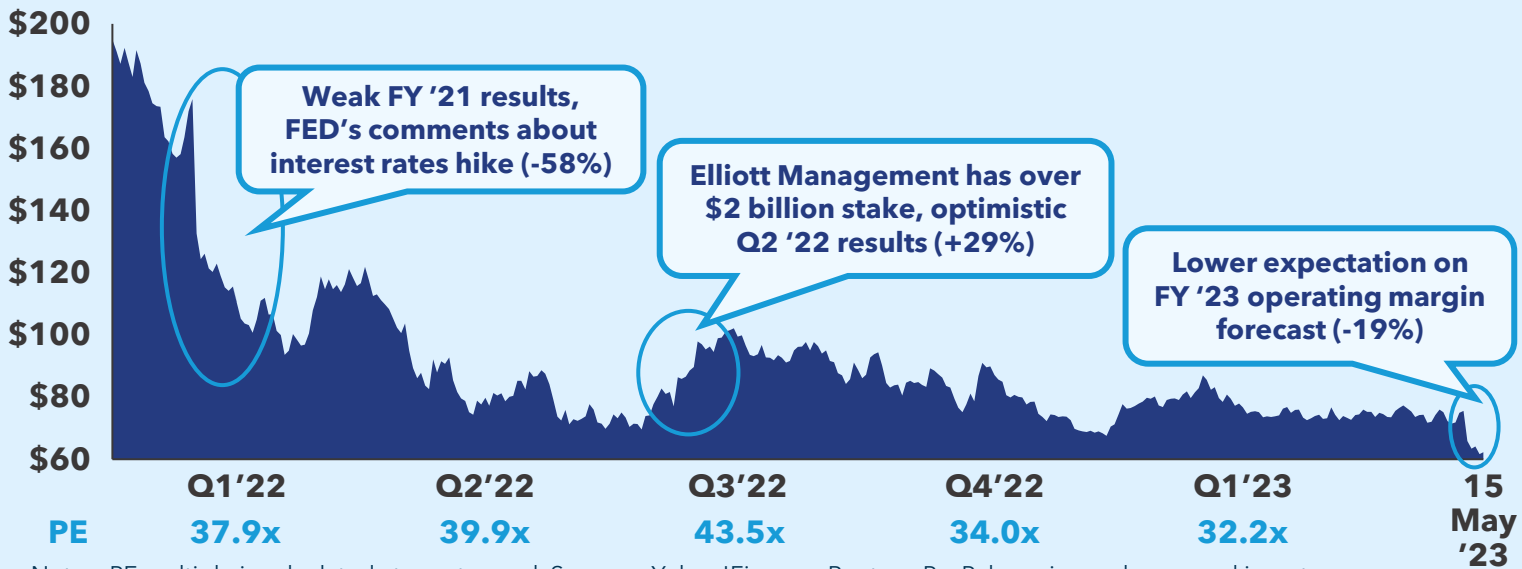


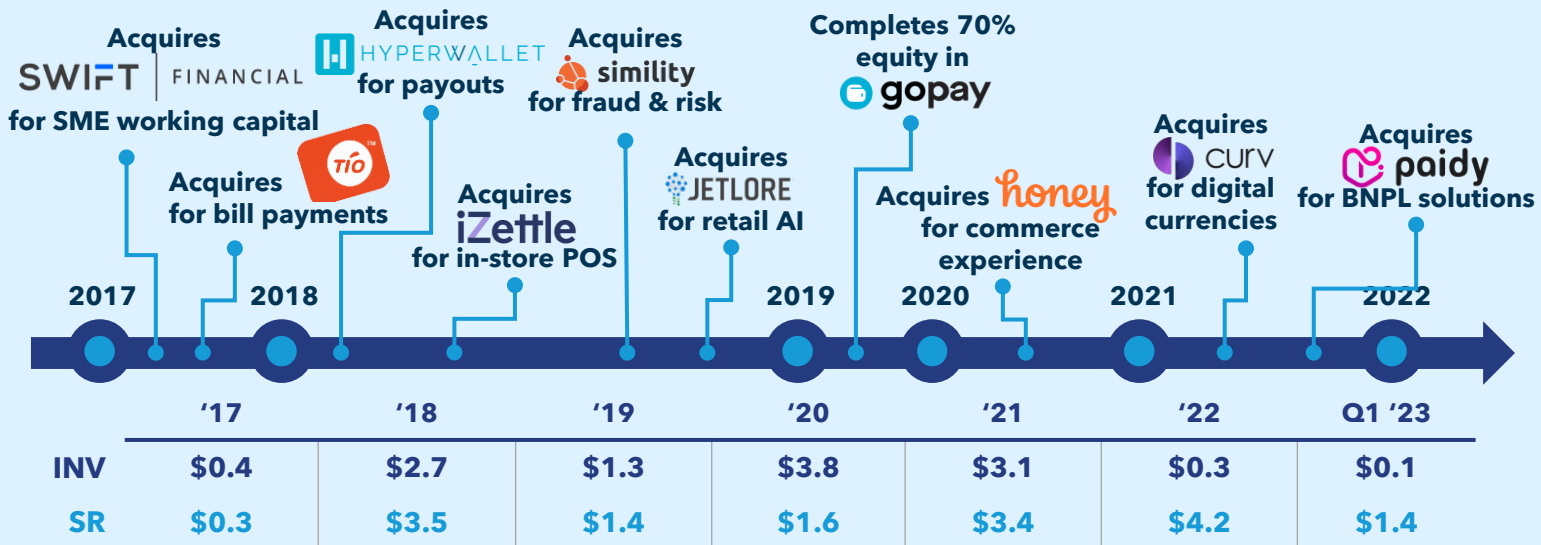
Q1 2023 and FY 2022 Performance Assessment

1 PayPal STOCK PRICE & PRICE-EARNING (PE) MULTIPLE (in \$; 2022 to 15th May 2023)



Notes: PE multiple is calculated at quarter-end. Sources: Yahoo!Finance, Reuters, PayPal earnings releases and investor presentations, Flagship Advisory Partners analysis. © Flagship Advisory Partners May 2023

2 PayPal M&A, INVESTMENTS (INV) AND SHARE REPURCHASES (SR) (select key M&A events from 2017-2022; INV and SR in \$ bil.)



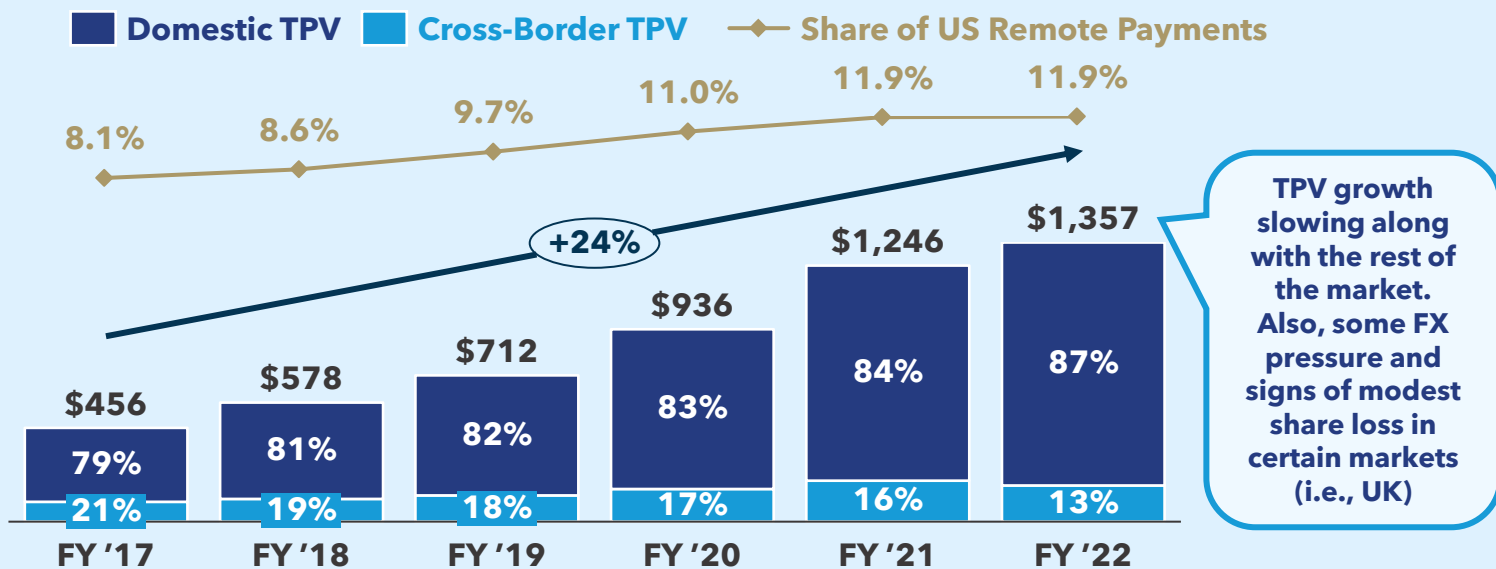
Sources: PayPal earnings releases and investor presentations, Flagship Advisory Partners analysis © Flagship Advisory Partners May 2023

General Commentary & Highlights

- PayPal lost ~\$155 B in market cap with ~70% decline in share price since Jan '22
- Share price hit a 6-year low on 12 May this year
- Pace of M&A clearly slowing with potential for divestitures (i.e., Xoom sale being explored)
- GAAP EPS recorded a net loss of ~\$0.45 related to PayPal's strategic investments in Q2 '22
- Returned \$4.1B through share repurchases in the last 12 months, FY '23 expected to reach ~\$4B

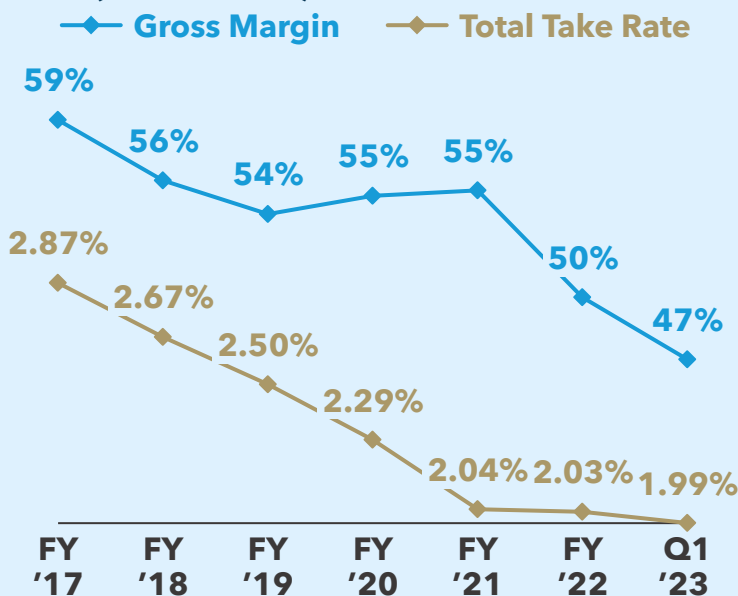
Q1 2023 and FY 2022 Performance Assessment

3 PayPal TOTAL PAYMENT VOLUME (TPV) (in \$ bil., CAGR % 2017 - 2022)



Sources: PayPal annual reports, earnings releases and investor updates, Global Data, Flagship Advisory Partners analysis
© Flagship Advisory Partners May 2023

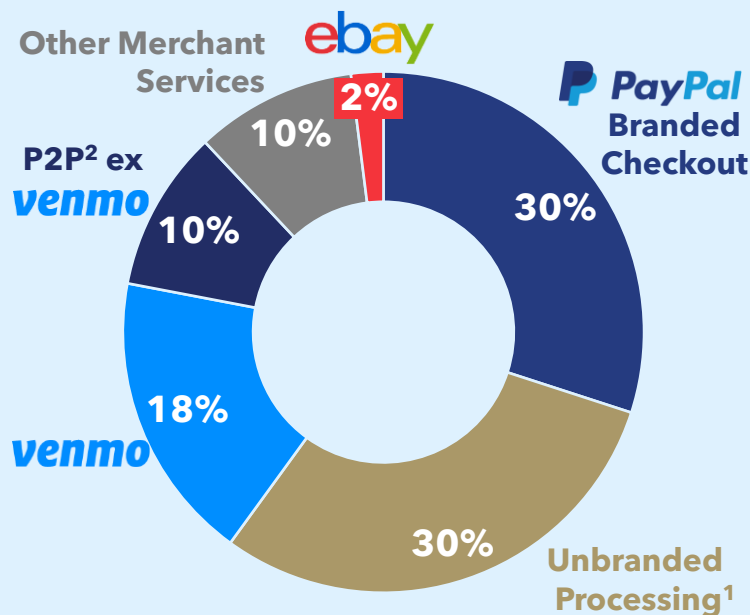
4 PayPal TOTAL TAKE RATE VS GROSS MARGIN (2017 - 2022)



Steady pressure on take rate and gross margin is the key driver of declining growth

Sources: PayPal annual reports, earnings releases and investor updates, Flagship Advisory Partners analysis
© Flagship Advisory Partners May 2023

5 PayPal EST. TOTAL PAYMENTS VOLUME MIX BY PLATFORMS (estimated 2022 volume mix)



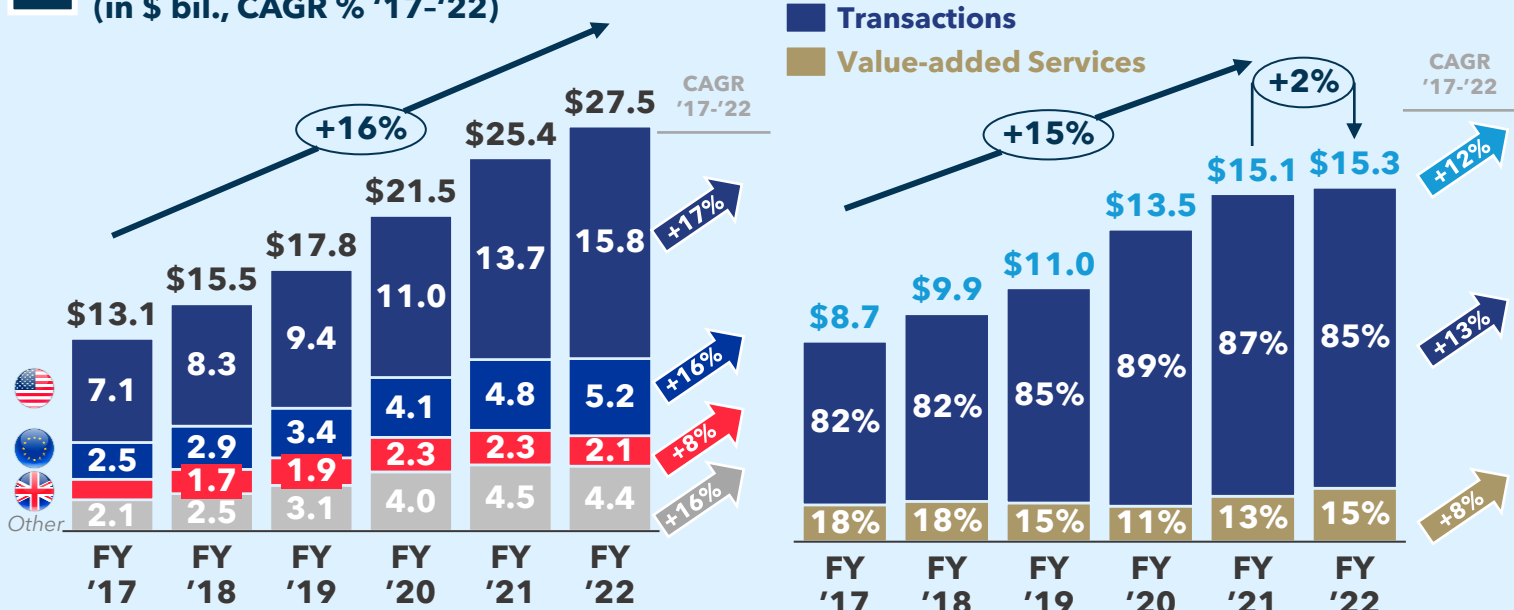
Notes: ¹ Unbranded Card Processing is primarily comprised of Braintree full-stack volume and does not include gateway-exclusive volume

² P2P ex-Venmo is primarily comprised of PayPal P2P volume, with some contribution from Xoom

Sources: Global Data, PayPal annual reports, earnings releases and investor updates, Flagship Advisory Partners analysis
© Flagship Advisory Partners May 2023

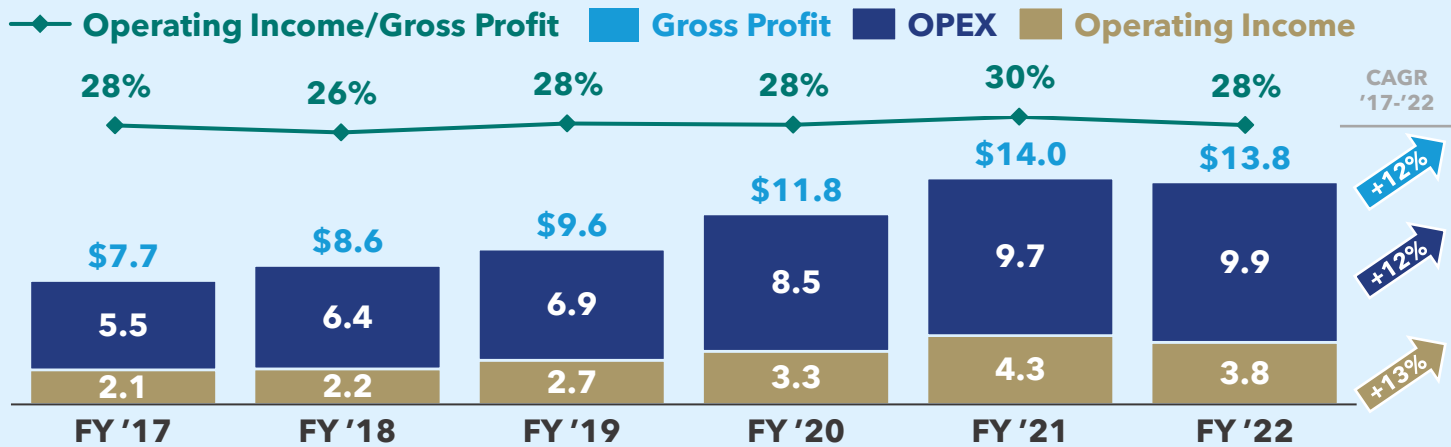
Q1 2023 and FY 2022 Performance Assessment

6 PayPal GROSS REVENUE BY GEO AND NET REVENUE BY PRODUCT (in \$ bil., CAGR % '17-'22)



Sources: PayPal annual reports, earnings releases and investor updates, Flagship Advisory Partners analysis © Flagship Advisory Partners May 2023

7 PayPal PROFIT & LOSS EFFICIENCY (in \$ bil., CAGR % '17-'22)



Sources: PayPal annual reports, earnings releases and investor updates, Flagship Advisory Partners analysis © Flagship Advisory Partners May 2023

General Commentary & Highlights

- International gross revenues were impacted by FX fluctuations in FY '22 with revenue loss in the EU from Q2 '21 to Q3 '22. Any single country, except for US, accounts for less than 10% of revenue
- VAS revenue decreased by 4% from FY '17 to FY '20, but has since rebounded well with a 23% CAGR from FY '20 and growth of 39% in Q1 '23, driven by interest revenue
- Opex as a % of gross profit was flat from 2017 to 2022, which means the business achieved no scale efficiencies across those five years (influenced by declining gross margin). FY '22 guidance incorporated \$900M cost savings with the annualized benefit of ~\$1.3B in FY '23