This presentation is for informational purposes only and does not constitute an offer to purchase or a solicitation of an offer to sell, or any solicitation of an offer to buy any securities, or of an invitation or inducement to participate in any investment activity. 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 persons, officials, directors, employees or representatives make any representation or warranty, express or implied, as to its accuracy or completeness. Concord and Circle have no obligation to update publicly any information contained in this presentation.

Disclaimer
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

Valuation
- Pro forma enterprise value of $4.5bn, which equates to 5.8x 2023E revenue of $778mn

Capital Structure
- $969mn of cash held on the pro forma balance sheet

Earn-out Shares
- Earn-out of 112mn shares for existing equity holders
- 25% granted if closing share price above $12 within first 12 months
- 25% granted if closing share price above $14 within first 36 months
- 25% granted if closing share price above $16 within first 60 months
- 25% granted if closing share price above $100 within first 120 months

PRO FORMA OWNERSHIP

IMPLIED SOURCES & USES ($ in mm)

<table>
<thead>
<tr>
<th>Sources</th>
<th>Uses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Circle Rollover Equity (2)</td>
<td>Circle Rollover Equity</td>
</tr>
<tr>
<td>SPAC Cash In Trust (3)</td>
<td>SPAC Cash In Trust</td>
</tr>
<tr>
<td>PIPE Investment (4)</td>
<td>PIPE Investment</td>
</tr>
<tr>
<td>Sponsor Shares (5)</td>
<td>Sponsor Shares</td>
</tr>
<tr>
<td>Cash to Balance Sheet (6)</td>
<td>Cash to Balance Sheet</td>
</tr>
<tr>
<td>Cash to Seller Before Fees</td>
<td>Cash to Seller Before</td>
</tr>
<tr>
<td>Transaction Fees</td>
<td>Transaction Fees</td>
</tr>
<tr>
<td>Total Sources</td>
<td>Total Uses</td>
</tr>
</tbody>
</table>

Total Sources: $5,593
Total Uses: $5,593

Pro Forma Enterprise Value: $4,500

Implied Market Capitalization: $5,415

(+) Pro Forma Debt: 54
(-) Pro Forma Cash: (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

Circle Internet Financial | Investor Presentation, June 2021 | 5
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)

~$50BN
Total Volume Lent (2023E)

~$15BN
Total Fiat Transaction Volume (2023E)

~$500MM
SeedInvest Total Closed Volume (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**
  - Apple iPhone
    - Launched 2007

- **CLOUD AGILITY**
  - Amazon Web Services (AWS)
    - Launched 2006
  - Satoshi WP
    - 2008

- **COMMUNICATIONS**
  - Netscape
    - Public debut 1995
  - Facebook
    - Founded 2004

Timeline:
- 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

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

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

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

1,671%  
YTD CAGR  
as of August 31, 2021

27.4B  
USDC IN CIRCULATION  
as of August 31, 2021

1,569%  
YTD CAGR  
as of August 31, 2021

993B  
USDC TRANSFERRED ON-CHAIN  
as of August 31, 2021

Graphs showing USDC market cap growth and historical on-chain transaction volume.
Circle is Organically Building a Global Internet-Native Settlement Infrastructure

Exchanges connect to USDC rails covering 180+ countries

Circle customers are already highly global

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

- M2 Money Supply¹: $130tn
- Cryptocurrency³: $2tn
- Global Payments²: $35tn

¹ Source: The World Bank as of 2019
² Source: Juniper Research as of July 2020. Based on forecasted 2022 B2B cross border payments market size
³ 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
- TopShot
- FTX
- Genesis
- Compound

**Example Issuers**

- wyre
- NowRx
- MISO
- ROBOTICS
Circle Account provides a foundation for using USDC & Digital Currency

Free Circle Account is entry point for Circle

Convert, Mint, Redeem USDC
Send & Receive on-chain payments — nearly free and instant with an easy-to-use browser interface

USDC Storage & Custody
Global
Open accounts from 180+ countries & connect banks from 87 countries

CIRCLE CUSTOMERS

- Banks & Financial Institutions
- Crypto Finance
- Fintechs
- Commerce & Marketplaces
- Institutional Traders
- Digital Content
- Blockchain Startups

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

Yield Services
Earn interest on USDC lent into collateralized borrowing markets

1 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** 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**.

**FTX** is 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

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

~3% to ~7%*

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

- Fixed Term (1-12 month lockup periods)
- Interest paid monthly
- Principal deposited back into Circle Account at term maturity

Gain access to USDC crypto borrowing and lending markets

Earn higher fixed yield versus traditional financial markets across flexible terms

(*) Rates subject to change according to market conditions
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

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

- Financing volume ranges from $500k - $20mm
- Supports both accredited and non-accredited investor participation
- Access to pre-vetted startup investment opportunities
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
GLOBAL DEBT & EQUITY¹
$295tn

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

¹Sources: Global Debt: IIF Debt Monitor (Feb 2021), Global Equity: Statista Research Department (Mar 2021)
²M2 Money Supply. Source: The World Bank as of 2019
The Circle Platform is difficult to replicate in an already disruptive ecosystem

Seamless integrations across existing banking & payments networks

Interoperability & support across multiple blockchain networks

7 years of crypto-aware KYC/AML compliance programs

Anti-Fraud & Risk Management

Broad array of capabilities from years of tech investment & development

Trusted pioneer with years of deep domain expertise & data

Transaction & custody core optimized for digital currency financial services

Secure, insured custody services provided as a native capability of Circle infrastructure. Circle is not a qualified custodian.
Financial Opportunity
Fundamentals of Our Financial Model

**USDC ADOPTION DRIVES CIRCLE GROWTH AND REVENUE**

**USDC Reserve**
- Growing market adoption, increasing reserve balances, and higher share

**Transaction & Treasury Services**
- Increasing use of digital currency for payments, commerce and treasury needs

**INTEREST INCOME** =
- Reserve Balance * Reserve Return Rate * Share

**REVENUE** =
- (Payment Volumes & Treasury Balances) * Take Rate

**DEMOCRATIZATION OF CAPITAL MARKETS**

**SeedInvest**
- Growth in direct to internet securities offerings creates marketplace network effects

**REVENUE** =
- Capital Raised * Take Rate
## Substantial Investment to Achieve Substantial Results

| **Product & Technology** | Significant expansion of Product and Engineering teams  
Technology investment to support global scaling, new product development and core infrastructure innovation in crypto-economic systems |
|--------------------------|------------------------------------------------------------------------------------------------|
| **Sales, Marketing & Customer Success** | 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 |
| **Corporate Development & Partnerships** | Acquisition of key licenses, access to local rails and customer flow to accelerate global expansion effort  
High ROI acquihires 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 |
| **Regulatory & Risk Capital** | Regulatory capital required for appropriate license, operational and business model expansion  
Collateral for operational support with banking and processing partners |
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
Appendix
Non Financial Performance Indicators

**CIRCLE ACCOUNTS**

<table>
<thead>
<tr>
<th>Year</th>
<th>2021E</th>
<th>2022E</th>
<th>2023E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Volume Lent</td>
<td>2,786</td>
<td>10,028</td>
<td>30,084</td>
</tr>
</tbody>
</table>

**USDC IN CIRCULATION**

<table>
<thead>
<tr>
<th>Year</th>
<th>2021E</th>
<th>2022E</th>
<th>2023E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume Lent</td>
<td>$35</td>
<td>$83</td>
<td>$194</td>
</tr>
</tbody>
</table>

**TOTAL FIAT TRANSACTION VOLUME**

<table>
<thead>
<tr>
<th>Year</th>
<th>2021E</th>
<th>2022E</th>
<th>2023E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume Lent</td>
<td>$3</td>
<td>$9</td>
<td>$17</td>
</tr>
</tbody>
</table>

**CAGR:**

- **CIRCLE ACCOUNTS:** 229%
- **USDC IN CIRCULATION:** 136%
- **TOTAL FIAT TRANSACTION VOLUME:** 155%

---

1 Fiat transaction volume represents payments/payouts volume on APIs across wires, ACH and card transactions
## Share Count Summary

### BASIC CASE

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

### BASIC + WARRANTS + EARNOUT CASE

<table>
<thead>
<tr>
<th></th>
<th>Shares</th>
<th>Ownership %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SPAC</strong></td>
<td>40.6</td>
<td>6.0 %</td>
</tr>
<tr>
<td><strong>Public Class A Shares</strong></td>
<td>27.6</td>
<td>4.1</td>
</tr>
<tr>
<td><strong>Private Class A Shares</strong></td>
<td>0.8</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Private Class B Shares</strong></td>
<td>6.9</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Public Warrants (Net Shares Issued @ $18.00 / Share)¹</strong></td>
<td>5.0</td>
<td>0.7</td>
</tr>
<tr>
<td><strong>Private Warrants²</strong></td>
<td>0.4</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>PIPE</strong></td>
<td>41.5</td>
<td>6.1</td>
</tr>
<tr>
<td><strong>Circle Equity</strong></td>
<td>482.6</td>
<td>71.3</td>
</tr>
<tr>
<td><strong>Earnout³</strong></td>
<td>111.9</td>
<td>16.5</td>
</tr>
<tr>
<td><strong>Fully Diluted Shares Outstanding</strong></td>
<td>676.5</td>
<td>100.0 %</td>
</tr>
</tbody>
</table>

---

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, $18.00.
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.
- 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.
- We rely on third parties in critical aspects of our business, which creates additional risk. Our ability to offer our products and services to customers 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.
- Our ability to process card payment transactions is critical to our business. Our card acquiring sponsor’s 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.
- 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.
- 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 number 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.
- 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.
- The prices of digital currencies are extremely volatile. Fluctuations in the price of various digital currencies may 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 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.
- 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.
- We are subject to credit risks in respect of counterparties, including financial institutions.
- We are exposed to transaction losses due to chargebacks as a result of fraud or uncollectibility that may adversely impact our business, operating results, and financial condition.
- 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.
- 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.
  - 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 number 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.
  - 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 changes 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 outside 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 issuers 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, our 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.

Risks Related to Our Culture
- 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.

Risks Related to Adverse Economic Conditions
- 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.

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.