



# Investor Presentation

Circle Internet Financial Limited  
**2021**

# Disclaimer

## General

This presentation is for informational purposes only to assist interested parties in making their own evaluation with respect to the proposed business combination between Concord Acquisition Corp ("Concord") and Circle Internet Financial Limited ("Circle"). The information contained herein does not purport to be all-inclusive, and none of Concord, Circle nor any of their respective affiliates nor any of its or their control persons, officers, directors, employees or representatives makes any representation or warranty, express or implied, as to the accuracy, completeness or reliability of the information contained in this presentation.

## Use of Projections

This presentation contains financial forecasts with respect to certain of Circle's business and financial metrics, including, but not limited to, USDC in circulation, revenue, total transaction volume, total volume lent, Circle accounts, interest income, expenses, Adjusted EBITDA, margin, and SeedInvest total closed volume, which are being provided for illustrative purposes only. Neither Concord's nor Circle's independent auditors has audited, reviewed, compiled, or performed any procedures with respect to the projections for the purposes of their inclusion in this presentation, and accordingly, neither of them expressed an opinion or provided any other form of assurance with respect thereto for the purpose of this presentation. Furthermore, Concord's due diligence review of Circle's business and financial statements remains ongoing. These financial forecasts and projections should not be relied upon as being necessarily indicative of future results and may be impacted by findings in Concord's due diligence process. Neither Concord nor Circle undertakes any commitment to update or revise the projections, whether as a result of new information, future events, or otherwise.

The assumptions and estimates underlying the prospective financial information are inherently uncertain and are subject to a wide variety of significant business, economic, and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information. Accordingly, there can be no assurance that the prospective forecasts are indicative of the future performance of Concord, Circle or the combined company after completion of any proposed business combination or that actual results will not differ materially from those presented in the prospective financial information. Inclusion of the prospective financial information in this presentation should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved.

## Historical Financial Information

The historical financial information of Circle for the first quarter of 2021 in this presentation has been reviewed by Circle's independent registered public accountant in accordance with U.S. GAAP pursuant to private company auditing standards and does not conform to Regulation S-X or PCAOB standards. Accordingly, such information may not be included in, may be adjusted in, or may be presented differently in the proxy statement/prospectus to be filed with the Securities and Exchange Commission ("SEC"). There is no assurance that any such adjustments will not be material.

## Forward-Looking Statements

This presentation includes "forward-looking statements." Forward-looking statements may be identified by the use of words such as "forecast," "intend," "seek," "target," "anticipate," "believe," "expect," "estimate," "plan," "outlook," "may," "will," "should," "would," "could," "continue," "future," "seem," "potential," "predict," and "project" and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Such forward-looking statements include projected financial information. Such forward-looking statements with respect to revenues, earnings, performance, strategies, prospects, and other aspects of the businesses of Concord, Circle or the combined company after completion of any proposed business combination are based on various assumptions, whether or not identified in this presentation and on current expectations that are subject to risks and uncertainties. A number of factors could cause actual results or outcomes to differ materially from those indicated by such forward-looking statements. These factors include, but are not limited to: the inability of the parties to successfully and timely consummate the proposed business combination, including the risk that any required regulatory approvals are not obtained, are delayed or are subject to unanticipated conditions that could adversely affect the combined company or the expected benefits of the proposed business combination or that the approval of the stockholders of Concord is not obtained; the potential liability to Circle resulting from a fee dispute with a financial advisor and an OFAC investigation; the ability to maintain the listing of the combined company's securities on NYSE; the inability to complete the PIPE; the risk that the proposed business combination disrupts current plans and operations of Circle as a result of the announcement and consummation of the transaction described herein; the risk that any of the conditions to closing are not satisfied in the anticipated manner or on the anticipated timeline; the failure to realize the anticipated benefits of the proposed business combination; risks relating to the uncertainty of the prospective financial information with respect to Circle and costs related to the proposed business combination; the outcome of any legal proceedings that may be instituted against the parties following the announcement of the proposed business combination; the amount of redemption requests made by Concord's public stockholders; the effects of the COVID-19 pandemic, general economic conditions, and other risks, uncertainties and factors set forth in the section entitled "Risk Factors" in Amendment No. 1 to Concord's Annual Report on Form 10-K filed with the Securities and Exchange Commission ("SEC") on May 20, 2021, and other filings with the SEC, as well as factors associated with companies, such as the Company, that are engaged in the digital currency and payments industries.

Accordingly, forward-looking statements, including any projects or analysis, should not be viewed as factual and should not be relied upon as an accurate prediction of future results. Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. Accordingly, you should not put undue reliance on these statements.

## Use of Non-GAAP Financial Measures

This presentation includes certain forecasted non-GAAP financial measures, including Adjusted EBITDA and Adjusted EBITDA margin. Circle defines Adjusted EBITDA as net income or net loss, as applicable, before net interest income (expense), taxes, depreciation and amortization expense, and share-based compensation expense. Circle calculates Adjusted EBITDA margin as Adjusted EBITDA divided by the sum of Total Revenue and USDC Interest Income less USDC Income Sharing and Transaction Costs. Management believes that these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Circle's financial condition and results of operations. Management does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. Other companies may calculate non-GAAP measures differently, and therefore the non-GAAP measures of Circle included in this presentation may not be directly comparable to similarly titled measures of other companies. The company is unable to quantify certain amounts that would be required to be included in the most directly comparable GAAP financial measures without unreasonable effort. Consequently, no disclosure of estimated comparable GAAP measures is included and no reconciliation of forward-looking non-GAAP financial measures is included.

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Information and opinions in this presentation rely on and refer to information and statistics regarding the sectors in which Circle competes and other industry data. This information and statistics were obtained from third-party sources, including reports by market research firms. Concord and Circle have not independently verified this information and make no representation or warranty, express or implied, as to its accuracy or completeness. Concord and Circle have supplemented this information where necessary with information from Circle's own internal estimates, taking into account publicly available information about other industry participants and Circle's management's best view as to information that is not publicly available. This presentation contains preliminary information only, is subject to change at any time, and is not, and should not be assumed to be, complete or to constitute all the information necessary to adequately make an informed decision regarding your engagement with Concord or Circle.

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## Important Information for Investors and Shareholders

In connection with the proposed business combination, a registration statement on Form S-4 (the "Form S-4") is expected to be filed by a new holding company ("New Pubco") with the SEC that will include a proxy statement of Concord that will also constitute a prospectus of New Pubco. Additionally, New Pubco and Concord will file other relevant materials with the SEC in connection with the proposed business combination. Investors and security holders of Concord and other interested persons are urged to read the Form S-4, including the preliminary proxy statement/prospectus and the amendments thereto and the definitive proxy statement/prospectus and documents incorporated by reference therein, as well as other documents filed with the SEC in connection with the proposed business combination, when they become available before making any voting or investment decision with respect to the proposed business combination because they will contain important information about the business combination and the parties to the business combination. When available, the definitive proxy statement/prospectus will be mailed to stockholders of Concord as of a record date to be established for voting on the proposed business combination. Stockholders will also be able to obtain copies of such documents, without charge, once available, at the SEC's website at www.sec.gov, or by directing a request to: Concord Acquisition Corp, 477 Madison Avenue, New York, New York 10022.

## Participants in the Solicitation

Concord, New Pubco and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies of Concord's shareholders in connection with the proposed business combination. Investors and security holders may obtain more detailed information regarding the names, affiliations and interests of certain of Concord's executive officers and directors in the solicitation by reading Amendment No. 1 to Concord's Annual Report on Form 10-K, which was filed with the SEC on May 20, 2021, and the proxy statement/prospectus and other relevant materials filed with the SEC in connection with the business combination when they become available. Other information concerning the interests of participants in the solicitation, which may, in some cases, be different than those of their shareholders generally, will be set forth in the proxy statement/prospectus relating to the business combination when it becomes available.

## Confidentiality

**This presentation has been prepared for informational purposes only and is confidential. This presentation contains confidential information concerning Circle's business and the proposed business combination including, but not limited to, non-public financial information and/or projections and the fact that Concord and Circle are in discussions regarding the proposed business combination. By accepting this presentation you agree to keep it and the information contained herein confidential and you agree that such information may not be copied, reproduced or distributed in whole or in part without each of Concord and Circle's prior written consent.**



**Jeremy Allaire**

Chief Executive Officer

<allaire>



**Jeremy Fox-Geen**

Chief Financial Officer



McKinsey  
& Company



CONCORD ACQUISITION



**Bob Diamond**

Chairman



**Jeff Tuder**

Chief Executive Officer



FORTRESS

JHL CAPITAL



**Peter Ort**

Independent Director

Cambium Capital





CONCORD ACQUISITION

Concord's team has decades of experience investing in, operating, advising and growing global financial services businesses, with a goal of a long-term partnership to create sustainable value for shareholders.

#### EXTENSIVE OPERATING & INVESTING EXPERIENCE

- ✓ Differentiated and diverse global operating and investment experiences
- ✓ Deep domain expertise with financial services and financial technology
- ✓ Thorough understanding of the union between legacy financials and tech

#### DEEP EXPERIENCE & SUCCESS IN FUNDRAISING

- ✓ Strong relationships with leading institutional investors
- ✓ \$3bn of capital raised for Atlas funds and co-investments since inception

#### GLOBAL NETWORK OF EXECUTIVES, INVESTORS & POLICY CONNECTIONS

- ✓ Comprehensive network of industry and regulatory relationships in U.S., EMEA and Asia
- ✓ Well-connected team including former financial services founders, bankers, academics and government officials

#### PARTNERSHIP APPROACH

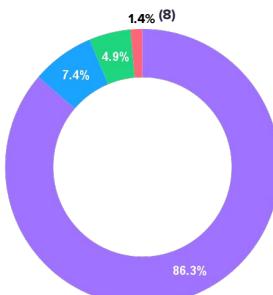
- ✓ Collaborative, partnership-focused culture
- ✓ Thorough understanding of levers to create long-term shareholder value for all public company stakeholders

# Transaction Summary

## KEY HIGHLIGHTS

<b>Valuation</b>	Pro forma enterprise value of \$4.5bn, which equates to 5.8x 2023E revenue of \$778mm
<b>Capital Structure</b>	\$969mm of cash held on the pro forma balance sheet
<b>Earn-out Shares</b>	Earn-out of 112mm shares for existing equity holders 25% granted if closing share price above \$12 within first 12 months <sup>(1)</sup> 25% granted if closing share price above \$14 within first 36 months <sup>(1)</sup> 25% granted if closing share price above \$16 within first 60 months <sup>(1)</sup> 25% granted if closing share price above \$100 within first 120 months <sup>(1)</sup>

## PRO FORMA OWNERSHIP<sup>(7)</sup>



- Existing Equity Holders
- PIPE
- SPAC Public Shares
- Sponsor Promote

## IMPLIED SOURCES & USES

(\$ in mm)

Sources	
Circle Rollover Equity <sup>(2)</sup>	\$4,826
SPAC Cash in Trust <sup>(3)</sup>	276
PIPE Investment <sup>(4)</sup>	415
Sponsor Shares <sup>(5)</sup>	77
<b>Total Sources</b>	<b>\$5,593</b>
Uses	
Circle Rollover Equity <sup>(2)</sup>	\$4,826
Sponsor Shares <sup>(5)</sup>	77
Cash to Balance Sheet <sup>(6)</sup>	549
Cash to Seller Before Fees	40
Transaction Fees	102
<b>Total Uses</b>	<b>\$5,593</b>

## CAPITALIZATION

(\$ in mm)

Implied Market Capitalization <sup>(7)</sup>	
( + ) Pro Forma Debt	54
( - ) Pro Forma Cash <sup>(6)</sup>	(549)
( - ) Convertible Note Net Proceeds	(419)
Pro Forma Enterprise Value	
Enterprise Value / 2021E Revenue	46.9x
Enterprise Value / 2022E Revenue	12.8x
Enterprise Value / 2023E Revenue	5.8x

1) Closing share price for 20 days within any 30-trading day period. Earnout shares exclude unvested existing Circle shareholders.

2) Circle rollover equity equals \$4.5bn implied enterprise value, less pre-IPO debt of \$54mm, plus convertible note net proceeds of \$419mm, less secondary sale proceeds of \$40mm. Excludes earnout shares, all of which are subject to vesting at the price targets.

3) Based on \$276mm IPO capital raised.

4) Based on \$415m PIPE at \$10.00 per share.

5) Includes 6,900,000 sponsor shares and 752,000 private placement shares at \$10.00 per share

6) Based on total cash sources of \$691mm, less \$102mm of transaction fees and \$40mm cash to seller.

7) Excludes earnout shares and warrants, all of which are subject to vesting at various price targets. If within the first 120 months after transaction closing the share price closes above \$100 for 20 days within any 30-trading day period and the full earnout is granted, pro forma ownership for the SPAC Public Shares and PIPE Shares would be 4.1% and 6.1%, respectively, inclusive of the dilutive effect of the earnout and warrants. Pro forma ownership excludes unvested existing Circle shareholders.

8) Includes 5,430,000 founder shares and 510,289 private placement shares held by the Concord Sponsor Group LLC and 1,380,000 sponsor shares and 241,711 private placement shares held by CA Co-Investment LLC, an affiliate of Cowen. Includes 90,000 shares held by independent directors of Concord. Excludes dilution from private warrants.

# Our Mission

*“Raising global economic prosperity through the frictionless exchange of financial value.”*

The first digital currency native commercial financial institution built on public blockchain ecosystems and decentralized finance

~\$190BN

USDC in Circulation  
(2023E)

~\$885MN

Total Revenue  
(2023E)

~\$15BN

Total Transaction Volume  
(2023E)

~\$50BN

Total Volume Lent  
(2023E)

Circle's marquee accounts & partnerships

coinbase

*Signature*

SIGNATURE BANK®

VISA

FTX

Compound

Dapper

Genesis

usbancorp  
Asset Management, Inc.

# Circle's management team has broad and deep experience across digital currency, internet tech, fintech and financial services



**Jeremy Allaire**  
Co-Founder & CEO



**Jeremy Fox-Geen**  
Chief Financial Officer



**Elisabeth Carpenter**  
Chief Operating Officer



**Li Fan**  
Chief Technology Officer



**Mandeep Walia**  
Chief Compliance  
& Risk Officer



**Dante Disparte**  
Chief Strategy Officer &  
Head of Global Policy



**Flavia Naves**  
General Counsel



**Ryan Feit**  
Co-Founder & CEO,  
SeedInvest



# **The Circle Opportunity**

# Imagine a world where...



The financial system is radically more **open, connected & interoperable**



Payments are **frictionless, immediate & nearly free**



Borrowing & lending decisions are embedded in **autonomous software**, not humans



Capital markets are as **global & diversified** as other Internet marketplaces

# The Dawn of the Internet of Value

Each of these world-changing technologies began as a point solution  
and evolved into foundational layer in the overall stack.

## FINANCIAL VALUE EXCHANGE

*Crypto and blockchain is doing for the global exchange of value  
what the internet did for the global exchange of information*



## MOBILE UBIQUITY



## CLOUD AGILITY



"Cloud Computing"  
coined 1996



## COMMUNICATIONS



Public debut  
1995



1990

2000

2010

2020

# The Future of Financial Infrastructure

Re-building the world's economic infrastructure from the ground up, as internet-native technology.

## Perceived “Next-Gen” FinTechs

*Modern UX, but inefficient closed systems built on legacy rails*

Traditional UX, legacy core



Controlled networks  
Siloed from developer innovation  
Centralized and vulnerable  
Slow, expensive, and complex  
Closed-loop electronic money

## Blockchain Finance

*Blockchain-based infrastructure built on open networks*

Full stack on internet rails



Built on global, open networks  
Programmable with smart contracts  
Global, scalable, and efficient  
Speed and efficiency of the internet  
Internet native money

# Foundation for Next-Gen Financial Services

## Commoditization of Payments & Value Storage

Near instantaneous and low-cost settlement for any form of payment and value exchange



## Financial Inclusion

Provides support for the global underbanked, access to decentralized finance markets and a means of low-cost remittances and foreign relief

## Digital Goods & Marketplaces

Internet-native markets in content and commerce moving to digital assets and currency for global reach, cost efficiency and business model innovation

## Broad Tokenization of Real-World Assets

Tokenized assets (securities, physical assets, digital goods) link with stablecoins as native settlement rails

# Enter Stablecoins

The global financial system meets Internet-native currency — Circle created & principally operates USD Coin.



## USDC is

A digital currency representation of an existing dollar that is redeemable 1:1 — fully reserved & audited

Built on Ethereum and other emerging public blockchains

Instantaneously transferrable 24/7/365 across the globe

Open, interoperable and programmable with smart contracts

Compatible with US Federal and State regulations and guidelines for digital currency



## USDC is not

Displacing existing central bank money

Subject to market volatility relative to corresponding fiat

Bound by frictions inherent to traditional fiat currency transferability

A centralized, closed system

Subject to counterparty risk; USDC is a bearer asset

# Leading the Market in Growth & Adoption

**6,171%**

YTD CAGR

As of May 31, 2021

30B

25B

20B

15B

10B

5B

0

Q1 '20

Q2 '20

Q3 '20

Q4 '20

Q1 '21

MAY '21

**22.6B**

USDC IN CIRCULATION

As of May 31, 2021

22.6

**3,050%**

YTD CAGR

As of May 30, 2021

800B

700B

600B

500B

400B

300B

200B

100B

APR '20

JUL '20

NOV '20

MAR '21

MAY '21

USDC MARKET CAP GROWTH

HISTORICAL ON-CHAIN TRANSACTION VOLUME

# Circle is Organically Building a Global Internet-Native Settlement Infrastructure

Exchanges connect to USDC rails covering **180+ countries**



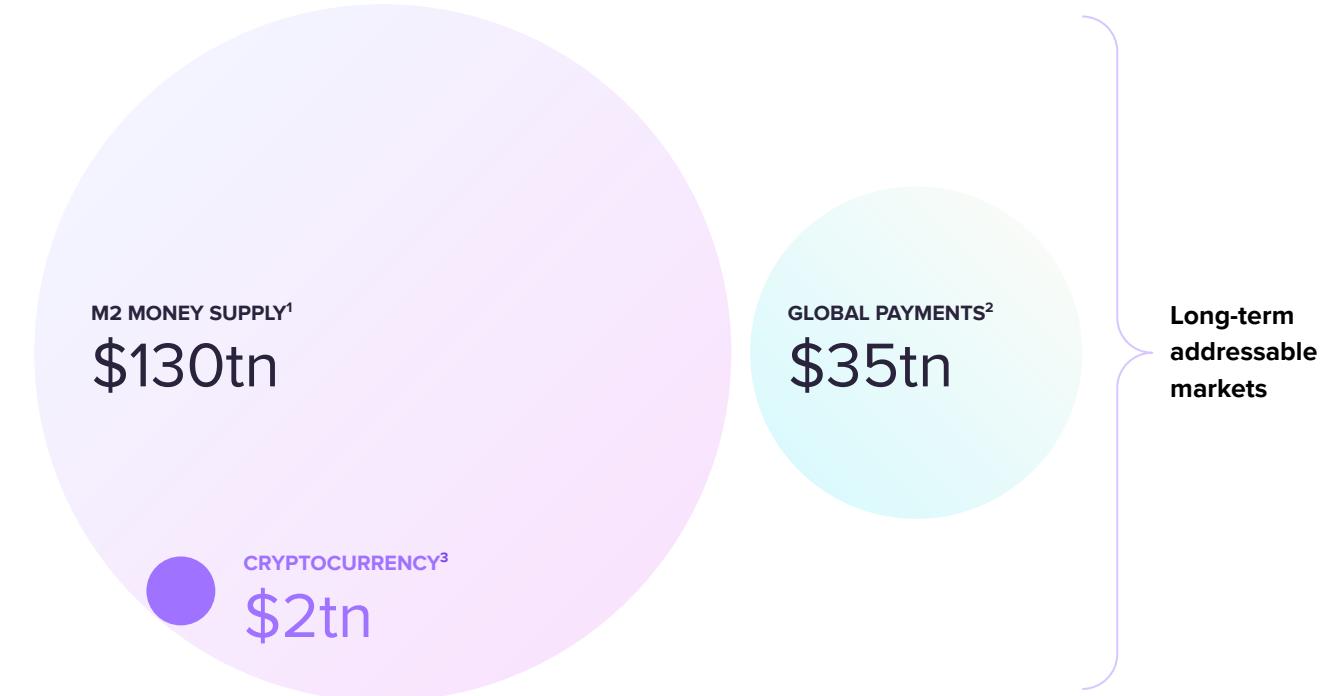
Users can route USDC through these markets and into and out of these currencies at the **speed of the internet** and digital asset exchanges.

Circle customers are already **highly global**



# A massive market opportunity expected to play out over decades

Blockchain tech and crypto assets are forming the basis for a new global financial infrastructure



<sup>1</sup>Source: The World Bank as of 2019

<sup>2</sup>Source: Juniper Research as of July 2020. Based on forecasted 2022 B2B cross border payments market size

<sup>3</sup>Source: Reuters as of April 2021

# **The Circle Platform**

# Circle operates a suite of internet native financial services

## USDC

(interest income on reserves)



Circle operates the core market infrastructure of USDC

## Transaction & Treasury Services (TTS)

(transaction & usage fees, spread capture)



Circle Accounts & API services provide companies with a comprehensive suite of payments and treasury services

## SeedInvest

(fee-based)



Two-sided marketplace for issuers and investors, enabling internet private capital markets to grow and flourish

Marquee partners

**coinbase**

**VISA**

Marquee partners

**Dapper**



**FTX**

**Genesis**

**Compound**

Example Issuers

**wyre**

**NowRx PHARMACY**

**MISO ROBOTICS**

# Circle Account provides a foundation for using USDC & Digital Currency

Free Circle Account is entry point for Circle



Convert, Mint, Redeem USDC

USDC Storage & Custody<sup>1</sup>

Send & Receive on-chain payments — nearly free and instant with an easy-to-use browser interface

Global  
Open accounts from 180+ countries & connect banks from 87 countries



API Services

Seamlessly embed Circle payments, payouts and account capabilities into custom apps



Yield Services

Earn interest on USDC lent into collateralized borrowing markets

## CIRCLE CUSTOMERS



Banks & Financial Institutions



Crypto Finance



Fintechs



Commerce & Marketplaces



Institutional Traders



Digital Content

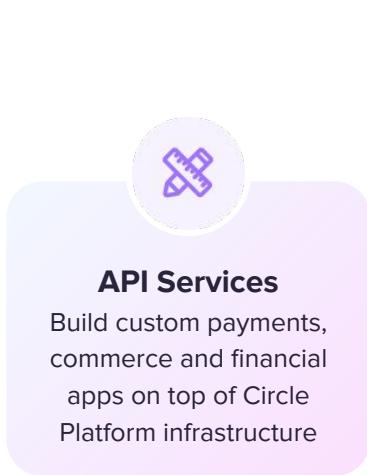


Blockchain Startups

<sup>1</sup>Secure, insured custody services provided as a native capability of Circle infrastructure. Circle is not a qualified custodian

# API Services

Circle API Services comprise a powerful suite of infrastructure for diverse digital currency payments and treasury use cases



## ACCOUNTS API

Securely store and manage digital currency incl. USDC, BTC & ETH  
Manage complex funds flows and embedded finance applications



## PAYMENTS API

Accept payments with legacy rails that settle in digital currency  
Natively support crypto payments  
Built in tooling for fraud management and operations



## PAYOUTS API

Send fast payout to sellers, vendors, or users  
Automate payout workflows  
Global reach with USDC, and fiat payouts into banks in 90 countries



## YIELD API

Transfer USDC into collateralized lending markets, generating interest, accessing CeFi and DeFi markets

# Accelerating Use Cases

## Dapper TOPSHOT

Dapper uses Circle infrastructure and USDC settlement for **global payments supporting NFT markets.**

Circle Payments uniquely settles card or wire payments to support Dapper's customers, which allow for them to interact with its blockchain digital goods marketplace natively



Visa has **integrated USDC** into **VisaNet** as a currency and settlement infrastructure, enabling Visa digital wallet issuers to settle with Visa over public blockchains.

Visa is enabling its card holders and card issuers to use USDC to settle transactions, **bridging digital currency and mainstream merchants.**



**One of the world's fastest growing crypto exchanges** adopted Circle APIs and new Card and ACH services to support its global portfolio of exchange and brokerage products.

Circle APIs provide a fast and trusted infrastructure that gives FTX the ability to offer a secure and seamless fiat experience for crypto investors.

# Yield Services

## CORE PRODUCT OFFERING

- High-Yield USDC services bundled with Circle Accounts and in Circle APIs
- Robust, risk-managed, regulated and secured institutional facility — high level of controls and regulatory supervision
- Great introduction for corporates into using USDC, driving issuance, payments activity, and other financial products
- Builds on market momentum for crypto corporate treasury

Implementation of professionally managed fixed-rate asset allocation in the crypto market:

**~3% to ~7%\***



**Fixed Term  
(1-12 month lockup periods)**



**Interest paid monthly**



**Principal deposited back into Circle Account at term maturity**

## POWERFUL BENEFITS TO CUSTOMERS

Holding assets in USDC allows users to move in and out of crypto investments with speed & security to:



**Gain access to USDC**  
crypto borrowing and lending markets



**Earn higher fixed yield**  
versus traditional financial markets across flexible terms

# SeedInvest: Transformation of the private capital markets ecosystem

SeedInvest is a leading equity crowdfunding platform, opening up startup investing to everyone

\$300M+

Total raised

500k+

Unique investors

235+

Successful Offerings



Financing volume ranges from \$500k - \$20mm

Supports both accredited and non-accredited investor participation

Access to pre-vetted startup investment opportunities

A two-sided marketplace for investing in private companies on the internet.

# SeedInvest: Evolving into a platform for tokenization of private capital markets

## SeedInvest today (2021)

- ✓ Flexible platform enabling a wide range of capital formation options for startups
- ✓ Democratized access for retail investors into previously inaccessible investment opportunities
- ✓ Two-sided marketplace driving network effects for issuers and investors



## Tokenization of Capital Markets



## Tokenization of Securities

- ✓ The tokenization of capital markets has the potential to enable companies of all sizes to reach a diverse, global investor base with cost-effective compliance
- ✓ The tokenization of equity, debt and property securities is expected to allow for more internet direct offerings, and secondary market liquidity through rapidly growing digital asset exchanges such as FTX, Coinbase and Binance

<sup>1</sup>Sources: Global Debt: IIF Debt Monitor (Feb 2021), Global Equity: Statista Research Department (Mar 2021)

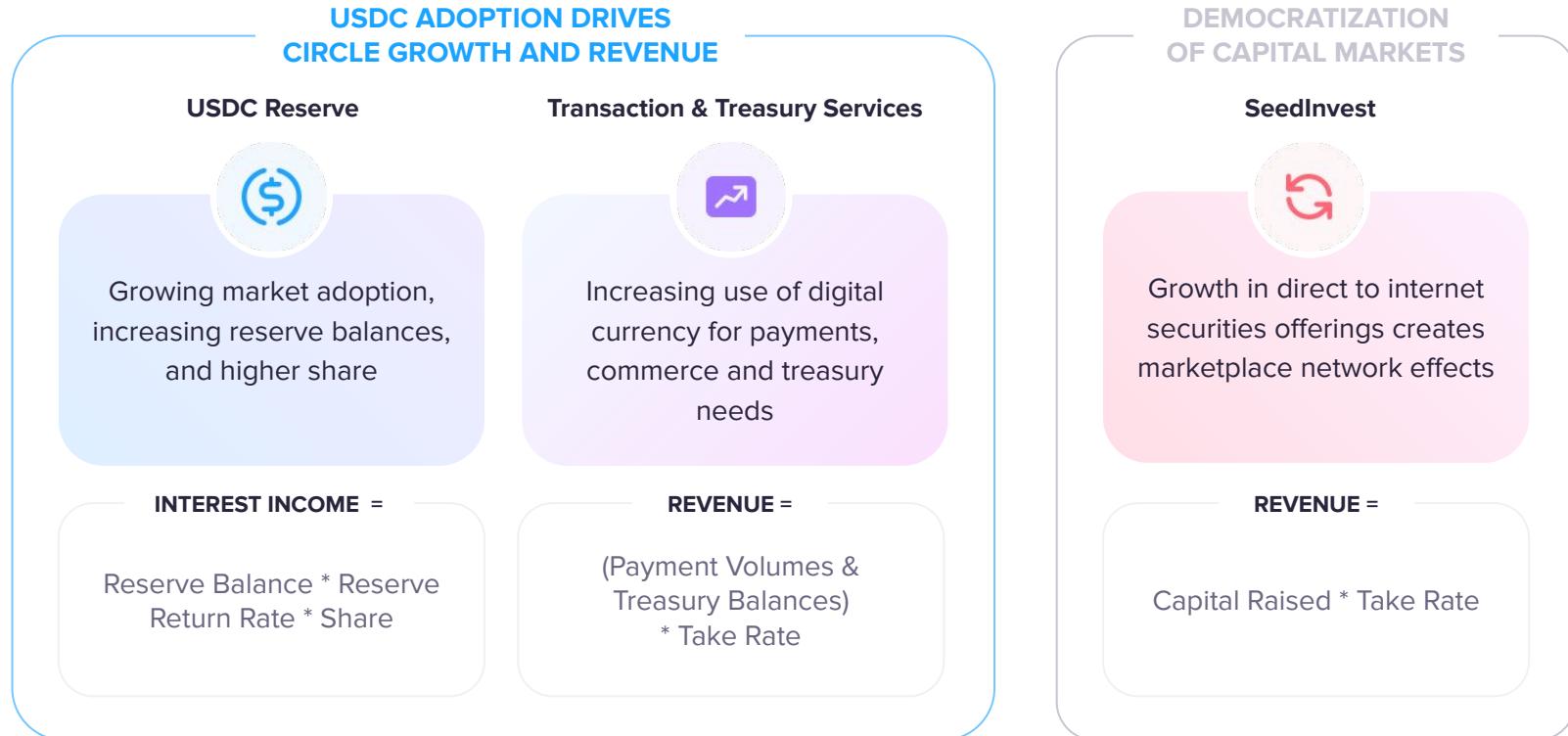
<sup>2</sup>M2 Money Supply. Source: The World Bank as of 2019

# The Circle Platform is difficult to replicate in an already disruptive ecosystem

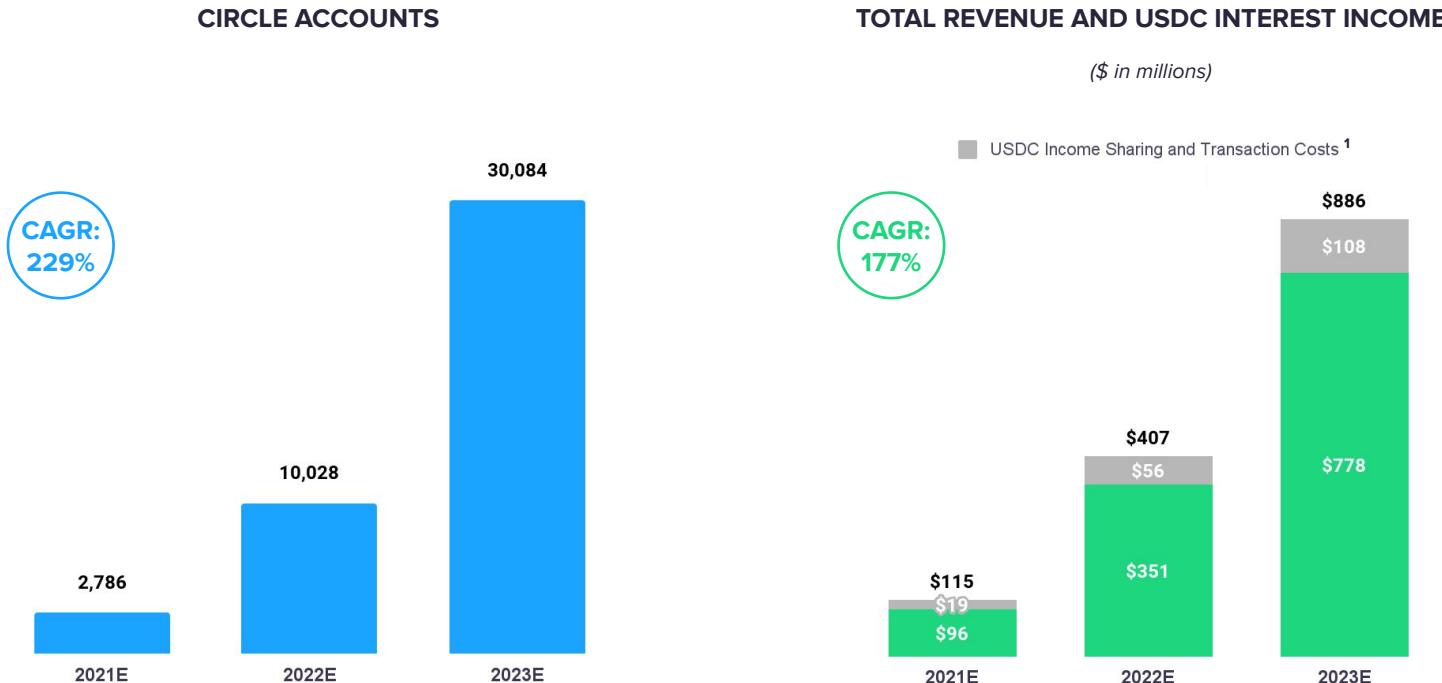


# **Financial Opportunity**

# Fundamentals of Our Financial Model



# Significant Opportunity...



# ...with Growing Operating Leverage



Note: Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP measures

<sup>1</sup> Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by the sum of Total Revenue and USDC Interest Income less USDC Income Sharing and Transaction Costs. Long term target refers to post-2023.

# Substantial Investment to Achieve Substantial Results

<b>Product &amp; Technology</b>	Significant expansion of Product and Engineering teams Technology investment to support global scaling, new product development and core infrastructure innovation in crypto-economic systems
<b>Sales, Marketing &amp; Customer Success</b>	Dramatic growth across Revenue and Customer Success organizations Scaling to support product rollouts and international expansion across EMEA, APAC and LATAM Broad-based corporate, brand and product marketing investment
<b>Corporate Development &amp; Partnerships</b>	Acquisition of key licenses, access to local rails and customer flow to accelerate global expansion effort High ROI acquisihires of key industry talent to support product and company velocity Product expansion through acquisition of identified targets with complimentary offerings, accelerating product vision Strategic investment fund to support commercial partnerships and broader ecosystem innovations
<b>Regulatory &amp; Risk Capital</b>	Regulatory capital required for appropriate license, operational and business model expansion Collateral for operational support with banking and processing partners

# Investment Highlights

## Blockchain-Based Payments & Treasury Infrastructure



## Open Internet Architecture

Beginning stages of digital currency and blockchains redefining money, payments and financial services delivery

Massive network effects enable accelerating adoption

We operate one of the fastest growing dollar digital currencies in the world

Differentiated product suite serving wide array of customer use-cases

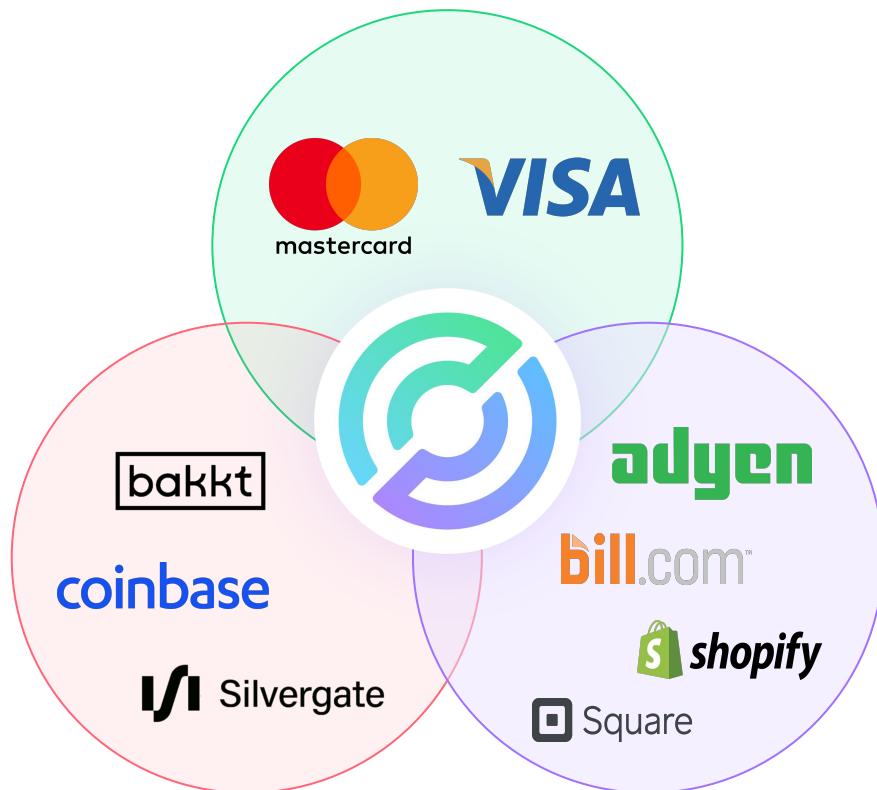
Sustainable business model demonstrated by dominant industry position and history of excellent execution

Executive leadership team with decades of industry experience

Attractive economic model with scale, growth and profitability

# **Valuation Perspectives**

# Approach to Comparable Companies



## Payments Networks

- Critical global financial infrastructure
- Volume-based take-rate model
- Global connectivity with network effects

*Circle advantage: digital-asset macro tailwinds with deep treasury and payments integration*

## High Growth Payments & Financial Software

- Digital disruptors with significant TAM
- Volume-based, subscription, take-rate model
- Attractive growth profile

*Circle advantage: digital-asset macro tailwinds and recurring spread revenue with network effects*

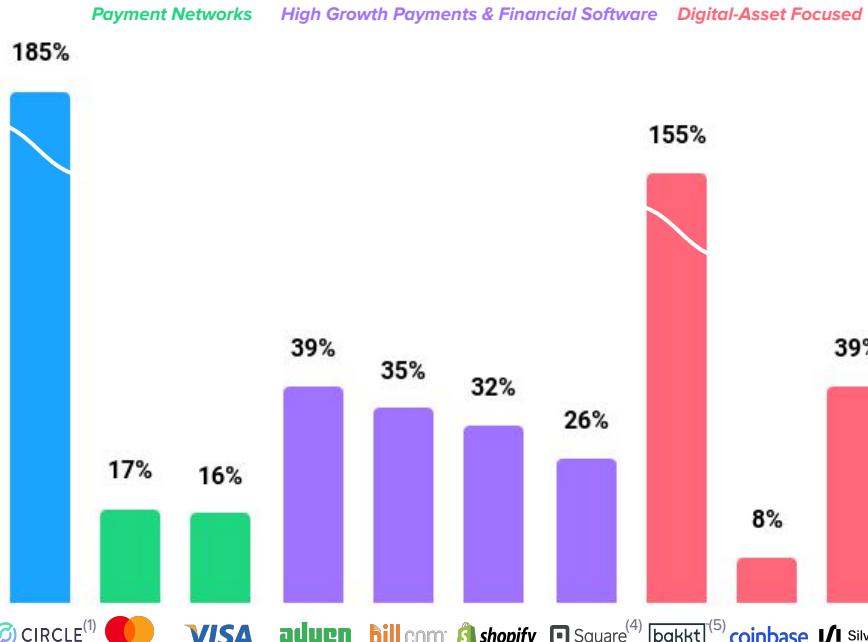
## Digital-Asset Focused

- Exposure to fast-growing digital asset ecosystem
- Developing crypto-native and highly scalable platforms

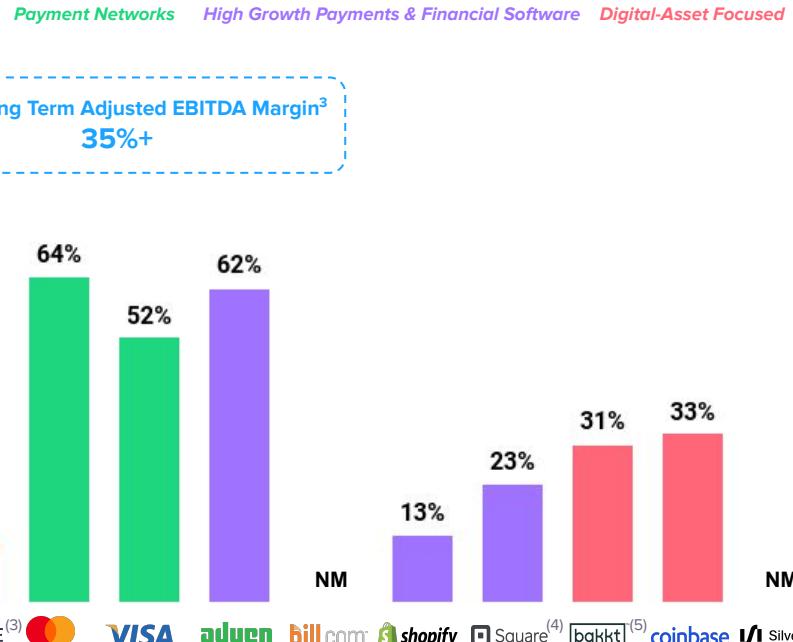
*Circle advantage: powerful ways to monetize treasury management and payment flows with network effects*

# Operational Benchmarking

2021E – 2023E REVENUE GROWTH CAGR



2023E ADJUSTED EBITDA MARGIN<sup>2</sup>



Target Long Term Adjusted EBITDA Margin<sup>3</sup>  
35%+

Source: Wall Street Research. Note: Market data as of 6-Jul-21.

1) Circle figures based on total revenue net of USDC income sharing and transaction costs.

2) Adjusted EBITDA margin for comparable peers adjusted for stock based compensation expense.

3) Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by the sum of Total Revenue and USDC Interest Income less USDC Income Sharing and Transaction Costs. Long term target refers to post 2023.

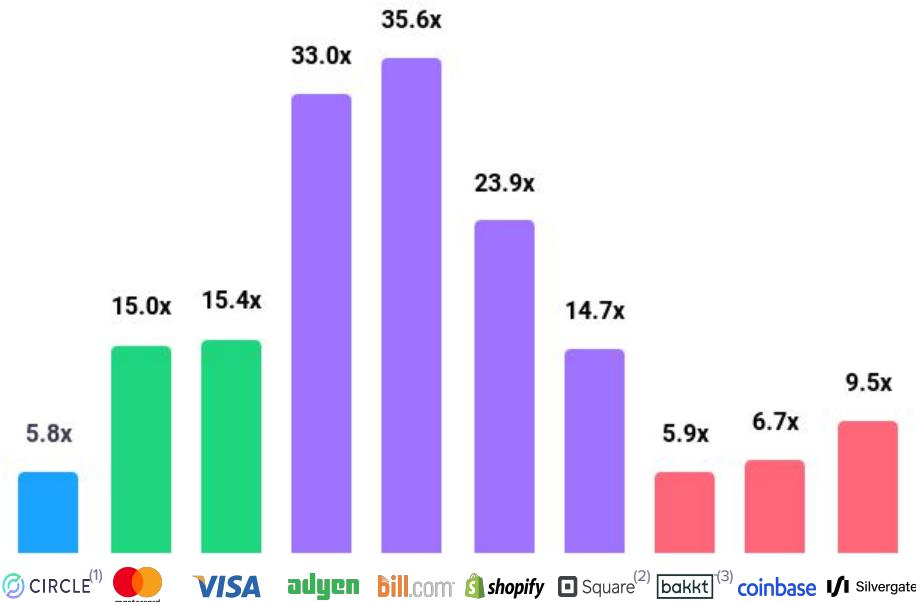
4) Square figures based on revenue net of Bitcoin / transaction-based costs.

5) Bakkt figures based on revenue less transaction-based expenses.

# Peer Valuation Benchmarking

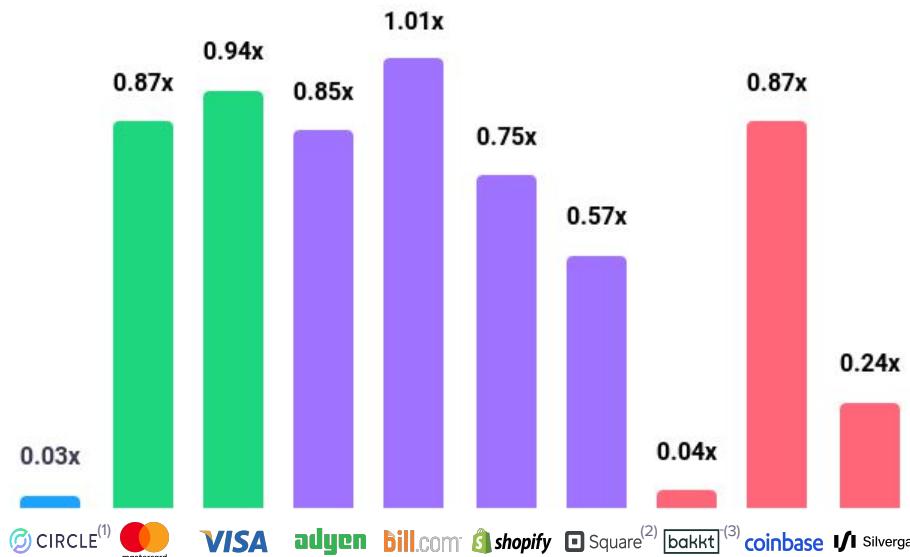
Enterprise Value / 2023E Revenue

*Payment Networks*   *High Growth Payments & Financial Software*   *Digital-Asset Focused*



Growth Adjusted Enterprise Value / 2023E Revenue

*Payment Networks*   *High Growth Payments & Financial Software*   *Digital-Asset Focused*



Source: Wall Street Research. Note: Market data as of 6-Jul-21.

1) Circle multiples based on \$4.5bn enterprise value. Revenue figures based on total revenue net of USDC income sharing and transaction costs.

2) Square multiples based on revenue net of Bitcoin / transaction-based costs.

3) Bakkt multiples based on revenue less transaction-based expenses.

# **Appendix**

# Projected P&L Summary

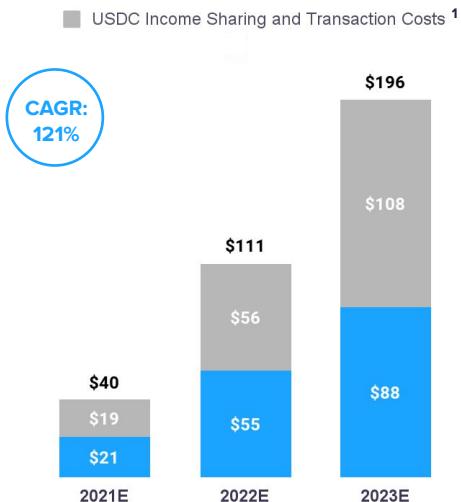
\$ in millions	2021E	2022E	2023E
USDC	40	111	196
TTS	65	267	622
SeedInvest	10	29	68
<b>Total Revenue and USDC Interest Income</b>	<b>115</b>	<b>407</b>	<b>886</b>
% Growth		253%	118%
USDC Income Sharing and Transaction Costs	19	56	108
TTS Transaction Costs	33	94	166
<b>Total Third-Party Transaction Costs</b>	<b>52</b>	<b>150</b>	<b>273</b>
% of revenue	45%	37%	31%
Personnel	65	160	294
Marketing	34	104	129
IT Infrastructure	11	26	43
G&A	41	88	122
D&A	12	42	97
<b>Total Operating Expenses</b>	<b>163</b>	<b>420</b>	<b>684</b>
% of revenue	141%	103%	77%
<b>Adjustments</b>			
D&A	12	42	97
Stock Based Compensation	12	25	50
<b>Adjusted EBITDA</b>	<b>(76)</b>	<b>(97)</b>	<b>76</b>
% Adjusted EBITDA Margin <sup>1</sup>	--	--	10%

Note: Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP measures

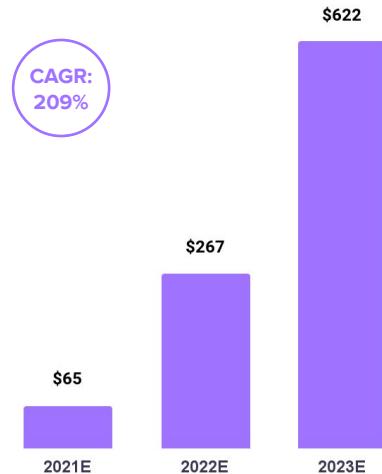
<sup>1</sup> Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by the sum of Total Revenue and USDC Interest Income less USDC Income Sharing and Transaction Costs

# Substantial Projected Revenue Growth

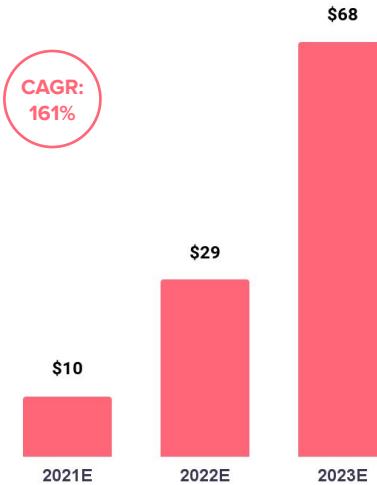
**USDC INTEREST INCOME**  
(\$ in millions)



**TTS REVENUE**  
(\$ in millions)



**SEEDINVEST REVENUE**  
(\$ in millions)

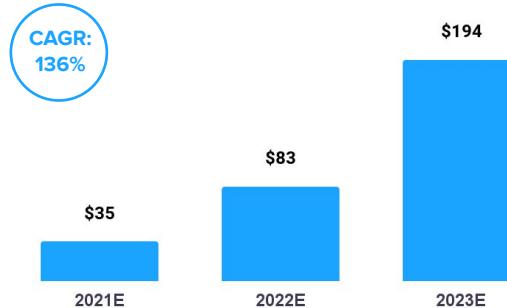


<sup>1</sup> USDC Income Sharing and Transaction Costs refers to USDC interest income paid to third party issuers of USDC as well as network fees associated with processing USDC transactions

# Non Financial Performance Indicators

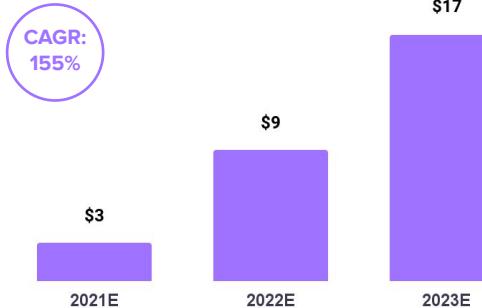
## USDC IN CIRCULATION

(\$ in billions)



## TOTAL FIAT TRANSACTION VOLUME<sup>1</sup>

(\$ in billions)



## TOTAL VOLUME LENT END OF PERIOD BALANCES

(\$ in billions)



## SEEDINVEST TOTAL CLOSED VOLUME

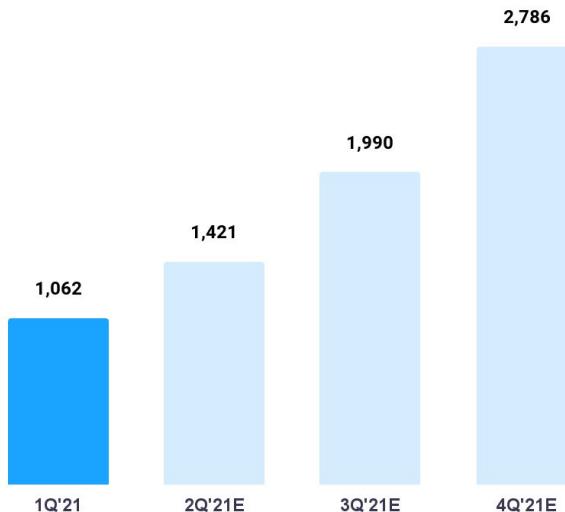
(\$ in millions)



<sup>1</sup> Fiat transaction volume represents payments / payouts volume on APIs across wires, ACH and card transactions

# 2021 Q1 Results and Q2-Q4 Forecast

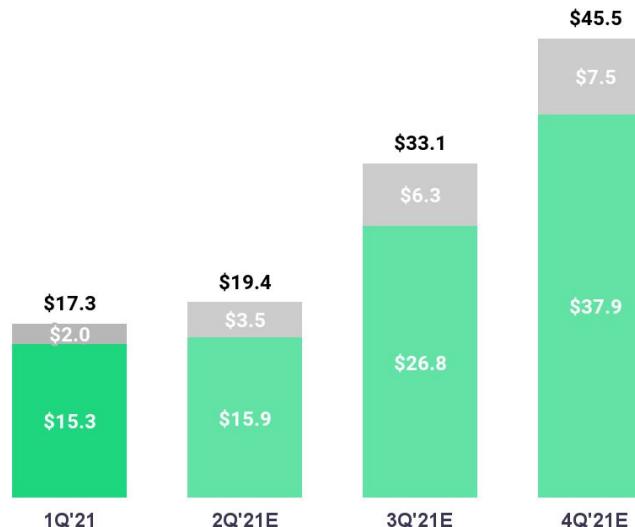
CIRCLE ACCOUNTS



TOTAL REVENUE AND USDC INTEREST INCOME

(*\$ in millions*)

USDC Income Sharing and Transaction Costs<sup>1</sup>



<sup>1</sup> USDC Income Sharing and Transaction Costs refers to USDC interest income paid to third party issuers of USDC as well as network fees associated with processing USDC transactions

# USDC Interest Income is sensitive to rising interest rates

\$ in millions	Incremental USDC Interest Income <sup>1</sup>	
Change in interest rates (instantaneous parallel shift)	2022	2023
Base Case	-	-
+50bps	\$235	\$555
+100bps	\$470	\$1,110
+150bps	\$705	\$1,665
+200bps	\$940	\$2,220

<sup>1</sup> Incremental USDC Interest Income to the Circle financial model as presented in the Investor Presentation, June 2021, and before USDC Interest Income sharing and transaction costs

# Share Count Summary

## BASIC CASE

	Shares	Ownership %
SPAC	35.3	6.3 %
Public Class A Shares	27.6	4.9
Private Class A Shares	0.8	0.1
Private Class B Shares	6.9	1.2
PIPE	41.5	7.4
Circle Equity	482.6	86.3
<b>Fully Diluted Shares Outstanding</b>	<b>559.3</b>	<b>100.0 %</b>

## BASIC + WARRANTS + EARNOUT CASE

	Shares	Ownership %
SPAC	40.6	6.0 %
Public Class A Shares	27.6	4.1
Private Class A Shares	0.8	0.1
Private Class B Shares	6.9	1.0
Public Warrants (Net Shares Issued @ \$18.00 / Share) <sup>1</sup>	5.0	0.7
Private Warrants <sup>2</sup>	0.4	0.1
PIPE	41.5	6.1
Circle Equity	482.6	71.3
Earnout <sup>3</sup>	111.9	16.5
<b>Fully Diluted Shares Outstanding</b>	<b>676.5</b>	<b>100.0 %</b>

Note: Share count analysis excludes unvested options.

1) Based on an aggregate 13,800,000 public warrants issued, each exercisable to purchase one share of Class A common stock at a price of \$11.50 per share.

2) Based on an aggregate 376,000 private placement warrants issued, each exercisable to purchase one share of Class A common stock at a price of \$11.50 per share.

3) Earnout amount including 20% of Circle fully diluted shares of 559.3 as of closing of the transaction at strike prices of \$12.00, \$14.00, \$16.00, \$100.00.

# **Appendix II – Risk Factors**

# Risk Factors (1/3)

## Risks Related to Circle's Business and Industry

- We have a limited operating history in an evolving industry, which makes it difficult to evaluate our future prospects and may increase the risk that we will not be successful.
- We have experienced rapid growth recently, and if we do not effectively manage our growth and the associated demands on our operational, risk management, sales and marketing, technology, compliance, and finance and accounting resources, our business may be adversely impacted.
- Our growth may not be sustainable and depends on our ability to retain existing customers, attract new customers, expand product offerings, and increase processed volumes and revenue from both new and existing customers.
- Our forecasts and projections are based upon assumptions, analyses and internal estimates developed by our management. If these assumptions, analyses or estimates prove to be incorrect or inaccurate, our actual operating results may differ materially and adversely from those forecasted or projected.
- We face intense and increasing competition and, if we do not compete effectively, our competitive positioning and our operating results will be harmed.
- If we cannot keep pace with rapid industry changes to provide new and innovative products and services, the use of our products and services, and consequently our net revenue, could decline, which could adversely impact our business, operating results, and financial condition.
- Cyberattacks and security breaches of our systems, or those impacting our customers or third parties, could adversely impact our brand and reputation and our business, operating results and financial condition.
- We may incur significant liability as a result of several ongoing disputes and investigations. The ultimate resolution of these matters may require substantial cash payments, materially and adversely affect our business, financial condition, and results of operation, and may cause dilution to our shareholders.
- We have retained certain liabilities of the Poloniex cryptocurrency exchange that we owned from 2018 to 2019, including certain liabilities that arose prior to our ownership. Poloniex has been subject to substantial, and in some cases unresolved, regulatory investigations and commercial litigation, including but not limited to:
  - An SEC investigation relating to trading on the exchange of tokens that were deemed to be securities, which matter we expect to settle with the SEC for approximately \$10.4 million.
    - An ongoing OFAC investigation for which we have taken a reserve of \$1.07 million; however, due to OFAC's statutory methodology for determining penalties on the basis of numbers of violations, the number of violations alleged by OFAC could result in penalties that are substantially greater than the amount we reserved and which would materially impact the value of your investment.
    - Ongoing arbitrations related to losses suffered by Poloniex customers associated with a crash in the CLAM market, which losses amounted to 1800 Bitcoin, or approximately \$15 million at then-prevailing prices. We have taken a reserve in the amount of approximately \$1.3 million in relation to one such arbitration and several other arbitrations are ongoing, the final outcome of which cannot be known at this time.
- Additionally, we are currently in a dispute with a financial advisor (Financial Technology Partners, or "FT Partners") regarding advisory fees in connection with consummation of the proposed business combination with Concord. FT Partners believes it is entitled to a fee of approximately nine percent (9%) of the value issued to Circle equityholders in connection with the proposed business combination (as disclosed elsewhere herein) based on its interpretation of an engagement letter with Circle. At this time, no litigation has been filed and it remains possible that the matter will be resolved consensually; however, we cannot guarantee the ultimate outcome of this matter.
- Any significant disruption in our technology could result in a loss of customers or funds and adversely impact our brand and reputation and our business, operating results, and financial condition.
- We rely on third parties in critical aspects of our business, which creates additional risk. Our ability to offer our services depends on relationships with other financial services institutions and entities, and our inability to maintain existing relationships or to enter into new such relationships could impact our ability to offer services to customers. The uncertain regulatory status of USDC around the world could have a negative impact on such relationships.
- We are subject to credit risks in respect of counterparties, including financial institutions.
- Our sponsorship relationships for transaction processing are concentrated in a small number of partners. Should our relationships with such sponsors deteriorate, we may be limited in our ability to offer the payment processing services that are core to our offerings.
- We are exposed to transaction losses due to chargebacks as a result of fraud or uncollectability that may adversely impact our business, operating results, and financial condition.
- Our ability to process card payment transactions is critical to our business. Our card acquiring sponsor's good standing with the payment card networks is, therefore, critical to our business. In the event our card acquiring sponsor were to lose its good standing with the payment card networks, we would be unable to process card payment transactions, and the utility of our services to our enterprise customers would deteriorate.
- Certain large customers provide a significant share of our revenue and the termination of such agreements or reduction in business with such customers could harm our business. If we lose or are unable to renew these and other marketplace and enterprise client contracts at favorable terms, or if an exchange, digital asset platform or USDC compatible app provider were to terminate affiliation with us or USDC, our results of operations and financial condition may be adversely affected.
- The prices of digital currencies are extremely volatile. Fluctuations in the price of various digital currencies may cause uncertainty in the market and could negatively impact trading volumes of digital currencies and therefore the extent to which participants in the digital currency industry demand our services and solutions, which would adversely affect our business, financial condition and results of operations.
- Our products and services may be exploited to facilitate illegal activity such as fraud, money laundering, gambling, tax evasion, and scams. If any of our customers use our products or services to further such illegal activities, we could be subject to liability and our business could be adversely affected. Our efforts to detect and monitor such transactions for compliance with law may require significant costs, and our failure to effectively deal with bad, fraudulent or fictitious transactions and material internal or external fraud could negatively impact our business.
- Our compliance and risk management methods might not be effective and may result in outcomes that could adversely affect our reputation, operating results, and financial condition. We rely on third parties for some of our KYC and other compliance obligations.
- Our framework for risk management, including our counterparty risk management, may not be fully effective in mitigating our risk exposure against all types of risks.

# Risk Factors (2/3)

## Risks Related to Circle's Business and Industry (continued)

- We are in the process of establishing relationships with decentralized finance protocols to offer our users access to such decentralized protocols. Such relationships create certain liability risk for Circle should our customers experience losses as a result of accessing such decentralized finance protocols.
- If we fail to develop, maintain, and enhance our brand and reputation, our business, operating results, and financial condition may be adversely affected. Moreover, unfavorable media coverage could negatively affect our business.
- Our future growth depends significantly on our marketing efforts, and if our marketing efforts are not successful, our business and results of operations will be harmed.
- The energy usage and environmental impact of blockchain technology, particularly in relation to proof of work mining, has attracted considerable recent attention. Concerns about the environmental impacts of blockchain technology could adversely impact usage and perceptions of USDC and Circle.
- The COVID-19 pandemic could have unpredictable, including adverse, effects on our business, operating results, and financial condition.

## Risks Related to Our Financial Condition

- We have a history of losses, and there is no assurance that we will maintain profitability or that our revenue and business models will be successful.
- We may experience fluctuations in our quarterly operating results.
- Changes in U.S. and foreign tax laws, as well as the application of such laws, could adversely impact our financial position and operating results.
- Changes to tax laws and regulations or the interpretation thereof could have a material adverse effect on our results of operations and the ability to utilize cash in a tax efficient manner.
- Our ability to use any current or future net operating loss to offset future taxable income may be subject to certain limitations under U.S. or foreign law.
- If our estimates or judgment relating to our critical accounting policies prove to be incorrect, our operating results could be adversely affected.
- The nature of our business requires the application of complex financial accounting rules, and there is limited guidance from accounting standard setting bodies. If financial accounting standards undergo significant changes, our operating results could be adversely affected.
- Key business metrics and other estimates are subject to inherent challenges in measurement, and our business, operating results, and financial condition could be adversely affected by real or perceived inaccuracies in those metrics.
- We are subject to changes in financial reporting standards or policies, including as a result of choices made by us, which could materially adversely affect our reported results of operations and financial condition and may have a corresponding material adverse impact on capital ratios.
- We might require additional capital to support business growth, and this capital might not be available.

## Risks Related to USDC and Related Products

- Our ecosystem and all corresponding product offerings are centered on USDC, a stablecoin backed by fully reserved assets, redeemable on a 1:1 basis for US dollars. The regulatory landscape as it relates to stablecoins, including USDC, continues to evolve. Such evolution may create additional regulatory burden and expense and could materially impact the use and adoption of USDC.
- There is regulatory uncertainty regarding the classification of USDC and any classification of USDC as a security or a derivative in the U.S. or in other jurisdictions could impose additional regulation and materially impact its adoption.
- The successful launch and adoption of central bank digital currencies could directly impact the demand for USDC.
- The future development and growth of USDC is subject to a variety of factors that are difficult to predict and evaluate and may be in the hands of third parties to a substantial extent. If USDC does not grow as we expect, our business, operating results, and financial condition could be adversely affected.
- We incur certain risks as a result of our membership in the Centre Consortium and our inability to continue to participate in the Centre Consortium could be materially detrimental to our on-going financial performance and continued viability.
- Due to unfamiliarity and some negative publicity associated with cryptocurrency and blockchain technology, our customer base may lose confidence in products and services that utilize cryptocurrency or blockchain technology.
- Issuing and redeeming USDC from our platform involve risks, which could result in loss of customer assets, customer disputes and other liabilities, which could adversely impact our business.
- Our business model relies on the utility of USDC to our enterprise customers. Should regulatory interpretations related to the offering of USDC in the United States or other jurisdictions impact the utility of USDC to enterprise customers, our partnerships and business may be adversely affected.
- Future developments regarding the treatment of USDC and other stablecoins for U.S. federal income and foreign tax purposes could adversely impact our business.
- Our operating results from the yield service product may fluctuate due to market forces out of our control that impact demand to borrow cryptocurrency or stablecoins.
- We have obligations to safeguard the assets of our customers and any failure to do so could negatively impact our business and result in liabilities, regulatory enforcement and reputational harm.
- Our yield product service is an innovative product which is difficult to analyze vis-à-vis existing financial services laws and regulations around the world. The product involves certain risks which could limit or restrict our ability to offer the product in certain jurisdictions.
- We and our yield product customers are exposed to the credit risk of Genesis.
- Our yield product is collateralized predominantly by Bitcoin and the value of that collateral is directly exposed to the high volatility of Bitcoin.

# Risk Factors (3/3)

## Risks Related to SeedInvest

- If SeedInvest is not able to expand to add additional assets such as tokenized securities in a regulatory compliant way or to continue to attract high-quality companies for its investment platform, it may be unable to attract or retain customers and its synergy and integration with Circle's business may be limited.
- SeedInvest is a regulated broker-dealer entity and operates within a regulated environment. As a result, SeedInvest is subject to regulatory oversight and may from time to time be involved in regulatory requests, exams, inquiries and actions which if resolved unfavorably could result in fines or penalties, modifications to its business or reputational harm.

## Risks Related to Our Employees and Other Service Providers

- In the event of employee or service provider misconduct or error, our business may be adversely impacted.
- The loss of one or more of our key personnel, or our failure to attract and retain other highly qualified personnel in the future, could adversely impact our business, operating results, and financial condition.
- Our culture emphasizes innovation, and if we cannot maintain this culture as we grow, our business and operating results could be adversely impacted.
- Our officers, directors, employees, and large stockholders may encounter potential conflicts of interests with respect to their positions or interests in certain entities, and other initiatives, which could adversely affect our business and reputation.

## Risks Related to Government Regulation

- We are subject to an extensive and highly-evolving regulatory landscape and any adverse changes to, or our failure to comply with, any laws and regulations could adversely affect our brand, reputation, business, operating results, and financial condition.
- Legislative and regulatory actions taken now or in the future may increase our costs and impact our business, governance structure, financial condition or results of operations.
- The cryptoeconomy is novel and has little to no access to policymakers or lobbying organizations, which may harm our ability to effectively react to proposed legislation and regulation of stablecoins as well as related payment products and services adverse to our business.
- The regulatory environment to which we are subject gives rise to various licensing requirements, significant legal and financial compliance costs and management time, and non-compliance could result in monetary and reputational damages, all of which could have a material adverse effect on our business, financial position and results of operations.
- The financial services industry is subject to intensive regulation. Major changes in laws and regulations as well as enforcement action could adversely affect our business, financial position, results of operations and prospects.
- We are subject to laws, regulations, and executive orders regarding economic and trade sanctions, anti-money laundering, and counter-terror financing that could impair our ability to compete in international markets or subject us to criminal or civil liability if we violate them. As we continue to expand and localize our international activities, our obligations to comply with the laws, rules, regulations, and policies of a variety of jurisdictions will increase and we may be subject to investigations and enforcement actions by U.S. and non-U.S. regulators and governmental authorities.
- Our consolidated balance sheets may not contain sufficient amounts or types of regulatory capital to meet the changing requirements of our various regulators worldwide, which could adversely affect our business, operating results, and financial condition.
- We obtain and process a large amount of sensitive customer data. Any real or perceived improper use of, disclosure of, or access to such data could harm our reputation, as well as have an adverse effect on our business.
- We are subject to complex and evolving laws, regulations, and industry requirements related to data privacy, data protection and information security across different markets where we conduct our business, including in the United States and EEA and industry requirements and such laws, regulations, and industry requirements are constantly evolving and changing. Our actual or perceived failure to comply with such laws, regulations, and industry requirements, or our privacy policies could harm our business and could subject us to fines and reputational harm.
- Failure to comply with anti-money laundering, anti-bribery, economic and trade sanctions regulations and similar laws, could subject us to penalties and other adverse consequences.
- We are and may continue to be subject to litigation, including individual and class action lawsuits, as well as regulatory audits, disputes, inquiries, investigations and enforcement actions by regulators and governmental authorities.

## Risks Related to Intellectual Property

- Our intellectual property rights are valuable, and any inability to protect them could adversely impact our business, operating results, and financial condition.
- In the future we may be sued by third parties for alleged infringement of their proprietary rights.
- Our and our ecosystem partners' products and services, including the blockchains where the USDC protocol is built on, contain third-party open source software components, and failure to comply with the terms of the underlying open source software licenses could harm our business.

## Risks Related to Operating as a Public Company

- The requirements of being a public company, including maintaining adequate internal control over our financial and management systems, may strain our resources, divert management's attention, and affect our ability to attract and retain executive management and qualified board members.
- The price of our ordinary shares could decline if securities analysts do not publish research or if securities analysts or other third parties publish inaccurate or unfavorable research about us.
- Future sales of our ordinary shares, or the perception that such sales may occur, could depress our stock price.
- We are incorporated in Ireland; Irish law differs from the laws in effect in the United States and may afford less protection to, or otherwise adversely affect, our shareholders.
- We may be limited in our ability to pay dividends or repurchase shares in the future.

## General Risk Factors

- Adverse economic conditions may adversely affect our business.
- We may be adversely affected by natural disasters, pandemics, and other catastrophic events, and by man-made problems such as terrorism, that could disrupt our business operations, and our business continuity and disaster recovery plans may not adequately protect us from a serious disaster.
- Acquisitions, joint ventures or other strategic transactions create certain risks and may adversely affect our business, financial condition or results of operations.