

A large, stylized graphic of the PayPal logo, composed of three overlapping shapes: a light blue circle at the top, a teal rounded rectangle in the middle, and a yellow rounded rectangle at the bottom. The shapes are positioned on the left side of the slide, with the text to their right.

PayPal

Launches New Service
Enabling Users to
Buy, Hold and Sell
Cryptocurrency

October 21, 2020

PayPal Launches New Service Enabling Users to Buy, Hold and Sell Cryptocurrency (Crypto)

BUY / SELL / HOLD CRYPTO

- Introducing the ability to buy, hold and sell select cryptocurrencies, initially featuring Bitcoin, Ethereum, Bitcoin Cash and Litecoin, directly within the PayPal digital wallet.
- Will be available to PayPal accountholders in the U.S. in the coming weeks with plans to expand the features to Venmo and select international markets in H1-2021.
- Partnering with Paxos Trust Company, a regulated provider of cryptocurrency products and services.
 - Utilizing the Paxos Crypto Brokerage service.
- PayPal has been granted a first-of-its-kind conditional BitLicense by the New York State Department of Financial Services (NYDFS) to offer these services to customers in New York.
- There are no service fees when buying or selling cryptocurrency through December 31, 2020, and no fees for holding cryptocurrency in a PayPal account.

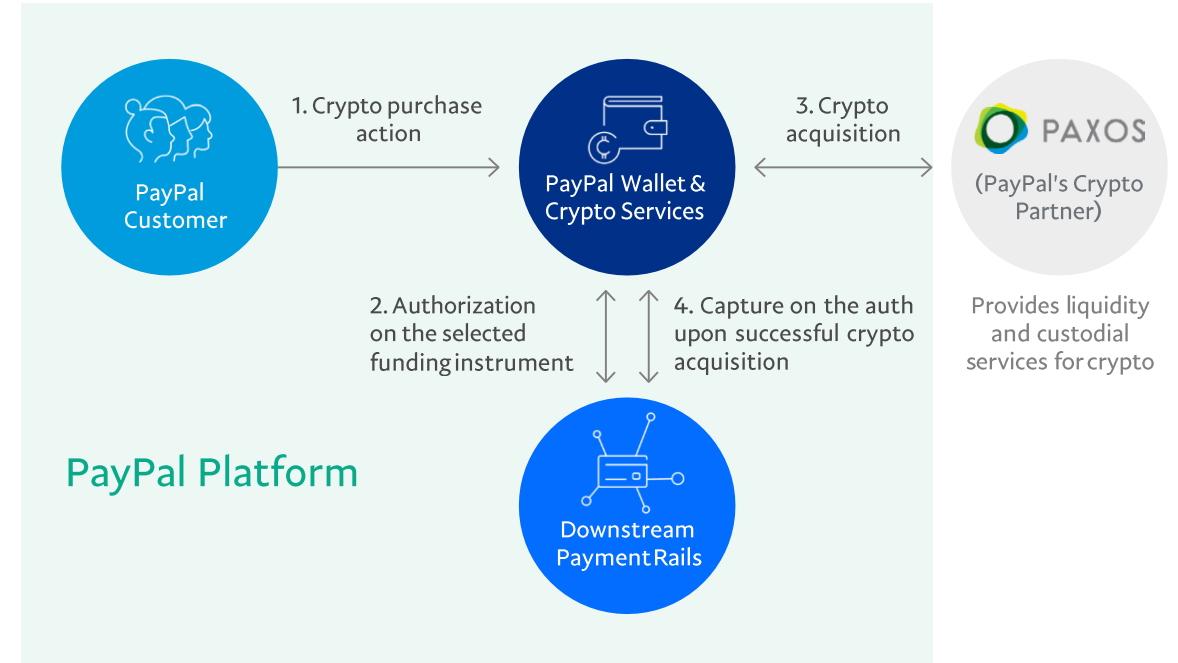
INCREASING UTILITY OF CRYPTOCURRENCY IN DIGITAL COMMERCE

- Beginning in early 2021, PayPal customers will be able to use their cryptocurrency holdings as a funding source to pay at PayPal's 26 million merchants around the globe.
 - Cryptocurrency becomes another funding source inside the PayPal digital wallet, adding enhanced utility to cryptocurrency holders. Consumers will be able to instantly convert their selected crypto balances to fiat currency, with certainty of value and no incremental fees.
 - No additional integrations or fees for merchants, as all transactions will be settled with fiat currency at their current PayPal rates.

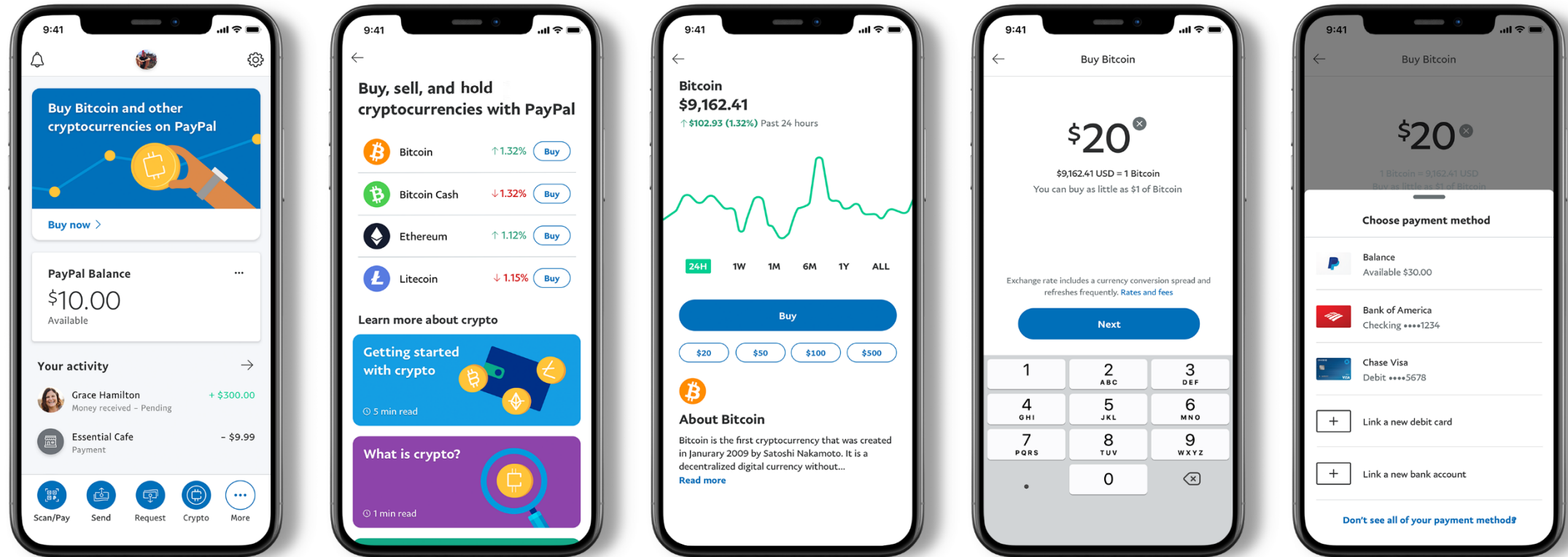
Crypto Buy/Hold/Sell Feature: Impact to Operating and Financial Metrics

OPERATING AND FINANCIAL METRICS

- **Active Accounts:** PayPal will consider customers using PayPal's crypto services as part of our active accounts metric but these will not be broken out as discrete active accounts
- **Transactions:** Transactions relating to buy/hold/sell crypto use case will not be included within our number of payment transactions metric
- **Total Payment Volume (TPV):** TPV will not be recognized for crypto buy/hold/sell use case
- **Revenue:** Recognized on a net basis within transaction revenue



Crypto Buy/Sell/Hold: User Experience



Forward-Looking Statements

This presentation contains "forward-looking" statements within the meaning of applicable securities laws. Forward-looking statements and information relate to future events and future performance and reflect, among other things, PayPal's plans with respect to its cryptocurrency initiatives. Forward looking statements may be identified by words such as "seek", "believe", "plan", "estimate", "anticipate", "expect", "project", "forecast", or intend", and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and any other similar expressions.

Forward-looking statements involve risks and uncertainties which may cause actual results to differ materially from the statements made. More information about these and other factors can be found in PayPal Holdings, Inc.'s most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings with the Securities and Exchange Commission (the "SEC"), and its future filings with the SEC.

The forward-looking statements contained in this presentation speak only as of the date hereof. PayPal expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

A large, stylized graphic of the letter 'P' on the left side of the image. The 'P' is composed of three overlapping shapes: a light blue circle at the top, a teal rounded rectangle in the middle, and a lime green rounded rectangle at the bottom. The background is a solid dark blue.

PayPal