



BUSINESS & FINANCIAL HIGHLIGHTS

Q1'23

April 26, 2023



Disclosures

This presentation contains non-GAAP measures relating to our performance. You can find the reconciliation of these measures, except for FX-Neutral basis, to the nearest comparable GAAP measures in the appendix at the end of this presentation. All growth rates represent year-over-year comparisons, except as otherwise noted. For numbers in this presentation provided on an “FX-Neutral” basis, we calculate the year-over-year impact of foreign currency movements using prior period foreign currency rates applied to current year transactional currency amounts.

This presentation contains forward-looking statements relating to, among other things, the future performance of eBay Inc., and its consolidated subsidiaries that are based on our current expectations, forecasts and assumptions and involve risks and uncertainties. These statements include, but are not limited to, statements regarding the future performance of eBay Inc. and its consolidated subsidiaries, including management’s vision for the future of eBay and our ability to accomplish our vision, expected financial results for the second quarter and full year 2023 and the future growth in our business, the effects of geopolitical events and inflationary pressure on our business and operations and our ability to respond to such effects, operating efficiency and margins, reinvestments, dividends and share repurchases.

Our actual results could differ materially from those predicted or implied and reported results should not be considered as an indication of future performance. Factors that could cause or contribute to such differences include, but are not limited to: changes in political, business and economic conditions, including impacts from the ongoing war in Ukraine, rising inflation and interest rates, decreases in consumer confidence, any regional or general economic downturn or crisis and any conditions that affect ecommerce growth or cross-border trade; the company’s ability to realize expected growth opportunities in payments intermediation and advertising; fluctuations in foreign currency exchange rates; our need to successfully react to the increasing importance of mobile commerce and the increasing social aspect of commerce; an increasingly competitive environment for our business; changes to our capital allocation, including the timing, declaration, amount and payment of any future dividends or levels of the company’s share repurchases, or management of operating cash; our ability to increase operating efficiency to drive margin improvements and enable reinvestments; our ability to manage indebtedness, including managing exposure to interest rates and maintaining credit ratings; our need to manage an increasingly large enterprise with a broad range of businesses of varying degrees of maturity and in many different geographies; our ability to successfully intermediate payments on our marketplace platform; our need and ability to manage regulatory, tax, data security and litigation risks; the ultimate resolution of ongoing investigations and other legal matters involving the Company; our ability to timely upgrade and develop technology systems, infrastructure and customer service capabilities at reasonable cost while maintaining site stability and performance and adding new products and features; and our ability to integrate, manage and grow businesses that have been acquired or may be acquired in the future.

The forward-looking statements in this presentation do not include the potential impact of any acquisitions or divestitures that may be announced and/or completed after the date hereof.

More information about factors that could affect our operating results is included under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q, copies of which may be obtained by visiting our Investor Relations website at <https://investors.ebayinc.com> or the SEC’s website at www.sec.gov. All information in this presentation is as of April 26, 2023. Undue reliance should not be placed on the forward-looking statements in this presentation, which are based on information available to us on the date hereof. We assume no obligation to update such statements.

Business Highlights



Q1 Highlights



\$18.4 Billion

Gross Merchandise Volume

\$2.5 Billion

Revenue

29.6%

Non-GAAP Operating Margin

\$1.11

Non-GAAP EPS

16 Million

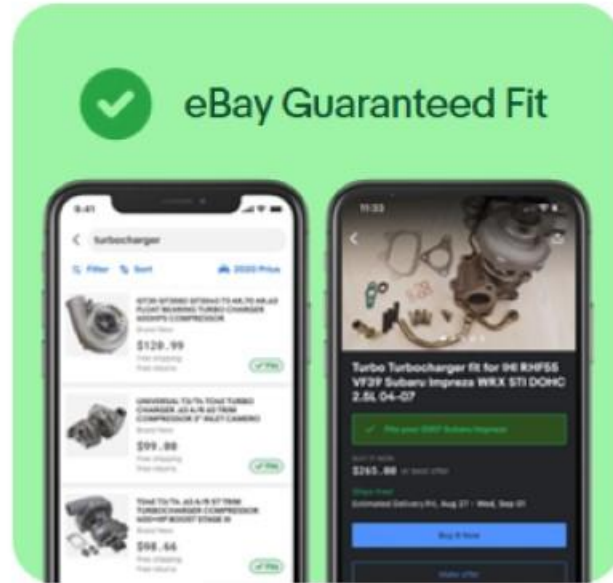
Enthusiast Buyers*

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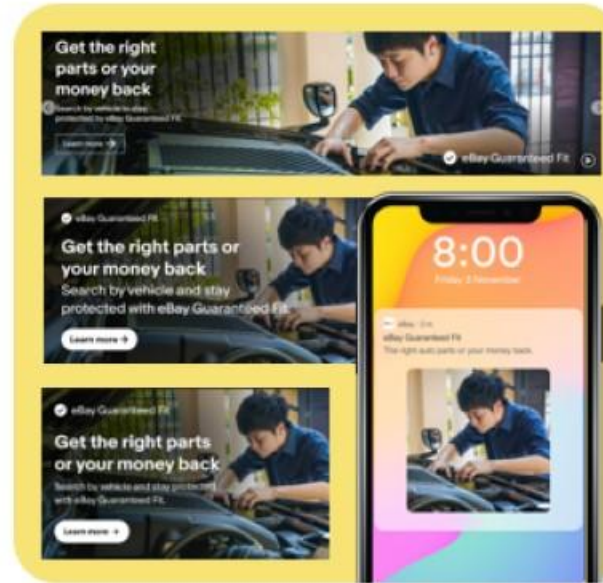
* Enthusiast Buyers are defined as buyers with at least 6 purchase days and \$800+ (or local currency equivalent) annual spend; this is a T12M metric



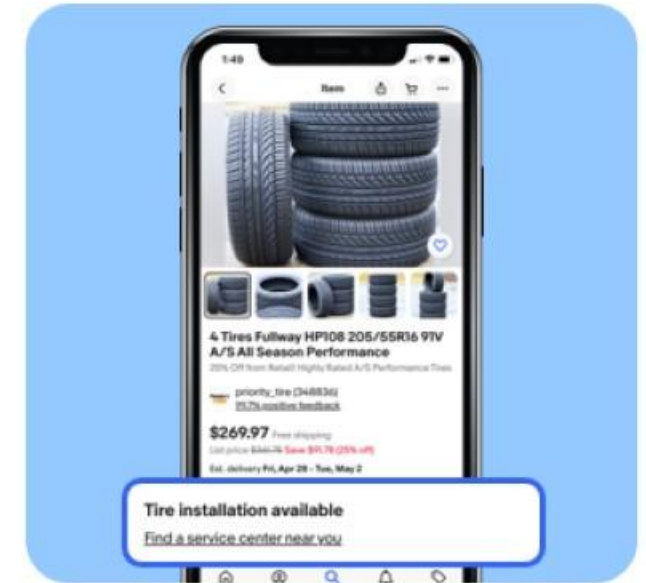
Accelerating P&A, Our Largest Focus Category



Launched Guaranteed Fit Program in the US



Designed a full-funnel Marketing Campaign



Revamped the Tire Installation Experience

Image-Based Search

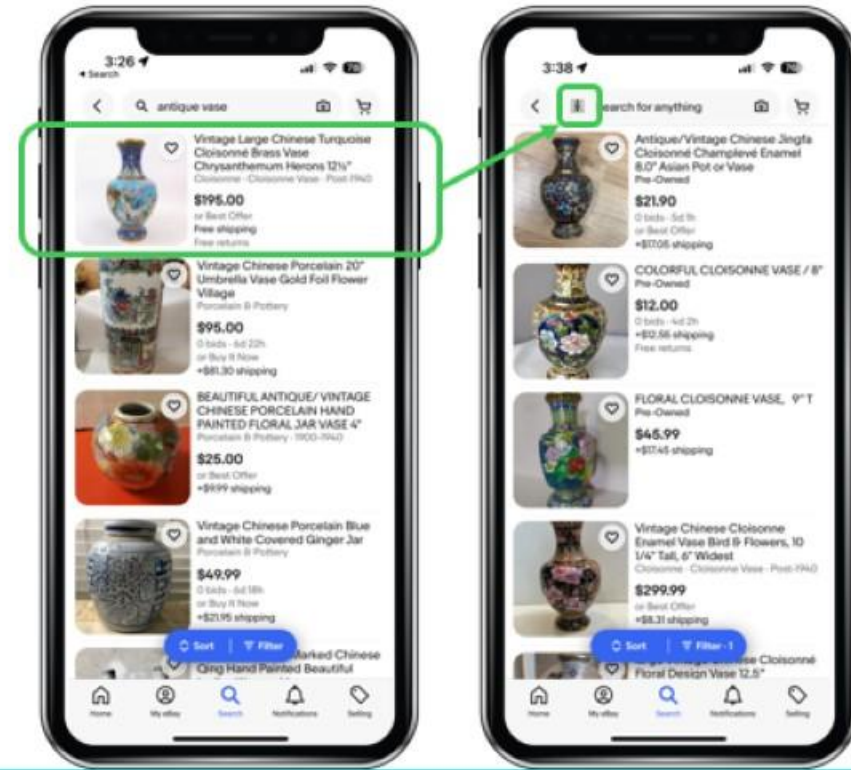
1

A buyer has antique vase that breaks and they need to find a replacement



2

The buyer uses a photo of the vase in Search to discover visually similar ones



Diversity, Equity and Inclusion

Increase Representation

42%

Women in our total workforce

17%

Members of Underrepresented
Minority Groups in our U.S. workforce



Cultivate a Sense of Belonging

175

Community Events Led by Our COIs

100%

Gender Pay Ratio for Total
Compensation in the U.S.



Engage Our Communities and Allies

~\$23M

In eBay Foundation grants in 2022

44%

increase in employees using our
matching gifts program in 2022



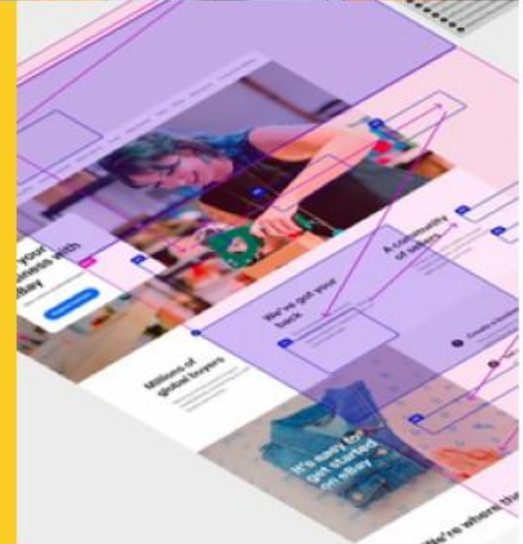
Build Inclusive Technology

Include

New plugin that incorporates
modern Accessibility solutions

M2M

New machine learning messaging
experience that bridges language gaps



Financial Highlights



Q1'23 Results

	Guidance	Actuals
GMV (in billions)	\$18.0 - \$18.3 (7)% - (6)% spot (5)% - (3)% FXN (5)% - (4)% organic FXN	\$18.4 (5)% spot (2)% FXN (3)% organic FXN
Revenue (in billions)	\$2.46 - \$2.50 (1)% - 1% spot 1% - 2% FXN 0% - 2% organic FXN	\$2.51 1% spot 3% FXN 2% organic FXN
Non-GAAP Op Margin	29.1% - 29.7%	29.6%
Non-GAAP EPS	\$1.05 - \$1.09 0% - 3%	\$1.11 5%

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Reconciliation of Non-GAAP measures are included in the Appendix of this presentation.

FINANCIAL HIGHLIGHTS Q1'23

GMV

(\$ billions, Y/Y FXN growth)

Int'l
US



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All growth rates are FX-neutral growth rates, unless noted otherwise
All reported results are from continuing operations



Revenue

(\$ millions, Y/Y FXN growth)



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Calculation of total net revenue organic FX-neutral growth is included in the Appendix of this presentation
All growth rates are FX-neutral growth rates, unless noted otherwise
All reported results are from continuing operations

Advertising Revenue

(\$ millions, Y/Y FXN growth)

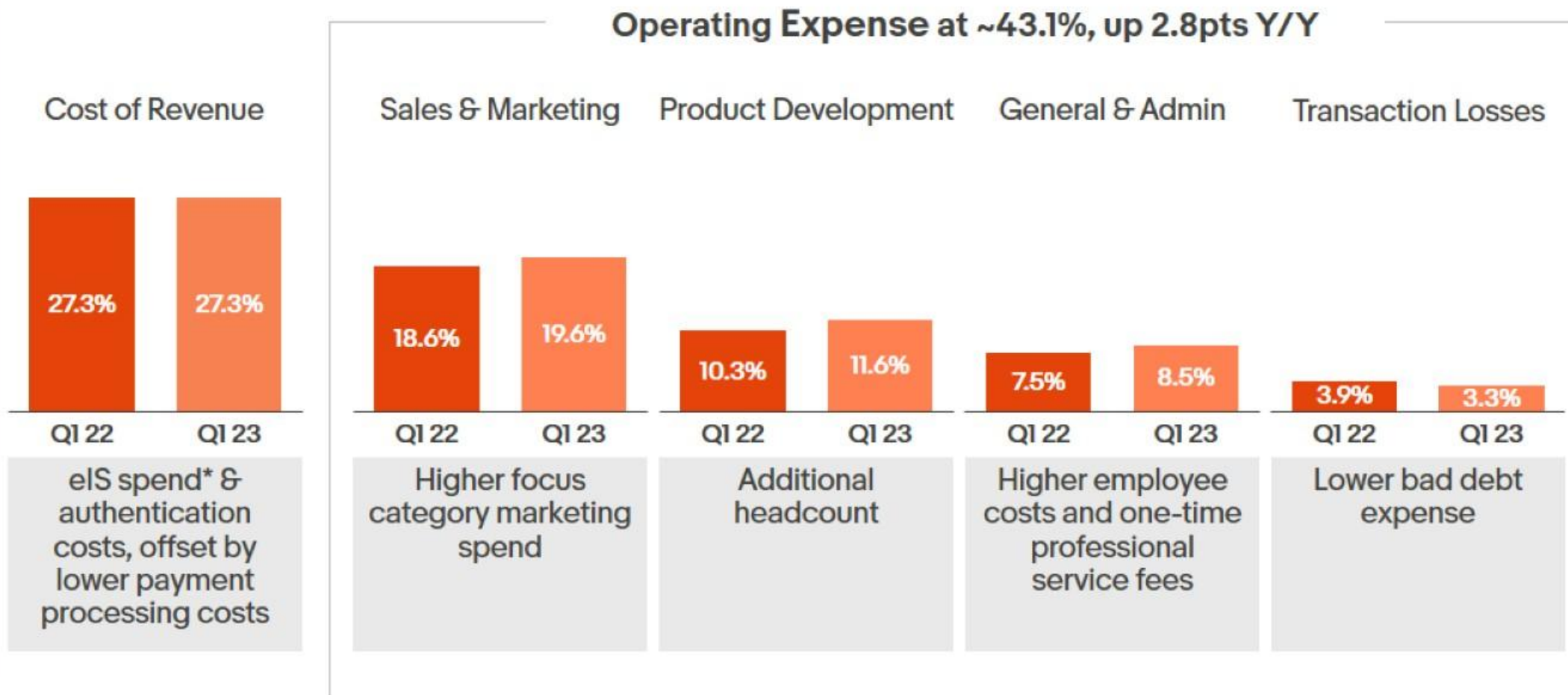


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GMV penetration calculated under current GMV definition and based on total ads revenue
 1P = First-party advertising revenue, including Promoted Listings products and first-party display advertisements; 3P = Third-party advertising revenue
 All reported results are from continuing operations

Non-GAAP Expenses

(% of revenue)

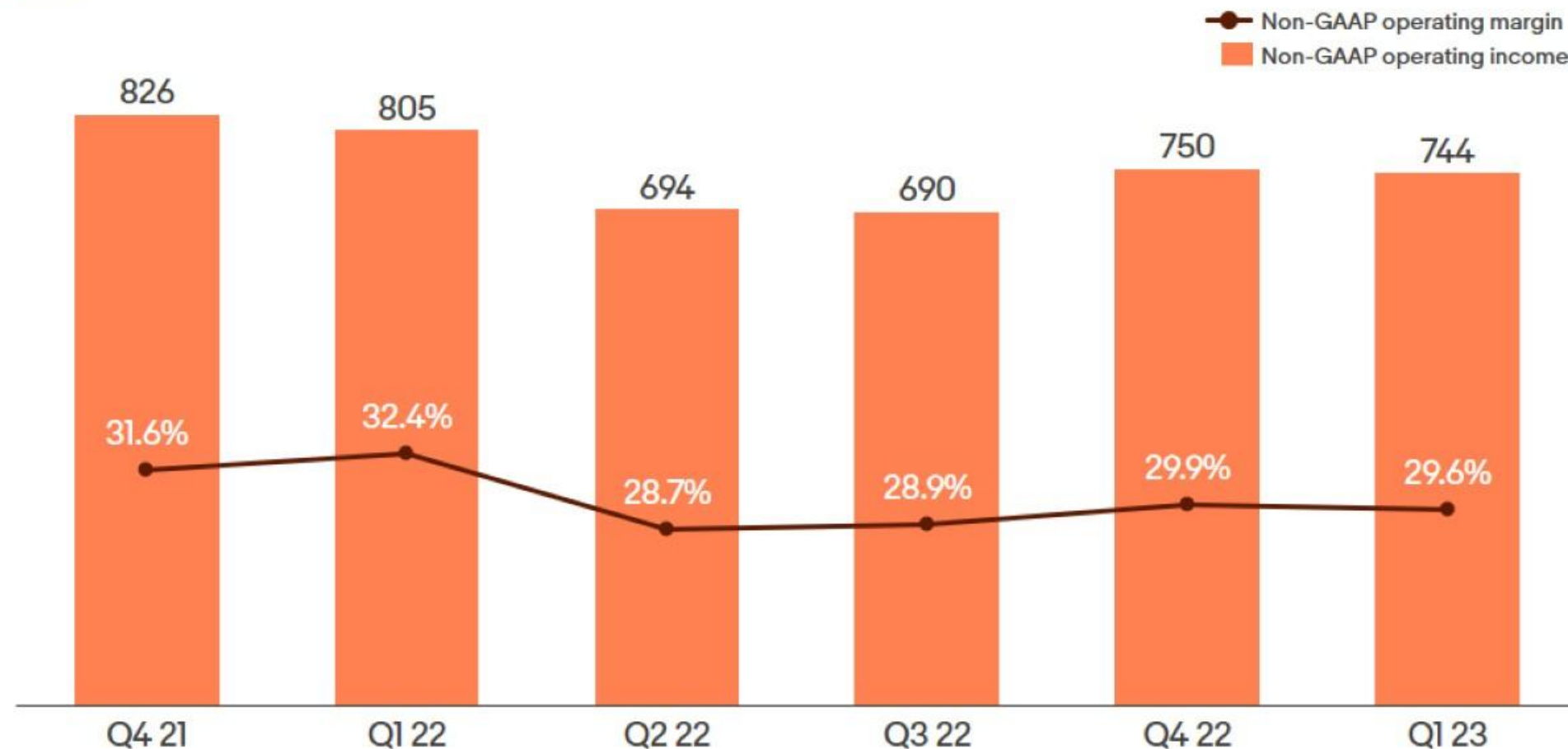


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* eIS = eBay International Shipping
Reconciliation of Non-GAAP operating expenses is included in the Appendix of this presentation
All reported results are from continuing operations

Non-GAAP Operating Income & Margin

(\$ millions)



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Reconciliation of Non-GAAP operating income and margin are included in the Appendix of this presentation
All reported results are from continuing operations

Earnings Per Share



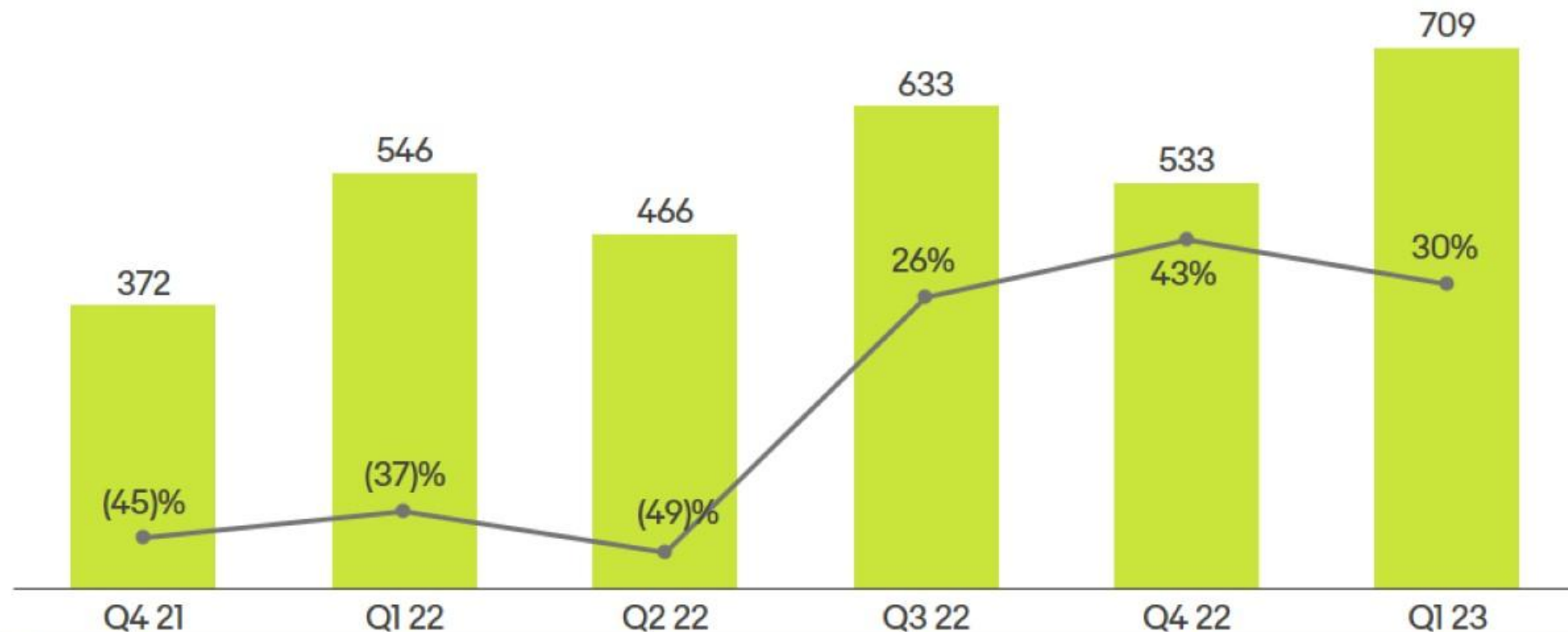
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** Not meaningful
Reconciliation of Non-GAAP earnings per share is included in the Appendix of this presentation
All reported results are from continuing operations

Free Cash Flow

(\$ millions)

—●— Y/Y Growth
■ Free Cash Flow



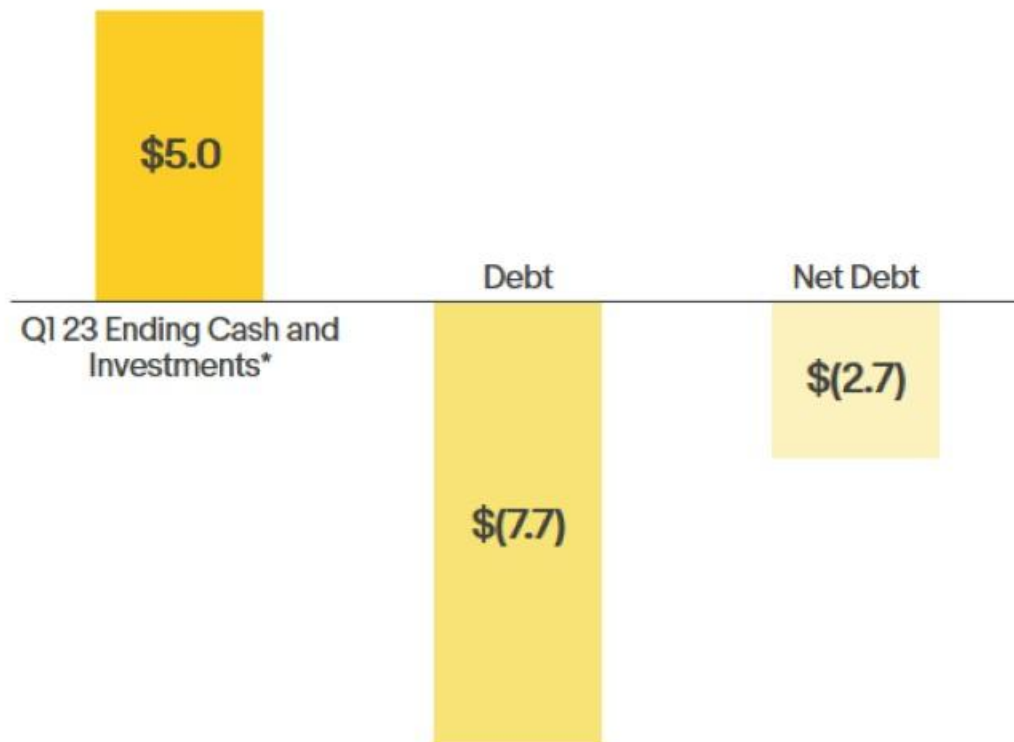
CapEx % of Rev	4%	3%	5%	4%	6%	5%
FCF % of Rev	14%	22%	19%	27%	21%	28%

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Calculation of Free Cash Flow (FCF) is included in the Appendix of this presentation
All reported results are from continuing operations

Cash & Debt

(\$ billions)



Repaid \$1.15B of debt during Q1'23

Targets

- Maintain current BBB+ rating
- Targeting mid-term leverage of approximately 1.5x net debt and gross debt below 3.0x EBITDA
- Long-term cash and investment balance of approximately \$3.5B

Credit Ratios

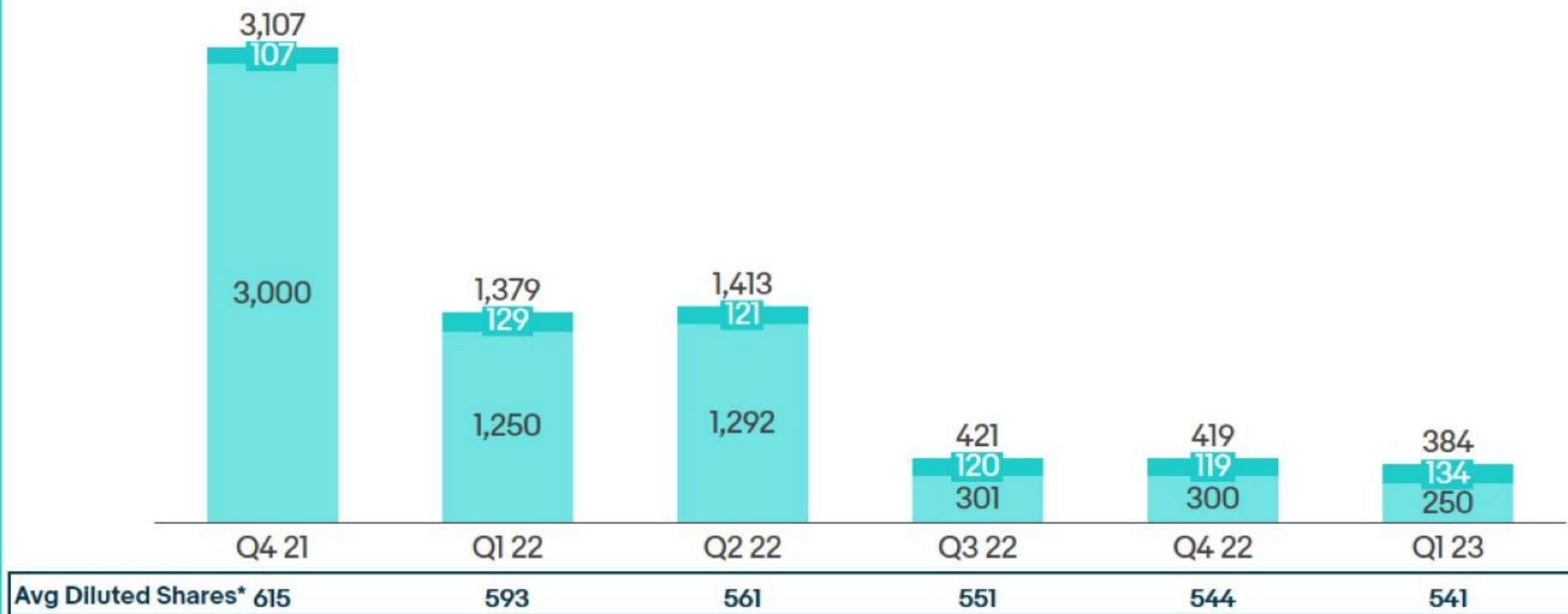
- 1.2x net debt
- 2.7x gross debt

Capital Returns

(\$ millions)

Approximately \$2.6B repurchase authorization remaining as of March 31, 2023

Dividend
Stock repurchases



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* Average diluted shares are non-GAAP in millions.
Reconciliation of period-end fully diluted shares is included in the Appendix of this presentation.
All reported results are from continuing operations.

Investments

\$2.9B

Adevinta

404M shares

33% current ownership

Must maintain 25%
ownership through
Q3'23

\$0.3B

Adyen warrant

Warrant acquired in
Q2'18 (7 yr term, up to
5% ownership)

Warrant value based on
probability of vesting 3
remaining tranches

\$0.1B

Kakao Bank

5.4M shares

\$0.4B

Gmarket

19.99% private stake

Value assessed based
on the fair value option

Q2'23 Guidance

	Guidance	Context
GMV (in billions)	\$17.8 - \$18.2 (4)% - (2)% spot (4)% - (1)% FXN (5)% - (2)% organic FXN	<ul style="list-style-type: none"> Volume driven by: <ul style="list-style-type: none"> Macro headwinds, including inflationary pressures and rising interest rates Offset by focus category execution & horizontal innovation FX headwind of over 0.5 pts on GMV Revenue driven by volume dynamics offset by: <ul style="list-style-type: none"> Promoted Listing adoption and optimization eBay International Shipping (eIS) Q2 operating margin (2) - (3) pts Y/Y driven by volume leverage, M&A / eIS costs, and strategic investments, partially offset by expense discipline Non-GAAP EPS driven by lower share count and operating income dynamics
Revenue (in billions)	\$2.47 - \$2.54 2% - 5% spot 2% - 5% FXN 1% - 4% organic FXN	
Non-GAAP Op Margin	26.1% - 26.8%	
Non-GAAP EPS	\$0.96 - \$1.01 (3)% - 2%	

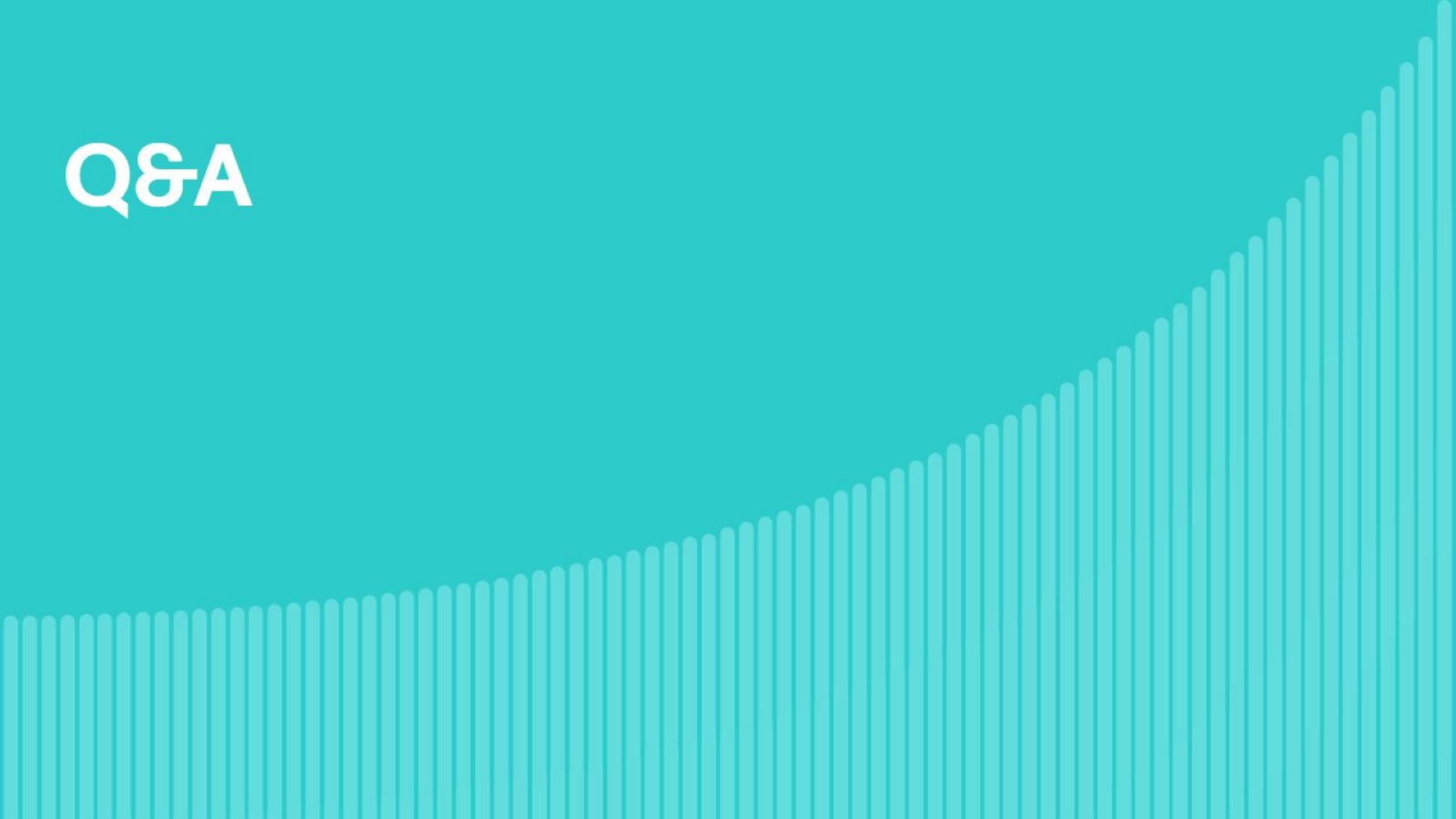
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Reconciliation of Non-GAAP measures are included in the Appendix of this presentation

FY'23 Context

	Context
GMV / Revenue	<ul style="list-style-type: none"> • Expect sequential GMV growth to roughly approximate 2022 seasonality, excluding FX, starting from Q2 spot GMV guidance range • De minimis FX impact on Y/Y GMV growth in 2023 (at current rates) • Expect organic take rate expansion in 2023, excluding the impact of FX
Expenses	<ul style="list-style-type: none"> • 2023 total non-GAAP expense growth of mid-single-digits Y/Y <ul style="list-style-type: none"> • Inclusive of ~100 bps Y/Y margin headwind from M&A & eIS costs • Net of \$100M opex savings from structural cost program
Non-GAAP EPS	<ul style="list-style-type: none"> • Q1 OI&E is a reasonable baseline for the remaining quarters of 2023 • Non-GAAP effective tax rate of 16.5% • 2-3 pt FX headwind on Y/Y non-GAAP EPS growth in 2023 (at current rates)
Capital Allocation	<ul style="list-style-type: none"> • Target returning ~125% of FCF to shareholders through buybacks & dividends from 2022 – 2024 • Capex 4-6% of Revenue

Q&A



Appendix



GAAP to Non-GAAP Quarterly Reconciliations

Operating Margin

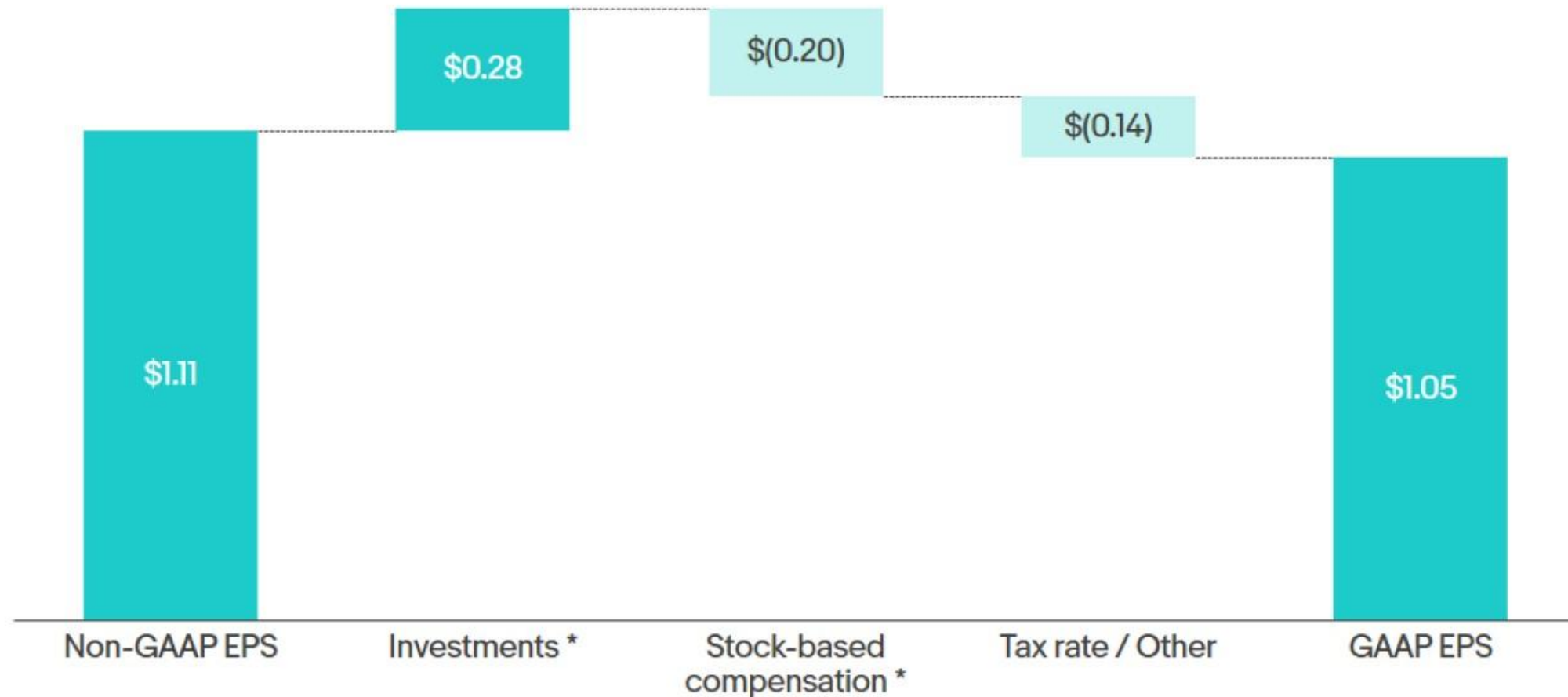
	Three months ended					
	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023
GAAP operating income	\$ 688	\$ 692	\$ 525	\$ 568	\$ 565	\$ 558
Stock-based compensation expense and related employer payroll taxes	115	117	140	120	130	132
Amortization of acquired intangible assets within cost of net revenues and operating expenses	-	1	1	2	5	10
Other significant (gains), losses or charges	23	(5)	28	-	50	44
Non-GAAP operating income	<u>\$ 826</u>	<u>\$ 805</u>	<u>\$ 694</u>	<u>\$ 690</u>	<u>\$ 750</u>	<u>\$ 744</u>
Revenues	\$ 2,613	\$ 2,483	\$ 2,422	\$ 2,380	\$ 2,510	\$ 2,510
GAAP operating margin	26.3 %	27.9 %	21.7 %	23.9 %	22.5 %	22.2 %
Non-GAAP operating margin	31.6 %	32.4 %	28.7 %	28.9 %	29.9 %	29.6 %

GAAP to Non-GAAP Quarterly Reconciliations

Net Income / EPS

	Three months ended					
	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023
	(In millions, except per share data)					
GAAP Income (Loss) from continuing operations	\$ (893)	\$ (1,339)	\$ (536)	\$ (70)	\$ 671	\$ 569
Stock-based compensation expense and related employer payroll taxes	115	117	140	120	130	132
Amortization of acquired intangible assets within cost of net revenues and operating expenses	-	1	1	2	5	10
Other significant (gains), losses or charges within operating expenses	23	(5)	28	-	50	44
Other significant (gains), losses or charges within OI&E	(71)	-	-	(1)	-	-
(Gain) Loss on investments	275	527	288	66	(20)	(195)
Change in fair market value of warrant	29	115	104	27	(16)	171
Change in fair market value of equity investment in Adevinta	1,573	1,643	829	501	(282)	(174)
Income tax effects and adjustments	(404)	(434)	(300)	(93)	43	43
Non-GAAP net income from continuing operations	\$ 647	\$ 625	\$ 554	\$ 552	\$ 581	\$ 600
Non-GAAP net income from continuing operations per diluted share	\$ 1.05	\$ 1.05	\$ 0.99	\$ 1.00	\$ 1.07	\$ 1.11
Shares used in non-GAAP diluted share calculation	615	593	561	551	544	541

Earnings Per Share, Non-GAAP to GAAP Recon



All reported results are from continuing operations

* "Investments" includes gains or losses on investments, change in fair market value of warrant, and change in fair market value of equity investment in Adevinta. "Stock-based compensation" includes stock-based compensation expense and related employer payroll taxes. All items above have been tax-effected for the purpose of calculating the impact on GAAP EPS.

GAAP to Non-GAAP Quarterly Reconciliations

Statement of Income

	Three Months Ended March 31, 2023			Three Months Ended March 31, 2022		
	Reported	Non-GAAP Entries	Non-GAAP	Reported	Non-GAAP Entries	Non-GAAP
	(in millions, except per share data and percentages)					
Net revenues	\$ 2,510	\$ -	\$ 2,510	\$ 2,483	\$ -	\$ 2,483
Cost of net revenues	700	(15) (a)(b)	685	689	(12) (a)	677
Gross profit	1,810	15	1,825	1,794	12	1,806
Operating expenses:						
Sales and marketing	511	(19) (a)	492	478	(15) (a)(d)	463
Product development	352	(61) (a)	291	301	(45) (a)	256
General and administrative	297	(83) (a)(d)	214	226	(40) (a)(d)	186
Provision for transaction losses	84	-	84	96	-	96
Amortization of acquired intangible assets	8	(8) (b)	-	1	(1) (b)	-
Total operating expenses	1,252	(171)	1,081	1,102	(101)	1,001
Income from operations	558	186	744	692	113	805
Gain (loss) on equity investments and warrant, net	198	(198) (e)(f)(g)	-	(2,291)	2,285 (e)(f)(g)	(6)
Interest and other income (expense), net	(26)	-	(26)	(50)	-	(50)
Income (loss) from continuing operations before income taxes	730	(12)	718	(1,649)	2,398	749
Income tax benefit (provision)	(161)	43 (c)	(118)	310	(434) (c)	(124)
Income (loss) from continuing operations	\$ 569	\$ 31	\$ 600	\$ (1,339)	\$ 1,964	\$ 625
Net income (loss) from continuing operations per share:						
Basic	\$ 1.06		\$ 1.12	\$ (2.28)		\$ 1.07
Diluted	\$ 1.05		\$ 1.11	\$ (2.28)		\$ 1.05
Weighted average shares:						
Basic	537		537	587		587
Diluted	541		541	587		593
Operating margin	22.2 %	7.4 %	29.6 %	27.9 %	4.5 %	32.4 %
Effective tax rate	22.1 %	(5.6)%	16.5 %	18.8 %	(2.3)%	16.5 %

Notes:

(a) Stock-based compensation expense and related employer payroll taxes

(b) Amortization of acquired intangible assets

(c) Income tax effects and adjustments

(d) Other significant gains, losses or charges

(e) Gains or losses on investments

(f) Change in fair market value of warrant

(g) Change in fair market value of equity investment in Adevinta

Calculation of Free Cash Flow

	Three months ended					
	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023
	(in millions)					
Net cash provided by continuing operating activities	\$ 475	\$ 629	\$ 577	\$ 735	\$ 686	\$ 841
Less: Purchases of property and equipment, net	(103)	(83)	(111)	(102)	(153)	(132)
Free cash flow from continuing operations	<u>\$ 372</u>	<u>\$ 546</u>	<u>\$ 466</u>	<u>\$ 633</u>	<u>\$ 533</u>	<u>\$ 709</u>

Reconciliation of Total Revenue

	Three months ended					
	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023
	(in millions)					
Net revenues ⁽¹⁾⁽²⁾	\$ 2,613	\$ 2,483	\$ 2,422	\$ 2,380	\$ 2,510	\$ 2,510
(1) Hedge gain/(loss)	\$ -	\$ 6	\$ 9	\$ 36	\$ 89	\$ 29
(2) Foreign currency impact	\$ 7	\$ (58)	\$ (95)	\$ (100)	\$ (67)	\$ (45)

Reconciliation of Organic FX-Neutral Revenue

	Three months ended					
	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023
As Reported Revenue Growth	5 %	(6)%	(9)%	(5)%	(4)%	1 %
Acquisition/Disposition Impact	—%	—%	—%	—%	—%	(1)%
Foreign Currency Impact	—%	1 %	3 %	3 %	3 %	2 %
Organic FX-Neutral Revenue Y/Y Growth	5%	(5)%	(6)%	(2)%	(1)%	2 %

Organic FX-Neutral Revenue Growth. The company defines Organic FX-Neutral Revenue Growth as Reported Revenue Growth excluding incremental revenue from acquisitions or dispositions for the twelve-month period following such acquisitions or dispositions and foreign exchange rate effects. The company believes this measure provides useful supplemental information regarding the company's underlying revenue trends by presenting revenue growth exclusive of these effects.

Calculation of Period-End Fully Diluted Share Count

	Three months ended					
	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023
	(in millions)					
Quarter-end common shares outstanding	594	571	549	544	539	536
Quarter-end shares underlying outstanding RSUs	20	17	24	22	21	18
Quarter-end fully diluted shares	614	588	573	566	560	554

GAAP to Non-GAAP Reconciliations

Guidance

(in billions, except per share amounts)	Three Months Ending June 30, 2023	
	GAAP	Non-GAAP (a)
Net Revenue	\$2.47 - \$2.54	\$2.47 - \$2.54
Diluted EPS	\$0.65 - \$0.70	\$0.96 - \$1.01

(a) Estimated non-GAAP amounts above for the three months ending June 30, 2023 reflect adjustments that exclude the estimated amortization of acquired intangible assets of approximately \$10-\$15 million, estimated stock-based compensation expense and associated employer payroll tax expense of approximately \$155-\$165 million and estimated adjustment between our GAAP and non-GAAP tax rate of approximately \$30-\$40 million. The estimated GAAP diluted EPS above does not assume any gains or losses on our equity investments.

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