

The background is a textured orange color. On the right side, there are large, abstract, rounded shapes in a lighter orange and a blue color. The text is white and positioned on the left side of the image.

# Etsy

Keep commerce human.

Investor Presentation  
March 2022

# Forward-looking Statements

This presentation contains forward-looking statements within the meaning of the federal securities laws. Forward-looking statements include statements relating to our financial guidance for the first quarter of 2022 and key drivers thereof; our opportunity; the impact of our “Right to Win” and other growth strategies, including our strategies for integrating our “House of Brands” marketplaces, marketing and product initiatives, and investments and other levers of growth on our business and operating results, including future GMS and revenue growth; our ability to attract, engage, and retain buyers and sellers; our plans for newly announced transaction fee increase and plans for marketplace investments; strategic investments or acquisitions and the potential benefits thereof; our intended environmental and social impacts; the uncertain macroeconomic environment and impacts that the COVID-19 pandemic may have on our business, strategy, operating results, key metrics, financial condition, profitability, and cash flows; changes in overall levels of consumer spending and e-commerce generally; and volatility in the global economy. Forward-looking statements include all statements that are not historical facts. In some cases, forward-looking statements can be identified by terms such as “aim,” “anticipate,” “believe,” “could,” “enable,” “estimate,” “expect,” “goal,” “intend,” “may,” “outlook,” “plan,” “potential,” “target,” “will,” or similar expressions and derivative forms and/or the negatives of those words.

Forward-looking statements involve substantial risks and uncertainties that may cause actual results to differ materially from those that we expect. These risks and uncertainties include: (1) our ability to continue our rapid growth; (2) risks related to the ongoing COVID-19 pandemic, which continues to impact our business and results of operations in numerous volatile and unpredictable ways, as well as risks of reversal of the shift to e-commerce when the pandemic abates; (3) the fluctuation of our quarterly operating results; (4) our failure to meet our publicly announced guidance or other expectations; (5) our ability to successfully execute on our business strategy or if our strategy proves to be ineffective; (6) our ability to attract and retain active and engaged communities of sellers and buyers; (7) macroeconomic events that are outside of our control; (8) our ability to recruit and retain employees; (9) the importance to our success of the trustworthiness of our marketplaces and the connections within our communities; (10) our ability to enhance our current offerings and develop new offerings to respond to the changing needs of sellers and buyers; (11) the effectiveness of our marketing efforts; (12) the effectiveness of our mobile solutions for sellers and buyers; (13) our ability to expand our business in our core geographic markets; (14) regulation in the area of privacy and protection of user data; (15) our dependence on third-party payment providers; (16) our ability to successfully integrate the Depop and Elo7 acquisitions and execute on our “House of Brands” strategy; (17) acquisitions that may prove unsuccessful or divert management attention; and (18) the potential misuse or disclosure of sensitive information about members of our communities and the potential for cyber-attacks. These risks and uncertainties are more fully described in our filings with the Securities and Exchange Commission, including in the section entitled “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2021 and subsequent reports that we file with the Securities and Exchange Commission. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, we cannot guarantee future results, levels of activity, performance, achievements, or events and circumstances reflected in the forward-looking statements will occur.

Forward-looking statements represent our beliefs and assumptions only as of the date hereof. We disclaim any obligation to update forward-looking statements.

# Etsy Inc.'s Value Proposition

1

We operate four values-aligned, non-commoditized and loved ecommerce brands that connect millions of passionate and creative buyers and sellers around the world

2

Since 2019, our core Etsy marketplace has been transformed: becoming a 'household' name in core regions and >2.5X 2019 size; with a Right to Win strategy focused on gaining share of a very large and growing TAM

3

Our goal is that all four marketplaces will benefit from shared expertise in product, marketing, technology, and customer support, so that the sum of the whole, over time, will equal more than its individual parts

4

Our capital light business model allows for investments that we believe can enable long-term growth while also delivering strong profitability and operating cash flow

5

Etsy's leadership team is focused on delivering positive results for our business *AND* impact to our communities

**1**

**We operate four values-aligned, non-commoditized and loved  
ecommerce brands that connect millions of passionate and creative  
buyers and sellers around the world**

Keep  
Commerce  
Human

Etsy Inc.’s four marketplaces form a ‘House of Brands’ which stands for creativity, community and ‘special’



# Etsy

**Handmade, Vintage, Craft**  
Millennial & Gen X women  
US, UK, DE, CAN, FR, AUS, IN

## Reverb

**Music Recommerce**  
Millennial & Gen X men  
US, UK, CAN, FR, DE, AUS

## depop

**Fashion Recommerce**  
Gen Z  
UK, US, AUS

## elo7

**Handmade, Craft**  
Millennial & Gen X women  
BR



## 2

**Since 2019, our core Etsy marketplace has been transformed: becoming a 'household' name in core regions and >2.5X 2019 size; with a Right to Win strategy focused on gaining share of a very large and growing TAM**



Etsy marketplace has been transformed

	Buyers	Sellers	Listings	Habitual Buyers	Repeat Buyers
<b>2019:</b>	46M	2.5M	65M	2.5M	16.4M
<b>2021:</b>	90M	5.3M	100M	8.1M	36.3M

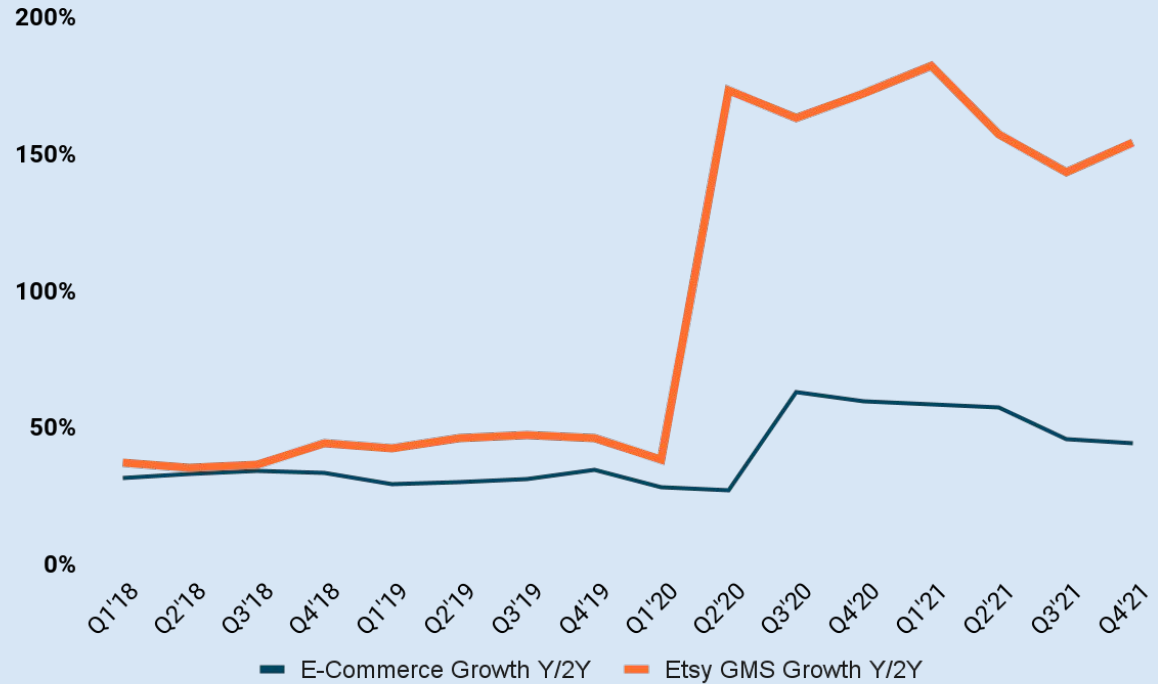
We acquired millions of new buyers; and reactivated >43M in last 2 years

Top 10 Ecommerce Site (by traffic) in core markets, excluding India



We gained  
market share

Etsy Marketplace GMS growth vs.  
U.S. E-commerce benchmark\* growth



\*U.S. E-commerce industry benchmark: U.S. Census Bureau of the Department of Commerce  
Estimated Quarterly Total E-commerce Sales  
Etsy Marketplace results excluding Reverb, Depop and Elo7

# A brand that stands for something different

- A brand\* that stands for “Intentional Shopping”
- Unique products
- Global reach
- Organic traffic base
- Connected experience across all devices
- Buyer intent; people come to Etsy marketplace to browse and be inspired



# Etsy

87% of buyers say  
“Etsy has items I can’t find  
anywhere else;” and 72% agree  
“there is no other store or  
website similar to Etsy”

# Primary Business Drivers



## Technology Infrastructure

Sophisticated platform that enables millions of sellers and buyers to smoothly transact across borders, languages, and devices



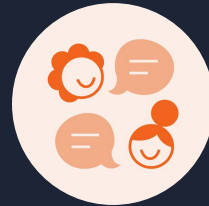
## Trust & Safety

Our policies are designed to encourage transparency among our members by clearly outlining the rights and responsibilities of sellers and buyers



## Product Development

Built around the core belief that we can create connections between our sellers and buyers that are personal and fundamentally different from those in other places you can shop or sell



## Member Support

As the primary touch point for buyers and sellers, our Member Services team serves as both the voice of the Etsy brand and an important advocate for our community



## Marketing

We reinforce our core brand promise in the minds of Etsy buyers, and strengthen our capabilities by employing a full-funnel marketing approach



## Seller Tools & Education

We provide a wide range of tools, programs, and educational resources to Etsy sellers to manage and grow their business

# About Etsy Sellers

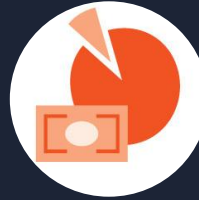
Our seller cohorts retain more GMS in subsequent years on the platform



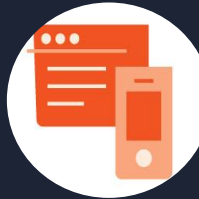
**5.3M**  
active Etsy sellers<sup>1</sup>



**79%**  
of sellers identify as women\*



**71%**  
consider their shop a business\*  
5.3M



**56%**  
are multi-channel sellers, and Etsy  
represents their largest sales channel\*



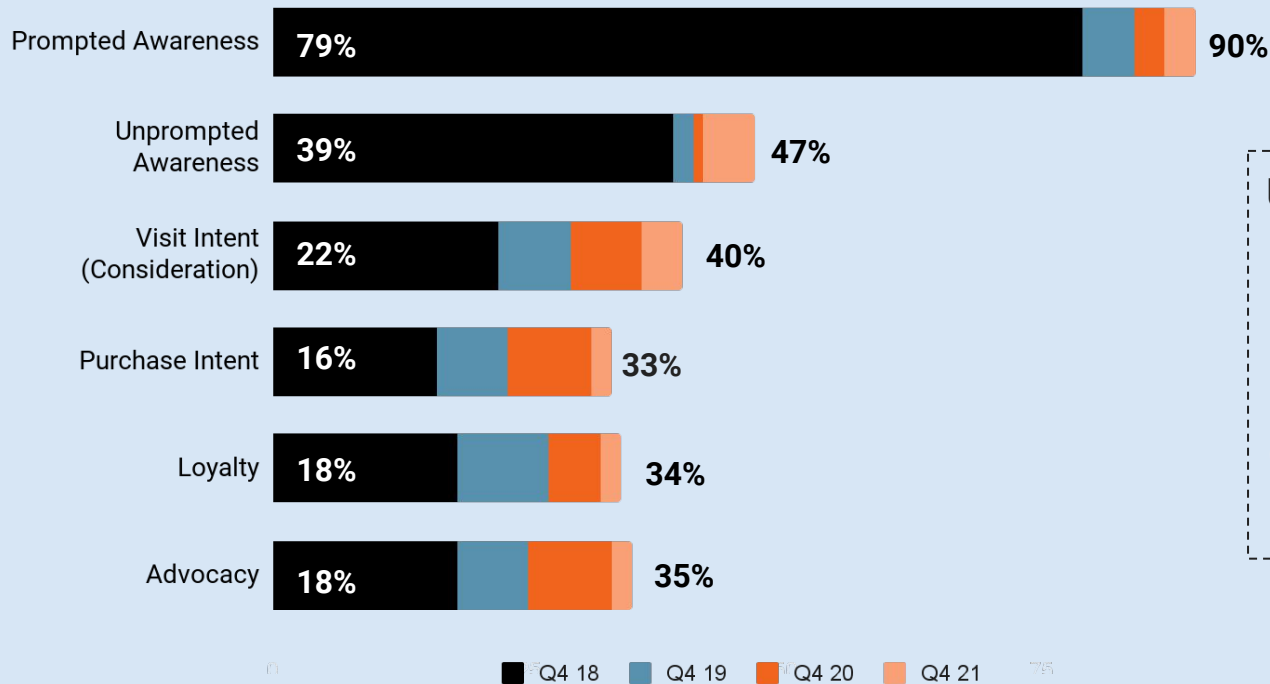
**95%**  
run their shops from their homes\*

<sup>1</sup>Seller information for Etsy Marketplace only as of December 31, 2021

\*2021 Etsy Marketplace Seller survey.

# We've grown our brand in the US and made great progress in other core markets

## Etsy US Brand Survey Funnel



Unprompted Awareness

 **+10 pts**  
vs Q4 20

 **More than doubled**  
vs Q4 20

# Etsy's Right to Win growth strategy more relevant than ever

## Best-in-Class Search and Discovery

- Finding things feels gratifying
- Humans & machines curate together
- Understand the relationships between items and people



## Human Connections

- Deepen affinity by telling the story
- Support with a personal touch
- Connect to co-create



## A Trusted Brand

- Safe brand that stands for special
- Trust and reputation signal
- Proactive customer support
- Reliable and sustainable fulfillment

## Our Sellers' Collection of Unique Items

Handcrafted, vintage,  
made for you

Best place to start and grow  
your creative business

Everyday items that have  
meaning and "special" purchase  
occasions

We are focused on growing in our 7 core geographies



United States  
United Kingdom  
Germany  
Canada  
Australia  
France  
India

Q4 21 Non-US % of GMS

**44%**

**+70% of UK &  
Germany FY21  
GMS**

now from Domestic sales

**+20%**

Constant currency Q4 21 Non-U.S.  
GMS Y/Y Growth

*As we enter 2022, our ambition is for  
**Etsy to become the starting point for  
your ecommerce journey***

*To get there, Etsy has to be more  
**inspirational, efficient and reliable**  
to our **buyers**; and offer more **agency**  
and **scalability** to our  **sellers***



# 2022 Right To Win Focus Areas...

Inspire buyers with an Etsy that feels **personal and "made for you"** - like a friend who gets to know you better over time

Make **buying on Etsy worry-free**

Be the selling platform that **drives seller and buyer loyalty**

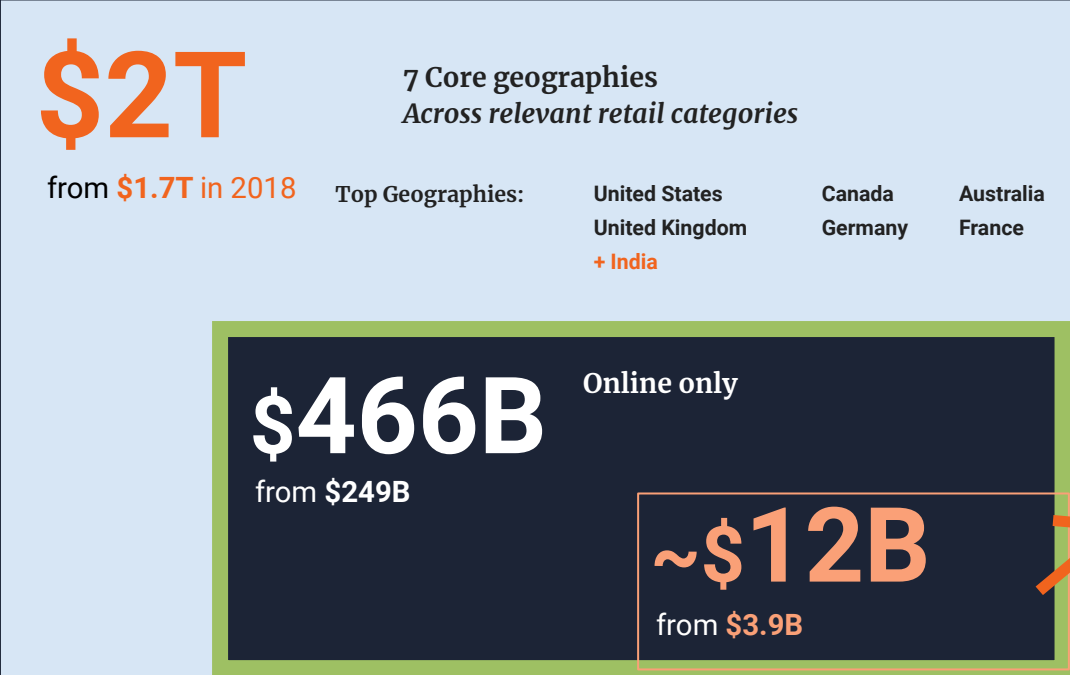
Fueled by marketing which...<sup>17</sup>

Reaffirms our belief that Etsy turns shopping into a joyful expression of your taste AND your values

Continues to amplify efforts to improve buyer frequency

# We believe our TAM is enormous... and it is early days gaining market share

Original 2019 Etsy.com analysis updated for 2021 estimates:



**PLUS:**  
Our subsidiary brands deepen and expand our opportunity to include Brazil ecommerce, the resale market and musical instruments

**Etsy**

**Etsy = ~2.6% Market Share**  
Estimated market share of online TAM for Etsy marketplace GMS based upon 2021 results

# 3

**Our goal is that all four marketplaces will benefit from shared expertise in product, marketing, technology, and customer support, so that the sum of the whole, over time, will equal more than its individual parts**

# Our brands are peer-to-peer marketplaces that connect millions of buyers and sellers



## Buyers

Go-to shopping destinations for unique and special goods



## Sellers

Helping sellers start, manage and scale their creative businesses





**\$948M\***

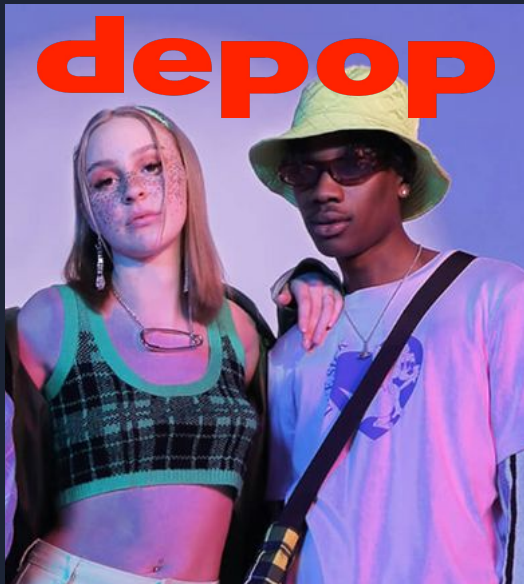
**Q4 21 Focus areas**

- Online search & checkout process optimization
- App usage expansion
- Increased free shipping coverage

Unique two-sided marketplace founded in 2013 on the principle that buying and selling musical instruments should be easy

Reverb connects buyers and sellers of new, used, and vintage musical gear from all over the world, uniting music makers with the gear that inspires them

- 847 thousand active buyers
- 210 thousand active sellers
- Over 65% of Reverb's active sellers also bought on Reverb, and those that bought and sold gear spent 2X those that bought gear on Reverb but did not sell on Reverb
- 1.6 million listings



**\$294M\***

**Q4 21 Focus areas**

- Depop Payments via Stripe Connect
- Recommendations features
- Go-forward marketing strategy

Dedicated to building the world's most diverse and progressive home of fashion.

Depop is a place for anyone to discover and celebrate their style on their own terms and to feel good about their fashion choices by extending the lives of millions of garments

- Leading resale market position with the “Generation Z” consumer demographic
- Strong brand awareness in its core markets (United Kingdom and United States)
- ~26 million registered users
- ~3.7 million active buyers
- ~2.0 million active sellers
- ~60% of Depop sellers who made a sale in 2021 also made at least one purchase in 2021 which we believe shows the strong engagement of Depop’s user base
- ~16.6 million listings; ~90% of Depop’s GMS is in the apparel category



Known as the “Etsy of Brazil,” Elo7 specializes in custom and made-to-order merchandise

- ~55 thousand active sellers
- ~1.8 million active buyers
- ~9.9 million items for sale
- ~70% of Elo7’s GMS is from repeat buyers
- Over 40 retail categories, with a significant amount of GMS from "special event and life moment" categories

**\$32M\***

**Q4 21 Focus areas**

- Conversion rate optimization
- Better shipping options
- New attribution models for performance marketing spend

In 2021, Elo7’s top categories were paper and party supplies, housewares and home furnishings, baby and kids, apparel, weddings, and craft supplies

Elo7 is ranked as a top 10 e-commerce site in Brazil (according to Conversion Ecommerce Report in Brazil, April 2021), providing us with a strong local brand in the largest Latin American e-commerce region

We believe our marketplaces can all benefit from key elements such as...



Analytical frameworks, product experiment and measurement approaches, and operating rhythms that prioritize resource allocation towards the most impactful outcomes, sophisticated search and discovery technology



Compelling on-site customer experiences



Efficient payment platforms



Value-added seller services, such as advertising platforms and effective shipping options, strong brand and performance marketing capabilities and a commitment to investments that protect the marketplace





# 4

**Our capital light business model allows for investments that we believe can enable long-term growth while also delivering strong profitability and operating cash flow**

# All Etsy marketplace brands share our capital light business model



No planning future styles/trends



No fulfillment centers



No inventory management



Sellers share in marketing / promotion

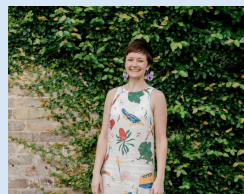


No manufacturing facilities



Loyal & engaged customer cohorts

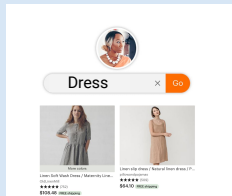
Where product and marketing investments can support long-term growth...



- Cohorts continue to come back over time
- Retaining gains made from the past few years and from our product and marketing efforts

**Baseline GMS**

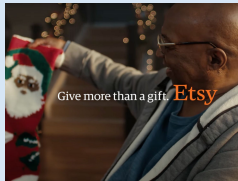
+



- Investments focus on creating an improved buyer and seller experience; driving conversion rate and frequency improvements
- GMS lifts compound over time and provide benefits for many years

**Product Investments**

+



- Investments focus on bringing in new buyers and better retaining our existing buyers, improving the lifetime value of our buyer base

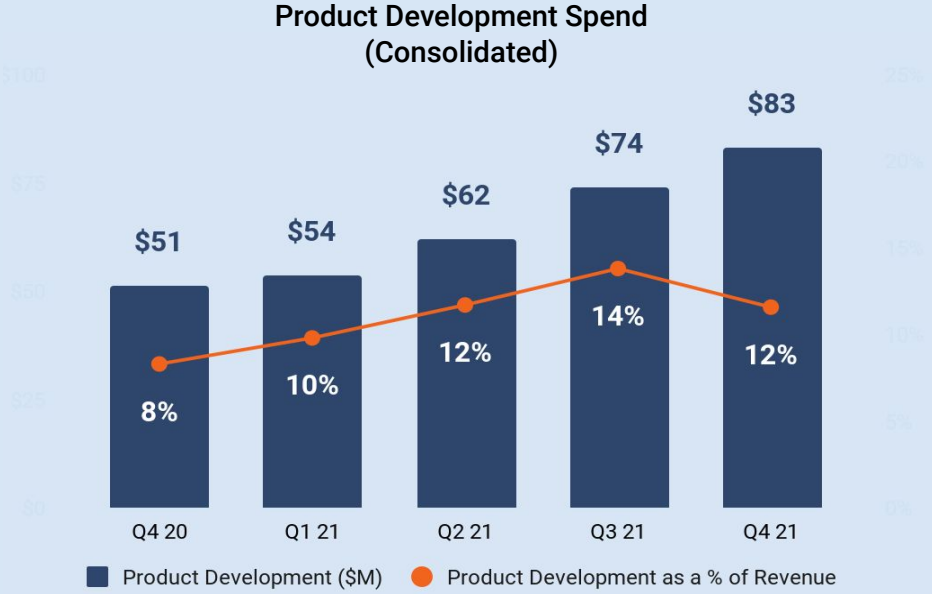
**Marketing Investments**

=

**GMS Growth**

Baseline denotes Etsy marketplace GMS performance without the impact of product and marketing investments

# For Etsy.com, 2021 product investments contributed \$1B annualized GMS benefit...



**\$1B+**  
annualized GMS\* benefit  
from product development in 2021

\*GMS reference refers to Etsy marketplace only  
Note: As product improvements were launched throughout the year, only a share of the \$1B+ annualized GMS lift was realized in 2021.

...and disciplined, ROI-focused marketing spend adds fuel to the fire

We've been increasing brand as a % of total marketing spend



Marketing Spend Channel Mix: Brand vs Performance (Consolidated)

**\$2.3B+**

Annualized GMS\* benefit from performance marketing in 2021

Brand awareness increase for Etsy.com

**+3 pts**

Q4 21 vs Q4 20

Offsite Ads revenue\*

**~40%**

of Etsy marketplace performance marketing spend

\*GMS and Offsite Ads references refer to Etsy marketplace only

We delivered  
tremendous  
performance in  
2021

1 Yr Etsy marketplace GMS growth

**+29%**

2 Yr Etsy marketplace GMS growth

**+158%**

FY 21 GMS

**\$13.5B**

+29.6% Y/Y  
*Currency-Neutral*

FY 21 Revenue

**\$2.3B**

+35% Y/Y

FY 21 Adjusted EBITDA<sup>1</sup>

**\$717M**

~31% Adj. EBITDA Margin

<sup>1</sup> Reconciliation of non-GAAP financial measures is contained in the Appendix  
GMS, revenue and adjusted EBITDA are consolidated unless otherwise indicated. Y/Y reflects FY 2021 vs. FY 2020,  
two-year growth reflects FY 2021 vs. FY 2019.

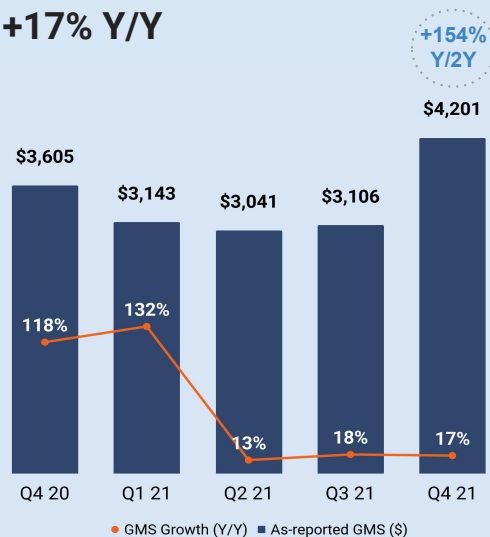
# Very strong performance to end the year

## Consolidated Results

### Q4 21 GMS

# \$4.2B

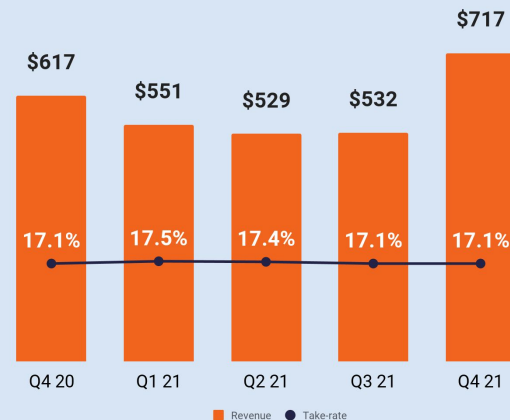
+17% Y/Y



### Q4 21 Revenue

# \$717M

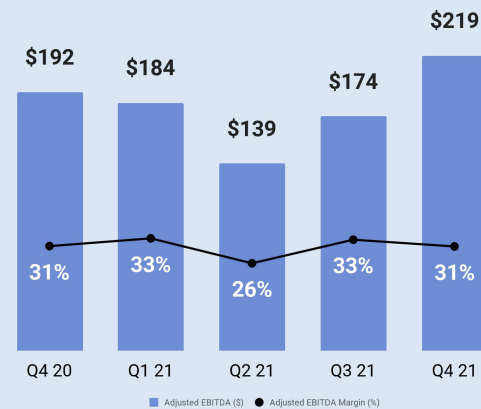
+16% Y/Y



### Q4 21 Adjusted EBITDA<sup>1</sup>

# \$219M

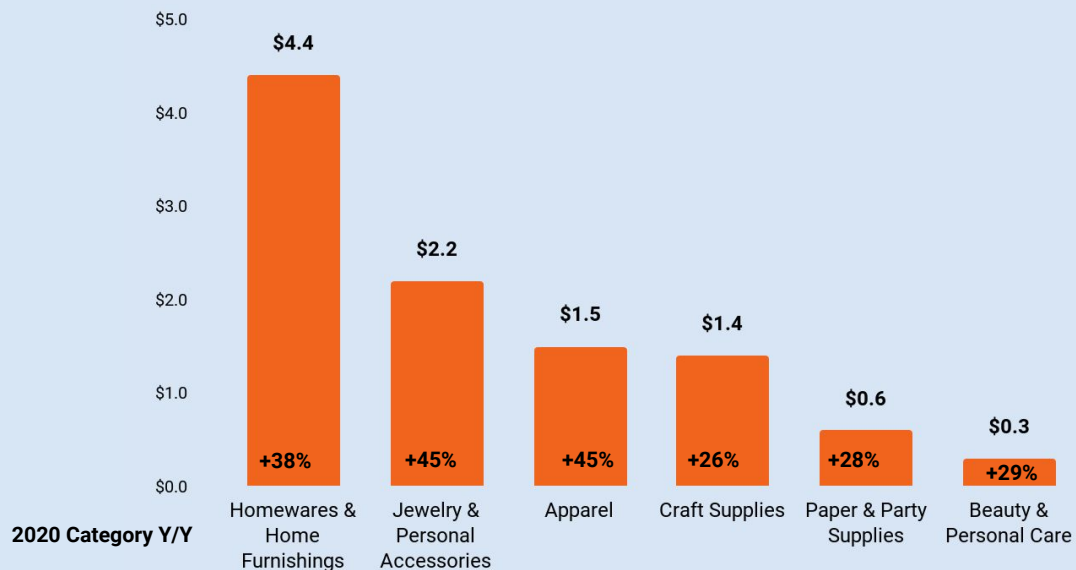
~31% Adj. EBITDA Margin



<sup>1</sup> Reconciliation of non-GAAP financial measures is contained in the Appendix Consolidated financial results. Y/Y reflects Q4 2021 vs. Q4 2020, \$ in millions, except where noted

# Continued growth in our traditional top categories

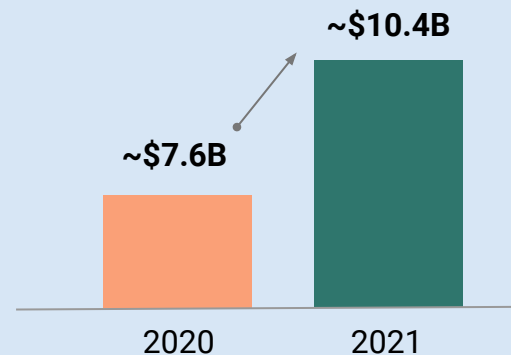
2021 Category GMS (\$B) and Y/Y Growth\*



## Top 6 Categories

~87% of Overall GMS

+37% Y/Y

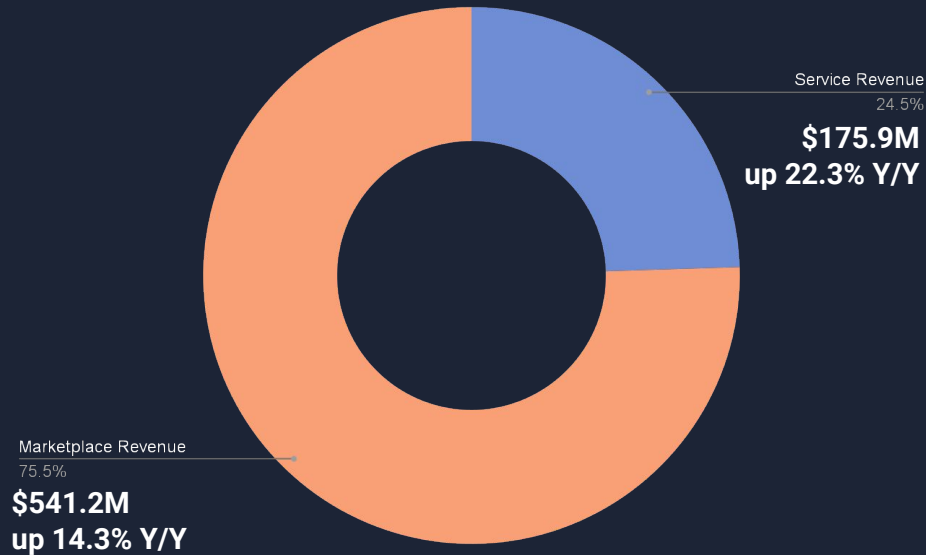


\*Category GMS \$ excludes face mask sales and is Etsy marketplace only  
Chart data is reflected based on 2021 Category GMS \$



# Marketplace vs Services Revenue

Q4 2021 CONSOLIDATED REVENUE \$717M, UP 16% Y/Y



## Marketplace Revenue

(Required fees)

- Listing Fee
- Transaction Fee
- Payments Platform
- Offsite Ads Transaction Fee

## Services Revenue

(Optional value-added services)

- Advertising - Etsy Ads and Bump
- Shipping Labels
- Other

# Etsy marketplace transaction fee increase effective 4/11/22

From

**5% to 6.5%**

- We are adding more value for sellers
- More investments to make Etsy the best place to run a creative business
- We will reinvest most of the incremental revenue from this fee increase in marketing, seller tools, and creating world-class customer experiences



# Capital light business model delivers strong operating cash flow

Cash Balance 12/31/21<sup>1</sup>

**\$1.1B**

<sup>1</sup>Cash and Cash Equivalents, Short-term and Long-term Investments  
Consolidated results

Net Cash Provided  
by Operating Activities (\$M)





**5**

**Etsy's leadership team is focused on delivering positive results for our business AND impact to our communities**

# Our Leadership Team



**Josh Silverman**  
Etsy, Inc. Chief Executive Officer



**Rachel Glaser**  
Etsy, Inc. Chief Financial Officer



**Mike Fisher**  
Etsy, Inc. Chief Technology Officer



**Ryan Scott**  
Etsy, Inc. Chief Marketing Officer



**Jill Simeone**  
Etsy, Inc. Chief Legal Officer and Corporate Secretary



**Kruti Patel Goyal**  
Etsy, Inc. Chief Product Officer



**Raina Moskowitz**  
Etsy, Inc. Chief Operations, Strategy & People Officer



**David Mandelbrot**  
Reverb Chief Executive Officer



**Maria Raga**  
Depop Chief Executive Officer



**Carlos Curioni**  
Elo7 Chief Executive Officer

We are committed to growing sustainably by aligning our mission and business strategy to help create economic impact through entrepreneurship



## Environmental Impact

Building resilience for the long-term

- Net Zero
- Sustainable operations
- Responsible shopping



## Social Impact

Ensuring equitable access to opportunity

- Prioritizing people
- Diversity, equity & inclusion
- Social innovation



## Governance

Fostering a culture of ethics and accountability

- Responsible marketplace practices
- Thoughtful corporate governance
- Integrated ESG reporting
- Risk oversight & management

# Etsy Inc. 2021 Environmental Impact Highlights

- We procured 100% renewable electricity for our operations.
- We ran a carbon neutral business, by investing in over 549,250 verified emissions reductions that protect forests, sponsor wind and solar farms, and help develop greener methods for producing auto parts.
- We have an ambitious Net Zero goal based on near- and long-term carbon reduction targets that are aligned with the science of climate change.
- We helped our U.S. sellers access and buy packaging made from certified responsibly sourced and 100% recycled materials that buyers can immediately recycle at home.



# Etsy Inc. 2021 Social Impact Highlights

- Etsy continued to attract and retain world-class talent in 2021, with a keen focus on diversity. In 2021, Etsy, including Reverb, grew our leadership level employee population who identify as a member of an underrepresented community (Black, Latinx, or Native American; collectively, “URC”) by 41.7%, and from 8.6% to 9.4% of our overall leadership level employee population. Hires from URCs constituted 16.7% of U.S. Etsy.com hires in 2021. The percentage of U.S. Etsy.com employees who are from URCs has increased from 8.6% in 2018 to 12.9% in 2021.
- Balancing this growth in the diversity of our workforce with a renewed focus on inclusion has helped our values-driven company culture continue to thrive. This year we continued to make investments in our employee resource group program and launched a company-wide inclusion training program. We also helped creative entrepreneurs from economically disenfranchised communities benefit from the growth of digital commerce.





# Etsy Inc. 2021 Governance Impact Highlights

- We believe that effective governance does not call for a one-size-fits all approach. We carefully consider our governance practices and tailor them to our business to promote the long-term interest of Etsy's stockholders.
- In 2021, we expanded and refreshed our Board of Directors by appointing two new directors. We also updated certain Board of Directors' practices to enhance oversight of cyber related risks.
- In addition, the trustworthiness of our marketplaces and the connections among our buyer and seller communities continue to be the cornerstones of Etsy's business.



# Appendix

# Buyer GMS Retention Data\*

GMS RETENTION RATE BY NEW BUYER COHORT



	Year 1 GMS	GMS Retention Rate			
		Year 1	Year 2	Year 3	Year 4
<b>2017 New Buyers</b>	\$1,146M	100%	36%	48%	76%
<b>2018 New Buyers</b>	\$1,312M	100%	46%	71%	
<b>2019 New Buyers</b>	\$1,578M	100%	62%		
<b>2020 New Buyers</b>	\$3,632M	100%			

In the above tables, each new buyer cohort includes the aggregate GMS from all buyers that made their first purchase on Etsy.com in the designated year. The GMS retention rate reflects the GMS purchased by each cohort as a percentage of the GMS purchased by that cohort in their initial year. Each buyer's GMS is calculated from the date of their first purchase such that "Year 1" represents the GMS purchased by a buyer within 365 days of their first purchase. As a result, we do not yet have a full "Year 2" data set for the 2020 new buyer cohort, as buyers who bought later in 2020 have not had two years to age.

\* Data represents a correction to an immaterial error in New Buyer Year 1 GMS data on page 13 of Etsy's 2021 Annual Report on Form 10-K filed February 25, 2022.

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# Key factors impacting our Q1 22 Guidance

## **We anticipate that the key factors impacting Q1 GMS and revenue growth will be:**

- Headwinds and tailwinds, including but not limited to the following macro factors including the shift between offline and online, economic environment, competitive dynamics, retail store closures and reopenings, government stimulus, inflationary factors, employment figures, weather events, and global supply chain and logistics challenges; and Etsy-specific factors including frequency and retention of buyer cohorts, and the year-over-year comparisons from a significant acceleration of growth in Q1 2021. Additional external factors that may offset some growth include: changes to sales taxes and VAT, regulatory changes, currency fluctuations, and the potential for geopolitical events and uncertainty that impact trade and mindshare, including, among other things, the ongoing COVID-19 pandemic and its impact on consumer behavior.
- Continued visit growth and conversion rate improvements driven by global product launches enhancing the buying experience.
- Incremental GMS, brand awareness and conversion rate improvements from marketing investments.
- Contribution of our recent acquisitions of Depop and Elo7, which aren't reflected in the prior year and are expected to add incremental GMS and Revenue.

## **We anticipate that the key factors impacting our Q1 Adjusted EBITDA margin will be:**

- Planned investments in product development, employees, technology infrastructure, and marketing, including investments in channels with more speculative and/or long-term returns.
- Our recent acquisitions of Depop and Elo7, which are both dilutive to Etsy, Inc.'s consolidated margin.

\*These and other risks and uncertainties are more fully described in our filings with the SEC.

# Condensed Consolidated Statement of Operations

	Q4 21	Q4 20
<b>(in thousands)</b>		
<b>Revenue</b>	<b>\$717,139</b>	<b>\$617,355</b>
Cost of revenue	208,966	150,780
Gross profit	508,173	466,575
<i>Marketing</i>	204,198	210,765
<i>Product development</i>	82,555	51,157
<i>General and administrative</i>	79,171	43,318
Operating expenses	365,924	305,240
Income from operations	142,249	161,335
Other income (expense), net	2,124	(8,028)
Benefit (provision) for income taxes	17,184	(4,769)
<b>Net income</b>	<b>\$161,557</b>	<b>\$148,538</b>
Net income per share — diluted	\$1.11	\$1.08

# Condensed Consolidated Statement of Operations

	2021	2020
<i>(in thousands)</i>		
<b>Revenue</b>	\$2,329,114	\$1,725,625
Cost of revenue	654,512	464,745
Gross profit	1,674,602	1,260,880
<i>Marketing</i>	654,804	500,756
<i>Product development</i>	271,535	180,080
<i>General and administrative</i>	282,531	156,035
Operating expenses	1,208,870	836,871
Income from operations	465,732	424,009
Other income (expense), net	5,922	(58,300)
Benefit (provision) for income taxes	21,853	(16,463)
<b>Net income</b>	\$493,507	\$349,246
Net income per share — diluted	\$3.40	\$2.69

# Condensed Consolidated Statement of Cash Flows

	2021	2020
<b>(in thousands)</b>		
<b>Net Income</b>	<b>\$493,507</b>	<b>\$349,246</b>
<i>Net cash provided by operating activities</i>	651,551	678,956
<i>Net cash used in investing activities</i>	(1,557,969)	(11,379)
<i>Net cash provided by financing activities</i>	452,749	119,282
Effect of exchange rate changes on cash	(10,234)	13,947
Net (decrease) increase in cash, cash equivalents, and restricted cash	(463,903)	800,806
Cash, cash equivalents, and restricted cash at the beginning of the period	1,249,440	448,634
<b>Cash, cash equivalents, and restricted cash at the end of the period</b>	<b>\$785,537</b>	<b>\$1,249,440</b>

# Condensed Consolidated Balance Sheets

As of December 31, 2021 As of December 31, 2020

(in thousands)		
Cash and cash equivalents	\$780,196	\$1,244,099
Short-term investments	204,416	425,119
Accounts receivable, net	27,266	22,605
Funds receivable and seller accounts	220,206	146,806
Property and equipment, net	275,062	112,495
Other current and non-current assets	2,324,663	453,365
<b>Total assets</b>	<b>\$3,831,809</b>	<b>\$2,404,489</b>
Accounts payable	\$28,007	\$40,883
Funds payable and amounts due to sellers	220,206	146,806
Long-term debt, net	2,275,418	1,062,299
Other current and non-current liabilities	679,559	412,077
<b>Total liabilities</b>	<b>3,203,190</b>	<b>1,662,065</b>
<b>Total stockholders' equity</b>	<b>628,619</b>	<b>742,424</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$3,831,809</b>	<b>\$2,404,489</b>



# Reconciliation of Quarterly Net Income to Adj. EBITDA

	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21
(in thousands, except percentages)					
<b>Net income</b>	<b>\$148,538</b>	<b>\$143,766</b>	<b>\$98,254</b>	<b>\$89,930</b>	<b>\$161,557</b>
<i>Excluding:</i>					
<i>Interest and other non-operating expense, net</i>	10,818	706	1,079	2,640	3,323
<i>Provision (benefit) for income taxes</i>	4,769	13,962	(12,500)	(6,131)	(17,184)
<i>Depreciation and amortization</i>	13,101	13,080	12,985	23,211	24,991
<i>Stock-based compensation expense</i>	17,450	20,351	27,440	42,256	49,863
<i>Foreign exchange (gain) loss</i>	(2,790)	(7,797)	2,272	(2,698)	(5,447)
<i>Acquisition-related expenses</i>	103	-	9,944	25,030	1,730
<b>Adjusted EBITDA</b>	<b>\$191,989</b>	<b>\$184,068</b>	<b>\$139,474</b>	<b>\$174,238</b>	<b>\$218,833</b>
<i>Divided by:</i>					
Revenue	\$617,355	\$550,646	\$528,900	\$532,429	\$717,139
<b>Adjusted EBITDA Margin</b>	<b>31%</b>	<b>33%</b>	<b>26%</b>	<b>33%</b>	<b>31%</b>

# Reconciliation of Annual Net Income to Adj. EBITDA

	2021	2020
<i>(in thousands, except percentages)</i>		
<b>Net income</b>	<b>\$493,507</b>	<b>\$349,246</b>
Excluding:		
Interest and other non-operating expense, net	7,748	34,923
(Benefit) provision for income taxes for income taxes	(21,853)	16,463
Depreciation and amortization	74,267	58,189
Stock-based compensation expense	139,910	65,114
Foreign exchange (gain) loss	(13,670)	6,522
Acquisition-related expenses	36,704	1,804
Loss on extinguishment of debt	-	16,855
<b>Adjusted EBITDA</b>	<b>\$716,613</b>	<b>\$549,116</b>
Divided by:		
Revenue	\$2,329,114	\$1,725,625
<b>Adjusted EBITDA Margin</b>	<b>31%</b>	<b>32%</b>