	938	1,011	1,068	1,057			
Total net transaction revenues	\$ 7,363	\$ 7,820	\$ 8,484	\$ 8,635	\$ 6,581	\$ 8,243	\$ 9,772
Marketing services and other revenues							
Marketplace	\$ 1,137	\$ 1,192	\$ 1,225	\$ 1,060			
Classifieds	791	897	1,022	1,061			
StubHub, other	7	18	15	64			
Elimination of intersegment revenue	-	-	-	(20)			
Total marketing services and other revenues	\$ 1,935	\$ 2,107	\$ 2,262	\$ 2,165	\$ 848	\$ 651	\$ 648
Total net revenues	\$ 9,298	\$ 9,926	\$ 10,746	\$ 10,800	\$ 7,429	\$ 8,894	\$ 10,420

* Restated to reflect the divestiture of StubHub, eBay Classifieds Group, and eBay Korea.

Calculation of Free Cash Flow

	Twelve months ended		
	December 31, 2019	December 31, 2020	December 31, 2021
	(in millions)		
Net cash provided by continuing operating activities	\$ 2,416	\$ 3,004	\$ 3,093
Less: Purchases of property and equipment, net	(508)	(463)	(444)
Free cash flow from continuing operations	\$ 1,908	\$ 2,541	\$ 2,649

GAAP to Non-GAAP Reconciliations

Guidance

(in billions, except per share amounts)	Twelve Months Ending December 31, 2022	
	GAAP	Non-GAAP (a)
Net Revenue	\$10.3 - \$10.5	\$10.3 - \$10.5
Diluted EPS	\$3.15 - \$3.35	\$4.20 - \$4.40

(year over year growth)	Twelve Months Ending December 31, 2023	
	GAAP	Non-GAAP (a)
Net Revenue (FXN)	5% - 6%	5% - 6%
Diluted EPS	~11%	~10%

(year over year growth)	Twelve Months Ending December 31, 2024	
	GAAP	Non-GAAP (a)
Net Revenue (FXN)	7% - 8%	7% - 8%
Diluted EPS	~17%	~15%

(a) Estimated non-GAAP amounts above for the twelve months ending December 31, 2022; December 31, 2023; and December 31, 2024 reflect adjustments that exclude the amortization of acquired intangible assets, estimated stock-based compensation expense and associated employer payroll tax expense, and an adjustment that excludes the net deferred tax impact related to the step-up in the tax basis of intangible assets. The estimated GAAP diluted EPS above does not assume any gains or losses on our equity method investments.