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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended September 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 001-42509

STRATEGY INC

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

51-0323571
(I.R.S. Employer
Identification Number)

1850 Towers Crescent Plaza, Tysons Corner, VA
(Address of Principal Executive Offices)

22182
(Zip Code)

(703) 848-8600
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on which Registered
10.00% Series A Perpetual Strife Preferred Stock, $0.001 par value per share	STRF	The Nasdaq Global Select Market
Variable Rate Series A Perpetual Stretch Preferred Stock, $0.001 par value per share	STRC	The Nasdaq Global Select Market
8.00% Series A Perpetual Strike Preferred Stock, $0.001 par value per share	STRK	The Nasdaq Global Select Market
10.00% Series A Perpetual Stride Preferred Stock, $0.001 par value per share	STRD	The Nasdaq Global Select Market
Class A common stock, $0.001 par value per share	MSTR	The Nasdaq Global Select Market

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 25, 2026, the registrant had 402,714,357 and 19,640,250 shares of class A common stock and class B common stock outstanding, respectively.

STRATEGY INC

FORM 10-Q

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

STRATEGY INC
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share data)

	September 30, 2026	December 31, 2025
	(unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$ 2,501,456	$ 2,301,470
Restricted cash	1,671	1,873
Short-term investments	3,404,457	—
Accounts receivable, net	129,933	205,748
Prepaid expenses and other current assets	70,096	55,046
Total current assets	6,107,613	2,564,137
Digital assets	70,824,007	58,854,028
Property and equipment, net	27,223	28,858
Right-of-use assets	60,684	46,975
Deposits and other assets	126,875	142,577
Deferred tax assets	5,147	4,507
Total assets	$ 77,151,549	$ 61,641,082
Liabilities, Mezzanine Equity and Stockholders' Equity		
Current liabilities:		
Current portion of long-term debt, net	$ 1,045,669	$ 31,313
Accounts payable, accrued expenses, and operating lease liabilities	79,298	50,335
Accrued compensation and employee benefits	37,265	69,986
Accrued interest	5,970	5,619
Preferred dividends payable	136,447	27,121
Deferred revenue and advance payments	206,722	272,118
Total current liabilities	1,511,371	456,492
Long-term debt, net	5,669,745	8,158,842
Deferred revenue and advance payments	2,706	5,451
Operating lease liabilities	60,813	46,135
Other long-term liabilities	5,031	4,736
Deferred tax liabilities	1,404,407	1,926,454
Total liabilities	8,654,073	10,598,110
Commitments and Contingencies		
Mezzanine Equity		
Series A Perpetual Preferred Stock, $0.001 par value; 411,023 and 442,361 shares authorized; 139,599 and 78,183 shares issued and outstanding at September 30, 2026 and December 31, 2025, respectively; redemption value and liquidation preference of $14,109,839 and $8,032,324 at September 30, 2026 and December 31, 2025, respectively	13,056,250	6,919,514
Stockholders' Equity		
Preferred stock undesignated, $0.001 par value; 593,977 and 562,639 shares authorized, no shares issued and outstanding at September 30, 2026 and December 31, 2025, respectively	—	—
Class A common stock, $0.001 par value; 10,330,000 and 10,330,000 shares authorized, 402,338 and 292,422 shares issued and outstanding at September 30, 2026 and December 31, 2025, respectively	402	292
Class B common stock, $0.001 par value; 165,000 shares authorized, 19,640 shares issued and outstanding at both September 30, 2026 and December 31, 2025	20	20
Additional paid-in capital	51,516,192	37,806,554
Accumulated other comprehensive loss	(14,273)	(5,171)
Retained earnings	3,938,885	6,321,763
Total stockholders' equity	55,441,226	44,123,458
Total liabilities, mezzanine equity and stockholders' equity	$ 77,151,549	$ 61,641,082

The accompanying notes are an integral part of these Consolidated Financial Statements.

STRATEGY INC
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenues:				
Product licenses	$ 3,829	$ 17,373	$ 12,997	$ 31,820
Subscription services	68,590	45,972	190,327	123,899
Total product licenses and subscription services	72,419	63,345	203,324	155,719
Product support	37,681	51,118	122,116	155,728
Other services	15,327	14,228	46,655	42,798
Total revenues	125,427	128,691	372,095	354,245
Cost of revenues:				
Product licenses	1,142	632	3,585	2,765
Subscription services	19,220	19,594	64,434	49,929
Total product licenses and subscription services	20,362	20,226	68,019	52,694
Product support	5,275	7,157	17,096	21,802
Other services	10,156	10,630	32,442	33,238
Total cost of revenues	35,793	38,013	117,557	107,734
Gross profit	89,634	90,678	254,538	246,511
Operating expenses:				
Sales and marketing	32,268	29,908	102,659	91,131
Research and development	24,061	22,602	71,825	71,096
General and administrative	35,905	38,173	113,179	115,220
(Gain) loss on digital assets	(20,912,392)	(3,890,847)	1,858,452	(12,032,356)
Total operating (income) expenses	(20,820,158)	(3,800,164)	2,146,115	(11,754,909)
Income (loss) from operations	20,909,792	3,890,842	(1,891,577)	12,001,420
Interest income	47,050	121	79,527	313
Interest expense	(15,380)	(19,011)	(47,283)	(54,206)
Gain on debt extinguishment	—	—	113,916	—
Other income (expense), net	821	(716)	4,151	(12,923)
Income (loss) before income taxes	20,942,283	3,871,236	(1,741,266)	11,934,604
Provision for (benefit from) income taxes	1,409,311	1,086,212	(511,940)	3,346,104
Net income (loss)	19,532,972	2,785,024	(1,229,326)	8,588,500
Dividends on preferred stock	(419,556)	(139,898)	(1,049,744)	(198,040)
Deemed contribution related to preferred stock repurchases	5,517	—	5,517	—
Net income (loss) attributable to common stockholders of Strategy	$ 19,118,933	$ 2,645,126	$ (2,273,553)	$ 8,390,460
Basic earnings (loss) per common share (1)	$ 47.78	$ 9.30	$ (6.27)	$ 30.83
Weighted average common shares outstanding - Basic	400,148	284,376	362,441	272,143
Diluted earnings (loss) per common share (1)	$ 44.75	$ 8.42	$ (6.27)	$ 27.71
Weighted average common shares outstanding - Diluted	428,049	315,393	362,441	303,986

(1) Basic and fully diluted earnings (loss) per common share for class A and class B common stock are the same.

The accompanying notes are an integral part of these Consolidated Financial Statements.

STRATEGY INC
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Net income (loss)	$ 19,532,972	$ 2,785,024	$ (1,229,326)	$ 8,588,500
Other comprehensive (loss) income, net of applicable taxes:				
Foreign currency translation adjustment	(1,257)	(93)	(4,218)	10,271
Unrealized loss on short-term investments	(4,583)	—	(4,884)	—
Total other comprehensive (loss) income	(5,840)	(93)	(9,102)	10,271
Comprehensive income (loss)	$ 19,527,132	$ 2,784,931	$ (1,238,428)	$ 8,598,771

The accompanying notes are an integral part of these Consolidated Financial Statements.

STRATEGY INC
CONSOLIDATED STATEMENTS OF MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY
(in thousands, unaudited)

	Mezzanine Equity		Stockholders' Equity							
	Perpetual Preferred Stock		Total Stockholders' Equity	Class A Common Stock		Class B Convertible Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings (Accumulated Deficit)
	Shares	Amount		Shares	Amount	Shares	Amount			
Balance at June 30, 2026	153,529	$14,440,895	$ 30,886,088	351,963	$ 352	19,640	$ 20	$46,092,908	$ (8,433)	$ (15,198,759)
Net income	—	—	19,532,972	—	—	—	—	—	—	19,532,972
Other comprehensive loss	—	—	(5,840)	—	—	—	—	—	(5,840)	—
Preferred stock cash dividends declared	—	—	(400,845)	—	—	—	—	—	—	(400,845)
Issuance of class A common stock under stock incentive plans	—	—	3,265	77	—	—	—	3,265	—	—
Issuance of class A common stock under public offerings, net of issuance costs	—	—	5,406,890	50,298	50	—	—	5,406,840	—	—
Share-based compensation expense	—	—	13,179	—	—	—	—	13,179	—	—
Issuance of preferred stock	—	—	—	—	—	—	—	—	—	—
Repurchase of preferred stock	(13,930)	(1,384,645)	—	—	—	—	—	—	—	—
Deemed contribution on repurchase of preferred stock	—	—	5,517	—	—	—	—	—	—	5,517
Balance at September 30, 2026	139,599	$13,056,250	$ 55,441,226	402,338	$ 402	19,640	$ 20	$51,516,192	$ (14,273)	$ 3,938,885
Balance at June 30, 2025	34,033	$ 2,893,921	$ 47,477,044	261,318	$ 261	19,640	$ 20	$31,158,044	$ (5,020)	$ 16,323,739
Net income	—	—	2,785,024	—	—	—	—	—	—	2,785,024
Other comprehensive loss	—	—	(93)	—	—	—	—	—	(93)	—
Preferred stock cash dividends declared	—	—	(163,706)	—	—	—	—	—	—	(163,706)
Issuance of class A common stock under stock incentive plans	—	—	17,602	438	—	—	—	17,602	—	—
Issuance of class A common stock under public offerings, net of issuance costs	—	—	2,199,360	5,712	6	—	—	2,199,354	—	—
Issuance of class A common stock upon conversions of convertible senior notes	—	—	4	—	—	—	—	4	—	—
Share-based compensation expense	—	—	15,483	—	—	—	—	15,483	—	—
Issuance of preferred stock	31,854	2,892,409	—	—	—	—	—	—	—	—
Balance at September 30, 2025	65,887	$ 5,786,330	$ 52,330,718	267,468	$ 267	19,640	$ 20	$33,390,487	$ (5,113)	$ 18,945,057

STRATEGY INC
CONSOLIDATED STATEMENTS OF MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY
(in thousands, unaudited)

	Mezzanine Equity		Stockholders' Equity							
	Perpetual Preferred Stock		Total Stockholders' Equity	Class A Common Stock		Class B Convertible Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings (Accumulated Deficit)
	Shares	Amount		Shares	Amount	Shares	Amount			
Balance at January 1, 2026	78,183	$ 6,919,514	$ 44,123,458	292,422	$ 292	19,640	$ 20	$37,806,554	$ (5,171)	$ 6,321,763
Net loss	—	—	(1,229,326)	—	—	—	—	—	—	(1,229,326)
Other comprehensive loss	—	—	(9,102)	—	—	—	—	—	(9,102)	—
Preferred stock cash dividends declared	—	—	(1,159,069)	—	—	—	—	—	—	(1,159,069)
Issuance of class A common stock under stock incentive plans	—	—	26,686	1,163	1	—	—	26,685	—	—
Issuance of class A common stock under public offerings, net of issuance costs	—	—	13,642,442	108,753	109	—	—	13,642,333	—	—
Share-based compensation expense	—	—	40,620	—	—	—	—	40,620	—	—
Issuance of preferred stock	75,346	7,521,381	—	—	—	—	—	—	—	—
Repurchase of preferred stock	(13,930)	(1,384,645)	—	—	—	—	—	—	—	—
Deemed contribution on repurchase of preferred stock	—	—	5,517	—	—	—	—	—	—	5,517
Balance at September 30, 2026	139,599	$13,056,250	$ 55,441,226	402,338	$ 402	19,640	$ 20	$51,516,192	$ (14,273)	$ 3,938,885
Balance at January 1, 2025	—	$ —	$30,976,362	226,138	$ 226	19,640	$ 20	$20,411,998	$ (15,384)	$ 10,579,502
Net income	—	—	8,588,500	—	—	—	—	—	—	8,588,500
Other			(1,097)	—	—	—	—	—	—	(1,097)
Other comprehensive income	—	—	10,271	—	—	—	—	—	10,271	—
Preferred stock cash dividends declared	—	—	(221,848)	—	—	—	—	—	—	(221,848)
Issuance of class A common stock under stock incentive plans	—	—	42,175	1,394	1	—	—	42,174	—	—
Issuance of class A common stock under public offerings, net of issuance costs	—	—	11,847,257	32,562	33	—	—	11,847,224	—	—
Issuance of class A common stock upon conversions of convertible senior notes	—	—	1,045,219	7,374	7	—	—	1,045,212	—	—
Share-based compensation expense	—	—	43,879	—	—	—	—	43,879	—	—
Issuance of preferred stock	65,887	5,786,330	—	—	—	—	—	—	—	—
Balance at September 30, 2025	65,887	$ 5,786,330	$ 52,330,718	267,468	$ 267	19,640	$ 20	$33,390,487	$ (5,113)	$ 18,945,057

The accompanying notes are an integral part of these Consolidated Financial Statements.

STRATEGY INC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Nine Months Ended September 30,	
	2026	**2025**
	(unaudited)	(unaudited)
Operating activities:		
Net (loss) income	$ (1,229,326)	$ 8,588,500
Adjustments to reconcile net (loss) income to net cash provided by (used in) operating activities:		
Depreciation and amortization	32,380	19,888
Reduction in carrying amount of right-of-use assets	4,142	6,796
Deferred taxes	(520,809)	3,336,445
Share-based compensation expense	40,620	43,044
Loss (gain) on digital assets	1,858,452	(12,032,356)
Amortization of issuance costs on long-term debt	18,272	18,911
Gain on debt extinguishment	(113,916)	—
Other	(13,341)	—
Changes in operating assets and liabilities:		
Accounts receivable	637	24,324
Prepaid expenses and other current assets	(16,388)	(19,129)
Deposits and other assets	154	1,720
Accounts payable and accrued expenses	(2,586)	6,709
Accrued compensation and employee benefits	(44,139)	(40,399)
Accrued interest	351	421
Deferred revenue and advance payments	5,008	7,027
Operating lease liabilities and long-term liabilities	(5,244)	(7,513)
Net cash provided by (used in) operating activities	14,267	(45,612)
Investing activities:		
Purchases of digital assets	(14,260,194)	(19,382,948)
Proceeds from sale of digital assets	431,763	—
Advance deposits on purchases of property and equipment	—	(27,000)
Purchases of property and equipment	(3,181)	(7,628)
Purchases of short-term investments	(3,734,296)	—
Proceeds from sales and maturities of short-term investments	337,590	—
Net cash used in investing activities	(17,228,318)	(19,417,576)
Financing activities:		
Proceeds from sale of common stock under public offerings	13,658,465	11,865,945
Issuance costs paid related to sale of common stock under public offerings	(16,023)	(20,323)
Proceeds from sale of preferred stock under public offerings	7,534,966	5,888,450
Issuance costs paid related to sale of preferred stock under public offerings	(16,278)	(106,859)
Repurchase of preferred stock	(1,342,367)	—
Dividends paid on preferred stock	(1,048,298)	(197,922)
Proceeds from exercise of stock options	22,083	36,739
Proceeds from sales under employee stock purchase plan	4,603	5,435
Repayment of convertible notes	(1,378,649)	—
Principal payments of other long-term secured debt	(449)	(423)
Proceeds from convertible senior notes	—	2,000,000
Issuance costs paid for convertible senior notes	—	(15,057)
Payments to settle conversions and redemption of convertible senior notes	—	(143)
Proceeds from other long-term secured debt, net of lender fees	—	21,000
Net cash provided by financing activities	17,418,053	19,476,842
Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash	(4,218)	2,649
Net increase in cash, cash equivalents, and restricted cash	199,784	16,303
Cash, cash equivalents, and restricted cash, beginning of period	2,303,343	39,897
Cash, cash equivalents, and restricted cash, end of period	$ 2,503,127	$ 56,200

The accompanying notes are an integral part of these Consolidated Financial Statements.

STRATEGY INC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

(1) Summary of Significant Accounting Policies

Basis of Presentation

The accompanying Consolidated Financial Statements of Strategy Inc ("Strategy," or the "Company") are unaudited.

The Consolidated Financial Statements and Notes to Consolidated Financial Statements are presented as required by the rules and regulations of the United States Securities and Exchange Commission ("SEC") for interim reporting and do not contain certain information included in the Company's annual financial statements and notes. These financial statements should be read in conjunction with the Company's audited financial statements and the notes thereto filed with the SEC in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Certain prior period amounts have been reclassified or aggregated to conform to the current period presentation. These changes did not have a material impact on the Company's Consolidated Financial Statements and no underlying accounting policies or measurement bases have changed.

In the opinion of management, all adjustments necessary for a fair statement of financial position and results of operations have been included. All such adjustments are of a normal recurring nature, unless otherwise disclosed. Interim results are not necessarily indicative of results for a full year.

The accompanying Consolidated Financial Statements include the accounts of the Company and its subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

Repurchases of Preferred Stock

The Company accounts for repurchases of its Preferred Stock (as defined in Note 10, Redeemable Preferred Stock) as extinguishments. The repurchased Preferred Stock is derecognized from mezzanine equity at its net carrying amount, and the difference between the net carrying amount and the consideration paid, is recorded within accumulated deficit and treated as a deemed contribution (or deemed dividend) in determining net income (loss) attributable to common stockholders.

(2) Recent Accounting Standards

The following Accounting Standards Updates ("ASU") were issued by the Financial Accounting Standards Board ("FASB") but have not yet been adopted:

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40), which requires further disaggregation of specific expense captions in the notes to consolidated financial statements. The guidance is effective for the Company's 2027 annual and 2028 interim periods, with early adoption permitted. The Company is currently evaluating the impact of this standard on its disclosures and does not expect the adoption to have a material impact on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, Intangibles: Goodwill and Other–Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software (ASU 2025-06). Upon adoption, the Company will be required to account for internal-use software under the updated capitalization criteria. The standard is effective for the Company's interim and annual 2028 periods, with early adoption permitted. The standard can be applied either prospectively, retrospectively, or under a modified transition approach. The Company is currently evaluating the impact of this standard on its consolidated financial statements as well as its method of adoption.

(3) Digital Assets

The Company accounts for its digital assets, which are comprised solely of bitcoin, as indefinite-lived intangible assets in accordance with Accounting Standards Codification ("ASC") 350, *Intangibles—Goodwill and Other,* and ASU 2023-08, *Intangibles—Goodwill and Other—Crypto Assets*. The Company's digital assets are initially recorded at cost. Subsequent to the Company's adoption of ASU 2023-08 on January 1, 2025, bitcoin assets are measured at fair value as of each reporting period. The Company determines the fair value of its bitcoin in accordance with ASC 820, *Fair Value Measurement,* based on quoted (unadjusted) prices on the Coinbase exchange, the active exchange that the Company has determined is its principal market for bitcoin (Level 1 inputs). Changes in fair value and gains or losses on sales are recognized in net income within "(Gain) loss on digital assets" within operating expenses in the Company's Consolidated Statements of Operations.

The following table summarizes the Company’s digital asset holdings as of:

(in thousands, except number of bitcoins)	September 30, 2026	December 31, 2025
Approximate number of bitcoins held	847,666	672,500
Digital asset cost basis	$ 63,945,036	$ 50,435,331
Digital asset fair value	$ 70,824,007	$ 58,854,028

The following table summarizes the Company’s digital asset purchases, digital asset sales, and (gain) loss on digital assets for the periods indicated.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands, except number of bitcoins)	2026	2025	2026	2025
Approximate number of bitcoins purchased	7,218	42,706	182,113	192,561
Digital asset purchases	$ 588,093	$ 4,952,080	$ 14,260,194	$ 19,382,948
Approximate number of bitcoins sold	5,552	—	6,947	—
Digital asset sales	$ 348,558	—	$ 431,763	—
(Gain) loss on digital assets	$ (20,912,392)	$ (3,890,847)	$ 1,858,452	$ (12,032,356)

From time to time, the Company’s execution partners may extend short-term trade credits to the Company and to MacroStrategy LLC (“MacroStrategy”), a wholly-owned subsidiary of the Company, to purchase bitcoin in advance of using cash funds in their respective trading accounts. Trade credits are due and payable after the bitcoin purchases are completed. During the nine months ended September 30, 2026 and 2025, certain bitcoin of the Company and MacroStrategy were subject to a first priority security interest and lien in order to secure payments owed by the Company or MacroStrategy with respect to these arrangements. While trade credits are outstanding, the Company and MacroStrategy may incur interest fees and be required to maintain minimum balances in their trading and custody accounts with such execution partners. As of September 30, 2026, neither the Company nor MacroStrategy had any outstanding trade credits payable.

The vast majority of the Company’s assets are concentrated in its bitcoin holdings. Bitcoin is a digital asset, which is a novel asset class that is subject to significant legal, commercial, regulatory and technical uncertainty. Holding bitcoin does not generate any cash flows and involves custodial fees and other costs. Additionally, bitcoin has historically experienced significant price volatility, and a significant decrease in the price of bitcoin would adversely affect the Company’s financial condition and results of operations. The Company’s strategy of acquiring and holding bitcoin also exposes it to counterparty risks with respect to the custody of its bitcoin, cybersecurity risks, and other risks inherent to holding a digital asset. In particular, the Company is subject to the risk that, if its private keys with respect to its digital assets are lost or destroyed or other similar circumstances or events occur, the Company may lose some or all of its digital assets, which could materially adversely affect the Company’s financial condition and results of operations.

(4) Short-term Investments

As of September 30, 2026, the Company's short-term investments consisted of U.S. Treasury securities and certificates of deposit, each with an original maturity greater than three months and a remaining maturity of one year or less. These are presented within “Short-term investments” on the Consolidated Balance Sheets. The Company held no short-term investments as of December 31, 2025.

The Company's U.S. Treasury securities are classified as available-for-sale and reported at fair value, based on quoted prices in active markets (Level 1), with unrealized gains and losses recorded, net of tax, in accumulated other comprehensive income (loss). As of September 30, 2026, their amortized cost and fair value were $2.91 billion and $2.90 billion, respectively, and gross unrealized gains and losses were not material. No allowance for credit losses was recognized because any unrealized losses are attributable to changes in interest rates rather than credit, the securities are backed by the full faith and credit of the U.S. government, and the Company does not intend to sell them, nor is it more likely than not to be required to sell them, before recovery of their amortized cost basis. There were no sales of these securities during the three months ended September 30, 2026. For the nine months then ended, sale proceeds were $99.4 million, and gross realized gains and losses were not material.

Certificates of deposit are non-negotiable and carried at amortized cost, which was $500.0 million as of September 30, 2026. Because of their short remaining maturities, this approximates fair value, which would be classified within Level 2.

No allowance for credit losses was recorded, as expected credit losses were not material given those maturities and the credit standing of the issuing institution.

The certificates of deposit are held with a single U.S. financial institution, creating a concentration of credit risk. As of September 30, 2026, substantially all of the $500.0 million exceeds the $250,000 Federal Deposit Insurance Corporation (“FDIC”) limit per depositor per institution, and that uninsured amount is the Company's maximum exposure to loss. The deposits are not collateralized or subject to master netting arrangements. The Company monitors the institution's credit standing and has not experienced any losses on these balances.

(5) Contract Balances

The Company invoices its customers in accordance with billing schedules established in each contract. The Company's rights to consideration from customers are presented separately in the Company's Consolidated Balance Sheets depending on whether those rights are conditional or unconditional.

The Company presents unconditional rights to consideration from customers within "Accounts receivable, net" in its Consolidated Balance Sheets. All of the Company's contracts are generally non-cancellable and/or non-refundable, and therefore an unconditional right generally exists when the customer is billed or amounts are billable per the contract.

Accounts receivable consisted of the following, as of:

(in thousands)	September 30, 2026	December 31, 2025
Billed and billable	$ 132,904	$ 209,094
Less: allowance for credit losses	(2,971)	(3,346)
Accounts receivable, net	$ 129,933	$ 205,748

Changes in the allowance for credit losses were not material for the three and nine months ended September 30, 2026.

Rights to consideration that are subject to a condition other than the passage of time are considered contract assets until they are expected to become unconditional and transfer to accounts receivable. Current contract assets included in "Prepaid expenses and other current assets" in the Consolidated Balance Sheets consisted of $17.2 million and $9.7 million, as of September 30, 2026 and December 31, 2025, respectively, related to performance obligations or services being rendered in advance of future invoicing associated with multi-year contracts. Non-current contract assets included in "Deposits and other assets" in the Consolidated Balance Sheets consisted of $9.7 million and $4.7 million, as of September 30, 2026 and December 31, 2025, respectively, related to performance obligations or services being rendered in advance of future invoicing associated with multi-year contracts. During the three and nine months ended September 30, 2026 and 2025, there were no significant impairments to the Company's contract assets, nor were there any significant changes in the timing of the Company's contract assets being reclassified to accounts receivable.

Contract liabilities are amounts received or due from customers in advance of the Company transferring the software or services to the customer and presented as "Deferred revenue and advance payments" in the Consolidated Balance Sheets. In the case of multi-year service contract arrangements, the Company generally does not invoice more than one year in advance of services and does not record deferred revenue for amounts that have not been invoiced. Revenue is subsequently recognized in the period(s) in which control of the software or services is transferred to the customer.

The Company's "Accounts receivable, net" and "Deferred revenue and advance payments" balances in the Consolidated Balance Sheets include unpaid amounts related to contracts under which the Company has an enforceable right to invoice the customer for non-cancellable and/or non-refundable software and services. Changes in accounts receivable and changes in deferred revenue and advance payments are presented net of these unpaid amounts in "Operating activities" in the Consolidated Statements of Cash Flows.

During the three and nine months ended September 30, 2026, the Company recognized revenues of $57.7 million and $232.6 million, respectively, from amounts included in the total deferred revenue and advance payments balances at the beginning of 2026. During the three and nine months ended September 30, 2025, the Company recognized revenues of $52.2 million and $209.0 million, respectively, from amounts included in the total deferred revenue and advance payments balances at the beginning of 2025. For the three and nine months ended September 30, 2026 and 2025, there were no significant changes in the timing of revenue recognition on the Company's deferred balances.

The Company's remaining performance obligation represents all future revenue under contract and includes deferred revenue and advance payments and billable non-cancellable amounts that will be invoiced and recognized as revenue in future periods. The remaining performance obligation excludes contracts that are billed in arrears, such as certain time and

materials contracts. The portions of multi-year contracts that will be invoiced in the future are not presented on the balance sheet within accounts receivable and deferred revenues and are instead included in the following remaining performance obligations disclosure. As of September 30, 2026, the Company had an aggregate transaction price of $576.6 million allocated to the remaining performance obligation related to subscription services, product support, product licenses, and other services contracts. The Company expects to recognize $334.2 million within the next 12 months and the remainder thereafter.

(6) Long-term Debt

The net carrying value of the Company's outstanding debt consisted of the following, as of:

(in thousands)	September 30, 2026	December 31, 2025
2028 Convertible Notes	$ 1,005,909	$ 1,002,736
2029 Convertible Notes	1,493,893	2,982,316
2030A Convertible Notes	792,092	789,109
2030B Convertible Notes	1,992,871	1,989,115
2031 Convertible Notes	598,707	596,843
2032 Convertible Notes	792,182	790,113
Other long-term secured debt	39,760	39,923
Total	$ 6,715,414	$ 8,190,155
Reported as:		
Current portion of long-term debt, net	$ 1,045,669	$ 31,313
Long-term debt, net	5,669,745	8,158,842
Total	$ 6,715,414	$ 8,190,155

Convertible Senior Notes

As of September 30, 2026, the following convertible notes were outstanding (the "Outstanding Convertible Notes"):

- $1.01 billion aggregate principal amount of 0.625% Convertible Senior Notes due 2028 (the "2028 Convertible Notes");
- $1.50 billion aggregate principal amount of 0% Convertible Senior Notes due 2029 (the "2029 Convertible Notes");
- $800.0 million aggregate principal amount of 0.625% Convertible Senior Notes due 2030 (the "2030A Convertible Notes");
- $2.00 billion aggregate principal amount of 0% Convertible Senior Notes due 2030 (the "2030B Convertible Notes");
- $603.7 million aggregate principal amount of 0.875% Convertible Senior Notes due 2031 (the "2031 Convertible Notes"); and
- $800.0 million aggregate principal amount of 2.25% Convertible Senior Notes due 2032 (the "2032 Convertible Notes").

Additionally, the Company also previously issued, in February 2021, $1.05 billion aggregate principal amount of 0% Convertible Senior Notes due 2027 (the "2027 Convertible Notes", and together with the Outstanding Convertible Notes, the "Convertible Notes"). All of the 2027 Convertible Notes were redeemed or converted into the Company's class A common stock during the first quarter of 2025.

Each of the Convertible Notes were issued in a private offering. The Outstanding Convertible Notes are, and the 2027 Convertible Notes were, senior unsecured obligations of the Company ranking senior in right of payment to any of the Company's indebtedness expressly subordinated in right of payment to the Convertible Notes; equal in right of payment to any of the Company's unsecured indebtedness not so subordinated; effectively junior in right of payment to any of the Company's secured indebtedness to the extent of the value of the assets securing such indebtedness; and structurally junior to all indebtedness and other liabilities (including trade payables) of the Company's subsidiaries.

The following table summarizes the key terms of each of the Outstanding Convertible Notes (principal at inception, net proceeds, and issuance costs are each reported in thousands). The summaries below are qualified in their entirety by the full text of the applicable indenture governing the respective Outstanding Convertible Notes:

	2028 Convertible Notes	2029 Convertible Notes	2030A Convertible Notes	2030B Convertible Notes	2031 Convertible Notes	2032 Convertible Notes
Issuance Date	September 2024	November 2024	March 2024	February 2025	March 2024	June 2024
Maturity Date (1)	September 15, 2028	December 1, 2029	March 15, 2030	March 1, 2030	March 15, 2031	June 15, 2032
Principal at Inception	$1,010,000	$3,000,000	$800,000	$2,000,000	$603,750	$800,000
Stated Interest Rate (2)	0.625%	0.000%	0.625%	0.000%	0.875%	2.250%
Interest Payment Dates (3)	March 15 & September 15	June 1 & December 1	March 15 & September 15	March 1 & September 1	March 15 & September 15	June 15 & December 15
Net Proceeds	$997,375	$2,974,250	$782,000	$1,984,852	$592,567	$786,000
Issuance Costs (4)	$12,625	$25,750	$18,000	$15,148	$11,183	$14,000
Effective Interest Rate (4)	1.05%	0.24%	1.14%	0.25%	1.30%	2.63%
Date of Holder Put Option (5)	September 15, 2027	June 1, 2028	September 15, 2028	March 1, 2028	September 15, 2028	June 15, 2029
Initial Conversion Rate (6)	5.46	1.49	6.68	2.31	4.30	4.89
Initial Conversion Price (7)	$183.19	$672.40	$149.77	$433.43	$232.72	$204.33
Convertible at any time after the following date (8) (9)	March 15, 2028	June 1, 2029	September 15, 2029	December 3, 2029	September 15, 2030	December 15, 2031
Not redeemable by the Company prior to the following date (10)	December 20, 2027	December 4, 2026	March 22, 2027	March 5, 2027	March 22, 2028	June 20, 2029
Redemption or Repurchase Date (11)	n/a	May 19, 2026	n/a	n/a	n/a	n/a

(1) “Maturity Date” is the stated maturity date under each applicable indenture governing such notes, unless earlier converted, redeemed, or repurchased in accordance with their terms.

(2) Holders may receive additional or special interest under specified circumstances as outlined under each applicable indenture governing the Outstanding Convertible Notes.

(3) "Interest Payment Date" represent the dates on which regular interest is payable on the 2028 Convertible Notes, 2030A Convertible Notes, 2031 Convertible Notes and 2032 Convertible Notes under the applicable indenture. Since the 2029 Convertible Notes and the 2030B Convertible Notes do not bear regular interest, "Interest Payment Dates" for such notes represent the dates on which special interest and/or additional interest, if any, is payable under the applicable indenture.

(4) “Issuance Costs” reflect the customary offering expenses associated with each of the Outstanding Convertible Notes. The Company accounts for these issuance costs as a reduction to the principal amount of the respective Outstanding Convertible Notes and amortizes the issuance costs to interest expense from the respective debt issuance dates through the earlier of the “Maturity Date” or the “Date of Holder Put Option,” if applicable, at the “Effective Interest Rate” stated in the table.

(5) “Date of Holder Put Option” represents the respective dates upon which holders of the Outstanding Convertible Notes each have a noncontingent right to require the Company to repurchase for cash all or any portion of their respective notes at a repurchase price equal to 100% of the principal amount of such notes to be repurchased, plus any accrued and unpaid interest to, but excluding, the repurchase date.

(6) The “Initial Conversion Rate” is stated in shares of the Company’s class A common stock per $1,000 principal amount. The conversion rates are subject to customary anti-dilution adjustments. In addition, following certain events that may occur prior to the respective maturity dates or if the Company delivers a notice of redemption, the Company will increase the conversion rate for a holder who elects to convert its respective Outstanding Convertible Notes in connection with such corporate event or notice of redemption, as the case may be, in certain circumstances as provided in each indenture governing the respective Outstanding Convertible Notes.

(7) The “Initial Conversion Price” is stated in dollars per share of the Company’s class A common stock.

(8) On or after the stated dates until the close of business on the second scheduled trading day immediately preceding the respective maturity dates, holders may convert the Outstanding Convertible Notes at any time. Upon conversion of the Outstanding Convertible Notes, the Company will pay or deliver, as the case may be, cash, shares of the Company’s class A common stock, or a combination of cash and shares of class A common stock, at the Company’s election.

(9) Prior to the respective dates, the Outstanding Convertible Notes are convertible only under the following circumstances:

i. during any calendar quarter (and only during such calendar quarter) if the last reported sale price of the Company’s class A common stock for at least 20 trading days (whether or not consecutive) during the period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price of the respective Outstanding Convertible Notes on each applicable trading day;

ii. during the five business day period after any five consecutive trading day period (the “measurement period”) in which the “trading price” (as defined under each applicable indenture governing the respective Outstanding Convertible Notes) per $1,000 principal amount of the respective Outstanding Convertible Notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of the Company’s class A common stock and the applicable conversion rate on each such trading day;

iii. (a) in the case of the 2028 Convertible Notes, 2029 Convertible Notes, 2030A Convertible Notes, 2031 Convertible Notes and 2032 Convertible Notes, the Company calls any or all of such Outstanding Convertible Notes for redemption, then a holder may surrender all or any part of such of its Outstanding Convertible Notes as called for redemption for conversion at any time prior to the close of business on the second scheduled trading day immediately preceding the redemption date; and (b) in the case of the 2030B Convertible Notes, the Company calls any 2030B Convertible Notes for redemption, then the holders of such 2030B Convertible Notes may convert such 2030B Convertible Notes at any time before the close of business on the second business day immediately before the related redemption date; and

iv. upon occurrence of specified corporate events as described in each applicable indenture governing the respective Outstanding Convertible Notes.

(10) The Company may redeem for cash all or a portion of the Outstanding Convertible Notes at its option, on or after the stated dates, if the last reported sale price of the Company’s class A common stock has been at least 130% of the conversion price of the respective Outstanding Convertible Notes then in effect for at least 20 trading days (whether or not consecutive), including the trading day immediately preceding the date on which the Company provides a notice of redemption, during any 30 consecutive trading day period ending on, and including, the trading day immediately preceding the date on which the Company provides notice of redemption. The redemption price will be equal to 100% of the principal amount of the Outstanding Convertible Notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date. See “Partial Extinguishment of Convertible Notes” below for information regarding the Company’s repurchase of certain of its 2029 Convertible Notes.

(11) With respect to the 2029 Convertible Notes, the date reflects the "Repurchase Date" on which the Company repurchased from certain holders in privately negotiated transactions $1.50 billion aggregate principal amount of the outstanding 2029 Convertible Notes for a purchase price of $1.38 billion. The repurchased notes were canceled.

If the Company undergoes a “fundamental change,” as defined in the respective indentures governing the Outstanding Convertible Notes prior to maturity, subject to certain conditions, holders may require the Company to repurchase for cash all or any portion of their respective Outstanding Convertible Notes at a fundamental change repurchase price equal to 100% of the principal amount of the respective Outstanding Convertible Notes to be repurchased, plus any accrued and unpaid interest to, but excluding, the fundamental change repurchase date.

The respective indentures governing the Outstanding Convertible Notes contain customary terms and covenants, including that upon certain events of default occurring and continuing, either the applicable trustee of the respective Outstanding Convertible Notes or the holders of at least 25% in principal amount outstanding of the respective Outstanding Convertible Notes may declare 100% of the principal of, and accrued and unpaid interest, if any, on all the respective Outstanding Convertible Notes to be due and payable.

Although the Outstanding Convertible Notes contain embedded conversion features, the Company accounts for the Outstanding Convertible Notes in their entirety as a liability because the conversion features are indexed to the Company’s class A common stock and meet the criteria for classification in stockholders’ equity and therefore do not qualify for separate derivative accounting.

Partial Extinguishment of Convertible Notes

On May 19, 2026, the Company completed privately negotiated repurchase transactions with certain holders of its outstanding 2029 Convertible Notes, pursuant to which the Company repurchased and canceled $1.50 billion aggregate principal amount of the 2029 Convertible Notes. The aggregate repurchase price, including third-party transaction costs, was $1.38 billion. The net carrying amount of the repurchased 2029 Convertible Notes was approximately $1.49 billion, reflecting the $1.50 billion principal amount repurchased, net of the related pro rata allocation of unamortized debt issuance costs. As a result, the Company recognized a gain on debt extinguishment of approximately $113.9 million in the Company's Consolidated Statements of Operations during the second quarter of 2026. Following the repurchase, $1.50 billion aggregate principal amount of the 2029 Convertible Notes remained outstanding as of September 30, 2026.

Conversions and Redemption of Convertible Notes

During the nine months ended September 30, 2026, the Outstanding Convertible Notes were not convertible and the Company did not receive any conversion requests.

Collective Convertible Notes Disclosures

As of September 30, 2026, the maximum number of shares into which the Outstanding Convertible Notes could have been potentially converted if the conversion features were triggered at the conversion rates then in effect based on the Outstanding Convertible Notes then outstanding on such date was:

- 2028 Convertible Notes: 5,513,489 shares of class A common stock;
- 2029 Convertible Notes: 2,230,800 shares of class A common stock;
- 2030A Convertible Notes: 5,341,600 shares of class A common stock;
- 2030B Convertible Notes: 4,614,400 shares of class A common stock;
- 2031 Convertible Notes: 2,593,923 shares of class A common stock; and
- 2032 Convertible Notes: 3,915,200 shares of class A common stock.

While none of the Outstanding Convertible Notes were convertible during the nine months ended September 30, 2026, the Outstanding Convertible Notes may be convertible in future periods if one or more of the conversion conditions are satisfied during future measurement periods. See "Convertible Senior Notes" above for additional information.

As of September 30, 2026, the net carrying value of the 2028 Convertible Notes of $1.01 billion was classified as a current liability in the "Current portion of long-term debt, net" line item, and the net carrying value of the remaining Outstanding Convertible Notes was classified as a long-term liability in the "Long-term debt, net" line item, in the Company's Consolidated Balance Sheets. As of December 31, 2025, the net carrying value of the Outstanding Convertible Notes was classified as a long-term liability in the "Long-term debt, net" line item in the Company's Consolidated Balance Sheets.

The following table presents the net carrying value and fair value of the Company's Outstanding Convertible Notes as of September 30, 2026 and December 31, 2025:

	September 30, 2026				
				Fair Value	
(in thousands)	Outstanding Principal Amount	Unamortized Issuance Costs	Net Carrying Value	Amount	Leveling
2028 Convertible Notes	$ 1,010,000	$ (4,091)	$ 1,005,909	$ 1,204,940	Level 2
2029 Convertible Notes	1,500,000	(6,107)	1,493,893	1,373,565	Level 2
2030A Convertible Notes	800,000	(7,908)	792,092	1,042,888	Level 2
2030B Convertible Notes	2,000,000	(7,129)	1,992,871	1,892,020	Level 2
2031 Convertible Notes	603,659	(4,952)	598,707	662,812	Level 2
2032 Convertible Notes	800,000	(7,818)	792,182	960,152	Level 2
Total	$ 6,713,659	$ (38,005)	$ 6,675,654	$ 7,136,377	

(in thousands)	December 31, 2025				
	Outstanding Principal Amount	Unamortized Issuance Costs	Net Carrying Value	Fair Value	
				Amount	Leveling
2028 Convertible Notes	$ 1,010,000	$ (7,264)	$ 1,002,736	$ 1,214,525	Level 2
2029 Convertible Notes	3,000,000	(17,684)	2,982,316	2,468,832	Level 2
2030A Convertible Notes	800,000	(10,891)	789,109	1,014,071	Level 2
2030B Convertible Notes	2,000,000	(10,885)	1,989,115	1,728,262	Level 2
2031 Convertible Notes	603,659	(6,816)	596,843	621,950	Level 2
2032 Convertible Notes	800,000	(9,887)	790,113	892,562	Level 2
Total	$ 8,213,659	$ (63,427)	$ 8,150,232	$ 7,940,202	

The fair value of the Outstanding Convertible Notes is determined using observable market data other than quoted prices, specifically the last traded price at the end of the reporting period of identical instruments in the over-the-counter market (Level 2).

For the three months ended September 30, 2026 and 2025 interest expense related to the Convertible Notes was as follows:

(in thousands)	Three Months Ended September 30, 2026			Three Months Ended September 30, 2025		
	Contractual Interest Expense	Amortization of Issuance Costs	Total	Contractual Interest Expense	Amortization of Issuance Costs	Total
2028 Convertible Notes	$ 1,578	$ 1,060	$ 2,638	$ 1,578	$ 1,049	$ 2,627
2029 Convertible Notes	—	912	912	—	1,820	1,820
2030A Convertible Notes	1,250	996	2,246	1,250	986	2,236
2030B Convertible Notes	—	1,252	1,252	—	1,250	1,250
2031 Convertible Notes	1,321	624	1,945	1,321	615	1,936
2032 Convertible Notes	4,500	694	5,194	4,500	676	5,176
Total	$ 8,649	$ 5,538	$ 14,187	$ 8,649	$ 6,396	$ 15,045

For the nine months ended September 30, 2026 and 2025 interest expense related to the Convertible Notes was as follows:

(in thousands)	Nine Months Ended September 30, 2026			Nine Months Ended September 30, 2025		
	Contractual Interest Expense	Amortization of Issuance Costs	Total	Contractual Interest Expense	Amortization of Issuance Costs	Total
2027 Convertible Notes	$ —	$ —	$ —	$ —	$ 401	$ 401
2028 Convertible Notes	4,734	3,173	7,907	4,734	3,140	7,874
2029 Convertible Notes	—	4,143	4,143	—	5,457	5,457
2030A Convertible Notes	3,750	2,982	6,732	3,750	2,949	6,699
2030B Convertible Notes	—	3,756	3,756	—	3,012	3,012
2031 Convertible Notes	3,962	1,864	5,826	3,962	1,840	5,802
2032 Convertible Notes	13,500	2,069	15,569	13,500	2,016	15,516
Total	$ 25,946	$ 17,987	$ 43,933	$ 25,946	$ 18,815	$ 44,761

For the three and nine months ended September 30, 2026, the Company paid $8.3 million and $25.6 million, respectively, in interest related to the Convertible Notes. For the three and nine months ended September 30, 2025, the Company paid $8.3 million and $25.5 million, respectively, in interest related to the Convertible Notes. The Company has not paid any additional interest or special interest related to the Convertible Notes to date.

Other long-term secured debt

In June 2022, the Company, through a wholly-owned subsidiary, entered into a secured term loan agreement in the amount of $11.1 million, bearing interest at an annual rate of 5.2%, and maturing in June 2027. The loan is secured by certain non-bitcoin assets of the Company that are not otherwise serving as collateral for any of the Company's other indebtedness.

In June 2025, the Company entered into a loan agreement that provides for aggregate borrowings of up to $31.1 million, available in multiple tranches, to fund a capital asset purchase. Amounts outstanding under the loan bear interest, with respect to each tranche, at a variable rate equal to the one-year Secured Overnight Financing Rate plus 4.24%. The loan is secured by non-bitcoin assets that are not otherwise serving as collateral for any of the Company's other indebtedness. The loan will mature in the fourth quarter of 2026.

After monthly payments made under the terms of these other long-term secured debt agreements, the other long-term secured debt had an aggregate net carrying value of $39.8 million and $39.9 million as of September 30, 2026 and December 31, 2025, respectively, and an aggregate outstanding principal balance of $39.9 million and $40.3 million as of September 30, 2026 and December 31, 2025, respectively. As of September 30, 2026 and December 31, 2025, $39.8 million and $31.3 million of the respective net carrying values were short-term and were presented in "Current portion of long-term debt, net" in the Consolidated Balance Sheets.

Maturities

The following table shows the maturities of the Company's debt instruments outstanding as of September 30, 2026. The principal payments related to the Outstanding Convertible Notes are included in the table below as if the holders exercised their right to require the Company to repurchase all of the respective convertible notes on their respective Date of Holder Put Option.

Payments due by period ending September 30, (in thousands)	2028 Convertible Notes	2029 Convertible Notes	2030A Convertible Notes	2030B Convertible Notes	2031 Convertible Notes	2032 Convertible Notes	Other long-term secured debt	Total
2027	$ 1,010,000	$ —	$ —	$ —	$ —	$ —	$ 39,894	$ 1,049,894
2028	—	1,500,000	800,000	2,000,000	603,659	—	—	4,903,659
2029	—	—	—	—	—	800,000	—	800,000
Total	$ 1,010,000	$ 1,500,000	$ 800,000	$ 2,000,000	$ 603,659	$ 800,000	$ 39,894	$ 6,753,553

(7) Commitments and Contingencies

(a) Commitments

From time to time, the Company enters into certain types of contracts that require it to indemnify parties against third-party claims. These contracts primarily relate to agreements under which the Company assumes indemnity obligations for intellectual property infringement or death, bodily harm, or damage to tangible personal property due to the Company's personnel's gross negligence or willful misconduct in providing contracted services, as well as other obligations from time to time depending on arrangements negotiated with customers and other third parties. The conditions of these obligations vary. Thus, the overall maximum amount of the Company's indemnification obligations cannot be reasonably estimated. Historically, the Company has not been obligated to make significant payments for these obligations and does not currently expect to incur any material obligations in the future. Accordingly, the Company has not recorded an indemnification liability on its Consolidated Balance Sheets as of September 30, 2026 or December 31, 2025.

(b) Contingencies

Brazil Matter

As previously disclosed, following internal review initiated in 2018, the Company disclosed its belief that its Brazilian subsidiary failed or likely failed to comply with local procurement regulations in conducting business with certain Brazilian government entities to Brazil's General Superintendence of the Administrative Council for Economic Defense ("SG/CADE"), the Federal Comptroller General ("CGU"), and the Office of the Comptroller General of the State of São Paulo ("CGE-SP"). Following this voluntary disclosure and cooperation with these agencies, the Company's Brazilian subsidiary signed leniency agreements with the SG/CADE in September 2020, with the CGU and the Federal General Attorney's Office in July 2024, and with the CGE-SP and the Office of the Attorney General of the State of São Paulo in April 2025, pursuant to which it paid fees in an aggregate amount of approximately BRL 8.6 million (equivalent to approximately $1.5 million) to the CGU and CGE-SP and was granted immunity from debarment and other sanctions.

In 2023, the SG/CADE launched a public administrative proceeding to investigate potentially anticompetitive conduct by various entities and individuals in Brazil based in part on the information voluntarily disclosed by the Company's Brazilian subsidiary, which is also one of the defendants in the proceeding. In February 2026, SG/CADE issued its final Technical Opinion in the proceeding. SG/CADE recommended, among other things, that leniency be confirmed for the Company's Brazilian subsidiary and no fines be imposed against it. The case is now pending with CADE's Tribunal. If, after its review, the Tribunal confirms that the Brazilian subsidiary's obligations under the leniency agreement it signed with SG/CADE have been fulfilled, the Brazilian subsidiary will receive full immunity from fines.

The Company's Brazilian subsidiary continues to cooperate with requests from government authorities related to the above matters. As of September 30, 2026, the Company remained unable to reasonably estimate a range of loss beyond the payments described above.

Various Legal Proceedings and Contingent Liabilities

The Company is also involved in various legal proceedings arising in the normal course of business. Although the outcomes of these legal proceedings are inherently difficult to predict, management does not expect the resolution of these legal proceedings to have a material adverse effect on the Company's financial position, results of operations, or cash flows.

The Company has contingent liabilities that, in management's judgment, are not probable of assertion. If such unasserted contingent liabilities were to be asserted, or become probable of assertion, the Company may be required to record significant expenses and liabilities in the period in which these liabilities are asserted or become probable of assertion.

(8) Income Taxes

The Company computes its year-to-date provision for (benefit from) income taxes by applying the estimated annual effective tax rate to year-to-date pretax ordinary income or loss and adjusts the provision for (benefit from) income taxes for discrete tax items recorded in the period. The estimated annual effective tax rate is subject to fluctuation based on the level and mix of earnings and losses by tax jurisdiction, foreign tax rate differentials, the relative impact of permanent book to tax differences and the impact of any valuation allowances. Each quarter, a cumulative adjustment is recorded for any fluctuations in the estimated annual effective tax rate as compared to the prior quarter. As a result of these factors, and due to potential changes in the Company's period-to-period results, fluctuations in the Company's effective tax rate and respective tax provisions or benefits may occur.

For the nine months ended September 30, 2026, the Company recorded a benefit from income taxes of $0.51 billion on a pretax loss of $1.74 billion, which resulted in an effective tax rate of 29.4%. For the nine months ended September 30, 2025, the Company recorded a provision for income taxes of $3.35 billion on pretax income of $11.93 billion, which resulted in an effective tax rate of 28.0%. During the nine months ended September 30, 2026 and 2025, the Company's benefit from (provision for) income taxes primarily related to the tax effects of changes in the fair value of its bitcoin holdings.

During the three months ended September 30, 2026, the fair value of the Company's bitcoin holdings increased above their average cost basis. This resulted in (i) the elimination of the deferred tax asset related to the previous unrealized loss on the Company's bitcoin holdings, (ii) the release of the $4.60 billion valuation allowance established during the six months ended June 30, 2026 against the Company's U.S. federal and state deferred tax assets, and (iii) the recognition of a net deferred tax liability related to the Company's bitcoin holdings as of September 30, 2026, the components of which are described below. As of September 30, 2026, the Company recorded (i) a deferred tax liability of $1.98 billion related to the unrealized gain on its bitcoin holdings and (ii) a deferred tax asset of $91.5 million related to capital losses from sales of bitcoin. If, in future periods, the fair value of bitcoin declines below the average cost basis of the Company's bitcoin holdings, the Company would record a deferred tax asset for the unrealized loss and may be required to establish a valuation allowance against its U.S. federal and state deferred tax assets. The Company will continue to regularly assess the realizability of deferred tax assets.

The Company records liabilities related to its uncertain tax positions. As of September 30, 2026, the Company had gross unrecognized income tax benefits, including accrued interest, of $13.5 million, of which $3.1 million was recorded in "Other long-term liabilities" and $10.4 million was recorded in "Deferred tax liability" in the Company's Consolidated Balance Sheet. As of December 31, 2025, the Company had gross unrecognized income tax benefits of $13.4 million, including accrued interest, $3.0 million of which was recorded in "Other long-term liabilities" and $10.4 million of which was recorded in "Deferred tax liability" in the Company's Consolidated Balance Sheet.

(9) Share-based Compensation

Stock Incentive Plans

Prior to its expiration, the Company maintained the 2013 Stock Incentive Plan (as amended, the "2013 Equity Plan"), under which the Company's employees, officers, and directors were awarded various types of share-based compensation, including options to purchase shares of the Company's class A common stock, restricted stock units, and other stock-based awards. In May 2023, the 2013 Equity Plan expired and no new awards may be granted under the 2013 Equity Plan, although awards previously granted under the 2013 Equity Plan will continue to remain outstanding in accordance with their terms.

The Company maintains the 2023 Equity Incentive Plan (as amended, the "2023 Equity Plan") under which the Company's employees, officers, directors, and other eligible participants may be awarded various types of share-based compensation, including options to purchase shares of the Company's class A common stock, restricted stock units, performance stock units, and other stock-based awards. On January 21, 2025, the Company's stockholders approved an amendment to the 2023 Equity Plan (the "2024 Plan Amendment"). The 2024 Plan Amendment amended the 2023 Equity Plan to provide that, beginning on December 20, 2024, each non-employee director who is newly appointed to the Company's board of directors shall automatically receive, upon the date of such director's initial appointment to the Company's board of directors, equity awards having an aggregate fair value equal to $2,000,000, one-half of which ($1,000,000) will consist of a non-statutory stock option and one-half of which ($1,000,000) will consist of restricted stock units, with each award vesting annually in equal installments over four years.

An aggregate of up to 19,327,030 shares of the Company's class A common stock were authorized for issuance under the 2023 Equity Plan. As of September 30, 2026, there were 2,777,792 shares of class A common stock reserved and available for future issuance under the 2023 Equity Plan. The 2013 Equity Plan and the 2023 Equity Plan together are referred to herein as the "Stock Incentive Plans."

Stock option awards

As of September 30, 2026, there were options to purchase 3,123,865 shares of class A common stock outstanding under the Stock Incentive Plans. The following table summarizes the Company's stock option activity for the nine months ended September 30, 2026:

(in thousands, except per share data and years)	Shares	Weighted Average Exercise Price Per Share	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Term (Years)
Balance as of January 1, 2026	3,535	$ 42.63		
Granted	68	$ 151.39		
Exercised	(473)	$ 46.71	$ 50,817	
Forfeited/Expired	(6)	$ 281.98		
Balance as of September 30, 2026	3,124	$ 43.90		
Exercisable as of September 30, 2026	2,920	$ 37.07	$ 341,243	4.7
Expected to vest as of September 30, 2026	204	$ 141.70	$ 7,568	8.1
Total	3,124	$ 43.90	$ 348,811	4.9

Stock options outstanding as of September 30, 2026 are comprised of the following range of exercise prices per share:

(in thousands, except per share data and years) **Range of Exercise Prices per Share**	**Stock Options Outstanding at September 30, 2026**				
	Shares		**Weighted Average Exercise Price Per Share**		**Weighted Average Remaining Contractual Term (Years)**
$12.45 - $20.00	784	$	14.91		3.1
$20.01 - $30.00	832	$	24.29		6.0
$30.01 - $40.00	15	$	30.16		6.7
$40.01 - $50.00	790	$	41.29		5.1
$50.01 - $70.00	513	$	69.12		4.4
$70.01 - $220.00	140	$	156.98		8.6
$220.01 - $300.00	36	$	261.38		8.4
$300.01 - $364.20	11	$	364.20		8.2
$364.21 and over	3	$	369.06		8.7
Total	3,124	$	43.90		4.9

An aggregate of 650,323 stock options with an aggregate grant date fair value of $16.5 million vested during the nine months ended September 30, 2026. An aggregate of 1,311,010 stock options with an aggregate grant date fair value of $36.8 million vested during the nine months ended September 30, 2025.

For the three and nine months ended September 30, 2026, the Company recognized approximately $2.6 million and $8.9 million, respectively, in share-based compensation expense from stock options granted under the Stock Incentive Plans. For the three and nine months ended September 30, 2025, the Company recognized approximately $5.1 million and $16.9 million, respectively, in share-based compensation expense from stock options granted under the Stock Incentive Plans. As of September 30, 2026, there was approximately $17.1 million of total unrecognized share-based compensation expense related to unvested stock options, which the Company expects to recognize over a weighted average vesting period of approximately 2.6 years.

Share-settled restricted stock units

As of September 30, 2026, there were 633,296 share-settled restricted stock units outstanding under the Stock Incentive Plans. The following table summarizes the Company's share-settled restricted stock unit activity for the periods indicated:

(in thousands)	**Share-Settled Restricted Stock Units Outstanding**		
	Units		**Aggregate Intrinsic Value**
Balance as of January 1, 2026	731		
Granted	306		
Vested	(297)	$	39,608
Forfeited	(107)		
Balance as of September 30, 2026	633		
Expected to vest as of September 30, 2026	633	$	96,951

During the nine months ended September 30, 2026 and 2025, the Company used a sell-to-cover method, under which all vested shares are issued and a portion is sold in the open market to satisfy employee payroll tax obligations. During the nine months ended September 30, 2026, 297,445 share-settled restricted stock units having an aggregate grant date fair value of $21.8 million vested and were issued. During the nine months ended September 30, 2025, 370,421 share-settled restricted stock units having an aggregate grant date fair value of $20.5 million vested and were issued. The weighted average grant date fair value of share-settled restricted stock units granted during the nine months ended September 30, 2026 and 2025 was $146.77 and $286.65, respectively, based on the fair value of the Company's class A common stock.

For the three and nine months ended September 30, 2026, the Company recognized approximately $7.0 million and $20.8 million, respectively, in share-based compensation expense from share-settled restricted stock units granted under the Stock

Incentive Plans. For the three and nine months ended September 30, 2025, the Company recognized approximately $6.7 million and $19.0 million, respectively, in share-based compensation expense from share-settled restricted stock units granted under the Stock Incentive Plans. As of September 30, 2026, there was approximately $70.8 million of total unrecognized share-based compensation expense related to unvested share-settled restricted stock units, which the Company expects to recognize over a weighted average vesting period of approximately 2.8 years.

Share-settled performance stock units

As of September 30, 2026, there were 115,079 performance stock units outstanding under the 2023 Equity Plan. The following table summarizes the Company's performance stock unit activity for the periods indicated:

	Share-Settled Performance Stock Units Outstanding	
(in thousands)	Units	Aggregate Intrinsic Value
Balance as of January 1, 2026	239	
Granted	227	
Vested	(351)	$ 45,386
Forfeited	—	
Balance as of September 30, 2026	115	
Expected to vest as of September 30, 2026	115	$ 16,369

The weighted average grant date fair value of performance stock units using the Monte-Carlo simulation model was $267.03 and $445.66 for each performance stock unit granted during the nine months ended September 30, 2026 and 2025, respectively, based on the following assumptions:

	Nine Months Ended September 30,	
	2026	2025
Expected term of awards in years	3.0	3.0
Expected volatility	87.2%	99.2%
Risk-free interest rate	3.7%	3.9%
Expected dividend yield	0.0%	0.0%

350,820 performance stock units vested during the nine months ended September 30, 2026 and no performance stock units vested during the nine months ended September 30, 2025. For the three and nine months ended September 30, 2026, the Company recognized approximately $3.1 million and $9.3 million, respectively, in share-based compensation expense from performance stock units granted under the 2023 Equity Plan. For the three and nine months ended September 30, 2025, the Company recognized approximately $3.0 million and $6.4 million, respectively, in share-based compensation expense from performance stock units granted under the 2023 Equity Plan. As of September 30, 2026, there was approximately $18.2 million of total unrecognized share-based compensation expense related to unvested performance stock units, which the Company expects to recognize over a weighted average vesting period of approximately 2.0 years.

2021 ESPP

The Company also maintains the 2021 Employee Stock Purchase Plan (the "2021 ESPP"). The purpose of the 2021 ESPP is to provide eligible employees of the Company and certain of its subsidiaries with opportunities to purchase shares of the Company's class A common stock in six-month offering periods commencing on each March 1 and September 1. An aggregate of 1,000,000 shares of the Company's class A common stock has been authorized for issuance under the 2021 ESPP. During the nine months ended September 30, 2026, 41,667 shares of class A common stock were issued in connection with the 2021 ESPP. As of September 30, 2026, 421,929 shares of the Company's class A common stock remained available for issuance under the 2021 ESPP.

For the three and nine months ended September 30, 2026, the Company recognized approximately $0.5 million and $1.6 million, respectively, in share-based compensation expense related to the 2021 ESPP. For the three and nine months ended September 30, 2025, the Company recognized approximately $0.7 million and $1.9 million, respectively, in share-based compensation expense related to the 2021 ESPP. As of September 30, 2026, there was approximately $1.1 million of total unrecognized share-based compensation expense related to the 2021 ESPP, which the Company expects to recognize over a period of approximately 0.4 years.

(10) Redeemable Preferred Stock

The Company's 10.00% Series A Perpetual Strife Preferred Stock, $0.001 par value per share (“STRF Stock”), Variable Rate Series A Perpetual Stretch Preferred Stock, $0.001 par value per share (“STRC Stock”), 10.00% Series A Perpetual Stream Preferred Stock, $0.001 par value per share (“STRE Stock”), 8.00% Series A Perpetual Strike Preferred Stock, $0.001 par value per share (“STRK Stock”), and 10.00% Series A Perpetual Stride Preferred Stock, $0.001 par value per share (“STRD Stock” and, together with STRF Stock, STRC Stock, STRE Stock and STRK Stock, the "Preferred Stock") discussed in this note below are classified within mezzanine equity, as certain events that could cause such shares to become redeemable are not solely within the control of the Company. Issuances of the Preferred Stock are recognized based on proceeds received, net of issuance costs and are not accreted to their redemption value unless it is probable that the Preferred Stock will become redeemable. The Company has evaluated the probability of a redemption in connection with a Fundamental Change (defined below). Based on current facts and circumstances and the Company’s current and projected capital structure, management has determined that the occurrence of a Fundamental Change is remote. Accordingly, the Company concluded that accretion to the redemption value of the Preferred Stock is not required as of the reporting date.

Repurchase Programs

In June 2026, the Company's board of directors authorized (i) a repurchase program for up to $1.0 billion aggregate purchase price of the Company's Preferred Stock and (ii) a repurchase program for up to $1.0 billion aggregate purchase price of the Company's class A common stock. In September 2026, the Company's board of directors approved an increase in the aggregate purchase price of its Preferred Stock repurchase program from $1.0 billion to $2.0 billion (inclusive of any commissions, fees, and expenses and inclusive of any repurchases made under such program prior to such date). Repurchases may be made from time to time through open-market purchases, block trades, privately negotiated transactions, tender offers, exchange offers, or other legally permissible means, depending on market conditions, trading prices, liquidity, applicable legal requirements, and other factors. The repurchase authorizations do not obligate the Company to acquire any particular amount of securities, have no fixed expiration date, and may be modified, suspended, or terminated at any time.

During the nine months ended September 30, 2026, the Company paid $1.34 billion in cash to repurchase shares of STRC Stock under the Preferred Stock repurchase program. In addition, as of September 30, 2026, $36.8 million remained payable for repurchases of STRC Stock that were repurchased but not yet settled as of such date. The following table provides a summary of STRC Stock repurchase activity under the Preferred Stock repurchase program as of the end of the respective periods below:

Period	Total Number of Shares Purchased	Average Price Paid Per Share (1)	Total Number of Shares Purchased as Part of the Program	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Program (in millions) (2)
July 1, 2026 through July 31, 2026	752,993	$ 87.88	752,993	$ 933.8
August 1, 2026 through August 31, 2026	5,977,209	$ 95.21	5,977,209	$ 364.8
September 1, 2026 through September 30, 2026	7,199,971	$ 98.21	7,199,971	$ 657.6
Total	13,930,173		13,930,173	

(1) The average price per share and aggregate cost amounts disclosed above include broker commissions.

(2) The approximate dollar values presented for July and August 2026 reflect the remaining authorization under the Company’s $1.0 billion preferred stock repurchase program then in effect and do not give effect to the increase in the authorization to $2.0 billion approved by the Company's board of directors in September 2026.

As of September 30, 2026, the Company had not repurchased any other series of Preferred Stock pursuant to its Preferred Stock repurchase program.

As of September 30, 2026, the Company had not repurchased any shares of class A common stock pursuant to the class A common stock repurchase program. As a result, the Company may repurchase up to $1.0 billion of class A common stock.

Summary of Preferred Stock Terms and Conditions

The following table summarizes the key terms and provisions of each series of Preferred Stock, and information relating to each series of Preferred Stock as of September 30, 2026. The summaries below are qualified in their entirety by the full text of the applicable certificate of designations in effect as of such date. See Note 15, Subsequent Events for additional information.

	STRF Stock	STRC Stock	STRE Stock	STRK Stock	STRD Stock
Trading Symbol	STRF	STRC	STRE	STRK	STRD
Stock Exchange	NASDAQ	NASDAQ	Luxembourg Stock Exchange	NASDAQ	NASDAQ
Initial Issuance Date	March 25, 2025	July 29, 2025	November 13, 2025	February 5, 2025	June 10, 2025
Initial Shares Issued	8,500,000	28,011,111	7,750,000	7,300,000	11,764,700
Initial Public Offering Price per share	$85.00	$90.00	€80.00	$80.00	$85.00
Initial Net Proceeds (in thousands)	$710,873	$2,473,800	€608,734	$563,226	$979,486
Initial Issuance Costs (in thousands)	$11,627	$47,200	€11,266	$20,774	$20,514
Shares Issued as of September 30, 2026	12,839,689	90,964,532	7,750,000	14,020,744	14,024,221
Par Value Per Share	$0.001	$0.001	€0.001	$0.001	$0.001
Liquidation Preference Per Share as of September 30, 2026 (1)	$103.57	$100.00	€100.00	$100.00	$100.00
Aggregate Liquidation Preference as of September 30, 2026 (1) (in thousands)	$1,329,807	$9,096,453	$879,083	$1,402,074	$1,402,422
Stated Amount	$100.00	$100.00	€100.00	$100.00	$100.00
Dividend Rate Per Annum as of September 30, 2026 (2)	10%	12%	10%	8%	10%
Cumulative Dividends	Yes	Yes	Yes	Yes	No
Dividend Payment Method	Cash	Cash	Cash	Cash, class A common stock, or a combination of both	Cash
Conversion Privilege	None	None	None	Convertible to class A common stock at any time	None
Initial Conversion Rate	n/a	n/a	n/a	0.1 shares of class A common stock per share of STRK Stock	n/a
Redemption Rights (3)	Yes	Yes	Yes	Yes	Yes
Repurchase Rights (4)	Yes, upon a fundamental change	Yes, upon a fundamental change	Yes, upon a fundamental change	Yes, upon a fundamental change	Yes, upon a fundamental change
Board Rights (5)	Yes	No	No	Yes	No

(1) The liquidation preference per share of STRF Stock, STRC Stock, STRE Stock, STRK Stock and STRD Stock generally approximates to the greater of the trading price per share of the applicable series of Preferred Stock or $100 (or, in the case of STRE Stock, €100) as set forth in the applicable certificate of designations.

(2) Shares of STRC Stock accumulate cumulative dividends at a variable rate per annum on the stated amount thereof. The Company has the right, at its sole and absolute discretion, to adjust the regular dividend rate applicable to a regular dividend period in the manner set forth in the STRC Stock certificate of designations. The regular dividend rate per annum on STRC Stock for the month ended September 30, 2026 was 12.00%.

(3) As set forth in the applicable certificate of designations, upon the occurrence of certain events, the Company will have the right, at its election, to redeem all, and not less than all, of the applicable series of Preferred Stock for cash at a redemption price calculated in accordance with the applicable certificate of designations. The Company also has the right to redeem (subject to certain limitations set forth in the STRC Stock certificate of designations) all or any whole number of issued and outstanding shares of STRC Stock at any time, and from time to time, on any redemption date, at a cash redemption price per share of $101 (or such higher amount as may be chosen in the Company's sole discretion), plus accumulated and unpaid regular dividends, if any, thereon to, and including, the redemption date.

(4) If a "Fundamental Change" (as defined in the applicable certificate of designations) occurs, then (subject to a limited exception in the case of STRK Stock), holders of each series of Preferred Stock will have the right to require the Company to repurchase some or all of their shares of the applicable series of Preferred Stock for cash at a repurchase price calculated in accordance with the applicable certificate of designations.

(5) Holders of STRC Stock, STRE Stock and STRD Stock do not have the right to elect any directors to the Company's board of directors upon non-payment of regular dividends. However, with respect to STRK Stock and STRF Stock, as

of September 30, 2026, if (in each case, subject to the applicable certificate of designations) less than the full amount of accumulated and unpaid regular dividends on the applicable series of Preferred Stock have been declared and paid by the following regular dividend payment date in respect of each of (i) four or more consecutive regular dividend payment dates; and (ii) eight or more consecutive regular dividend payment dates, then, in each case, subject to certain limitations, the authorized number of the Company's directors will automatically increase by one (or the Company will vacate the office of one of its directors) and the holders of the applicable series of Preferred Stock, voting together as a single class with the holders of each class or series of "Voting Parity Stock" (as defined in the applicable certificate of designations) with similar voting rights that are then exercisable, will have the right to elect one director to fill such directorship at the Company's next annual meeting of stockholders (or, if earlier, at a special meeting of the Company's stockholders called for such purpose). If, thereafter, all accumulated and unpaid regular dividends on the outstanding shares of the applicable series of Preferred Stock have been paid in full, then this right will terminate. Upon the termination of such right with respect to the applicable series of Preferred Stock and all other outstanding Voting Parity Stock, if any, the term of office of each person then serving as a director pursuant to this right will immediately and automatically terminate (and, if the authorized number of the Company's directors was increased by one or two, as applicable, in connection with such election, then the authorized number of the Company's directors will automatically decrease by one or two, as applicable). See Note 15, Subsequent Events, for additional information regarding these rights.

At-the-Market Offerings of Preferred Stock

The Company is party to a sales agreement (as amended and supplemented to date, the "Omnibus Sales Agreement") with TD Securities (USA) LLC, StoneX Financial Inc., A.G.P./Alliance Global Partners, Barclays Capital Inc., BTIG, LLC, Canaccord Genuity LLC, Cantor Fitzgerald & Co., Clear Street LLC, Compass Point Research & Trading, LLC, H.C. Wainwright & Co., LLC, Keefe, Bruyette & Woods, Inc., Maxim Group LLC, Mizuho Securities USA LLC, Moelis & Company LLC, Morgan Stanley & Co. LLC, Santander US Capital Markets LLC, SG Americas Securities, LLC, and TCBI Securities, Inc., doing business as Texas Capital Securities, as sales agents (each an "Agent" and collectively, the "Agents"), pursuant to which the Company may from time to time through the Agents issue and sell shares of STRF Stock, STRC Stock, STRK Stock, STRD Stock, class A common stock and any additional series of preferred stock as may be designated by the Company from time to time in the future.

Refer to Note 12, At-the-Market Offerings, for additional information regarding the Company's at-the-market equity offering programs ("ATMs").

Dividends on Preferred Stock

As of September 30, 2026, dividends on the Company's Preferred Stock are payable when, as and if declared by the Company's board of directors, out of funds legally available for their payment:

- in the case of STRF Stock, STRE Stock, STRK Stock, and STRD Stock, quarterly in arrears on March 31, June 30, September 30 and December 31 of each year; and
- in the case of STRC Stock, semi-monthly in arrears.

See Note 15, Subsequent Events, for additional information regarding the dividend frequency of STRF Stock, STRC Stock, STRK Stock and STRD Stock.

During the three and nine months ended September 30, 2026 and 2025, the Company paid the following dividends:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2026	2025	2026	2025
STRF Stock	$ 32,099	$ 29,182	$ 96,298	$ 54,704
STRC Stock	301,874	45,751	696,169	45,751
STRE Stock (1)	22,048	—	66,525	—
STRK Stock	28,041	27,212	84,124	59,831
STRD Stock	35,061	37,636	105,182	37,636
Total Cash Dividends Paid	$ 419,123	$ 139,781	$ 1,048,298	$ 197,922

(1) Reflects the Euro to USD exchange rate in effect at the time of the applicable STRE Stock dividend payment.

(11) Basic and Diluted Earnings (Loss) per Common Share

Basic earnings (loss) per common share is computed by dividing net income (loss) attributable to common stockholders by the weighted-average number of shares of common stock outstanding during the respective period. Net income (loss) attributable to common stockholders is computed by deducting the Preferred Stock dividends declared related to the current financial reporting period. On repurchase of preferred stock, any excess of the net carrying amount of the preferred stock in the Company's Consolidated Balance Sheet over the fair value of the consideration transferred to the holders of the preferred stock is accounted for as a deemed contribution from preferred stockholders. This amount is included in the determination of net income (loss) attributable to common stockholders in the calculation of earnings per share.

The Company has two classes of common stock: class A common stock and class B common stock. Holders of class A common stock generally have the same rights, including rights to dividends, as holders of class B common stock, except that holders of class A common stock have one vote per share while holders of class B common stock have ten votes per share. Each share of class B common stock is convertible at any time, at the option of the holder, into one share of class A common stock. As such, basic and fully diluted earnings (loss) per common share for class A common stock and for class B common stock are the same. The Company has never declared or paid any cash dividends on either class A or class B common stock.

As of September 30, 2026, the Company had five series of Preferred Stock outstanding: STRF Stock, STRC Stock, STRE Stock, STRK Stock, and STRD Stock. Only STRK Stock is convertible into the Company's class A common stock and, therefore, is the only series of Preferred Stock that impacts diluted earnings (loss) per common share. Each share of the STRK Stock is convertible at any time, at the option of the holder, into 0.1 shares of class A common stock. Refer to Note 10, Redeemable Preferred Stock, for additional information on the dividend, voting, and other rights of the Company's outstanding Preferred Stock.

The impact from potential shares of common stock issuable on the diluted earnings (loss) per common share calculation is included when dilutive. Potential shares of class A common stock issuable upon the exercise of outstanding stock options, the vesting of restricted stock units and performance stock units considered probable of achievement, and in connection with the 2021 ESPP are computed using the treasury stock method. Potential shares of class A common stock issuable upon conversion of the Convertible Notes and upon conversion of the STRK Stock are computed using the if-converted method. In computing diluted earnings (loss) per common share, the Company first calculates the earnings per incremental share ("EPIS") for each class of potential shares of common stock and ranks the classes from the most dilutive (i.e., lowest EPIS) to the least dilutive (i.e., highest EPIS). Basic earnings per common share is then adjusted for the effect of each class of shares, in sequence and cumulatively, until a particular class no longer produces further dilution.

The following table sets forth the computation of basic and diluted earnings (loss) per common share for the periods indicated:

(in thousands, except per share data)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Numerator - Basic and Diluted:				
Net income (loss)	$ 19,532,972	$ 2,785,024	$ (1,229,326)	$ 8,588,500
Dividends on preferred stock	(419,556)	(139,898)	(1,049,744)	(198,040)
Deemed contribution related to preferred stock repurchases	5,517	—	5,517	—
Net income (loss) attributable to common stockholders of Strategy	$ 19,118,933	$ 2,645,126	$ (2,273,553)	$ 8,390,460
Effect of dilutive shares on net earnings:				
Interest expense on 2027 Convertible Notes, net of tax	—	—	—	286
Interest expense on 2028 Convertible Notes, net of tax	1,882	1,871	—	5,626
Interest expense on 2029 Convertible Notes, net of tax	650	1,296	—	3,899
Interest expense on 2030A Convertible Notes, net of tax	1,602	1,592	—	4,786
Interest expense on 2030B Convertible Notes, net of tax	893	890	—	2,154
Interest expense on 2031 Convertible Notes, net of tax	1,387	1,378	—	4,145
Interest expense on 2032 Convertible Notes, net of tax	3,705	3,685	—	11,086
Dividends on STRK Stock	28,041	—	—	—
Net income (loss) - Diluted	$ 19,157,093	$ 2,655,838	$ (2,273,553)	$ 8,422,442
Denominator - Basic and Diluted:				
Weighted average common shares of class A common stock	380,508	264,736	342,801	252,503
Weighted average common shares of class B common stock	19,640	19,640	19,640	19,640
Total weighted average shares of common stock outstanding	400,148	284,376	362,441	272,143
Effect of dilutive shares on weighted average common shares outstanding:				
Stock options	2,074	3,419	—	3,704
Restricted stock units	157	655	—	769
Performance stock units	59	503	—	508
Employee stock purchase plan	—	—	—	2
Convertible preferred stock	1,402	—	—	—
2027 Convertible Notes	—	—	—	1,315
2028 Convertible Notes	5,513	5,513	—	5,513
2029 Convertible Notes	2,231	4,462	—	4,462
2030A Convertible Notes	5,342	5,342	—	5,342
2030B Convertible Notes	4,614	4,614	—	3,719
2031 Convertible Notes	2,594	2,594	—	2,594
2032 Convertible Notes	3,915	3,915	—	3,915
Total weighted average shares of common stock outstanding - Diluted	428,049	315,393	362,441	303,986
Earnings (loss) per common share:				
Basic earnings (loss) per common share (1)	$ 47.78	$ 9.30	$ (6.27)	$ 30.83
Diluted earnings (loss) per common share (1)	$ 44.75	$ 8.42	$ (6.27)	$ 27.71

(1) Basic and fully diluted earnings (loss) per common share for class A and class B common stock are the same.

For the three and nine months ended September 30, 2026 and 2025, the following weighted average shares of potential class A common stock were excluded from the diluted earnings (loss) per common share calculation because their impact would have been anti-dilutive.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2026	2025	2026	2025
Stock options	190	53	3,253	46
Restricted stock units	442	6	734	13
Performance stock units	93	—	363	—
Employee stock purchase plan	10	—	13	—
Convertible preferred stock	—	1,304	1,402	915
2028 Convertible Notes	—	—	5,513	—
2029 Convertible Notes	—	—	3,375	—
2030A Convertible Notes	—	—	5,342	—
2030B Convertible Notes	—	—	4,614	—
2031 Convertible Notes	—	—	2,594	—
2032 Convertible Notes	—	—	3,915	—
Total	735	1,363	31,118	974

(12) At-the-Market Offerings

From time to time, the Company has entered into sales agreements with agents pursuant to which the Company could issue and sell shares of certain series of its Preferred Stock and class A common stock through ATMs. Pursuant to these agreements, the Company agreed to pay the sales agents commissions for their services in acting as agents with respect to the sale of shares through the at-the-market equity offering programs and also agreed to provide the sales agents with reimbursement for certain incurred expenses and customary indemnification and contribution rights.

As of September 30, 2026, the Company was party to the Omnibus Sales Agreement, pursuant to which the Company may from time to time through the Agents issue and sell shares of STRF Stock, STRC Stock, STRK Stock, STRD Stock, class A common stock and any additional series of preferred stock as may be designated by the Company from time to time in the future.

The following table sets forth total shares sold and net proceeds (net of sales commissions and expenses) received from shares sold under the Company's ATMs for the three and nine months ended September 30, 2026 and 2025.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Number of shares sold pursuant to at-the-market offerings:				
STRF Stock ATMs	—	1,881,542	—	3,448,292
STRC Stock ATMs	—	—	75,307,642	—
STRK Stock ATMs	—	1,404,499	38,796	6,305,866
STRD Stock ATMs	—	557,441	—	557,441
Class A common stock ATMs	50,297,872	5,712,041	108,753,378	32,562,256
Net proceeds received from shares sold pursuant to at-the-market offerings (in thousands):				
STRF Stock ATMs	$ —	$ 217,434	$ —	$ 380,468
STRC Stock ATMs	—	—	7,518,335	—
STRK Stock ATMs	—	152,824	2,968	630,014
STRD Stock ATMs	—	48,462	—	48,462
Class A common stock ATMs	5,406,890	2,199,360	13,642,442	11,847,257
Total	**$ 5,406,890**	**$ 2,618,080**	**$ 21,163,745**	**$ 12,906,201**
Issuance cost adjustments related to STRF, STRK and STRD Stock ATMs (in thousands):	$ —	$ —	$ (45)	$ —

The sales commissions and expenses related to sales of class A common stock described above are considered direct and incremental costs and are charged against “Additional paid-in capital” on the Consolidated Balance Sheet in the period in which the corresponding shares are issued and sold.

(13) Segment Information

The Company has two reportable operating segments: "Software" and "Bitcoin."

The Software segment is engaged in the design, development, marketing, and sales of the Company’s enterprise analytics software platform through cloud subscriptions and licensing arrangements and related services (i.e., product support, consulting and education).

The Bitcoin segment encompasses the Company’s bitcoin treasury operations, through which the Company executes its bitcoin, capital markets, and capital management strategies. The segment's principal activities consist of transacting in and holding bitcoin as the Company’s primary treasury reserve asset; issuing class A common stock and preferred securities; and maintaining a U.S. dollar reserve (the “USD Reserve”), established in December 2025, intended to support the payment of dividends on the Company's Preferred Stock and interest expense on its outstanding indebtedness and "USD Cash", a management designated U.S. dollar liquidity pool maintained for broader general Bitcoin Treasury Company purposes, which may include acquiring bitcoin, expanding the USD Reserve, broader capital management uses, and other similar purposes. As used in this Quarterly Report, "USD Assets" refers to the USD Reserve and USD Cash, collectively.

Effective in the second quarter of 2026, the Company defined its bitcoin treasury operations as a separate reportable operating segment. In prior periods, the Company reported a single reportable operating segment, the Software Business segment, and presented the bitcoin-related activities now comprising the Bitcoin segment as a non-operating "Corporate & Other" category. In connection with this change, the Company also renamed its software segment, previously referred to as the "Software Business," to "Software." Segment information for the prior comparative periods presented has been recast to conform to the current presentation.

The Company’s chief operating decision maker (“CODM”) is the Company’s Chief Executive Officer. The Company’s reportable operating segments are identified based on the discrete financial information regularly reviewed by the CODM and reflect differences in the nature of the Company’s products and business activities. The CODM uses “net income (loss)” to assess each reportable segment’s performance and to allocate resources, and also uses net income (loss) to understand the impact of income taxes and debt-related items for general tax and liquidity planning purposes.

For the Software segment, the CODM focuses on “controllable costs” across the segment’s principal functions and allocates personnel and budget accordingly to maximize profitability. For the Bitcoin segment, the CODM reviews non-controllable expense categories, together with bitcoin holdings, cash and cash equivalents, and short-term investments. The CODM uses this information to assess segment performance, allocate resources, and oversee the Company's bitcoin treasury and capital markets strategy. As of September 30, 2026 and December 31, 2025, approximately 99% of the Company's total assets related to the Bitcoin segment.

The following tables present (for each of the Company's reportable operating segments and on a consolidated basis) the Company’s revenues and significant expenses regularly provided to the CODM, reconciled to net income (loss) for each of the periods presented.

	Three Months Ended September 30, 2026		
(in thousands)	Software	Bitcoin	Total Consolidated
Total revenues	$ 125,427	$ —	$ 125,427
Significant expenses (1)			
Controllable			
Sales and marketing	(27,426)	(133)	(27,559)
Maintenance	(4,993)	—	(4,993)
Consulting	(10,982)	—	(10,982)
Cloud	(19,478)	—	(19,478)
Technology	(23,085)	—	(23,085)
General and administrative	(14,467)	(8,439)	(22,906)
Non-Controllable			
Gain on digital assets	—	20,912,392	20,912,392
Digital asset custody fees	—	(4,620)	(4,620)
Share-based compensation expense	(9,031)	(4,148)	(13,179)
Payroll taxes on equity award exercises and vestings	(70)	(2)	(72)
Other segment items (2)	(765)	433	(332)
Interest income (3)	652	46,398	47,050
Interest expense (4)	(9)	(15,371)	(15,380)
Income tax benefit (expense) (5)	503,535	(1,912,846)	(1,409,311)
Net income	$ 519,308	$ 19,013,664	$ 19,532,972

(in thousands)	Three Months Ended September 30, 2025		
	Software	Bitcoin	Total Consolidated
Total revenues	$ 128,691	$ —	$ 128,691
Significant expenses (1)			
Controllable			
Sales and marketing	(24,656)	(93)	(24,749)
Maintenance	(6,971)	—	(6,971)
Consulting	(11,115)	—	(11,115)
Cloud	(19,172)	—	(19,172)
Technology	(20,945)	—	(20,945)
General and administrative	(18,194)	(4,233)	(22,427)
Non-Controllable			
Gain on digital assets	—	3,890,847	3,890,847
Digital asset custody fees	—	(5,342)	(5,342)
Share-based compensation expense	(10,832)	(4,651)	(15,483)
Payroll taxes on equity award exercises and vestings	(765)	(739)	(1,504)
Other segment items (2)	(1,704)	—	(1,704)
Interest income (3)	121	—	121
Interest expense (4)	(12)	(18,999)	(19,011)
Income tax benefit (expense) (5)	19,728	(1,105,940)	(1,086,212)
Net income	$ 34,174	$ 2,750,850	$ 2,785,024

(in thousands)	Nine Months Ended September 30, 2026		
	Software	Bitcoin	Total Consolidated
Total revenues	$ 372,095	$ —	$ 372,095
Significant expenses (1)			
Controllable			
Sales and marketing	(87,989)	(1,095)	(89,084)
Maintenance	(16,563)	—	(16,563)
Consulting	(34,140)	—	(34,140)
Cloud	(65,100)	—	(65,100)
Technology	(67,390)	—	(67,390)
General and administrative	(44,465)	(28,948)	(73,413)
Non-Controllable			
Loss on digital assets	—	(1,858,452)	(1,858,452)
Digital asset custody fees	—	(12,769)	(12,769)
Share-based compensation expense	(27,913)	(12,707)	(40,620)
Payroll taxes on equity award exercises and vestings	(1,626)	(502)	(2,128)
Other segment items (2)	(1,277)	1,415	138
Interest income (3)	813	78,714	79,527
Interest expense (4)	—	(47,283)	(47,283)
Gain on debt extinguishment	—	113,916	113,916
Income tax benefit (5)	7,146	504,794	511,940
Net income (loss)	$ 33,591	$ (1,262,917)	$ (1,229,326)

(in thousands)	Nine Months Ended September 30, 2025		
	Software	Bitcoin	Total Consolidated
Total revenues	$ 354,245	$ —	$ 354,245
Significant expenses (1)			
Controllable			
Sales and marketing	(74,540)	(1,789)	(76,329)
Maintenance	(20,705)	—	(20,705)
Consulting	(34,825)	—	(34,825)
Cloud	(49,774)	—	(49,774)
Technology	(67,244)	—	(67,244)
General and administrative	(53,265)	(16,361)	(69,626)
Non-Controllable			
Gain on digital assets	—	12,032,356	12,032,356
Digital asset custody fees	—	(14,346)	(14,346)
Share-based compensation expense	(32,037)	(11,007)	(43,044)
Payroll taxes on equity award exercises and vestings	(5,426)	(833)	(6,259)
Other segment items (2)	(15,952)	—	(15,952)
Interest income (3)	313	—	313
Interest expense (4)	(30)	(54,176)	(54,206)
Income tax benefit (expense) (5)	81,980	(3,428,084)	(3,346,104)
Net income	$ 82,740	$ 8,505,760	$ 8,588,500

(1) Significant expenses regularly provided to the CODM include both: (i) costs that the CODM considers to be “controllable”, for which the Company can manage future expense via the budgeting process (e.g., salaries, commissions, travel and entertainment expenses, third party-service provider fees, etc.), and that support specific functions of each reportable segment and (ii) costs that the CODM considers to be “non-controllable”, for which future expenses are primarily outside the Company’s control, such as gain or loss on digital assets, custody fees, share-based compensation expense, and employer payroll taxes related to the exercise or vesting of certain awards under the Stock Incentive Plans.

(2) Other segment items for the Software segment are primarily related to foreign currency transaction gains and losses, costs supporting the Company’s education function, one-time corporate initiatives, and certain expenses that are not easily allocable to specific functions. Other segment items for the Bitcoin segment are primarily related to foreign currency transaction gains and losses, as well as gains and losses on the sale of investments.

(3) Interest income for the three and nine months ended September 30, 2026 consisted primarily of interest earned on cash equivalents and short-term investments held as part of the Company's USD Assets. There was no material interest income for the three and nine months ended September 30, 2025.

(4) Interest expense for the three and nine months ended September 30, 2026 and 2025 consisted primarily of contractual interest and amortization of issuance costs on the Company's convertible senior notes, the net proceeds of which were used primarily to acquire bitcoin, and was allocated to the Bitcoin segment. Interest expense allocated to the Software segment was not material.

(5) Income tax effects allocated to the Bitcoin segment related primarily to transactions involving the Company’s bitcoin or debt, including gains or losses on digital assets, interest income, interest expense, share-based compensation expense, general and administrative expense (including personnel costs), and other third-party expenses. These income tax effects also reflect the establishment and release of valuation allowances against deferred tax assets, primarily related to losses on digital assets, based on the Company’s assessment of the realizability of such deferred tax assets each reporting period. Income tax effects allocated to the Software segment primarily relate to the tax benefit of share-based compensation for employees and also reflect the impact of the establishment and release of valuation allowances against deferred tax assets.

Depreciation and amortization expenses are included in net income (loss), but are not regularly reported to the CODM. For the Software segment, depreciation and amortization expense consists primarily of the amortization of capitalized costs to

obtain customer contracts, which amounted to $9.7 million and $27.6 million for the three and nine months ended September 30, 2026, respectively, and $2.7 million and $15.5 million for the same periods in the prior year. These amounts are reported within sales and marketing expense, which is a significant expense category regularly provided to the CODM.

Significant non-cash items include gain or loss on digital assets, share-based compensation, gain on debt extinguishment and amortization of issuance costs on long-term debt, and are presented in the table above and in the Company's Consolidated Statements of Operations and/or Statements of Cash Flows. The Company does not regularly report capital expenditures on long-lived assets to the CODM.

The following table presents total revenues and long-lived assets according to geographic region. Long-lived assets are comprised of right-of-use assets and property and equipment, net. The Bitcoin segment disclosed above is included within the U.S. region.

Geographic regions: (in thousands)	U.S.	EMEA	Other Regions	Consolidated
Total revenues				
Three Months Ended September 30, 2026	$ 71,295	$ 42,959	$ 11,173	$ 125,427
Three Months Ended September 30, 2025	$ 74,571	$ 42,257	$ 11,863	$ 128,691
Nine Months Ended September 30, 2026	$ 208,979	$ 129,647	$ 33,469	$ 372,095
Nine Months Ended September 30, 2025	$ 203,346	$ 119,583	$ 31,316	$ 354,245
Long-lived assets				
As of September 30, 2026	$ 73,673	$ 3,650	$ 10,584	$ 87,907
As of December 31, 2025	$ 66,022	$ 2,908	$ 6,903	$ 75,833

The EMEA region includes operations in Europe, the Middle East, and Africa. The other regions include all other foreign countries, generally comprising Latin America, the Asia Pacific region, and Canada. For the three and nine months ended September 30, 2026 and 2025, Germany accounted for 10% or more of total consolidated revenues.

For the three and nine months ended September 30, 2026 and 2025, no individual customer accounted for 10% or more of total consolidated revenues.

(14) Related Party Transactions

Saylor Indemnification Agreements

Commencing in June 2021, Michael J. Saylor, the Company's Chairman of the Board and Executive Chairman, provided indemnification coverage to the Company's directors and officers ("D&Os") through a series of indemnification agreements. These agreements were initially executed for applicable periods in which the Company determined not to obtain commercial D&O insurance policies and later to cover claims not insured under the Company's commercial D&O liability policies. The Company determined that having indemnity coverage from Mr. Saylor was in the best interest of the Company.

In June 2023, the Company bound new commercial D&O liability insurance policies (the "2023 Commercial Policies") providing $40 million in aggregate coverage for a one-year term, but those policies excluded (i) claims previously noticed to and accepted by an earlier D&O insurer, (ii) claims related to acts or omissions giving rise to such claims, and demands, investigations, suits or other proceedings entered against an insured prior to June 24, 2022, and (iii) future interrelated wrongful acts (collectively, the "Excluded Claims"). Concurrently, the Company entered into a new indemnification agreement with Mr. Saylor (the "2023 Tail Agreement"), pursuant to which he agreed to cover the Excluded Claims for $157,000 for an initial one-year term, with options to extend for additional one-year periods. The Company elected to extend the 2023 Tail Agreement for an additional one-year term in June 2024 and paid Mr. Saylor $157,000 for that coverage period.

In June 2025, the Company bound new commercial D&O liability insurance policies (the "Current Commercial Policies") providing $120 million in aggregate coverage for a one-year term, which the Company renewed for another one year term in June 2026. The Company determined that the Current Commercial Policies provide sufficient coverage and, accordingly, the 2023 Tail Agreement was not extended beyond its June 2025 expiration.

(15) Subsequent Events

Daily Dividend Amendments

At a special meeting of the Company's stockholders held on October 28, 2026, the Company's stockholders approved and adopted amended and restated certificates of designations for each of STRF Stock, STRC Stock, STRK Stock and STRD

Stock, in each case, such that, together with conforming and related changes, regular dividends declared on each of STRF Stock, STRC Stock, STRK Stock and STRD Stock will be paid on each business day (instead of, in the case of STRF Stock, STRK Stock and STRD Stock, once a quarter, and, in the case of STRC Stock, twice a month) (such changes, collectively, the "Dividend Amendments"). On October 29, 2026, the Company filed such amended and restated certificates of designations with the Secretary of State of the State of Delaware.

As part of the Dividend Amendments, the provisions governing the rights of holders of STRF Stock and STRK Stock to elect directors upon the non-payment of regular dividends, as described in Note 10, Redeemable Preferred Stock, were revised to reflect the new dividend payment frequency. The existing thresholds of four and eight consecutive calendar quarters remain unchanged, but the determination of whether a calendar quarter counts toward these thresholds is now based on whether all accumulated and unpaid regular dividends for that quarter have been paid by the last regular dividend payment date of such quarter, rather than whether dividends were paid on each individual regular dividend payment date.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Information

This Quarterly Report on Form 10-Q (this "Quarterly Report") contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). For this purpose, any statements contained herein that are not statements of historical fact, including without limitation, certain statements regarding industry prospects and our results of operations or financial position, may be deemed to be forward-looking statements. Without limiting the foregoing, the words "believes," "anticipates," "plans," "expects," and similar expressions are intended to identify forward-looking statements. The important factors discussed under Part II, "Item 1A. Risk Factors" of this Quarterly Report, which are incorporated by reference herein, among others, could cause actual results to differ materially from those indicated by forward-looking statements made herein and presented elsewhere by management from time to time. Such forward-looking statements represent management's current expectations and are inherently uncertain. Investors are warned that actual results may differ from management's expectations.We undertake no obligation to update these forward-looking statements except as required by law.

Business Overview

Strategy is the world's first and largest Bitcoin Treasury Company. We pursue financial innovation strategies designed to generate value from our bitcoin holdings, including by developing and issuing novel fixed-income instruments that provide investors varying degrees of economic exposure to bitcoin. In addition, we are an industry leader in AI-powered enterprise analytics software, advancing our vision of Intelligence Everywhere™. We believe our combination of active bitcoin-focused capital management and a scaled operating software business positions us for long-term value creation across both digital asset and enterprise analytics markets.

Segment Reporting

Beginning with the second quarter of 2026, we have realigned our financial reporting to present our operations as two reportable segments: our Software segment and our Bitcoin segment. In prior periods, we reported a single reportable operating segment, our Software segment (previously referred to as the "Software Business"), and presented the bitcoin-related activities now comprising our Bitcoin segment within a non-operating "Corporate & Other" category. We made this change to provide users of our financial statements with greater visibility into the activities of our software business distinct from our bitcoin treasury operations. See Note 13, "Segment Information", to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report for additional information regarding our reportable segments. The discussion that follows presents a consolidated overview of our results of operations, liquidity, and capital resources, followed by a separate discussion of the results of each of our reportable segments.

Bitcoin Strategy

We believe that bitcoin is a financial and technological innovation and represents a compelling long-term treasury reserve asset due to its scarcity, durability, and global liquidity. Through our bitcoin treasury operations, we execute on our bitcoin acquisition, capital markets and capital management strategies, which are designed to enable us to accumulate bitcoin in a manner we believe to be accretive to our shareholders in the long term and to generate value from our bitcoin holdings.

Under our Treasury Reserve Policy, our treasury reserve assets consist of:

- cash and cash equivalents and short-term investments ("Cash Assets") in excess of working capital requirements; and
- bitcoin, which serves as the primary treasury reserve asset on an ongoing basis, subject to market conditions and anticipated needs of the business for Cash Assets.

In addition to and in conjunction with our Treasury Reserve Policy, we pursue a corporate strategy of acquiring and holding bitcoin, including with the proceeds of capital raising transactions. Our capital markets strategy generally involves issuing preferred securities, which we collectively refer to as "digital credit," and class A common stock through at-the-market equity offering programs ("ATMs") when we deem advantageous.

As part of our capital management strategy, we maintain (i) a U.S. dollar reserve (the "USD Reserve") intended to support the payment of dividends on the Preferred Stock and interest expense on the Company's outstanding indebtedness and (ii) a separately designated pool of U.S. dollar liquidity ("USD Cash" and, together with the USD Reserve, our "USD Assets") available for broader Bitcoin Treasury Company purposes, including acquiring bitcoin, repurchasing digital credit, expanding the USD Reserve and other capital management activities. The USD Reserve and USD Cash are each components of our broader capital management framework, which we refer to as our "Digital Credit Capital Framework." See "Liquidity and Capital Resources—Digital Credit Capital Framework" below for a description of the six components of the Digital Credit Capital Framework. Our capital management strategy also contemplates that we may (i) enter into

additional capital raising transactions that are secured, directly or indirectly, by our assets, including bitcoin, (ii) pursue strategies intended to generate income streams or otherwise generate funds using our bitcoin holdings, and (iii) periodically sell bitcoin for general corporate purposes, such as satisfying liquidity needs and financial obligations.

We view our bitcoin holdings as long-term holdings and plan to continue to accumulate bitcoin over the long term. We have not established a specific target amount of bitcoin to hold and actively evaluate market conditions, financing opportunities, liquidity needs, and capital structure considerations on an ongoing basis.

We are not registered as an investment company under the Investment Company Act of 1940, as amended, and stockholders do not have the protections associated with ownership of shares in a registered investment company, nor the protections afforded by the Commodity Exchange Act of 1936.

Our Enterprise Analytics Software Strategy

Strategy is a pioneer in AI-powered solutions delivering a comprehensive portfolio of software and services that addresses a wide spectrum of enterprise data challenges. We provide solutions designed to transform complex, fragmented data environments into unified, reliable ecosystems that drive insight and action across organizations worldwide. Our vision is to drive growth and competitive advantage for our customers by delivering Intelligence Everywhere™.

Our cloud-native analytics platform, is used by enterprises across a wide range of industries to deliver business intelligence and analytics solutions. It delivers visualization, reporting, and embedded analytics capabilities across retail, banking, technology, manufacturing, insurance, consulting, healthcare, telecommunications, and the public sector. Complementing this, Strategy Mosaic™ is a universal data layer that enables organizations to achieve a single source of truth across their data. It provides enterprises with consistent definitions and governance across data sources, regardless of where that data resides or which tools access it. AI-powered data modeling hastens data product creation, while Mosaic's intelligent architecture promotes accelerated performance for all workloads.

Integral to the Strategy portfolio are generative AI capabilities that are designed to automate and accelerate the deployment of AI-enabled applications across the enterprise. By making advanced analytics accessible through conversational AI, we provide non-technical users with timely, actionable insights for decision-making.

Bitcoin Activity and Holdings

Bitcoin Acquisition Activity

The following table presents a roll-forward of our bitcoin holdings, including additional information related to our bitcoin purchases, bitcoin sales, and gain or loss on digital assets within the respective periods:

		Digital Asset Original Cost Basis (in thousands)	Digital Asset Carrying Value (in thousands)	Approximate Number of Bitcoins Held	Approximate Average Purchase or (Sale) Price Per Bitcoin
Balance at January 1, 2025 (after adoption of ASU 2023-08)		**$ 27,968,248**	**$ 41,790,421**	**447,470**	**$ 62,503**
Digital asset purchases	(a)	7,661,663	7,661,663	80,715	94,922
Loss on digital assets		—	(5,906,005)	—	—
Balance at March 31, 2025		**$ 35,629,911**	**$ 43,546,079**	**528,185**	**$ 67,457**
Digital asset purchases	(b)	6,769,205	6,769,205	69,140	97,906
Gain on digital assets		—	14,047,514	—	—
Balance at June 30, 2025		**$ 42,399,116**	**$ 64,362,798**	**597,325**	**$ 70,982**
Digital asset purchases	(c)	4,952,080	4,952,080	42,706	115,959
Gain on digital assets		—	3,890,847	—	—
Balance at September 30, 2025		**$ 47,351,196**	**$ 73,205,725**	**640,031**	**$ 73,983**
Balance at January 1, 2026		**$ 50,435,331**	**$ 58,854,028**	**672,500**	**$ 74,997**
Digital asset purchases	(d)	7,251,126	7,251,126	89,599	80,929
Loss on digital assets		—	(14,455,479)	—	—
Balance at March 31, 2026		**$ 57,686,457**	**$ 51,649,675**	**762,099**	**$ 75,694**
Digital asset purchases	(e)	6,420,975	6,420,975	85,296	75,279
Digital asset sales	(f)	(168,126)	(83,205)	(1,395)	(59,663)
Loss on digital assets		—	(8,315,365)	—	—
Balance at June 30, 2026		**$ 63,939,306**	**$ 49,672,080**	**846,000**	**$ 75,578**
Digital asset purchases	(g)	588,093	588,093	7,218	81,470
Digital asset sales	(h)	(582,363)	(348,558)	(5,552)	(62,780)
Gain on digital assets		—	20,912,392	—	—
Balance at September 30, 2026		**$ 63,945,036**	**$ 70,824,007**	**847,666**	**$ 75,437**

(a) In the first quarter of 2025, we purchased bitcoin using $4.37 billion of the net proceeds from ATM sales of class A common stock, $1.99 billion of the net proceeds from our issuance of the 2030B Convertible Notes, $593.7 million of the aggregate net proceeds from the initial public offering and ATM sales of STRK Stock, and $710.0 million of the net proceeds from the initial public offering of STRF Stock.

(b) In the second quarter of 2025, we purchased bitcoin using $5.19 billion of the net proceeds from ATM sales of class A common stock, $979.7 million of the net proceeds from our initial public offering of STRD Stock, $163.0 million of the net proceeds from ATM sales of STRF Stock, and $438.0 million of the net proceeds from ATM sales of STRK Stock.

(c) In the third quarter of 2025, we purchased bitcoin using $209.5 million of the net proceeds from ATM issuances of STRF Stock, $153.1 million of the net proceeds from ATM issuances of STRK Stock, $48.5 million of the net proceeds from ATM issuances of STRD Stock, $2.07 billion of the net proceeds from ATM issuances of class A common stock, and $2.47 billion of the net proceeds from the initial public offering of STRC Stock.

(d) In the first quarter of 2026, we purchased bitcoin using $2.06 billion of the net proceeds from ATM sales of STRC Stock, $3.3 million of the net proceeds from ATM sales of STRK Stock and $5.19 billion of the net proceeds from ATM sales of class A common stock.

(e) In the second quarter of 2026, we purchased bitcoin using $5.46 billion of the net proceeds from ATM sales of STRC Stock, and $0.96 billion of the net proceeds from ATM sales of class A common stock.

(f) The proceeds from these sales were used to fund dividend payments on Preferred Stock.

(g) In the third quarter of 2026, we purchased bitcoin using $588.1 million of the net proceeds from ATM sales of class A common stock.

(h) The proceeds from these sales were used to fund $239.9 million of dividend payments on Preferred Stock and to repurchase $108.6 million of STRC Stock.

Our gain on digital assets for the three months ended September 30, 2026 and loss on digital assets for the nine months ended September 30, 2026, amounted to $20.91 billion and $1.86 billion, respectively.

Bitcoin Holdings

The following table shows the approximate number of bitcoins held at the end of each respective period, as well as market value calculations of our bitcoin holdings based on the lowest, highest, and ending market prices (rounded to the nearest dollar) of one bitcoin on the Coinbase exchange (our principal market for bitcoin) for each respective quarter, as further defined below:

	Approximate Number of Bitcoins Held at End of Quarter	Lowest Market Price Per Bitcoin During Quarter (a)	Market Value of Bitcoin Held at End of Quarter Using Lowest Market Price (in thousands) (b)	Highest Market Price Per Bitcoin During Quarter (c)	Market Value of Bitcoin Held at End of Quarter Using Highest Market Price (in thousands) (d)	Market Price Per Bitcoin at End of Quarter (e)	Market Value of Bitcoin Held at End of Quarter Using Ending Market Price (in thousands) (f)
September 30, 2025	640,031	$ 105,120	$ 67,279,817	$ 124,533	$ 79,704,922	$ 114,378	$ 73,205,725
December 31, 2025	672,500	$ 80,525	$ 54,152,829	$ 126,296	$ 84,934,064	$ 87,515	$ 58,854,028
March 31, 2026	762,099	$ 60,001	$ 45,726,702	$ 97,964	$ 74,657,977	$ 67,773	$ 51,649,675
June 30, 2026	846,000	$ 58,000	$ 49,068,002	$ 82,814	$ 70,060,644	$ 58,714	$ 49,672,080
September 30, 2026	847,666	$ 57,718	$ 48,925,202	$ 87,397	$ 74,083,461	$ 83,552	$ 70,824,007

(a) The "Lowest Market Price Per Bitcoin During Quarter" represents the lowest market price for one bitcoin reported on the Coinbase exchange during the respective quarter, without regard to when we purchased any of our bitcoin.

(b) The "Market Value of Bitcoin Held at End of Quarter Using Lowest Market Price" represents a mathematical calculation consisting of the lowest market price for one bitcoin reported on the Coinbase exchange during the respective quarter multiplied by the number of bitcoins we held at the end of the applicable period.

(c) The "Highest Market Price Per Bitcoin During Quarter" represents the highest market price for one bitcoin reported on the Coinbase exchange during the respective quarter, without regard to when we purchased any of our bitcoin.

(d) The "Market Value of Bitcoin Held at End of Quarter Using Highest Market Price" represents a mathematical calculation consisting of the highest market price for one bitcoin reported on the Coinbase exchange during the respective quarter multiplied by the number of bitcoins we held at the end of the applicable period.

(e) The "Market Price Per Bitcoin at End of Quarter" represents the market price of one bitcoin on the Coinbase exchange at 4:00 p.m. Eastern Time on the last day of the respective quarter.

(f) The "Market Value of Bitcoin Held at End of Quarter Using Ending Market Price" represents a mathematical calculation consisting of the market price of one bitcoin on the Coinbase exchange at 4:00 p.m. Eastern Time on the last day of the respective quarter multiplied by the number of bitcoins we held at the end of the applicable period.

The amounts reported as “Market Value” in the above table represent a mathematical calculation consisting of the price for one bitcoin reported on the Coinbase exchange (our principal market for bitcoin) in each scenario defined above multiplied by the number of bitcoins held by us at the end of the applicable period. Bitcoin and bitcoin markets may be subject to manipulation and the spot price of bitcoin may be subject to fraud and manipulation. Accordingly, the Market Value amounts reported above may not accurately represent fair market value at any given point, and the actual fair market value of our bitcoin may be different from such amounts and such deviation may be material. Moreover, (i) the bitcoin market historically has been characterized by significant volatility in price, limited liquidity and trading volumes compared to sovereign currencies markets, relative anonymity, a developing regulatory landscape, potential susceptibility to market abuse and manipulation, compliance and internal control failures at exchanges, and various other risks that are, or may be, inherent in its entirely electronic, virtual form and decentralized network and (ii) we may not be able to sell our bitcoins at the Market Value amounts indicated above, at the market price as reported on the Coinbase exchange (our principal market for bitcoin) on the date of sale, or at all. The Market Value amount based on the market price of one bitcoin at the end of

the applicable period is determined on the same basis as the fair value of our bitcoin recognized in our unaudited consolidated financial statements. See Note 3, "Digital Assets", to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report.

As of October 25, 2026, we held approximately 848,517 bitcoins, which had an aggregate market value of $68.27 billion, based on the market price of $80,456 of one bitcoin as reported on the Coinbase exchange at 4:00 p.m. Eastern Time on October 25, 2026.

Overview of Custodial Arrangements

We hold substantially all of our bitcoin in custody accounts with U.S.-based custodians that have demonstrated records of regulatory compliance and information security. Our current custodians are Anchorage Digital Bank N.A. (“Anchorage”), Coinbase Custody Trust Company, LLC (“Coinbase”), and Fidelity Digital Assets, NA (f/k/a Fidelity Digital Asset Services, LLC) (“Fidelity”). The primary counterparty risk we are exposed to with respect to our bitcoin relates to these custodians’ performance of their obligations under our custody arrangements.

We custody our bitcoin across multiple custodians to diversify our exposure to any single custodian. Our custodial services contracts do not restrict our ability to reallocate our bitcoin among custodians and, given the significant amount of bitcoin we hold, we continually evaluate and seek to engage additional digital asset custodians to further diversify custody risk. We may also, in the future, discontinue or change the use of one or more third-party custodians or utilize alternative custody arrangements, including self-custody. For a discussion of risks relating to the custody of our bitcoin, see Part II, Item 1A. Risk Factors "—Risks Related to Our Bitcoin Strategy and Holdings—Our bitcoin strategy exposes us to various risks, including risks associated with bitcoin", "—We face risks relating to the custody of our bitcoin, including the loss or destruction of private keys required to access our bitcoin and cyberattacks or other data loss relating to our bitcoin" and "—Our bitcoin strategy exposes us to risk of non-performance by counterparties."

As of October 25, 2026, our bitcoin is held with the following custodians:

Custodian	Number of Bitcoin Custodied (1)	Bitcoin Custodied (%)
Coinbase Custody Trust Company, LLC	354,348	42 %
Anchorage Digital Bank N.A.	326,554	38 %
Fidelity Digital Assets, NA (f/k/a Fidelity Digital Asset Services, LLC)	167,615	20 %
Total	848,517	100 %

(1) Amounts shown are rounded to the nearest bitcoin

To our knowledge, none of our third-party custodians have appointed sub-custodians to hold any of our bitcoin, and none of our custodians are related parties of the Company.

Capital Markets Activity

Equity Offerings

Consistent with our Digital Credit Capital Framework, we use the vast majority of our cash, including cash generated from capital raising transactions, to acquire bitcoin, pay dividends on our Preferred Stock and interest expense on our Convertible Notes, repurchase our Preferred Stock and fund our USD Assets. We fund our purchases of bitcoin primarily from proceeds of our offerings of our class A common stock and Preferred Stock instruments, as well as USD Cash. We have also previously used proceeds from offerings of convertible notes and senior secured notes, and a loan secured by bitcoin, to purchase bitcoin, and we may incur additional indebtedness in the future, including for the purpose of purchasing bitcoin.

The following table sets forth total shares sold and total net proceeds received from shares sold under our initial public offerings and ATMs for the periods indicated. For the three and nine months ended September 30, 2026, the amounts

presented reflect only shares sold under our ATMs. For the three and nine months ended September 30, 2025, the amounts include shares sold under both our initial public offerings and ATMs.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Number of shares sold:				
STRF Stock	—	1,881,542	—	11,948,292
STRC Stock	—	28,011,111	75,307,642	28,011,111
STRK Stock	—	1,404,499	38,796	13,605,866
STRD Stock	—	557,441	—	12,322,141
Class A common stock	50,297,872	5,712,041	108,753,378	32,562,256
Net proceeds received from shares sold (in thousands): (1)				
STRF Stock	$ —	$ 217,434	$ —	$ 1,091,342
STRC Stock	—	2,473,800	7,518,335	2,473,800
STRK Stock	—	152,824	2,968	1,193,240
STRD Stock	—	48,462	—	1,027,948
Class A common stock	5,406,890	2,199,360	13,642,442	11,847,257
Total	$ 5,406,890	$ 5,091,880	$ 21,163,745	$ 17,633,587
Issuance cost adjustments related to STRF, STRK and STRD Stock ATMs (in thousands):	—	—	(45)	—

(1) Includes shares sold and net proceeds received from shares sold under our initial public offerings of our Preferred Stock and ATMs of our class A common stock and certain series of our Preferred Stock for the periods indicated. See Note 10, "Redeemable Preferred Stock", to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report for additional information on the initial public offerings of our Preferred Stock.

The following table sets forth total shares sold and total net proceeds (net of sales commissions and expenses) received from shares sold under our ATMs for the periods indicated:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Number of shares sold pursuant to at-the-market offerings:				
STRF Stock ATMs	—	1,881,542	—	3,448,292
STRC Stock ATMs	—	—	75,307,642	—
STRK Stock ATMs	—	1,404,499	38,796	6,305,866
STRD Stock ATMs	—	557,441	—	557,441
Class A common stock ATMs	50,297,872	5,712,041	108,753,378	32,562,256
Net proceeds received from shares sold pursuant to at-the-market offerings (in thousands):				
STRF Stock ATMs	$ —	$ 217,434	$ —	$ 380,468
STRC Stock ATMs	—	—	7,518,335	—
STRK Stock ATMs	—	152,824	2,968	630,014
STRD Stock ATMs	—	48,462	—	48,462
Class A common stock ATMs	5,406,890	2,199,360	13,642,442	11,847,257
Total	$ 5,406,890	$ 2,618,080	$ 21,163,745	$ 12,906,201
Issuance cost adjustments related to STRF, STRK and STRD Stock ATMs (in thousands):	$ —	$ —	$ (45)	$ —

As of September 30, 2026, we had the following capacities available for issuance and sale under our ATM:

(in millions)	Available for Issuance and Sale
STRF Stock	$ 1,619.3
STRC Stock	$ 17,510.8
STRK Stock	$ 2,100.0
STRD Stock	$ 4,014.8
Class A Common Stock	$ 18,844.3

From October 1, 2026 to October 25, 2026, we sold 0.4 million additional shares of class A common stock under our ATM for total net proceeds (net of sales commissions and expenses) of approximately $58.69 million.

See Note 10, "Redeemable Preferred Stock" and Note 12, "At-the-Market Offerings", to the Notes to Consolidated Financial Statements contained in Part I, Item 1 of this Quarterly Report, for additional information.

Equity Repurchase Programs

In June 2026, the Company's board of directors authorized (i) a repurchase program for up to $1.0 billion aggregate purchase price of the Company's outstanding Preferred Stock and (ii) a repurchase program for up to $1.0 billion aggregate purchase price of the Company's class A common stock. The board subsequently increased the preferred stock repurchase authorization to $2.0 billion in September 2026 and $3.0 billion in October 2026.

During the three and nine months ended September 30, 2026, the Company repurchased 13,930,173 shares of STRC Stock for total aggregate consideration of $1.34 billion under the preferred stock repurchase program, leaving $657.6 million available as of September 30, 2026. All such repurchased shares were cancelled. From October 1, 2026 to October 25, 2026, we repurchased 7,050,335 shares of STRC Stock under our share repurchase program, for an aggregate purchase price of $700.9 million. As of October 25, 2026, the $956.7 million aggregate purchase price remained under this program, after giving effect to repurchases executed but not yet settled as of such date.

As of September 30, 2026 and October 25, 2026, the Company had not repurchased any shares of class A common stock under the class A common stock repurchase program, leaving $1.0 billion in remaining authorization as of both dates.

See “Liquidity and Capital Resources—Digital Credit Capital Framework” below for a description of these programs.

Debt Offerings and Repurchases

During the three and nine months ended September 30, 2026, we did not complete any new debt offerings. During the nine months ended September 30, 2025, we received net proceeds of approximately $1.98 billion from the issuance of our 2030B Convertible Notes during the first quarter of 2025. We used the net proceeds from this offering for general corporate purposes, including the acquisition of bitcoin and for working capital. In addition, in June 2025, we entered into a loan agreement that provides for aggregate borrowings of up to $31.1 million, available in multiple tranches, and bearing interest, with respect to each tranche, at a variable rate equal to the one-year Secured Overnight Financing Rate plus 4.24%.

During the nine months ended September 30, 2026, we repurchased $1.50 billion aggregate principal amount of our 0% Convertible Senior Notes due 2029 in privately negotiated transactions, for an aggregate cash repurchase price of $1.38 billion. During the nine months ended September 30, 2025, we redeemed $1.05 billion aggregate principal amount of our 0% Convertible Senior Notes due 2027, for which we issued 7,373,528 shares of class A common stock and paid a nominal amount of cash in lieu of fractional shares.

For additional information on our Convertible Notes, see Note 6, "Long-term Debt", to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report.

Bitcoin KPIs

The Company seeks to acquire bitcoin in a manner it believes to be accretive to common stockholders. To assess achievement of this strategy, the Company monitors and reviews the following Key Performance Indicators (“KPIs”):

- Bitcoin Per Share (in Sats) ("BPS (in Sats)") represents the ratio between the Company’s gross bitcoin holdings and its Assumed Diluted Shares Outstanding, expressed in terms of “Satoshis” or “Sats”, where:
    - “Assumed Diluted Shares Outstanding” refers to the aggregate of the Company’s Basic Shares Outstanding as of the dates presented plus all additional shares that would result from the assumed conversion of all outstanding convertible

notes and convertible preferred stock, exercise of all outstanding stock option awards, and settlement of all outstanding restricted stock units and performance stock units as of such

dates. Assumed Diluted Shares Outstanding is not calculated using the treasury method, incorporates approximate forfeitures of awards in the current period which may be subject to future adjustment and does not take into account any vesting conditions (in the case of equity awards), the exercise price of any stock option awards or any contractual conditions limiting convertibility of convertible debt instruments.

  - "Basic Shares Outstanding" reflects the actual class A common stock and class B common stock outstanding as of the dates presented. For purposes of this calculation, outstanding shares of such stock are deemed to include shares, if any, that (A) were sold under at-the-market equity offering programs, or (B) were issued pursuant to (i) options that had been exercised, (ii) restricted stock units that have vested or (iii) conversion requests received with respect to convertible securities, but which in each case were pending issuance as of the dates presented.
  - A "Satoshi" or a "Sat" is one one-hundred-millionth of one bitcoin, currently the smallest indivisible unit of a bitcoin.

- BTC Yield represents the percentage change in BPS (in Sats) over a period.
- BTC Gain represents the BTC Yield for a period in gross bitcoin terms.
- BTC $ Gain represents BTC Gain as an illustrative dollar value.

For additional information regarding these KPIs, including how they are calculated, their purposes, uses and limitations, and their principal components as of the relevant reporting dates for this Quarterly Report, see "Important Information about KPIs".

The following tables present our BTC Yield, BTC Gain, and BTC $ Gain for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2026	2025	Change		2026	2025	Change	
BTC Yield	(11.9)%	6.2 %	(18.1)%	(1)	(3.7)%	25.9 %	(29.6)%	(1)
BTC Gain	(79,710)	27,847	NM	(2)	(25,085)	115,956	NM	(2)
BTC $ Gain (in millions, except percentages)	$ (6,660)	$ 3,185	NM	(2)	$ (2,096)	$ 13,263	NM	(2)

(1) Represents the absolute change between the periods presented.

(2) Changes greater than 100% or less than (100)% are denoted as not meaningful (NM).

See "Important Information about KPIs" for additional information.

BTC Yield

Our BTC Yield was (11.9)% and (3.7)% for the three and nine months ended September 30, 2026, respectively, as compared to 6.2% and 25.9% during the same periods in the prior year. BTC Yield decreased in both 2026 periods, primarily due to:

- **Greater use of class A common stock proceeds for purposes other than buying bitcoin.** We increased sales of our class A common stock for purposes other than purchasing bitcoin, including funding our USD Assets, repurchasing Preferred Stock and paying increased Preferred Stock dividend obligations, which increased our Assumed Diluted Shares Outstanding without a corresponding increase in our bitcoin holdings. See "BTC Yield - Change in Assumed Diluted Shares Outstanding" below for additional information.
- **Larger starting bitcoin balance.** We began each 2026 period with larger bitcoin holdings, so the same amount of accretive capital raising to purchase bitcoin produced a smaller percentage increase in BPS (in Sats). See "Important Information about KPIs" for additional information.
- **Lower premium to our underlying bitcoin.** The portion of proceeds we raised from the sale of class A common stock to purchase bitcoin was raised at prices reflecting lower premiums relative to the value of our underlying bitcoin holdings on a per share basis.

Additionally, the following factors contributed to the decrease in BTC Yield during the three months ended September 30, 2026 as compared to the prior quarterly period:

- **Change in mix of capital raising to acquire bitcoin.** We decreased our amount of sales of non-convertible preferred stock used to acquire bitcoin. For information about our Preferred Stock issuances and related bitcoin purchases, see "Capital Markets Activity" and "Bitcoin Activity and Holdings" above.

- **Acquisition of less bitcoin.** We acquired less bitcoin and also sold bitcoin, resulting in a lower net increase in bitcoin holdings. For additional information about the change in our bitcoin holdings, see "Bitcoin Activity and Holdings" and "Important Information about KPIs".

For the nine-month comparison, the above factors driving the decrease in BTC Yield were partially offset by:

- **Change in mix of capital raising to acquire bitcoin.** We increased use of proceeds from issuance of non-convertible preferred stocks to acquire bitcoin. For information about our Preferred Stock sales, see "Capital Markets Activity" and "Bitcoin Activity and Holdings" above.
- **Use of cash assets to reduce Assumed Diluted Shares Outstanding.** Prior to the adoption of our USD Reserve policy, we used a portion of our cash assets held in the USD Reserve to fund repurchases of our 2029 Convertible Notes. See "Change in Assumed Diluted Shares Outstanding" for additional information.

There were no material offsets for the three-month period comparison.

Change in Assumed Diluted Shares Outstanding

The table below presents the change in Assumed Diluted Shares Outstanding during the three- and nine-month periods ended September 30, 2026 and 2025, as well as the proceeds from such issuances.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2026**	**2025**	**2026**	**2025**
Assumed Diluted Shares Outstanding, beginning of period	401,283	314,216	344,897	281,735
Class A Common Stock Issuances	50,298	5,712	108,753	32,562
STRK Stock Issuances	—	140	4	1,361
Convertible Notes Issuances (Repurchases)	—	—	(2,231)	4,614
Equity Incentive Awards, net[(1)]	(4)	(28)	154	(232)
Assumed Diluted Shares Outstanding, end of period	451,577	320,040	451,577	320,040
Proceeds Used to Purchase Bitcoin	$ 588,093	$ 2,225,195	$ 6,738,943	$ 14,804,510
Proceeds Used for other bitcoin treasury purposes[(2)]	4,819,630	127,635	6,909,128	223,719
Total Proceeds Used	$ 5,407,723	$ 2,352,830	$ 13,648,071	$ 15,028,229

(1) Primarily reflects the grant, exercise and forfeiture of equity-based awards in the relevant period.

(2) Such proceeds from the three and nine month periods ended September 30, 2026 were used to fund USD Assets, repurchase Preferred Stock, and pay Preferred Stock dividends and Convertible Note interest, versus primarily to pay Preferred Stock dividends and Convertible Note interest in the prior year periods. See "Capital Markets Activity" and "Liquidity and Capital Resources" for additional information.

BTC Gain

Our BTC Gain was (79,710) and (25,085) for the three and nine months ended September 30, 2026, respectively, as compared to 27,847 and 115,956 during the same periods in the prior year, primarily due to a decrease in our BTC Yield for the three and nine months ended September 30, 2026, as compared to the same periods in the prior year, as set forth above.

BTC $ Gain

Our BTC $ Gain was approximately $(6.66) billion and $(2.10) billion for the three and nine months ended September 30, 2026, respectively, as compared to approximately $3.19 billion and $13.26 billion during the same periods in the prior year, primarily due to a decrease in BTC Gain compared to the same periods in the prior year as set forth above.

Factors Impacting Results

We believe the following key factors have previously had, and may continue to have, material impacts on our financial results and liquidity, and our ability to achieve our business objectives:

- **Bitcoin:**
  - *Bitcoin volatility.* Bitcoin is a highly volatile asset that has traded below $60,000 per bitcoin and above $125,000 per bitcoin on the Coinbase exchange in the 12 months preceding September 30, 2026. Although we continue to initially

record our bitcoin purchases at cost, upon adoption of ASU 2023-08 on January 1,

2025, any subsequent increases or decreases in fair market value are recognized as incurred in the Consolidated Statements of Operations. Due to the volatility of bitcoin, and our substantial holdings, fluctuations in bitcoin price have materially impacted, and we expect will continue to materially impact, our results.

- *Other bitcoin risks.* Holding bitcoin does not generate cash flows and involves custody costs, cybersecurity and counterparty risks, and significant legal, regulatory and technical uncertainty. These risks, including potential loss of our bitcoin holdings or adverse regulatory developments, could materially affect our financial condition, results of operations and liquidity. See Part II, Item 1A. Risk Factors "–Risks Related to Our Bitcoin Strategy and Holdings" of this Quarterly Report for additional information.

- **Capital management:**
  - *Source of capita*l. We rely substantially on the availability of equity and debt capital markets to fund our Preferred Stock dividends, interest expense, and other financial obligations, and to maintain our USD Assets. We may also sell bitcoin pursuant to our BTC Monetization Program (as defined below) to satisfy these obligations. As such, we are subject to risks relating to the availability of capital to us on favorable terms or at all, as well as our ability to sell bitcoin at attractive prices.
  - *Preferred stock dividend payments*. Our outstanding Preferred Stock creates recurring and potentially variable cash obligations that can reduce funds available for operations, product investment, and debt service. Further, any deferred dividends on certain of our Preferred Stock would accrue and compound, including at increasing rates in the case of STRF Stock, while STRC Stock's variable rate can change monthly, introducing further uncertainty to our expected dividend payments.
  - *Interest on our USD Assets*. Cash equivalents and short-term investments held in our USD Assets are generally invested in money market funds and other interest-bearing instruments. Interest income is affected by prevailing market interest rates and the size of our USD Assets; changes in either factor could materially impact our financial results.

- **Tax:**
  - *Deferred taxes.* Since adopting ASU 2023-08 we establish a deferred tax liability if the fair market value of bitcoin at the reporting date exceeds the average cost basis of our bitcoin holdings at such reporting date, and subsequent increases or decreases in the fair market value of bitcoin increase or decrease the deferred tax liability. If the fair market value of our bitcoin as of the end of any reporting period is below its average cost basis as of such date, the deferred tax liability with respect to unrealized gains, if any, would be reversed, a deferred tax asset for the unrealized loss would be recorded, and we may be required to establish a valuation allowance against our U.S. federal and state deferred tax assets. During the three months ended September 30, 2026, the fair value of our bitcoin holdings increased above their average cost basis. This resulted in (i) the elimination of the deferred tax asset related to the previous unrealized loss on our bitcoin holdings, (ii) the release of the valuation allowance against the U.S. federal and state deferred tax assets, and (iii) the recognition of a net deferred tax liability related to our bitcoin holdings and a deferred tax asset related to capital losses from sales of bitcoin as of September 30, 2026. See Note 8, "Income Taxes", to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report for additional information.
  - *Legal and regulatory developments*.
    - *CAMT:* On September 30, 2025, the Department of Treasury (the "Treasury") and the Internal Revenue Service (the "IRS") issued interim guidance ("Interim Guidance") which, in relevant part, clarifies that a corporation may disregard unrealized gains and losses on its digital asset holdings when computing average annual adjusted financial statement income ("AFSI") for purposes of determining whether it is subject to the 15% corporate alternative minimum tax ("CAMT") under the Inflation Reduction Act of 2022 (the "IRA"). As previously disclosed, we do not expect to become subject to CAMT due to unrealized gains on our bitcoin holdings, if any. However, if the Interim Guidance is revoked or if the proposed or final regulations, when published or adopted, do not provide appropriate relief, we could become subject to the CAMT in the future. See Part II, Item 1A. Risk Factors "–Risks Related to our Business in General–We may have exposure to greater than anticipated tax liabilities" for additional information.
    - *OBBBA:* On July 4, 2025, the One Big Beautiful Bill Act was enacted in the U.S., introducing several changes to corporate taxation. These changes include modifications to capitalization of

research and development expenses, limitations on deductions for interest expense, accelerated fixed asset depreciation, and adjustments to the international tax framework. The legislation did not have a material impact to our income tax expense or effective tax rate for the three or nine months ended September 30, 2026.

- **Software:**
  - *On-premise to cloud subscription.* During the three and nine months ended September 30, 2026, we continued to migrate existing customers from on-premise perpetual licenses to cloud-based subscription offerings. This transition has resulted, and is expected to continue to result, in changes to payment patterns and revenue recognition, with a shift from upfront recognition to ratable recognition over the contract term, which has affected and may continue to affect our reported revenue, operating results, and cash flows. We expect product license revenue and related product support revenue to continue to decline in future periods, as we no longer actively market new perpetual licenses or associated product support offerings.
  - *Deferred revenue and advance payments.* Deferred revenue and advance payments represent amounts received or due from our customers before we transfer our software or services to the customer. For multi-year service contract arrangements, we generally invoice no more than one year in advance of services and record deferred revenue only for invoiced amounts. Revenue is subsequently recognized in the period(s) in which control of the software or services is transferred to the customer. The portions of multi-year contracts that will be invoiced in the future are not presented on the Consolidated Balance Sheets in "Accounts receivable, net" and "Deferred revenue and advance payments" and instead are included in the remaining performance obligation disclosure in Results of Operations below.

See Part II, Item 1A of this Quarterly Report for information regarding risks relating to our bitcoin holdings and strategy, bitcoin generally, our securities and capital markets activities, our software business and operations, and other important risk factors, the materialization of any of which could materially impact our results and liquidity.

Results of Operations

We began presenting Software and Bitcoin as two reportable operating segments in the second quarter of 2026. The discussion below addresses both our consolidated results and, where useful to explain material drivers, segment-level results. See Note 13, "Segment Information", to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report.

Consolidated Overview

The following table sets forth our revenue and net income (loss) by reportable segment for the periods indicated:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	2026	2025	Change	2026	2025	Change
Revenues						
Software	$ 125,427	$ 128,691	$ (3,264)	$ 372,095	$ 354,245	$ 17,850
Bitcoin	—	—	—	—	—	—
Total revenues	$ 125,427	$ 128,691	$ (3,264)	$ 372,095	$ 354,245	$ 17,850
Net income (loss)						
Software	$ 519,308	$ 34,174	$ 485,134	$ 33,591	$ 82,740	$ (49,149)
Bitcoin	19,013,664	2,750,850	16,262,814	(1,262,917)	8,505,760	(9,768,677)
Total net income (loss)	$ 19,532,972	$ 2,785,024	$ 16,747,948	$ (1,229,326)	$ 8,588,500	$ (9,817,826)

Total revenues were $125.4 million and $372.1 million for the three and nine months ended September 30, 2026, respectively, compared to $128.7 million and $354.2 million, respectively, for the same periods in the prior year. All of our revenues in each period presented were generated by our Software segment. For a discussion of the drivers of the changes in our revenues, see "Software Segment" below.

We recognized net income of $19.53 billion and net loss of $1.23 billion for the three and nine months ended September 30, 2026, respectively, compared to net income of $2.79 billion and $8.59 billion for the same periods in the prior year. The changes were primarily attributable to gains or losses on digital assets resulting from the volatility and change in the

market price of bitcoin during the 2026 periods, compared to gains on digital assets recognized during the comparable periods in the prior year.

Bitcoin Segment

The following table sets forth the results of operations of our Bitcoin segment for the periods indicated:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	2026	2025	Change	2026	2025	Change
Total revenues	$ —	$ —	$ —	$ —	$ —	$ —
Significant expenses						
Controllable						
Sales and marketing	(133)	(93)	(40)	(1,095)	(1,789)	694
General and administrative	(8,439)	(4,233)	(4,206)	(28,948)	(16,361)	(12,587)
Total controllable expenses	(8,572)	(4,326)	(4,246)	(30,043)	(18,150)	(11,893)
Non-Controllable						
Gain (loss) on digital assets	20,912,392	3,890,847	17,021,545	(1,858,452)	12,032,356	(13,890,808)
Digital asset custody fees	(4,620)	(5,342)	722	(12,769)	(14,346)	1,577
Share-based compensation expense	(4,148)	(4,651)	503	(12,707)	(11,007)	(1,700)
Payroll taxes on equity award exercises and vestings	(2)	(739)	737	(502)	(833)	331
Total non-controllable expenses	20,903,622	3,880,115	17,023,507	(1,884,430)	12,006,170	(13,890,600)
Total significant expenses	20,895,050	3,875,789	17,019,261	(1,914,473)	11,988,020	(13,902,493)
Other segment items	433	—	433	1,415	—	1,415
Interest income	46,398	—	46,398	78,714	—	78,714
Interest expense	(15,371)	(18,999)	3,628	(47,283)	(54,176)	6,893
Gain on debt extinguishment	—	—	—	113,916	—	113,916
Income tax (expense) benefit	(1,912,846)	(1,105,940)	(806,906)	504,794	(3,428,084)	3,932,878
Net income (loss)	$ 19,013,664	$ 2,750,850	$ 16,262,814	$ (1,262,917)	$ 8,505,760	$ (9,768,677)

Our Bitcoin segment had net income of $19.01 billion and net loss of $1.26 billion for the three and nine months ended September 30, 2026, respectively. Segment net income (loss) increased by $16.26 billion for the three months ended September 30, 2026 and decreased by $9.77 billion for the nine months ended September 30, 2026, as compared to the same periods in the prior year, primarily due to a higher gain on digital assets for the three-month period resulting from an increase in the market price of bitcoin during the quarter, and a loss on digital assets for the nine-month period resulting from the volatility and decrease in the market price of bitcoin during the period, as compared to gains on digital assets recognized in the prior year periods.

We recognized a gain on digital assets of approximately $20.91 billion and a loss on digital assets of approximately $1.86 billion for the three and nine months ended September 30, 2026, respectively. We recognized a gain on digital assets of

approximately $3.89 billion and $12.03 billion for the three and nine months ended September 30, 2025, respectively. See "Factors Impacting Results—Bitcoin" above for additional information.

Software Segment

The following table sets forth the results of operations of our Software segment for the periods indicated:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	2026	2025	Change	2026	2025	Change
Revenues:						
Product licenses	$ 3,829	$ 17,373	$ (13,544)	$ 12,997	$ 31,820	$ (18,823)
Subscription services	68,590	45,972	22,618	190,327	123,899	66,428
Product support	37,681	51,118	(13,437)	122,116	155,728	(33,612)
Other services	15,327	14,228	1,099	46,655	42,798	3,857
Total revenues	125,427	128,691	(3,264)	372,095	354,245	17,850
Significant expenses						
Controllable						
Sales and marketing	(27,426)	(24,656)	(2,770)	(87,989)	(74,540)	(13,449)
Maintenance	(4,993)	(6,971)	1,978	(16,563)	(20,705)	4,142
Consulting	(10,982)	(11,115)	133	(34,140)	(34,825)	685
Cloud	(19,478)	(19,172)	(306)	(65,100)	(49,774)	(15,326)
Technology	(23,085)	(20,945)	(2,140)	(67,390)	(67,244)	(146)
General and administrative	(14,467)	(18,194)	3,727	(44,465)	(53,265)	8,800
Total controllable expenses	(100,431)	(101,053)	622	(315,647)	(300,353)	(15,294)
Non-Controllable						
Share-based compensation expense	(9,031)	(10,832)	1,801	(27,913)	(32,037)	4,124
Payroll taxes on equity award exercises and vestings	(70)	(765)	695	(1,626)	(5,426)	3,800
Total non-controllable expenses	(9,101)	(11,597)	2,496	(29,539)	(37,463)	7,924
Total significant expenses	(109,532)	(112,650)	3,118	(345,186)	(337,816)	(7,370)
Other segment items	(765)	(1,704)	939	(1,277)	(15,952)	14,675
Interest income	652	121	531	813	313	500
Interest expense	(9)	(12)	3	—	(30)	30
Income tax benefit	503,535	19,728	483,807	7,146	81,980	(74,834)
Net income	$ 519,308	$ 34,174	$ 485,134	$ 33,591	$ 82,740	$ (49,149)

Our Software segment had net income of $519.3 million and $33.6 million for the three and nine months ended September 30, 2026, respectively, representing an increase of $485.1 million and a decrease of $49.1 million as compared to the same periods in the prior year. The following discussion presents the components of our Software segment results of operations.

Revenues

Total Software segment revenues were $125.4 million and $372.1 million for the three and nine months ended September 30, 2026, respectively, a decrease of $3.3 million and an increase of $17.9 million as compared to the same periods in the prior year. The changes in both periods reflected growth in subscription services revenues and declines in product support and product licenses revenues. The growth in subscription services revenues and decline in product support revenues reflect the continued migration of our on-premises customers to our Cloud subscription services offerings. The changes in subscription services, product support, and product licenses revenues were as follows:

- **Subscription services revenues**. Subscription services revenues are derived from our Cloud subscription service and are recognized ratably over the service period in the contract. Subscription services revenues increased by $22.6 million and $66.4 million for the three and nine months ended September 30, 2026, respectively, as compared to the same periods in the prior year, primarily due to conversions to cloud-based subscriptions from existing on-premises customers, a net increase in the use of subscription services by existing customers, and sales contracts with new customers.
- **Product support revenues**. Product support revenues are derived from providing technical software support and software updates and upgrades to customers. Product support revenues are recognized ratably over the term of the contract, which is

generally one year. Product support revenues decreased by $13.4 million and $33.6 million for the three and nine months ended September 30, 2026, respectively, as compared to the same

periods in the prior year, primarily due to existing customers converting from on-premises product licenses with support contracts to our Cloud subscription services offerings and non-renewals of existing support contracts.

- **Product licenses revenues.** Product license revenues are derived from fees earned for licensing our business intelligence software to customers on a term or perpetual basis. Product license revenue is recognized at the point when control of the license is transferred to the customer. Product licenses revenues decreased by $13.5 million and $18.8 million for the three and nine months ended September 30, 2026, respectively, as compared to the same periods in the prior year, primarily due to the non-recurrence of product licenses revenues recognized in the prior-year period related to a customer settlement and the continued migration of customers to our Cloud subscription services offerings.

Expenses

Total significant expenses were $109.5 million and $345.2 million for the three and nine months ended September 30, 2026, respectively, a decrease of $3.1 million and an increase of $7.4 million as compared to the same periods in the prior year. These changes were primarily driven by higher sales and marketing expenses in the three and nine month periods ended September 30, 2026 and cloud expenses in the nine month period ended September 30, 2026, partially offset by change in general and administrative expenses in the three and nine month periods ended September 30, 2026 due to changes in segment cost allocations. The changes in sales and marketing and cloud expenses were as follows:

- **Sales and marketing expenses**. Sales and marketing expenses consist of personnel costs, commissions, and costs related to promotional events, advertising and other sales and marketing related third-party expenses. Sales and marketing expenses increased by $2.8 million and $13.4 million for the three and nine months ended September 30, 2026, respectively, as compared to the same periods in the prior year. The increase for the three months ended September 30, 2026 was primarily driven by higher personnel costs. The increase for the nine months ended September 30, 2026 was primarily driven by higher personnel costs, as well as increased third-party marketing expenses.
- **Cloud expenses**. Cloud expenses consist primarily of personnel and cloud infrastructure costs. Cloud expenses increased by $0.3 million and $15.3 million for the three and nine months ended September 30, 2026, respectively, as compared to the same periods in the prior year. The increase for the three and nine-month periods was primarily driven by higher cloud infrastructure costs, partially offset by lower personnel expenses.

Deferred Revenue and Advance Payments

Deferred revenue and advance payments represent amounts received or due from our customers in advance of our transferring our software or services to the customer. In the case of multi-year service contract arrangements, we generally do not invoice more than one year in advance of services and do not record deferred revenue for amounts that have not been invoiced. Revenue is subsequently recognized in the period(s) in which control of the software or services is transferred to the customer.

Total deferred revenue and advance payments. Total deferred revenue and advance payments decreased by $68.1 million as of September 30, 2026, compared to December 31, 2025, primarily due to a decrease in deferred subscriptions services revenue and product support revenue due to the timing of renewals and increased conversions from on-premises to subscription services contracts. Total deferred revenue and advance payments increased by $5.3 million as of September 30, 2026 compared to September 30, 2025, primarily due to (i) an increase in deferred revenue from new subscription services contracts, partially offset by (ii) a decrease in deferred product support revenue from existing customers migrating from on-premises to subscription services contracts.

Current deferred revenue and advance payments decreased by $65.4 million and increased by $6.1 million as of September 30, 2026, compared to December 31, 2025, and September 30, 2025, respectively. Non-current deferred revenue and advance payments decreased by $2.7 million and $0.8 million as of September 30, 2026, compared to December 31, 2025 and September 30, 2025, respectively.

Remaining performance obligation. Our remaining performance obligation represents contracted future revenue, including deferred revenue, advance payments, and non-cancellable billable amounts that will be invoiced and recognized in future periods. As of September 30, 2026, our remaining performance obligation was $576.6 million of which approximately $334.2 million is expected to be recognized as revenue over the next 12 months. The timing of revenue recognition may vary depending on our satisfaction of related performance obligations, and the amount of deferred revenue, advance payments, and remaining performance obligations at any date may not be indicative of future revenues.

Consolidated Items

The following items are discussed on a consolidated basis.

Interest Income

For the three and nine months ended September 30, 2026, interest income of $47.1 million and $79.5 million was primarily due to interest earned on the cash and cash equivalents and short-term investments held in our USD Assets, which we began building following the establishment of the USD Reserve in December 2025 and which totaled $5.80 billion as of September 30, 2026.

Interest Expense

For the three and nine months ended September 30, 2026, interest expense of $15.4 million and $47.3 million, respectively, compared to $19.0 million and $54.2 million for the same periods in the prior year. Interest expense consisted primarily of contractual interest and amortization of issuance costs on our Convertible Notes. Contractual interest was unchanged from the prior year, while amortization of issuance costs decreased, primarily as a result of our repurchase of $1.50 billion aggregate principal amount of our 2029 Convertible Notes in May 2026.

Other Income (Expense), Net

For the three and nine months ended September 30, 2026, other income, net, of $0.8 million and $4.2 million was comprised primarily of foreign currency transaction net gains. For the three and nine months ended September 30, 2025, other expense net, of $0.7 million and $12.9 million was comprised primarily of foreign currency transaction net losses.

Income Taxes

We recorded a benefit from income taxes of $0.51 billion on a pretax loss of $1.74 billion that resulted in an effective tax rate of 29.4% for the nine months ended September 30, 2026, as compared to a provision for income taxes of $3.35 billion on pretax income of $11.93 billion that resulted in an effective tax rate of 28.0% for the nine months ended September 30, 2025. During the nine months ended September 30, 2026 and 2025, our benefit from (provision for) income taxes primarily related to the tax effects of changes in the fair value of our bitcoin holdings.

During the three months ended September 30, 2026, the fair value of our bitcoin holdings increased above their average cost basis. This resulted in (i) the elimination of the deferred tax asset related to the previous unrealized loss on our bitcoin holdings, (ii) the release of the $4.60 billion valuation allowance established during the six months ended June 30, 2026 against our U.S. federal and state deferred tax assets, and (iii) the recognition of a net deferred tax liability related to our bitcoin holdings as of September 30, 2026. As of September 30, 2026, we recorded (i) a deferred tax liability of $1.98 billion related to the unrealized gain on our bitcoin holdings and (ii) a deferred tax asset of $91.5 million related to capital losses from sales of bitcoin. If, in future periods, the fair value of bitcoin declines below the average cost basis of our bitcoin holdings, we would record a deferred tax asset for the unrealized loss and may be required to establish a valuation allowance against our U.S. federal and state deferred tax assets. We will continue to regularly assess the realizability of deferred tax assets.

Our effective tax rate may fluctuate due to changes in our domestic and foreign earnings and losses, material discrete tax items, or a combination of these factors resulting from transactions or events.

See “Factors Impacting Results – Tax” for a discussion of tax factors which may or have had, and may continue to have, a significant impact on our results.

Employees

As of September 30, 2026, we had a total of 1,513 employees, of whom 413 were based in the United States and 1,100 were based internationally.

Liquidity and Capital Resources

We manage our liquidity and capital resources on a consolidated basis across both of our reportable segments. Our Software segment generates the recurring operating cash flows that fund its day-to-day operations, while our capital markets activities, our bitcoin holdings, and our USD Assets are the principal sources of capital supporting our Bitcoin segment and preferred stock dividend payments and our indebtedness obligations. Accordingly, the following discussion of liquidity and capital resources is presented on a consolidated basis.

Liquidity

Sources of Liquidity

We evaluate all available sources of liquidity and determine which source or combination of sources to use based on our liquidity needs, market conditions, and our subjective assessment of the relative attractiveness of available alternatives, including our equity securities, debt securities, cash reserves, bitcoin and accounts receivable.

Our sources of liquidity include:

- **Cash and cash equivalents and short-term investments.** Cash and cash equivalents and short-term investments may include holdings in bank demand deposits, money market instruments, certificates of deposit, and U.S. Treasury securities. As of September 30, 2026 and December 31, 2025, the amount of cash and cash equivalents and short-term investments held by our U.S. entities was $5.86 billion and $2.25 billion, respectively, and by our non-U.S. entities was $41.8 million and $50.0 million, respectively. We earn a significant amount of our revenues outside the United States. We did not repatriate any foreign earnings and profits during the three and nine months ended September 30, 2026 and 2025. Integral to our cash and cash equivalents and short-term investments are our USD Assets. See "—Digital Credit Capital Framework" and "—Availability of the USD Assets for Liquidity," below for additional information.
- **Bitcoin.** As of September 30, 2026 and December 31, 2025, we held approximately 847,666 and 672,500 bitcoins, respectively, all of which were unencumbered as of such dates. As of October 25, 2026, we held approximately 848,517 bitcoins, which had an aggregate market value of $68.27 billion (based on the market price of $80,456 of one bitcoin as reported on the Coinbase exchange as of October 25, 2026, 4:00 p.m. Eastern Time). Our bitcoin holdings are less liquid than our existing cash and cash equivalents and short-term investments and may not be able to serve as a source of liquidity for us to the same extent as cash and cash equivalents. See “Availability of Bitcoin for Liquidity” below.
- **ATM.** Under our ATM, we may from time to time through the Agents issue and sell shares of STRF Stock, STRC Stock, STRK Stock, STRD Stock, class A common stock and any additional series of preferred stock as may be designated by us from time to time in the future. See "Capital Markets Activity" above for additional information regarding our ATM, including our activity for the three and nine months ended September 30, 2026 and 2025 and the period from October 1, 2026 to October 25, 2026, as well as our ATM capacities as of September 30, 2026. We intend to use proceeds from sales of our securities under our ATM to acquire bitcoin in a manner we believe to be accretive to our class A common stockholders. We may also use proceeds from sales of our securities to fund liquidity needs, including dividends on our Preferred Stock, interest on our outstanding indebtedness, to repurchase, repay or redeem Convertible Notes, to repurchase our securities, to fund our USD Assets or for other corporate purposes if we determine doing so is more favorable than utilizing our other sources of liquidity for such purposes.
- **Accounts receivable.** The primary sources of cash provided by software operating activities are cash collections of our accounts receivable from customers following the sales and renewals of our product licenses, subscription services and product support, as well as consulting and education services. As of September 30, 2026 and December 31, 2025, our accounts receivable, net of allowance for credit losses was $129.9 million and $205.7 million, respectively. See “Cash Flows” below for a discussion of our accounts receivable.

Liquidity Needs

As of September 30, 2026, our short-term and long-term liquidity needs include the following:

- **Short-term Liquidity.** Our short-term liquidity needs include working capital requirements, anticipated capital expenditures, expected dividend payments on our STRF Stock, STRC Stock, STRE Stock, and STRD Stock, expected dividend payments on our STRK Stock to the extent that we do not pay such dividends in the form of shares of our class A common stock, near-term payments due prior to and upon delivery of our new corporate aircraft, interest payments on our Outstanding Convertible Notes, potential cash payments in connection with the exercise of holders’ repurchase rights under our 2028 Convertible Notes, which become exercisable on September 15, 2027, various purchase agreements primarily related to third-party cloud hosting services and third-party software supporting our products, marketing, and operations and contractual obligations due within the next twelve months.
- **Long-Term Liquidity.** Beyond the next 12 months, our long-term cash needs are primarily for obligations related to our long-term debt and for expected dividend payments on our Preferred Stock. We also have long-term cash requirements for needs related to our operating leases and various purchase agreements primarily related to third-party cloud hosting services and third-party software supporting our products, marketing, and operations.

For further details regarding certain of our short-term and long-term liquidity needs, see "Contractual and Other Obligations" below.

Maturities and Holder Repurchase Rights

The Convertible Notes have scheduled maturity dates and become subject to holder put option rights as follows:

Convertible Notes	Outstanding Principal Amount as of September 30, 2026 (in thousands)	Maturity Date	Put Option Date (1)
2028 Convertible Notes	$ 1,010,000	September 15, 2028	September 15, 2027
2029 Convertible Notes	$ 1,500,000	December 1, 2029	June 1, 2028
2030A Convertible Notes	$ 800,000	March 15, 2030	September 15, 2028
2030B Convertible Notes	$ 2,000,000	March 1, 2030	March 1, 2028
2031 Convertible Notes	$ 603,659	March 15, 2031	September 15, 2028
2032 Convertible Notes	$ 800,000	June 15, 2032	June 15, 2029

(1) Holders of the Convertible Notes may require us to repurchase for cash all or a portion of the Convertible Notes at 100% of principal plus accrued and unpaid interest on the dates indicated.

Conversion of Convertible Notes. If the conditional conversion features of the Convertible Notes are triggered and holders of our Convertible Notes elect to convert their Convertible Notes, we may elect to settle the conversions of such Convertible Notes in shares of our class A common stock, or a combination of cash and shares of class A common stock, rather than in all cash, which may enable us to reduce the amount of our cash obligations under the Convertible Notes. None of our Convertible Notes were convertible at the option of holders during the three and nine months ended September 30, 2026.

Satisfying Liquidity Needs

We do not expect cash and cash equivalents generated by our software operations to be sufficient to satisfy our short-term or long-term liquidity needs. However, we expect to be able to satisfy such needs through one or more available sources, including cash and cash equivalents and short-term investments we hold in the USD Assets, proceeds from the sale of bitcoin, proceeds from our ATM and proceeds from additional equity or debt financings.

We expect to determine which source of liquidity or combination of sources of liquidity to use from time to time based on our liquidity needs and our subjective assessment of the relative attractiveness of available alternatives, including market conditions, the trading prices and liquidity of our class A common stock and Preferred Stock, the market price and liquidity of bitcoin, the availability and cost of debt financing, availability of our cash reserves, dilution, tax considerations, timing, execution considerations, and other factors we consider relevant.

We may sell bitcoin to satisfy our short-term or long-term liquidity needs, and we may do so even when other sources of liquidity are available to us, if we determine that selling bitcoin is more favorable than utilizing those other sources of liquidity. See "Availability of Bitcoin for Liquidity" below.

Digital Credit Capital Framework

In June 2026, our board of directors adopted a capital management framework, which we refer to as our "Digital Credit Capital Framework," designed to strengthen our Preferred Stock, enhance liquidity, preserve long-term bitcoin exposure, and support long-term value creation for our stockholders. In August 2026, we added USD Cash as a sixth component of the framework. The Digital Credit Capital Framework consists of the following components:

- **USD Reserve Policy**. We established the USD Reserve in December 2025. Our board-approved USD Reserve policy, adopted in June 2026, provides that the USD Reserve may be used only to support the payment of dividends on our Preferred Stock and interest expense on our outstanding indebtedness, and requires us to maintain a minimum USD Reserve equal to at least 12 months of our then-current expected annual Preferred Stock dividend payments and interest expense. Any other use of the USD Reserve, and any reduction of the USD Reserve below that minimum, requires board authorization.
- **STRC Dividend Rate Policy**. We evaluate the STRC Stock dividend rate monthly based on a range of factors, including STRC Stock trading levels, market yields, credit spreads, the price and volatility of bitcoin, USD Reserve coverage, capital market conditions, and our overall capital structure. Dividend rate adjustments are one of several tools available to us to encourage STRC Stock to trade over time near its targeted range of

approximately $99 to $100 per share, along with USD Reserve management, sales of bitcoin, repurchases of STRC Stock and other capital allocation actions. We will not necessarily increase the STRC Stock dividend rate solely because STRC Stock trades below its $100 per share stated amount, and management does not intend to recommend to our board of directors a change from the current 12.00% per annum dividend rate until STRC Stock demonstrates sustained trading at or near its $100 stated amount. Our current policy is also not to issue STRC Stock at prices below its $100 stated amount per share. STRC Stock may trade, including significantly, outside of its targeted range, and STRC Stock dividends and any dividend rate changes remain subject to declaration by our board of directors or an authorized committee thereof and are not guaranteed.

- **Preferred Stock Repurchase Program**. As of the date of this Quarterly Report, our board of directors has authorized the repurchase of up to $3.0 billion aggregate purchase price of our outstanding Preferred Stock, reflecting a $2.0 billion increase to the program's initial $1.0 billion authorization. We currently expect STRC Stock to be the priority under the program if management determines that repurchases are accretive and would strengthen our capital structure. Repurchases may be made through open-market purchases, block trades, privately negotiated transactions, tender offers, exchange offers, or other legally permissible means. We expect to fund repurchases from sources other than the USD Reserve, which may include proceeds from sales of class A common stock or Preferred Stock under our ATM, USD Cash and, depending on market conditions, sales of bitcoin.
- **Class A Common Stock Repurchase Program**. Our board of directors has authorized the repurchase of up to $1.0 billion aggregate purchase price of our class A common stock, which may be made through the means described above or through accelerated share repurchase transactions. Repurchases of class A common stock may be funded in the same manner, and are subject to the same limitations, as repurchases of our Preferred Stock.
- **BTC Monetization Program**. Our board of directors has authorized us to sell bitcoin from time to time under our BTC monetization program (the "BTC Monetization Program") (i) to generate up to $1.25 billion of proceeds to fund the USD Reserve; (ii) to fund Preferred Stock dividends and interest expense as they become payable, or to replenish the USD Reserve after such payments, when management determines that doing so is more advantageous than issuing class A common stock or pursuing other capital markets transactions; and (iii) to fund repurchases of Preferred Stock or class A common stock, including related taxes, fees, and transaction expenses, under the repurchase programs described above. Any bitcoin monetization outside these purposes or in excess of these authorizations would require further board authorization. As of October 25, 2026, we had not sold any bitcoin under the $1.25 billion USD Reserve-building component of the BTC Monetization Program.
- **USD Cash**. In August 2026, we established USD Cash, a management-designated pool of U.S. dollar liquidity held separately from the USD Reserve and maintained for broader Bitcoin Treasury Company purposes, which may include acquiring bitcoin, expanding the USD Reserve, and other capital management activities. Unlike the USD Reserve, USD Cash is not subject to the use restrictions or minimum balance requirements of our USD Reserve policy, and we may increase, reduce or redeploy amounts designated as USD Cash from time to time based on market conditions, liquidity needs and other factors. We have funded USD Cash primarily with proceeds from sales of class A common stock under our ATM.

Neither repurchase program nor the BTC Monetization Program has a fixed expiration date, and each may be modified, suspended or terminated at any time and does not obligate us to repurchase any particular amount of securities, sell any bitcoin, or fund any dividend or interest payment through sales of bitcoin. The timing, amount and manner of any repurchases or bitcoin sales will depend on market conditions, trading prices, liquidity, tax and accounting considerations, applicable legal requirements, available capital, and management's assessment of long-term stockholder value. Repurchases of our Preferred Stock and class A common stock may be subject to the 1% excise tax on certain net stock repurchases imposed under the IRA. The policies described above reflect our current intent only and may be changed or discontinued at any time without notice. See "—Availability of the USD Assets for Liquidity" below for information regarding our USD Reserve and USD Cash balances and "Capital Markets Activity—Equity Repurchase Programs" above for information regarding our repurchase activity.

Availability of the USD Assets for Liquidity

As of September 30, 2026 and October 25, 2026, our USD Reserve totaled $4.88 billion and $4.83 billion, respectively. As of September 30, 2026 and October 25, 2026, our USD Cash totaled $0.92 billion and $0.24 billion, respectively. Both October 25, 2026 balances include expected cash proceeds from shares sold under our ATMs that had not yet settled as of such date. As of September 30, 2026 and October 25, 2026, our current expected annual Preferred Stock dividend payments and Convertible Note interest expense were approximately $1.59 billion and $1.51 billion, respectively, and our USD Assets represented approximately 43 months and 40 months, respectively, of such expected payments. The foregoing expected annual dividend payments assume declaration in full of Preferred Stock dividends and, in the case of STRC Stock, a dividend rate of 12.00% per annum.

We intend to maintain the board-required total Preferred Stock dividend and Convertible Note interest expense liquidity coverage for the USD Reserve through a combination of sales under our ATMs and through sales of bitcoin under the board-authorized BTC Monetization Program, as described above. To date, we have funded our USD Reserve by using the proceeds of the sale of class A common stock under our ATM and sales of bitcoin and USD Cash by using proceeds of the sale of class A common stock under our ATM. We may in the future use other sources of liquidity, including proceeds from sales of preferred stock under our ATM or from further sales of bitcoin (including under our BTC Monetization Program), to fund our USD Assets and, may use USD Cash to fund our USD Reserve. Our ability to maintain the USD Reserve at current levels and fund USD Cash is subject to market conditions and other factors outside of our control, including our ability to obtain equity financing in a timely manner, on favorable terms, or at all, and the availability of our bitcoin as a source of liquidity. See "Risks Related to Our Business in General — A significant decrease in the fair market value of our bitcoin holdings could adversely affect our ability to satisfy our financial obligations or liquidity needs" in Part II, Item 1A, Risk Factors of this Quarterly Report for additional information.

Our USD Assets are maintained within our general treasury and cash management framework and, except for cash in transit, is held in a segregated account or accounts. The USD Reserve is not subject to any contractual mandate or lien requiring that it be maintained for the payment of dividends or interest, or for any other specified purpose. However, the USD Reserve is subject to the board-approved policy described above, which restricts its permitted uses and requires us to maintain a minimum balance, and requires board authorization for any use outside those permitted purposes, or any reduction below that minimum balance. Subject to that policy, we may increase, reduce, adjust, or reallocate amounts designated as part of the USD Reserve from time to time based on market conditions, liquidity needs, risk considerations, and other factors. To optimize our cash management, subject to board approval, we may also deploy assets designated as part of the USD Reserve into USD-denominated and/or USD-referenced assets, including instruments that do not constitute cash or cash equivalents or short-term investments in U.S. government securities.

Availability of Bitcoin for Liquidity

Our bitcoin holdings are less liquid than our cash and cash equivalents and may not be able to serve as a source of liquidity for us to the same extent as cash and cash equivalents.

The bitcoin market historically has been characterized by significant volatility in its price, limited liquidity and trading volumes compared to sovereign currency markets, relative anonymity, a developing regulatory landscape, susceptibility to market abuse and manipulation, compliance and internal control failures at exchanges, and various other risks inherent in its entirely electronic, virtual form and decentralized network. During times of instability in the bitcoin market, we may not be able to sell our bitcoins at reasonable prices or at all. In addition, upon sale of our bitcoin, we may incur additional taxes related to any realized gains or we may incur capital losses as to which the tax deduction may be limited. See "Risks Related to Our Bitcoin Strategy and Holdings—Our bitcoin holdings are less liquid than our existing cash and cash equivalents and may not be able to serve as a source of liquidity for us to the same extent as cash and cash equivalents" in Part II, Item 1A, Risk Factors in this Quarterly Report for additional information.

Availability of Equity and Debt Financing for Liquidity

Our ability to obtain equity and debt financing is subject to market conditions and other factors outside of our control, and we may not be able to obtain equity or debt financing in a timely manner, on favorable terms, or at all. See "Risks Related to Our Business in General— A significant decrease in the fair market value of our bitcoin holdings could adversely affect our ability to satisfy our financial obligations or liquidity needs" in Part II, Item 1A, Risk Factors of this Quarterly Report for additional information.

Our ability to issue preferred stock and obtain debt financing, on terms we consider favorable, or at all, may also be affected in part by our corporate credit rating. On October 27, 2025, S&P Global Ratings assigned us a corporate credit rating of B-. S&P Global Ratings affirmed this rating in December 2025 following our establishment of the USD Reserve. This credit rating is not a recommendation by the rating agency to buy, sell, or hold our securities, is subject to revision or withdrawal at any time by the rating agency and should be evaluated independently of any other credit rating we may receive.

S&P Global Ratings and other credit rating agencies review their ratings periodically, and there is no guarantee our current corporate credit rating will remain the same as described above. If our corporate credit rating were to be lowered, or if we were to be assigned lower corporate credit ratings by other rating agencies, or if any of our securities were to be assigned lower credit ratings, our ability to access the preferred stock and debt markets, our cost of funds, and other terms for new issuances of preferred stock or debt could be adversely impacted.

See "Capital Markets Activity" above for information regarding our offerings of class A common stock and Preferred Stock, our repurchases of Preferred Stock and class A common stock, and our debt offerings and repurchases.

Contractual and Other Obligations

Our material contractual obligations and cash requirements as of September 30, 2026 consist of:

- principal and interest payments related to our long-term debt, which includes:
  - Principal due upon maturity of our long-term debt instruments in the aggregate of $6.75 billion ($1.05 billion of which is classified as current-portion of long-term debt on our Consolidated Balance Sheets) ;
  - $17.3 million in aggregate coupon interest due each semi-annual period for the Outstanding Convertible Notes; and
  - $0.3 million due monthly in principal and interest related to our other long-term secured debt.
- payments under various purchase agreements, primarily related to third-party cloud hosting services and third-party software supporting our products, marketing, and operations, and a new corporate aircraft;
- rent payments under noncancellable operating leases;
- declared regular dividends, if any, on our Preferred Stock (in each case, to the extent declared by our board of directors or a duly authorized committee thereof). For additional information about our Preferred Stock outstanding as of September 30, 2026 and the dividends declared and paid during the three and nine months ended September 30, 2026, see “Preferred Stock” below.
- ongoing personnel-related expenditures and vendor payments.

See Note 6, "Long-term Debt," Note 10, "Redeemable Preferred Stock" and Note 15, "Subsequent Events", to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report, as well as “Liquidity and Capital Resources” above, for additional information.

Preferred Stock

The following table sets forth the outstanding shares, notional values, and dividend rates for the Preferred Stock as of September 30, 2026:

Preferred Stock	Shares Outstanding (in thousands)	Notional Value (in thousands)	Dividend Rate
STRF Stock	12,840	$ 1,283,969	10.00%
STRC Stock	90,965	$ 9,096,453	12.00%
STRE Stock	7,750	€ 775,000	10.00%
STRK Stock	14,021	$ 1,402,074	8.00%
STRD Stock	14,024	$ 1,402,422	10.00 %

See "Capital Markets Activity" above for information regarding our repurchase of STRC Stock from October 1, 2026 to October 25, 2026. After giving effect to the repurchases of STRC Stock as of October 25, 2026 (including repurchases executed but not yet settled as of such date), there were approximately 83.9 million shares of STRC Stock outstanding having a total aggregate notional value of $8.39 billion.

See Note 10, "Redeemable Preferred Stock" and Note 15, "Subsequent Events", to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report for additional information about the terms of our Preferred Stock.

The following table sets forth the aggregate cash dividends paid for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2026	2025	2026	2025
STRF Stock	$ 32,099	$ 29,182	$ 96,298	$ 54,704
STRC Stock	301,874	45,751	696,169	45,751
STRE Stock (1)	22,048	—	66,525	—
STRK Stock	28,041	27,212	84,124	59,831
STRD Stock	35,061	37,636	105,182	37,636
Total Cash Dividends Paid	$ 419,123	$ 139,781	$ 1,048,298	$ 197,922

(1) Reflects the Euro to USD exchange rate in effect at the time of the applicable STRE Stock dividend payment.

On October 29, 2026, we filed amended and restated certificates of designations with the Secretary of State of the State of Delaware to effectuate the Dividend Amendments. See Note 15, "Subsequent Events", to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report, for additional information. The first daily dividend record date for STRC Stock was November 1, 2026, and we expect the first daily dividend record date for STRF Stock, STRK Stock and STRD Stock to be January 1, 2027. As of the date hereof, we expect the STRC Stock dividends with record dates occurring in the month of November 2026 to be characterized as non-taxable returns of capital to the extent of a stockholder's tax basis in its STRC Stock for U.S. federal income tax purposes. See "Capital Markets Activity" above for additional information on our equity issuances and repurchases from October 1, 2026 to October 25, 2026. Other than such repurchases of STRC Stock, and associated changes in our dividend obligations, there have been no changes to our material contractual obligations and cash requirements since September 30, 2026.

Cash Flows

The following table sets forth a summary of our cash flows (in thousands) and related percentage changes for the periods indicated:

	Nine Months Ended September 30,		
	2026	**2025**	**% change (1)**
(in thousands)	(unaudited)	(unaudited)	
Net cash provided by (used in) operating activities	$ 14,267	$ (45,612)	NM
Net cash used in investing activities	(17,228,318)	(19,417,576)	(11.3)%
Net cash provided by financing activities	17,418,053	19,476,842	(10.6)%
Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash	(4,218)	2,649	NM
Net increase in cash, cash equivalents, and restricted cash	199,784	16,303	NM
Cash, cash equivalents, and restricted cash, beginning of period	2,303,343	39,897	NM
Cash, cash equivalents, and restricted cash, end of period	$ 2,503,127	$ 56,200	NM

(1) Changes greater than 100% or less than (100)% are denoted as not meaningful (NM).

Net cash provided by (used in) operating activities. The primary sources of cash provided by operating activities are cash collections of our accounts receivable from customers following the sales and renewals of our product licenses, subscription services, product support, consulting and education services and interest income earned on our USD Assets. Our primary uses of cash in operating activities are for personnel-related expenditures for software development, personnel-related expenditures for providing consulting, education, and subscription services, cloud hosting infrastructure costs primarily associated with providing subscription services, sales and marketing costs, general and administrative costs, interest expense related to our long-term debt arrangements, and income taxes. Non-cash items to further reconcile net (loss) income to net cash provided by (used in) operating activities consist primarily of depreciation and amortization, reduction in the carrying amount of operating lease right-of-use assets, deferred taxes, share-based compensation expense, loss or gain on digital assets, gain on extinguishment of debt, and the amortization of the issuance costs on our long-term debt.

Net cash provided by operating activities increased by $59.9 million for the nine months ended September 30, 2026, as compared to the same period in the prior year. This increase was primarily driven by a $79.2 million increase in cash received from interest income, mainly attributable to interest earned on our USD Assets, partially offset by changes in operating assets and liabilities. Changes in net (loss) income are not indicative of changes in our operating cash flows, as net (loss) income for each period was primarily driven by non-cash changes in the fair value of our digital assets. Net income decreased by $9.82 billion as compared to the same period in the prior year, primarily as a result of a significant change in non-cash loss on digital assets during the current period, as compared to a non-cash gain on digital assets during the prior-year period.

Net cash used in investing activities. Net cash used in investing activities was $17.23 billion for the nine months ended September 30, 2026, compared to $19.42 billion for the same period in the prior year, a decrease of $2.19 billion. During the nine months ended September 30, 2026, purchases of digital assets decreased by $5.12 billion as compared to the prior year period, and we received $431.8 million of proceeds from sales of digital assets while we had no sales of digital assets during the nine months ended September 30, 2025. In addition, during the nine months ended September 30, 2026, we purchased $3.73 billion of short-term investments and received $337.6 million of proceeds from sales and maturities of short-term investments while we had no short-term investment activity during the nine months ended September 30, 2025.

During the nine months ended September 30, 2026, we purchased $14.26 billion of bitcoin using net proceeds from the sale of STRC Stock, STRK Stock, and class A common stock under our ATM, while during the nine months ended September 30, 2025, we purchased $19.38 billion of bitcoin using net proceeds from the issuances of our 2030B Convertible Notes, the initial public offerings of our STRF Stock, STRC Stock, STRK Stock and STRD Stock, and ATM sales of STRF Stock, STRK Stock, STRD Stock and class A common stock. The decrease in purchases of digital assets was primarily caused by a decrease in average cost per bitcoin acquired, as well as a decrease in total bitcoin acquired, as compared to the prior-year period.

Net cash provided by financing activities. The changes in cash provided by financing activities primarily relate to the sale of class A common stock and Preferred Stock under our ATMs, additional offerings (such as initial public offerings) of new or existing preferred stock or indebtedness, repurchases of our Preferred Stock and indebtedness, including our 2029 Convertible Notes, dividends paid on our Preferred Stock, the exercise or vesting of certain awards under the 2013 Stock Incentive Plan (as amended, the "2013 Equity Plan"), and the 2023 Equity Incentive Plan (as amended, the "2023 Equity Plan," and, together with the 2013 Equity Plan, the "Stock Incentive Plans"), and the sales of class A common stock under the 2021 Employee Stock Purchase Plan.

Net cash provided by financing activities was $17.42 billion for the nine months ended September 30, 2026, compared to $19.48 billion for the same period in the prior year, a decrease of $2.06 billion. During the nine months ended September 30, 2026, we did not complete any new long-term debt offerings and accordingly received no proceeds from convertible senior note issuances, as compared to $2.00 billion of proceeds from the issuance of our 2030B Convertible Notes during the nine months ended September 30, 2025. In addition, we repurchased $1.50 billion in aggregate principal amount of our 2029 Convertible Notes for approximately $1.38 billion in cash, and repurchased STRC Stock for $1.34 billion in cash during the nine months ended September 30, 2026, whereas there were no material repurchases of convertible notes or preferred stock in the prior-year period. Net cash provided by financing activities also reflected changes in our class A common stock issuances, Preferred Stock issuances and Preferred Stock dividend payments. Net proceeds from the sales of Preferred Stock increased by $1.74 billion as compared to the prior-year period. This increase primarily reflects the sale of STRC under the ATM during the nine months ended September 30, 2026. Such issuances of Preferred Stock in the nine months ended September 30, 2026 contributed to an increase in aggregate dividends paid on our Preferred Stock of $850.4 million compared to the prior-year period. Net proceeds from ATM sales of class A common stock increased by $1.80 billion compared to the prior-year period.

Long-term Debt

The terms of each of our long-term debt instruments and the interest payments we have made and are obligated to make on our long-term debt instruments are discussed more fully in Note 6, "Long-term Debt," to the Consolidated Financial Statements included in this Quarterly Report.

We or our affiliates may, at any time and from time to time, seek to retire or purchase our outstanding debt through cash purchases and/or exchanges for equity or debt, in open-market purchases, privately negotiated transactions or otherwise. Such repurchases or exchanges, if any, will be upon such terms and at such prices as we may determine, and will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. We may also seek to prepay our outstanding indebtedness. The amounts involved in any such repurchase or prepayment may be material. We could seek to fund any such debt repurchases or prepayments using proceeds from equity offerings that we may choose to undertake from time to time.

Critical Accounting Estimates

Our discussion and analysis of our financial condition and results of operations are based on our Consolidated Financial Statements, which have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The preparation of our Consolidated Financial Statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, and equity, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results and outcomes could differ from these estimates and assumptions.

Critical accounting estimates are those that involve a high degree of estimation uncertainty and have had, or are reasonably likely to have, a material impact on our financial condition or results of operations. Although the application of our accounting policies requires the use of estimates and judgments, as of the date of this Quarterly Report, we have concluded that none of our accounting estimates meet the definition of critical accounting estimates.

Important Information about KPIs

The following table presents total bitcoin holdings, basic shares outstanding, Assumed Diluted Shares Outstanding, Bitcoin per basic shares outstanding (in Sats), BPS (in Sats), and bitcoin price for the periods as indicated.

	2026			2025		
	12/31/2025	6/30/2026	9/30/2026	12/31/2024	6/30/2025	9/30/2025
Total Bitcoin Holdings	672,500	846,000	847,666	447,470	597,325	640,031
Shares Outstanding (in thousands)						
Class A Common Stock	292,422	351,963	402,338	226,138	261,318	267,468
Class B Common Stock	19,640	19,640	19,640	19,640	19,640	19,640
Basic Shares Outstanding	312,062	371,603	421,978	245,778	280,958	287,108
2027 Convertible Notes, convertible at $143.25	—	—	—	7,330	—	—
2028 Convertible Notes, convertible at $183.19	5,513	5,513	5,513	5,513	5,513	5,513
2029 Convertible Notes, convertible at $672.40	4,462	2,231	2,231	4,462	4,462	4,462
2030A Convertible Notes, convertible at $149.77	5,342	5,342	5,342	5,342	5,342	5,342
2030B Convertible Notes, convertible at $433.43	4,614	4,614	4,614	—	4,614	4,614
2031 Convertible Notes, convertible at $232.72	2,594	2,594	2,594	2,594	2,594	2,594
2032 Convertible Notes, convertible at $204.33	3,915	3,915	3,915	3,915	3,915	3,915
STRK Stock, convertible at $1,000.00	1,398	1,402	1,402	—	1,220	1,361
Equity Incentive Awards	4,997	4,069	3,988	6,801	5,598	5,131
Assumed Diluted Shares Outstanding (in thousands)	344,897	401,283	451,577	281,735	314,216	320,040
Bitcoin Per Basic Share Outstanding (in Sats)	215,502	227,662	200,879	182,063	212,603	222,923
Bitcoin Per Assumed Diluted Share Outstanding (BPS) (in Sats)	194,986	210,824	187,712	158,826	190,100	199,984
Bitcoin Per Assumed Diluted Share Outstanding (BPS) ($)	$ 171	$ 124	$ 157	$ 148	$ 205	$ 229
Bitcoin Price	$ 87,515	$ 58,714	$ 83,552	$ 93,390	$ 107,752	$ 114,378

Bitcoin Per Share (in Sats) or BPS (in Sats) represents the ratio between the Company's gross bitcoin holdings and its Assumed Diluted Shares Outstanding, expressed in terms of "Satoshis" or "Sats", where:

- "Assumed Diluted Shares Outstanding" refers to the aggregate of our Basic Shares Outstanding as of the dates presented plus all additional shares that would result from the assumed conversion of all outstanding convertible notes and convertible preferred stock, exercise of all outstanding stock option awards, and settlement of all outstanding restricted stock units and

performance stock units as of such dates. Assumed Diluted Shares Outstanding is not calculated using the treasury method, incorporates approximate forfeitures of awards in the current period which may be subject to future adjustment and does not take into account any vesting conditions (in

the case of equity awards), the exercise price of any stock option awards or any contractual conditions limiting convertibility of convertible debt instruments.

- "Basic Shares Outstanding" reflects the actual class A common stock and class B common stock outstanding as of the dates presented. For purposes of this calculation, outstanding shares of such stock are deemed to include shares, if any, that (A) were sold under ATMs, or (B) were issued pursuant to (i) options that had been exercised, (ii) restricted stock units that have vested or (iii) conversion requests received with respect to convertible securities, but which in each case were pending issuance as of the dates presented.
- A "Satoshi" or a "Sat" is one one-hundred-millionth of one bitcoin, currently the smallest indivisible unit of a bitcoin.

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2026	2025	Change		2026	2025	Change	
BTC Yield	(11.9)%	6.2%	(18.1)%	(1)	(3.7)%	25.9%	(29.6)%	(1)
BTC Gain	(79,710)	27,847	NM	(2)	(25,085)	115,956	NM	(2)
BTC $ Gain (in millions, except percentages)	$ (6,660)	$ 3,185	NM	(2)	$ (2,096)	$ 13,263	NM	(2)

(1) Represents the absolute change between the periods presented.

(2) Changes greater than 100% or less than (100)% are denoted as not meaningful (NM).

BTC Gain for the nine months ended September 30, 2026 reflects an immaterial correction to the previously reported BTC Gain for the three months ended June 30, 2026, which was calculated using the method of calculation previously employed by the Company prior to the methodology change disclosed in our Quarterly Report for the quarter ended June 30, 2026. BTC Gain for the three months ended June 30, 2026 has been revised from 37,733 BTC to 33,296 BTC, and the corresponding BTC $ Gain for the three months ended June 30, 2026 has likewise been revised from $2.22 billion to $1.95 billion.

BTC Yield represents the percentage change in BPS (in Sats) over a period. It is calculated by dividing the difference in BPS between the beginning of a period and the end of a period by the BPS at the beginning of the period. For an interim Measurement Period that is part of a longer Reference Period, BTC Yield is calculated as the BTC Yield for the period from the beginning of the Reference Period to the end of the Measurement Period, less the BTC Yield for the period from the beginning of the Reference Period to the beginning of the Measurement Period.

BTC Gain represents the BTC Yield for a period in gross bitcoin terms. It is calculated by multiplying the BTC Yield for that period by the Company's gross bitcoin holdings at the beginning of a specified period. For an interim Measurement Period that is part of a longer Reference Period, BTC Gain is calculated by multiplying the BTC Yield for the Measurement Period by the Company's gross bitcoin holdings at the beginning of the Reference Period.

BTC $ Gain represents BTC Gain as an illustrative dollar value. It is calculated by multiplying the BTC Gain by the market price of bitcoin as reported on the Coinbase exchange as of the applicable measurement time.

"**Measurement Period**" refers to the period being measured, and "**Reference Period**" refers to the longer period of which the Measurement Period may be a sub-part. When the Company presents these metrics for an interim period within a fiscal year (e.g., a monthly, quarterly, or quarter-to-date period), then the Measurement Period is that interim period, and unless otherwise stated, the Reference Period is the fiscal year-to-date period ending on the last day of the Measurement Period. For example, assume BPS (in Sats) is 100 at the beginning of a fiscal year, 110 at the end of the first quarter and 125 at the end of the second quarter. The BTC Yield for the second quarter is calculated as (125/100 − 1) less (110/100 − 1), or 15%. The first and second quarter BTC Yields of 10% and 15%, respectively, sum to the year-to-date BTC Yield of 25%. With 1,000 bitcoin held at the beginning of the fiscal year, BTC Gain would be 100 bitcoin (10% × 1,000) and 150 bitcoin (15% × 1,000) for the first and second quarters, respectively, which sum to the year-to-date BTC Gain of 250 bitcoin.

For determining BTC $ Gain quarter to date and year to date, unless otherwise specified, the Company uses the current market price of bitcoin as reported on the Coinbase exchange as of the applicable measurement time. For determining BTC $ Gain for a past fiscal year or other past period, the Company uses the market price of bitcoin as of 4:00pm ET as reported on the Coinbase exchange on the last day of the applicable period, unless stated otherwise. These prices are used solely to facilitate these illustrative calculations.

The Company uses BPS (in Sats), BTC Yield, BTC Gain and BTC $ Gain as KPIs to help assess the performance of its strategy of acquiring bitcoin in a manner it believes to be accretive to shareholders. The Company also believes these KPIs can supplement investors' understanding of how the Company chooses to fund bitcoin purchases and the value created in a period:

- BPS (in Sats) provides management and investors a baseline with which to assess the Company's achievement of its strategy of acquiring bitcoin in an accretive manner over a given period. When evaluating a capital raise transaction, the Company considers the impact the transaction will have on this metric. This metric forms the baseline for the Company's BTC Yield, BTC Gain and BTC $ Gain KPIs, each of which presents the change in BPS (in Sats) over a period in a different format.
- BTC Yield helps management and investors assess the Company's achievement of its strategy of acquiring bitcoin in an accretive manner across periods. The Company uses BTC Yield to evaluate whether its capital markets activity and bitcoin acquisition strategy have resulted in gross per-share accretion (or dilution) on an Assumed Diluted Shares Outstanding basis over an applicable period, and to compare the impact of its strategy across periods.
- BTC Gain helps the Company measure the accretive or dilutive impact of the change in BPS (in Sats) over an applicable period in absolute terms relative to the Company's bitcoin holdings. This metric can be particularly helpful when comparing the execution of the Company's capital markets strategy across periods. A larger bitcoin asset base may produce a lower BTC Yield but the same BTC Gain. For example, a 10% BTC Yield on 100,000 bitcoin and a 5% BTC Yield on 200,000 bitcoin each result in a BTC Gain of 10,000 bitcoin.
- BTC $ Gain further expresses the percentage change reflected in the BTC Yield metric as an illustrative dollar value by multiplying that bitcoin-denominated change by the market price of bitcoin at the end of the applicable period as described above. The Company refers to this metric for illustrative purposes to consider the magnitude of BTC Gain with reference to the market price of bitcoin.

When management uses these metrics, management takes into account their various limitations. With respect to BPS (in Sats), BTC Yield, BTC Gain and BTC $ Gain, these limitations include that the metrics:

- do not take into account that the Company's assets, including its bitcoin, are subject to (i) all of the Company's existing and future liabilities, including its debt, and (ii) the preferential rights of the Company's preferred stockholders to dividends and the Company's assets in a liquidation, and that all such claims rank senior to those of the Company's common equity. Therefore, holders of such excluded instruments may have claims on the Company's assets (including bitcoin) senior to those of holders of common stock in the event of the Company's liquidation. As a result, the additional bitcoin acquired using proceeds from the sale of such instruments may not accrete to common stockholders; and
- assume that all indebtedness will be refinanced or, in the case of the Company's senior convertible debt instruments and convertible preferred stock, converted into shares of class A common stock in accordance with their respective terms.

Different assumptions would produce materially different results, and these KPIs may overstate or understate the Company's bitcoin that would remain attributable to holders of common stock after accounting for senior claims (net of the Company's USD Assets).

BPS (in Sats), BTC Yield, BTC Gain and BTC $ Gain are not, and should not be understood as, financial performance, valuation or liquidity measures. Specifically:

- BPS (in Sats) does not represent (i) the Company's ability to satisfy its financial obligations, or (ii) the Company's book value per share.
- BTC Yield is not equivalent to "yield" in the traditional financial context. It is not a measure of the return on investment the Company's shareholders may have achieved historically or can achieve in the future by purchasing stock of the Company. Nor is it a measure of income generated by the Company's operations or its bitcoin holdings, return on investment on its bitcoin holdings, or any other similar financial measure of the performance of its business or assets.
- BTC Gain and BTC $ Gain are not equivalent to "gain" in the traditional financial context. They also are not measures of the return on investment the Company's shareholders may have achieved historically or can achieve in the future by purchasing stock of the Company. Nor are they measures of income generated by the Company's operations or its bitcoin holdings, return on investment on its bitcoin holdings, or any other similar financial measure of the performance of its business or assets. BTC $ Gain also does not represent a fair value gain of the Company's bitcoin holdings nor any other realized or unrealized financial gain. BTC $ Gain may be positive during periods when the Company has incurred fair value losses on its bitcoin holdings, or negative during periods when the Company has incurred fair value gains on its bitcoin holdings.

The trading price of the Company's class A common stock is informed by numerous factors in addition to the Company's bitcoin holdings and its actual or potential shares of common stock outstanding. As a result, the trading price of the Company's securities can deviate significantly from the fair market value of the Company's bitcoin. None of BPS (in Sats), BTC Yield, BTC Gain or BTC $ Gain is indicative or predictive of the trading price of the Company's securities.

Investors should rely on the financial statements and other disclosures contained in the Company's SEC filings. In particular, the Company has adopted Accounting Standards Update No. 2023-08, Intangibles—Goodwill and Other—Crypto Assets (Subtopic 350-60): Accounting for and Disclosure of Crypto Assets ("ASU 2023-08"). ASU 2023-08 requires the Company to measure its bitcoin at fair value in its statement of financial position as of the end of a reported period, and to recognize gains and losses from changes in the fair value in net income (loss) for the reported period. As a result, the Company may incur unrealized gain or loss on digital assets based on changes in the market price of bitcoin during a period, as well as gain or loss from the sale of digital assets during a period. These gains and losses are not reflected in BPS (in Sats), BTC Yield, BTC Gain or BTC $ Gain. For example, if the Company increases its bitcoin holdings relative to Assumed Diluted Shares Outstanding during a reported period, the Company would achieve increased BPS (in Sats) and positive BTC Yield, BTC Gain and BTC $ Gain even if the Company reports significant realized or unrealized loss on digital assets for the period. Similarly, if the Company increases Assumed Diluted Shares Outstanding at a faster rate than its bitcoin holdings, then the Company would experience decreased BPS (in Sats) and negative BTC Yield, BTC Gain, and BTC $ Gain, even if the Company reports significant unrealized gain on digital assets for the period.

As noted above, these KPIs are narrow in purpose and are used by management to help assess whether the Company is raising and deploying capital in a manner accretive to shareholders solely as it pertains to its bitcoin holdings. References to a transaction, or to the Company's capital deployment, being "accretive" or "dilutive" refer only to the effect on the specified KPI under the stated assumptions. They do not mean that the transaction is accretive or dilutive to the Company's earnings, cash flow, book value, enterprise value, intrinsic value, or the trading price of the Company's securities.

In calculating BPS (in Sats), BTC Yield, BTC Gain, and BTC $ Gain, the Company does not consider the source of capital used to acquire its bitcoin. When the Company purchases bitcoin using proceeds from offerings of non-convertible notes or non-convertible preferred stock, or convertible notes or preferred stock that carry conversion prices above the current trading price of the Company's common stock or conversion rights that are not then exercisable, such transactions have the effect of increasing the BPS (in Sats), BTC Yield, BTC Gain and BTC $ Gain, while also increasing the Company's indebtedness and senior claims of holders of instruments other than class A common stock with respect to dividends and to the Company's assets, including its bitcoin, if the Company were to liquidate, in a manner that is not reflected in these metrics.

If any of the Company's convertible notes mature or are redeemed without being converted into common stock, or if the Company elects to redeem or repurchase its non-convertible instruments (including certain of its perpetual preferred stock), the Company may be required to sell shares of its class A common stock or bitcoin to generate sufficient cash proceeds to satisfy those obligations, either of which would have the effect of decreasing BPS (in Sats), BTC Yield, BTC Gain and BTC $ Gain. The assumptions used in calculating these metrics do not contemplate adjustments for such decreases. Accordingly, these metrics might overstate or understate the accretive nature of the Company's use of capital to buy bitcoin because not all bitcoin is purchased using proceeds from issuances of class A common stock, instruments that are convertible into class A common stock may be forfeited or repaid with funds other than from the sale of class A common stock in the period in question rather than being exercised for or converted into class A common stock and not all proceeds from issuances of class A common stock are used to purchase bitcoin.

In addition, the Company is required to pay dividends with respect to its perpetual preferred stock in perpetuity. The Company could pay these dividends with cash or, in the case of STRK Stock, by issuing shares of class A common stock. The Company has issued shares of class A common stock and certain series of its preferred stock for cash to fund the payment of cash dividends. In the future, the Company may also issue shares of class A common stock in lieu of paying dividends on STRK Stock. As a result, the Company has experienced, and may experience in the future, increases in Assumed Diluted Shares Outstanding without corresponding increases in its bitcoin holdings, resulting in decreases in BPS (in Sats), BTC Yield, BTC Gain and BTC $ Gain for the applicable periods.

The Company has historically not paid any dividends on its shares of class A common stock, and by presenting these KPIs the Company makes no suggestion that it intends to do so in the future. Holders of the Company's securities, including its class A common stock and preferred stock, have no ownership interest in, or redemption right with respect to, the Company's bitcoin holdings.

The Company determines its KPI targets based on its history and future goals. The Company's ability to maintain any given level of BPS (in Sats), or achieve positive BTC Yield, BTC Gain, or BTC $ Gain may depend on a variety of factors, including factors outside of its control, such as the price of bitcoin, and the availability of debt and equity financing on favorable terms. Past performance is not indicative of future results, and the Company' KPI results for any particular

interim period may not be indicative of its ability to achieve longer-term objectives under its bitcoin strategy. Additionally, the Company's KPIs may improve, and the Company may achieve its targets or objectives, even as it incurs losses or the market price of its class A common stock declines.

These KPIs are merely supplements, not substitutes for the financial statements and other disclosures contained in the Company's SEC filings. They should be used only by sophisticated investors who understand their limited purpose and many limitations. Investors are cautioned not to place undue reliance on the Company's KPIs or interpret the Company's targets as assurances of financial performance or stockholder returns.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The following discussion about our market risk exposures involves forward-looking statements. Actual results could differ materially from those projected in the forward-looking statements.

We are exposed to the impact of market price changes in bitcoin, foreign currency fluctuations and interest rate risks.

Market Price Risk of Bitcoin. We have used a significant portion of our cash, including cash generated from capital raising transactions, to acquire bitcoin. As discussed in Note 3, Digital Assets, to the Consolidated Financial Statements, we account for our bitcoin as indefinite-lived intangible assets. Although we continue to initially record our bitcoin purchases at cost, upon adoption of ASU 2023-08 on January 1, 2025, any subsequent increases or decreases in fair value are recognized as incurred in the Consolidated Statements of Operations, and the fair value of our bitcoin is reflected within the Consolidated Balance Sheets each reporting period-end. As of September 30, 2026, we held approximately 847,666 bitcoins with a carrying value of $70.82 billion on our Consolidated Balance Sheet. Bitcoin is a highly volatile asset that has traded below $60,000 per bitcoin and above $125,000 per bitcoin on the Coinbase exchange (our principal market for bitcoin) in the 12 months preceding September 30, 2026. A significant decrease in the price of bitcoin would have a material adverse effect on our earnings.

Foreign Currency Risk. We conduct a significant portion of our business in currencies other than the U.S. dollar, the currency in which we report our Consolidated Financial Statements. International revenues accounted for 43.2% and 43.8% of our total revenues for the three and nine months ended September 30, 2026, respectively and 42.1% and 42.6% for the three and nine months ended September 30, 2025, respectively. We anticipate that international revenues will continue to account for a significant portion of our total revenues. The functional currency of each of our foreign subsidiaries is generally the local currency.

Assets and liabilities of our foreign subsidiaries are translated into U.S. dollars at exchange rates in effect as of the applicable Balance Sheet date and any resulting translation adjustments are included as an adjustment to stockholders' equity. Revenues and expenses generated from these subsidiaries are translated at average monthly exchange rates during the quarter in which the transactions occur. Transaction gains and losses arising from transactions denominated in a currency other than the functional currency of the entity involved are included in the results of operations.

Additionally, absent limited circumstances, regular dividends and other payments on STRE Stock are paid in Euros. Because we expect to convert U.S. dollar cash balances into Euros to make regular dividends and other payments on the STRE Stock, our ability to make such payments depends on prevailing currency exchange rates, which have historically been volatile.

As a result of transacting in multiple currencies and reporting our Consolidated Financial Statements in U.S. dollars, our operating results may be adversely impacted by currency exchange rate fluctuations in the future.

We cannot predict the effect of exchange rate fluctuations upon our future results. We attempt to minimize our foreign currency risk by converting our excess foreign currency held in foreign jurisdictions to U.S. dollar-denominated cash and investment accounts.

As of September 30, 2026 and December 31, 2025, a 10% adverse change in foreign currency exchange rates versus the U.S. dollar would have decreased our aggregate reported cash and cash equivalents by less than 1%. As of September 30, 2026, a 10% unfavorable change in the euro-to-U.S. dollar exchange rate would increase our U.S. dollar-equivalent dividend payment obligation on STRE Stock by approximately $2.2 million per quarterly dividend payment. If average exchange rates during the nine months ended September 30, 2026 had changed unfavorably by 10%, our revenues for the nine months ended September 30, 2026 would have decreased by 4.1%. During the nine months ended September 30, 2026, our revenues were not significantly impacted by changes in weighted average exchange rates, as compared to the prior year.

Interest Rate Risk. We are exposed to changes in interest rates primarily via our STRC Stock and short-term investments held within our USD Assets.

Our STRC Stock accumulates cumulative dividends, which we refer to in this Item 3 Quantitative and Qualitative Disclosures About Market Risk as “regular dividends”, at a variable dividend rate, which is 12.00% per annum as of the date of this Quarterly Report. However, we have the right, in our sole and absolute discretion, to adjust the regular dividend rate applicable to subsequent regular dividend periods, subject to certain restrictions, including restrictions on the maximum reduction of the dividend rate and a floor that generally prevents us from changing the regular dividend rate to a new regular dividend rate that is below the monthly Secured Overnight Financing Rate ("SOFR") per annum rate in effect on the business day before we provide notice of the next regular dividend rate. As of September 30, 2026, regular dividends on STRC Stock accrue and are payable in respect of semi-monthly regular dividend periods; see Note 15, "Subsequent Events", to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report, for additional information. Although we may adjust the regular dividend rate per annum of STRC Stock to encourage trading of STRC Stock over time at prices within a range of approximately $99 to $100 per share, subsequent to June 30, 2026, we announced that management does not intend to recommend to our board of directors any changes to the dividend rate until STRC Stock trades at or near its stated amount. See "Liquidity and Capital Resources—Digital Credit Capital Framework" in Part I, Item 2 of this Quarterly Report. Because the STRC dividend rate is discretionary and evaluated based on multiple factors, changes in market interest rates may not result in changes to the STRC dividend rate, and changes to the STRC dividend rate may be driven by factors other than market interest rates.

As of September 30, 2026, the regular dividend rate per annum on STRC Stock was 12.0%. If we determined to increase the regular dividend rate on our STRC Stock by 50 basis points, STRC Stock’s aggregate annual dividend obligation would increase by approximately $45.3 million. We do not believe our interest rate risk exposure via STRC Stock is material as of September 30, 2026.

As of September 30, 2026, we had cash, cash equivalents, certificates of deposit and investments with a remaining maturity of less than one year of approximately $5.91 billion in the aggregate. Integral to our cash and cash equivalents, and short-term investments are our USD Assets, which are primarily invested in money market funds and Treasury Bills and Treasury Notes to earn interest income on short-term cash balances. Interest earned on such funds fluctuates with prevailing interest rates. In June 2026, our board of directors adopted a formal USD Reserve policy as part of our Digital Credit Capital Framework, which requires us to maintain a minimum USD Reserve equal to at least 12 months of our then-current expected annual Preferred Stock dividend payments and interest obligations. See "Liquidity and Capital Resources—Digital Credit Capital Framework" in Part I, Item 2 of this Quarterly Report. As of September 30, 2026, the balance of our USD Assets was $5.80 billion. Based on the foregoing, we do not believe that a hypothetical 50 basis point adverse change in interest rates would materially impact our results of operations as of September 30, 2026.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures. Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly Report. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Our disclosure controls and procedures are designed to provide reasonable assurance of achieving their control objectives. Based on the evaluation of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Controls. No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the three months ended September 30, 2026 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

For information regarding material legal proceedings in which we were involved during the period covered by this report, see Note 7, Commitments and Contingencies, to the Consolidated Financial Statements contained in Part I, Item 1 of this Quarterly Report, which is incorporated herein by reference.

We are involved in various legal proceedings arising in the normal course of business. Although the outcomes of these legal proceedings are inherently difficult to predict, we do not expect the resolution of these legal proceedings to have a material adverse effect on our financial position, results of operations, or cash flows.

Item 1A. Risk Factors

You should carefully consider the following risk factors, together with the other information included in this Quarterly Report, before making an investment decision. The risks and uncertainties described below are those that we currently believe could materially adversely affect the Company, our business, our bitcoin holdings and our securities. However, these risks and uncertainties are not the only ones we face. Additional risks and uncertainties that are not presently known to us or that we currently deem immaterial may also materially and adversely impact us. References to past events are provided by way of example only and are not intended to be a complete listing or a representation as to whether or not such factors have occurred in the past or their likelihood of occurring in the future.

If any of the following risks occur, our business, financial condition, or results of operations could be materially adversely affected. In such case, the market price of our class A common stock and our Preferred Stock, which we refer to collectively as our "listed securities," could decline, and you may lose all or part of your investment.

Risks Related to Our Business in General

Our operating results, revenues, and expenses may fluctuate significantly, which could have an adverse effect on the market price of our listed securities

For many reasons, including those described below, our operating results, revenues, and expenses have varied in the past and may vary significantly in the future from quarter to quarter and year to year. As a result, comparisons of our operating results from one period to the next are not a good indication of our future performance. These fluctuations could adversely affect the market price of our listed securities.

Fluctuations in Operating Results. Our operating results may fluctuate, in part, as a result of:

- fluctuations in the price of bitcoin, of which we have significant holdings and with respect to which we expect to continue to make significant future purchases, and potential related fair value changes;
- any future additional sales by us of our bitcoin at prices above or below their carrying value, which would result in our recording gains or losses upon sale of our bitcoin;
- the incurrence of tax liabilities with respect to our bitcoin;
- regulatory, commercial, and technical developments related to bitcoin or the Bitcoin blockchain, or digital assets more generally;
- an increase in expected dividend payments on our outstanding or any newly issued series of preferred stock or fixed interest charges on outstanding or additional indebtedness;
- the impact of war, terrorism, infectious diseases, natural disasters and other global events, and governmental responses to such events, on the global economy and the market for and price of bitcoin;
- significant changes to our software business, including significant changes in our software sales or operating expenses, or the timing of announcements of new offerings or research and development projects by us or our competitors; and
- our profitability and expectations for future profitability and their effect on our deferred tax balances and net income for the period in which any adjustment to our net deferred tax asset valuation allowance may be made, as well as increases or decreases in our unrecognized tax benefits.

Limited Ability to Adjust Expenses. We base our operating expense budgets on expected revenue trends and our strategic objectives. Many of our expenses, such as expected dividend payments on our outstanding Preferred Stock, interest expense on our debt, tax liabilities, office leases and certain personnel costs, are relatively fixed in the short term. We do not expect the cash generated by our software operations to be sufficient to cover such expenses. Therefore, we expect to use one or more available sources of liquidity, including cash and cash equivalents and short-term investments we hold in

our USD Assets, proceeds from the sale of bitcoin, proceeds from sales of class A common stock and preferred stock under our ATM, and proceeds from additional equity or debt financings to pay our expenses and satisfy our liquidity needs. We may sell bitcoin or raise capital at inopportune times or on unfavorable terms to meet these fixed obligations, which could result in significant variations in our operating results and dilution of shareholder value.

Based on the above factors, we believe quarter-to-quarter and year-to-year comparisons of our operating results are not a good indication of our future performance. For example, we recognized an unrealized loss on digital assets for each of the three months ended March 31, 2026 and June 30, 2026, followed by an unrealized gain on digital assets for the three months ended September 30, 2026. The price of bitcoin and our results have fluctuated similarly during other periods, and we expect they will continue to fluctuate significantly in future periods.

Additionally, for the reasons described above, it is possible that in one or more future quarters or years, our operating results may be below the expectations of public market analysts and investors. In that event, the market price of our listed securities may decline.

Changes in the fair value of our digital assets may cause significant volatility in our results of operations and adversely affect our profitability

As of January 1, 2025, we have adopted ASU 2023-08, pursuant to which we are required to recognize increases or decreases in the fair value of our digital assets as incurred in our Consolidated Statements of Operations. As a result, changes in the price of bitcoin at the end of a reporting period may result in significant gains or losses on our digital assets and significant volatility in our results of operations from period to period. See Part I, Item 2, Management's Discussion and Analysis of Financial Condition and Results of Operations, for additional information. Our results will substantially depend on the price of bitcoin at the end of the applicable period and, if we engage in substantial sales of bitcoin during any period, at the time we sell bitcoin. As a result, our results of operations and financial condition may be materially impacted by changes in the price of bitcoin. Additionally, unrealized gains on digital assets do not generate cash, and we have in the past and may in the future experience significant negative cash flow even in periods in which we recognize unrealized gains on digital assets unless we sell our bitcoin or otherwise generate cash from our bitcoin holdings.

Changes in the fair market value of our bitcoin holdings relative to their cost basis may result in the recognition or reversal of deferred tax assets or liabilities and the establishment or release of a valuation allowance. These deferred tax balances depend substantially on the price of bitcoin at the end of each reporting period, and future changes in the fair market value of our bitcoin holdings relative to their cost basis could result in material changes to our deferred tax balances and valuation allowance, which could have a material impact on our financial condition and results of operations. For example, as of September 30, 2026, the fair market value of our bitcoin holdings exceeded their cost basis. As a result, during the three months ended September 30, 2026, we released the valuation allowance previously established against our domestic net deferred tax assets, and recognized a deferred tax liability with respect to the unrealized gain on our bitcoin holdings. If the price of bitcoin declines, this deferred tax liability could be reduced or eliminated, we could recognize deferred tax assets with respect to our bitcoin, and we could be required to re-establish a valuation allowance against some or all of our deferred tax assets. In addition, any losses we realize on sales of our bitcoin generally would be capital losses, and the related tax benefits (including any deferred tax assets recorded with respect to our bitcoin) generally would be available only as an offset against capital gains we realize from sales of capital assets. To the extent we do not generate sufficient capital gains, these tax benefits may not be available to us.

A significant decrease in the fair market value of our bitcoin holdings could adversely affect our ability to satisfy our financial obligations or liquidity needs

As of September 30, 2026, we do not expect our enterprise analytics software business to generate sufficient cash flow from operations to satisfy our financial obligations or liquidity needs over the next twelve months. As of the date of this Quarterly Report, we have significant outstanding indebtedness (and related interest obligations) and expected dividend payments on our Preferred Stock outstanding. See the "Liquidity and Capital Resources" section in Part I, Item 2 Management's Discussion and Analysis of Financial Condition and Results of Operations and Note 6, Long-term Debt, to the Consolidated Financial Statements contained in Part I, Item 1 of this Quarterly Report, for additional information regarding expected dividend payments on our Preferred Stock and the principal amount, interest obligations and stated maturity dates of our outstanding indebtedness. As part of our bitcoin strategy, we expect to issue additional preferred stock, and we expect to incur or continue to incur additional indebtedness and fixed charges. The amount, frequency and cumulative nature of the dividends we expect to pay on our Preferred Stock require us to have available and use significant liquidity on a recurring basis, and our ability to pay such dividends depends on, among other things, the availability of funds, our financial condition, our results of operations, the market value of our bitcoin holdings, our access to capital markets, and the availability of other sources of liquidity. Our substantial outstanding indebtedness likewise requires significant liquidity to pay interest and to repay or refinance principal when due, and is subject to the same dependencies.

We intend to satisfy our financial obligations and liquidity needs, including repayment of principal and payment of interest on our debt and cash dividends on our Preferred Stock, through one or more available sources of liquidity, including cash and cash equivalents and short-term investments we hold in our USD Assets, proceeds from the sale of bitcoin, proceeds from sales of our class A common stock and preferred stock under our ATM, and proceeds from additional equity or debt financings. We expect to determine which source of liquidity or combination of sources of liquidity to use from time to time based on our liquidity needs and our subjective assessment of the relative attractiveness of available alternatives, including market conditions, the trading prices and liquidity of our class A common stock and preferred stock, the market price and liquidity of bitcoin, the availability and cost of debt financing, availability of our cash reserves, dilution, tax considerations, timing, execution considerations, and other factors we consider relevant.

Our ability to obtain equity or debt financing generally may depend on, among other factors, the value of our bitcoin holdings, investor sentiment and the general public perception of bitcoin, our strategy and our value proposition. Additionally, our ability to use bitcoin as a source of liquidity to satisfy our financial obligations will depend on the market price of bitcoin, the liquidity of the bitcoin market and other similar factors. Accordingly, a significant decline in the market price of bitcoin or a negative shift in these other factors may create liquidity and credit risks, as such a decline or such shifts may adversely impact our ability to utilize equity or debt financing or sales of bitcoin to satisfy our financial obligations and liquidity needs, accumulate USD Cash or to maintain the USD Reserve at current levels. Additionally, our ability to use our ATM may depend on, among other factors, available program capacity and our ability to maintain effective registration statements and related offering documents. Future amendments, terminations or reductions in available capacity under our ATM could adversely affect our ability to utilize the ATM for these purposes. These risks could materialize at times when bitcoin is trading below its carrying value on our most recent balance sheet or our cost basis.

Our USD Reserve policy, USD Cash holdings and BTC Monetization Program are discretionary and we are not obligated to use any cash or sell any bitcoin to satisfy our financial obligations, fund dividends or interest payments, or repurchase our outstanding securities. These reserves and amounts reflect internal policies and do not create contractual rights in favor of holders or our securities. We may use USD Cash for a variety of Bitcoin Treasury Company purposes, including acquiring bitcoin or repurchasing our securities, our USD Reserve policy and BTC Monetization Program may be modified, suspended or terminated, and our USD Reserve and USD Cash may be depleted or insufficient to satisfy our financial obligations or liquidity needs if market conditions or our capital requirements change materially. We also have sold bitcoin in the past and may sell bitcoin in the future to meet our liquidity needs and financial obligations if we determine it is favorable to do so, regardless of whether we have USD Assets available to us. If we are unable to raise equity or debt financing or sell our bitcoin to raise proceeds sufficient to satisfy our financial obligations or liquidity needs, including our debt service and cash dividend payments on our preferred stock, we could be in default under such obligations, which could have a material adverse effect on our financial condition. See “Risks Related to Our Outstanding and Potential Future Indebtedness” and “Risks Related to Our Preferred Stock” for additional details about the risks which may impact us if we are unable to satisfy our debt service and cash dividend obligations.

We may have exposure to greater than anticipated tax liabilities

We are subject to income taxes and non-income taxes in a variety of domestic and foreign jurisdictions. Our future income tax liability could be materially adversely affected by earnings that are lower than anticipated in jurisdictions where we have lower statutory rates, earnings that are higher than anticipated in jurisdictions where we have higher statutory rates, changes in the valuation of our deferred tax assets and liabilities, changes in the amount of our unrecognized tax benefits, or changes in tax laws, regulations, accounting principles, or interpretations thereof. In addition, if we were to sell any of our bitcoin at prices greater than the cost basis of the bitcoin sold, we would incur a tax liability with respect to any gain recognized, and such tax liability could be material. Changes in the tax laws of foreign jurisdictions could arise, including as a result of the project undertaken by the Organisation for Economic Co-operation and Development (“OECD”) and the Group of Twenty (“G20”) to combat base erosion and profit shifting (“BEPS”), including the OECD/G20 Inclusive Framework on BEPS and the Two-Pillar Solution (such as the Pillar Two global minimum tax rules). The OECD/G20 Inclusive Framework, which represents a group of participating jurisdictions, has issued recommendations and related guidance that, in some cases, make substantial changes to numerous long-standing tax positions and principles. Additionally, certain jurisdictions have enacted or proposed taxes or other revenue measures that may apply to certain digital asset transactions. For example, in June 2026, Illinois enacted a tax, effective January 1, 2027, on certain digital asset transactions facilitated by digital asset service providers, which is the subject of pending legal challenges, and other jurisdictions may adopt similar measures. These and similar changes, many of which have been adopted or are under active consideration by participating jurisdictions and/or other countries, could increase tax uncertainty and may adversely affect our provision for income taxes.

After enactment of the U.S. Tax Cuts and Jobs Act, most of our income is taxable in the U.S. with a significant portion taxable under the Global Intangible Low-Taxed Income regime (or the Net Controlled Foreign Corporation "CFC" Tested

Income regime after enactment of the One Big Beautiful Bill Act of 2025). As used herein, "CFC" means controlled foreign corporation. Beginning in fiscal year 2026, the deduction allowable under the Net CFC Tested Income regime decreased from 50% to 40%, which increased the effective tax rate imposed on our income.

The U.S. also enacted the IRA in August 2022. The IRA imposes (i) a 1% excise tax on certain stock repurchases made by publicly traded U.S. corporations, and (ii) a 15% CAMT on a corporation with respect to an initial tax year and subsequent tax years, if the average annual AFSI for any consecutive three-tax-year period preceding the initial tax year exceeds $1 billion. On September 30, 2025, the Treasury and IRS issued Interim Guidance which, in relevant part, clarifies that a corporation may disregard unrealized gains and losses on its digital asset holdings when computing AFSI (if such assets are measured at fair value for financial statement income purposes but are not marked to market for regular tax purposes) for purposes of determining whether it is subject to the CAMT. The Treasury and IRS issued additional interim CAMT guidance (Notice 2026-7) in February 2026 and have indicated their intent to issue proposed regulations consistent with the Interim Guidance. Pursuant to the Interim Guidance, we plan to exclude any unrealized gains and losses on our bitcoin holdings from the calculation of our AFSI for purposes of determining whether we are subject to CAMT. As a result, we do not expect to become subject to CAMT due to unrealized gains on our bitcoin holdings, if any. However, if the Interim Guidance is revoked or if the proposed or final regulations, when published or adopted, do not provide for this or similar relief, we could become subject to the CAMT in the future if we have significant unrealized gains on our bitcoin holdings. If we become subject to these new taxes under the IRA, it could result in a material tax obligation, which we would need to satisfy in cash, which in turn could materially affect our financial condition, cash flow and results of operations. Further, other existing domestic or foreign tax laws, statutes, rules, regulations or ordinances, could be interpreted, changed, modified or applied in a manner that negatively impacts us, and these risks are heightened due to the relative novelty of our bitcoin strategy.

Our determination of our tax liability is subject to review by applicable domestic and foreign tax authorities. Any adverse outcome of such reviews could have an adverse effect on our operating results and financial condition. The determination of our worldwide provision for income taxes and other tax liabilities requires significant judgment and there are many transactions and calculations, including in respect of transactions involving bitcoin, where the ultimate tax determination is uncertain. Moreover, as a multinational business, we have subsidiaries that engage in many intercompany transactions in a variety of tax jurisdictions where the ultimate tax determination is uncertain.

We also have contingent tax liabilities that, in management’s judgment, are not probable of assertion. If such unasserted contingent liabilities were to be asserted, or become probable of assertion, we may be required to record significant expenses and liabilities in the period in which these liabilities are asserted or become probable of assertion.

As a result of these and other factors, the ultimate amount of tax obligations owed may differ from the amounts recorded in our financial statements and any such difference may materially affect our financial results in future periods in which we change our estimates of our tax obligations or in which the ultimate tax outcome is determined.

Risks Related to Our Bitcoin Strategy and Holdings

Our bitcoin strategy exposes us to various risks, including risks associated with bitcoin

Our bitcoin strategy exposes us to various risks, including the following:

Bitcoin is a highly volatile asset. Bitcoin is a highly volatile asset that has traded below $60,000 per bitcoin and above $125,000 per bitcoin on the Coinbase exchange (our principal market for bitcoin) in the 12 months preceding September 30, 2026. The trading price of bitcoin significantly decreased during prior periods, and such declines may occur again in the future.

Bitcoin does not pay interest or dividends. Bitcoin does not pay interest or other returns and we can only generate cash from our bitcoin holdings by selling our bitcoin or by implementing strategies to create income streams or otherwise generate cash by using our bitcoin holdings. Even if we pursue any such strategies, we may be unable to create income streams or otherwise generate cash from our bitcoin holdings, and any such strategies may subject us to additional risks.

Our bitcoin holdings significantly impact our financial results and the market price of our listed securities. Our bitcoin holdings have significantly affected our financial results and if we continue to increase our overall holdings of bitcoin in the future, they will have an even greater impact on our financial results and the market price of our listed securities. For further details, see “Risks Related to Our Bitcoin Strategy and Holdings-Our historical financial statements prior to March 31, 2025 do not reflect the potential variability in earnings that we have experienced to date and may experience in the future relating to our bitcoin holdings.”

Our assets are concentrated in bitcoin. The vast majority of our assets are concentrated in our bitcoin holdings. The concentration of our assets in bitcoin limits our ability to mitigate risk that could otherwise be achieved by holding a more diversified portfolio of assets.

Our bitcoin strategy relies substantially on our ability to complete equity and debt financings. Substantially all of our bitcoin purchases have been made using proceeds from equity and debt financings. Our ability to achieve the objectives of our bitcoin strategy depends in significant part on our ability to obtain equity and debt financing. If we are unable to obtain equity or debt financing on favorable terms or at all, we may not be able to successfully execute on our bitcoin strategy.

Our bitcoin strategy has not been tested over an extended period of time or under all market conditions. We are continually examining the risks and rewards of our strategy to acquire and hold bitcoin. This strategy has not been tested over an extended period of time or under all market conditions. For example, although we believe bitcoin, due to its limited supply, has the potential to serve as a hedge against inflation in the long term, the short-term price of bitcoin declined in recent periods during which the inflation rate increased. If bitcoin prices were to decline or our bitcoin strategy were to otherwise prove unsuccessful, our financial condition, results of operations, and the market price of our listed securities would be materially adversely impacted.

We are subject to counterparty risks, including in particular risks relating to our custodians. Although we have implemented various measures that are designed to mitigate our counterparty risks, including by storing substantially all of the bitcoin we own in custody accounts at U.S.-based, institutional-grade custodians and negotiating contractual arrangements intended to establish that our property interest in custodially-held bitcoin is not subject to claims of our custodians' creditors, applicable insolvency law is not fully developed with respect to the holding of digital assets in custodial accounts. If our custodially-held bitcoin were nevertheless considered to be the property of our custodians' estates in the event that any such custodians were to enter bankruptcy, receivership or similar insolvency proceedings, we could be treated as a general unsecured creditor of such custodians, inhibiting our ability to exercise ownership rights with respect to such bitcoin, or delaying or hindering our access to our bitcoin holdings, and this may ultimately result in the loss of the value related to some or all of such bitcoin, which could have a material adverse effect on our financial condition as well as the market price of our listed securities.

The broader digital assets industry is subject to counterparty risks, which could adversely impact the adoption rate, price, and use of bitcoin. A series of high-profile bankruptcies, closures, liquidations, regulatory enforcement actions, hackings, thefts and other events relating to companies operating in the digital asset industry in recent years have highlighted the counterparty risks applicable to owning and transacting in digital assets. Although these events have not resulted in any loss or misappropriation of our bitcoin, nor have such events adversely impacted our access to our bitcoin, they have, in the short-term, likely negatively impacted the adoption rate and use of bitcoin. Additional bankruptcies, closures, liquidations, regulatory enforcement actions, hackings, thefts or other similar events involving participants in the digital assets industry in the future may further negatively impact the adoption rate, price, and use of bitcoin, limit the availability to us of financing collateralized or with asset coverage provided by bitcoin, or create or expose additional counterparty risks.

Changes in the accounting treatment of our bitcoin holdings could have significant accounting impacts, including increasing the volatility of our results. We have adopted ASU 2023-08 as of January 1, 2025, which requires us to measure our bitcoin holdings at fair value in our statement of financial position, and to recognize gains and losses from changes in the fair value of our bitcoin in net income each reporting period beginning January 1, 2025. ASU 2023-08 also requires us to provide certain interim and annual disclosures with respect to our bitcoin holdings. The standard became effective for us on January 1, 2025, and we applied a cumulative-effect net increase to the opening balance of retained earnings as of January 1, 2025 of $12.75 billion. Due in particular to the volatility in the price of bitcoin, the adoption of ASU 2023-08 has materially impacted our financial results, increased the volatility of our financial results, and materially affected the carrying value of our bitcoin on our balance sheet, and we expect these impacts to continue. For example, during 2026, we incurred losses on digital assets of $14.46 billion and $8.32 billion for the quarters ended March 31, 2026 and June 30, 2026, respectively, and a gain on digital assets of $20.91 billion for the quarter ended September 30, 2026. Significant variances in gains and losses could occur in future periods. These impacts could in turn have a material adverse effect on our financial results and the market price of our listed securities. Additionally, as a result of ASU 2023-08 requiring a cumulative-effect adjustment to our opening balance of retained earnings as of January 1, 2025 and not permitting retrospective restatement of our historical financial statements, our results for the year ended December 31, 2025, as well as all interim periods during that year, are not, and for future periods will not be, comparable to results from periods prior to our adoption of the guidance.

The broader digital assets industry, including the technology associated with digital assets, the rate of adoption and development of, and use cases for, digital assets, market perception of digital assets, and the legal, regulatory, and accounting treatment of digital assets are constantly developing and changing, and there may be additional risks in the future that are not possible to predict.

Bitcoin is a highly volatile asset, and fluctuations in the price of bitcoin have in the past influenced and are likely to continue to influence our financial results and the market price of our listed securities

The price of bitcoin has historically been, and may continue to be, highly volatile. Fluctuations in the price of bitcoin have in the past influenced, and are likely to continue to influence, our financial results and the market price of our listed securities. Our business, financial results, financial condition, and the market price of our listed securities, would be adversely affected, if the price of bitcoin declined substantially (as it has in the past, including during recent periods), including as a result of:

- decreased user and investor confidence in bitcoin, including due to the various factors described herein;
- investment and trading activities, such as (i) trading activities of highly active retail and institutional users, speculators, other companies executing a bitcoin strategy similar to ours, miners and other investors; (ii) actual or expected significant dispositions of bitcoin by large holders, including the expected liquidation of digital assets seized by governments or associated with entities that have filed for bankruptcy protection, such as (a) transfers of bitcoin to creditors of the hacked cryptocurrency exchange Mt. Gox which began in July 2024 and is due to be completed by October 31, 2027, (b) the transfer of 94,643 bitcoin to Bitfinex following proceedings related to a 2016 hack of its platform, and (c) potential sales of 69,370 bitcoin seized from the Silk Road marketplace by the U.S. Department of Justice; and (iii) actual or perceived manipulation of the spot or derivative markets for bitcoin or spot bitcoin exchange-traded products ("ETPs");
- negative publicity, media or social media coverage, or sentiment due to events in or relating to, or perception of, bitcoin or the broader digital assets industry, including, for example, (i) public perception that bitcoin can be used as a vehicle to circumvent sanctions, including sanctions imposed on Russia or certain regions related to the ongoing conflict between Russia and Ukraine, or to fund criminal or terrorist activities, such as the purported use of digital assets by Hamas to fund its terrorist attack against Israel in October 2023; (ii) expected or pending civil, criminal, regulatory enforcement or other high-profile actions against major participants in the bitcoin ecosystem, including the SEC's previous enforcement action against Binance Holdings Ltd.; (iii) additional filings for bankruptcy protection or bankruptcy proceedings of major digital asset industry participants, such as the bankruptcy proceeding of FTX Trading and its affiliates; (iv) hackings and other breaches or heists that result in theft in digital assets, such as the October 2026 security breach involving Binance that resulted in the unauthorized withdrawal of digital assets; (v) the actual or perceived environmental impact of bitcoin and related activities, including environmental concerns raised by private individuals, governmental and non-governmental organizations, and other actors related to the energy resources consumed in the bitcoin mining process; and (vi) activities relating to other cryptocurrencies, including "meme coins";
- changes in consumer preferences and the perceived value or long-term prospects of bitcoin;
- developments affecting other companies pursuing a bitcoin strategy similar to ours, such as the abandonment of the strategy by such other companies, the failure by such other companies to satisfy their debt or other financial obligations, market concerns as to the viability or creditworthiness of such other companies, the loss or disposition of substantial bitcoin by such other companies, regulatory or legal judgments or actions against such other companies due to their adoption of a bitcoin strategy, or any other similar actions or negative outcomes impacting such other companies, whether due to any of the various risk factors described herein or for any other reason (for example, during 2026, a number of companies that had adopted bitcoin treasury strategies have sold bitcoin, repaid or restructured bitcoin-related financings, modified or abandoned their strategies, or traded at market values below the value of their bitcoin holdings);
- competition from other digital assets that exhibit better speed, security, scalability, or energy efficiency, that feature other more favored characteristics, that are backed by governments, including the U.S. government, or by reserves of fiat currencies, or that represent ownership or security interests in physical assets;
- a decrease in the price of other digital assets, including stablecoins, or the crash or unavailability of stablecoins that are used as a medium of exchange in bitcoin purchase and sale transactions, such as the crash of the stablecoin TerraUSD in 2022, to the extent the decrease in the price of such other digital assets or the unavailability of such stablecoins may cause a decrease in the price of bitcoin or adversely affect investor confidence in digital assets generally;
- the identification of Satoshi Nakamoto, the pseudonymous person or persons who developed bitcoin, or the transfer of substantial amounts of bitcoin from bitcoin wallets attributed to Mr. Nakamoto;
- developments relating to the Bitcoin protocol, including failures to make upgrades to the Bitcoin protocol to adapt to security, technological, legal or other challenges, or changes or proposed changes to the Bitcoin protocol that (i) impact its security, speed, scalability, usability, or value, such as changes to the cryptographic security protocol underpinning the Bitcoin blockchain, changes to the maximum number of bitcoin outstanding, changes to the mutability of transactions, changes relating to the size of blockchain blocks, changes to the amount of data that

may be embedded into the Bitcoin blockchain, and similar changes, (ii) introduce software bugs, security risks or other elements that adversely affect bitcoin, and (iii) alter or are perceived to alter characteristics of bitcoin or the Bitcoin network in a manner which adversely impacts the market price of bitcoin;

- disruptions, failures, unavailability, or interruptions in services of trading venues for bitcoin, such as, for example, the announcement by the digital asset exchange FTX Trading that it would freeze withdrawals and transfers from its accounts and subsequent filing for bankruptcy protection and the SEC enforcement action previously brought against Binance Holdings Ltd. and others, which initially sought to freeze all assets on the Binance US platform during the pendency of the enforcement action and has since resulted in Binance discontinuing all fiat deposits and withdrawals in the U.S.;
- the filing for bankruptcy protection by, liquidation of, or market concerns about the financial viability of digital asset custodians, trading venues, lending platforms, investment funds, or other digital asset industry participants, such as the filing for bankruptcy protection by digital asset trading venues FTX Trading and BlockFi and digital asset lending platforms Celsius Network and Voyager Digital Holdings in 2022, the ordered liquidation of the digital asset investment fund Three Arrows Capital in 2022, the announced liquidation of Silvergate Bank in 2023, the government-mandated closure and sale of Signature Bank in 2023, the placement of Prime Trust, LLC into receivership following a cease-and-desist order issued by the Nevada Department of Business and Industry in 2023, and the exit of Binance from the U.S. market as part of its settlement with the Department of Justice and other federal regulatory agencies;
- regulatory, legislative, enforcement and judicial actions that adversely affect the price, ownership, transferability, trading volumes, legality or public perception of bitcoin, or that adversely affect the operations of or otherwise prevent digital asset custodians, trading venues, lending platforms or other digital assets industry participants from operating in a manner that allows them to continue to deliver services to the digital assets industry;
- further reductions in mining rewards of bitcoin, including due to block reward halving events, which are programmed events that occur approximately every four years (the most recent of which occurred in April 2024) that reduce the block reward earned by “miners” who validate bitcoin transactions, or increases in the costs associated with bitcoin mining, including increases in electricity costs and hardware and software used in mining, or new or enhanced regulation or taxation of bitcoin mining, which could further increase the costs associated with bitcoin mining, any of which may cause a decline in support for the Bitcoin network;
- transaction congestion and fees associated with processing transactions on the Bitcoin network;
- macroeconomic changes, such as changes in the level of interest rates and inflation, fiscal and monetary policies of governments, trade restrictions, and fiat currency devaluations;
- developments in mathematics or technology, including in digital computing, algebraic geometry and quantum computing, that could result in the cryptography used by the Bitcoin blockchain becoming insecure or ineffective; and
- changes in national and international economic and political conditions, including, without limitation, federal government policies, trade tariffs and trade disputes, and the adverse impacts attributable to global conflicts, including those between Russia and Ukraine and in the Middle East.

Any of the foregoing factors, individually or in the aggregate, could result in significant volatility or a substantial decline in the price of bitcoin, which could in turn adversely affect our financial results, the market price of our listed securities, and our ability to implement our bitcoin strategy.

Bitcoin and other digital assets are relatively novel assets, and are subject to significant legal, commercial, regulatory and technical uncertainty

Bitcoin and other digital assets are relatively novel assets, and are subject to significant legal, commercial, regulatory and technical uncertainty, any of which could adversely affect bitcoin’s price and our ability to hold or transact in bitcoin.

The application of state and federal securities laws and other laws and regulations to digital assets is unclear in certain respects, and state and federal governments and regulators in the United States and abroad may enact new laws and regulations, or enforce or interpret existing laws or regulations, in a manner that could impose material additional regulatory burdens and costs on us or other digital asset industry participants, which could materially affect the price of bitcoin or the ability of individuals or institutions such as us to own or transfer bitcoin. For example, U.S. and foreign regulators and legislators have recently taken, proposed or considered a range of actions affecting digital assets and digital asset market participants, including federal legislation and proposed legislation addressing payment stablecoins and digital asset market structure, SEC and Commodities Futures Trading Commission ("CFTC") initiatives and interpretations

concerning the application of federal securities and commodities laws to digital assets and digital-asset transactions, state legislation imposing taxes on digital asset transactions, exchange-listing interpretations applicable to certain digital-asset treasury transactions, enforcement actions and settlements involving major digital asset trading venues and service providers, and comprehensive non-U.S. regulatory frameworks such as the European Union's Markets in Crypto Assets Regulation. Although certain prior SEC complaints against major digital asset trading platforms have been dismissed, regulators may initiate similar or different actions in the future, and new or evolving laws, rules, interpretations or enforcement positions may materially affect the price, ownership, transferability, trading volume, custody or public perception of bitcoin, the availability of services from digital asset industry participants, or our ability to implement our bitcoin strategy.

It is not possible to predict whether or when new laws and regulations will change the legal framework governing digital assets or expand the authority of the SEC, the CFTC, or other regulators, or whether or when any other federal, state or foreign bodies will take similar actions. Nor can we predict the nature or market effects of any such new or revised laws, rulemaking, or other legislative, regulatory or legal actions or guidance on us or the broader digital assets industry, nor the impacts of such changes on the willingness of financial and other institutions to provide services to the digital assets industry. For example, the Digital Asset Market Clarity Act of 2025 (the "CLARITY Act"), failed to obtain the votes necessary to advance on the Senate floor in September 2026. It is uncertain whether the CLARITY Act or any similar digital asset market structure legislation will be enacted, or what its terms would be. In the absence of such legislation, the legal and regulatory treatment of digital assets, including bitcoin, will continue to depend substantially on agency interpretations, guidance, exemptive relief and rulemaking, which may be modified, rescinded or reversed by current or future regulators or administrations, or be subject to legal challenge. Conversely, if enacted, the CLARITY Act or similar legislation could grant the CFTC additional regulatory and supervisory powers with respect to spot digital assets, including bitcoin, as "digital commodities" and potentially impose additional registration, disclosure, reporting, and business conduct requirements on us. The consequences of any new legal requirements relating to digital assets could adversely affect the market price of bitcoin and our ability to hold or transact in bitcoin, and in turn adversely affect our business, financial condition and results of operations, and the market price of our listed securities. Furthermore, as more companies adopt strategies with respect to bitcoin or digital assets similar to ours, governments and regulatory agencies may be prompted to enact new laws, regulations, or interpretations, which may adversely affect our bitcoin strategy.

Moreover, the risks of engaging in a bitcoin strategy are relatively novel and have created, and could continue to create, complications due to the lack of experience that third parties have with companies engaging in such a strategy, such as increased costs of director and officer liability insurance or the potential inability to obtain such coverage on acceptable terms in the future.

Growth of the digital assets industry in general, and the use and acceptance of bitcoin in particular, are highly uncertain and may also impact the price of bitcoin. The pace of growth in the adoption and use of bitcoin may depend, for instance, on public familiarity with digital assets, ease of buying, accessing or gaining exposure to bitcoin, institutional demand for bitcoin as an investment asset, participation by traditional financial institutions in the digital assets industry, consumer demand for bitcoin as a store of value or medium of exchange, and the availability and popularity of alternatives to bitcoin. Even if growth in bitcoin adoption occurs in the near or medium-term, there is no assurance that bitcoin usage will continue to grow over the long-term or that any such growth will be sustained.

The liquidity and public perception of bitcoin may also suffer if financial institutions deny or limit banking services to businesses that hold bitcoin, provide bitcoin-related services or accept bitcoin as payment, which could also decrease the price of bitcoin. Actions by U.S. banking regulators, such as the issuance in February 2023 by federal banking agencies of the "Interagency Liquidity Risk Statement," which cautioned banks on contagion risks posed by providing services to digital assets customers, and similar actions, have in the past reduced access to banking services for bitcoin-related customers and service providers, or the willingness of traditional financial institutions to participate in markets for digital assets. Although federal banking regulators have since withdrawn or modified certain of this guidance, current or future regulators may adopt more restrictive positions. The liquidity of bitcoin may also be impacted to the extent that changes in applicable laws and regulatory requirements negatively impact the ability of exchanges and trading venues to provide services for bitcoin and other digital assets.

Bitcoin has no physical existence beyond the record of transactions on the Bitcoin blockchain. As a result, factors such as malicious attacks by miners, inadequate mining fees to incentivize validation of bitcoin transactions, hard "forks" of the Bitcoin blockchain into multiple blockchains, and advances in digital computing, algebraic geometry, and quantum computing could undermine the integrity of the Bitcoin blockchain and negatively affect the price of bitcoin and, in turn, our business, financial condition, results of operations, and the trading price of our listed securities.

Our historical financial statements prior to March 31, 2025 do not reflect the potential variability in earnings that we have experienced to date and may experience in the future relating to our bitcoin holdings

Our historical financial statements prior to March 31, 2025 do not fully reflect the potential variability in earnings that we have experienced to date and may experience in the future from holding or selling significant amounts of bitcoin.

The price of bitcoin has historically been subject to dramatic price fluctuations and is highly volatile. In December 2023, the FASB issued ASU 2023-08, which we adopted as of January 1, 2025.

Before our adoption of ASU 2023-08 on January 1, 2025, our bitcoin was accounted for as an indefinite-lived intangible asset. As a result, decreases in the quoted market price of bitcoin required us to recognize impairment losses, while subsequent increases in price were not reflected in earnings unless bitcoin was sold. Due in part to the volatility of bitcoin, we incurred $4.06 billion of cumulative impairment losses on our bitcoin holdings through December 31, 2024.

ASU 2023-08 requires us to measure our bitcoin holdings at fair value in our statement of financial position, and to recognize gains and losses from changes in the fair value of our bitcoin in net income each reporting period. ASU 2023-08 also requires us to provide certain interim and annual disclosures with respect to our bitcoin holdings. As of January 1, 2025 we applied a cumulative-effect adjustment to the opening balance of retained earnings of $12.75 billion. ASU 2023-08 does not permit retrospective restatement of prior periods. Due to the application of a different accounting standard for the quarterly and annual periods ending subsequent to January 1, 2025 relative to the corresponding periods during the year ended December 31, 2024, and due to ASU 2023-08 not permitting retrospective restatement of prior periods, our results for the quarterly and annual periods ending subsequent to January 1, 2025 are not comparable to our results from periods prior to our adoption of the guidance. Additionally, any unrealized gain on digital assets reflected in our financial results for a given period does not reflect cash actually earned by us during that period, and a significant increase in our digital assets included on our balance sheet is not associated with an actual increase in our liquidity.

As a result of our adoption of ASU 2023-08, we may incur greater losses during periods when we previously would have incurred smaller losses or no losses because we had already impaired the carrying value of our bitcoin to a low price observed during a prior period, and we may also record gains during periods when the fair market value of bitcoin rises, as compared to periods prior to January 1, 2025, when we would not have recorded any gains under similar circumstances. Accordingly, due in particular to the volatility in the price of bitcoin, the adoption of ASU 2023-08 has to date increased, and we expect will continue to impact, the volatility of our financial results. For further details see “Risks Related to Our Bitcoin Strategy and Holdings-Our bitcoin strategy exposes us to various risks, including risks associated with bitcoin.” Because we intend to continue increasing our bitcoin holdings, we expect that the proportion of our total assets represented by our bitcoin holdings will increase in the future, and we expect ASU 2023-08 to continue to significantly affect the carrying value of our bitcoin on our balance sheet. As a result, our earnings may be even more volatile in future periods than what we have experienced to date.

The recent increase in the availability of alternative ways to gain exposure to bitcoin and other digital assets may adversely affect the market price of our listed securities

Investors in the United States and other markets now have a broader range of alternatives for gaining exposure to bitcoin and other digital assets through traditional investment channels, including spot bitcoin ETPs, bitcoin futures exchange-traded funds (“ETFs”), leveraged bitcoin futures ETFs, other digital asset ETPs and securities of other companies that have adopted bitcoin or other digital asset treasury strategies. The availability of these and other investment products may reduce investor demand for our listed securities to the extent investors view them as alternative, substitute or preferred means of obtaining exposure to bitcoin or digital assets. Any reduction in the trading price of our listed securities, whether in absolute terms or relative to the value of our bitcoin holdings, could also adversely affect our ability to raise capital on favorable terms, including through our ATMs, and could impair our ability to acquire additional bitcoin and execute our bitcoin strategy or satisfy our financial obligations or liquidity needs.

Although we are an operating company, and we believe we offer a different value proposition than a bitcoin investment vehicle such as a spot bitcoin ETP, investors may nevertheless view our class A common stock or other listed securities as an alternative to an investment in a spot bitcoin ETP, and choose to purchase shares of a spot bitcoin ETP instead of our class A common stock or other listed securities. They may do so for a variety of reasons, including if they believe that ETPs offer a “pure play” exposure to bitcoin that is generally not subject to federal income tax at the entity level as we are, or the other risk factors applicable to an operating business, such as ours. Additionally, unlike spot bitcoin ETPs, we (i) do not seek for our shares of class A common stock to track the value of the underlying bitcoin we hold before payment of expenses and liabilities, (ii) do not benefit from various exemptions and relief under the Exchange Act, including Regulation M, and other securities laws, which enable ETPs to continuously align the value of their shares to the price of the underlying assets they hold through share creation and redemption, (iii) are a Delaware corporation rather than a statutory trust, and do not operate pursuant to a trust agreement that would require us to pursue one or more stated investment objectives, and (iv) are not required to provide daily transparency as to our bitcoin holdings or our daily net asset value. Furthermore, recommendations by broker-dealers to buy, hold, or sell complex products and non-traditional

ETPs, or an investment strategy involving such products, may be subject to additional or heightened scrutiny that would not be applicable to broker-dealers making recommendations with respect to our listed securities.

Other companies and investment products may also provide investors with alternative means of obtaining bitcoin exposure, yield-oriented bitcoin exposure or exposure to digital asset treasury strategies. Based on how we have historically been viewed in the market relative to such alternatives, the trading price of our class A common stock may experience increases and decreases differently relative to the value of our bitcoin holdings than the corresponding valuation of such alternatives in response to changes in market conditions. In addition, investors seeking both bitcoin exposure and dollar- or Euro-denominated yield may choose investment products or strategies, including funds that pursue yield-based strategies using derivatives of our class A common stock or bitcoin, or preferred stock instruments issued by other digital asset treasury companies, rather than purchasing our preferred stock. These alternatives may reduce demand for our listed securities or adversely affect their trading prices, liquidity or relative valuations.

Other companies have also recently adopted treasury strategies with exposure to digital assets other than bitcoin. In addition, the market for exchange-traded products providing exposure to digital assets has continued to expand beyond spot bitcoin ETPs, including spot ether ETPs and other crypto asset ETPs or proposed ETPs. The SEC has approved orders permitting in-kind creations and redemptions for crypto asset ETP shares, including bitcoin and ether ETPs, and has approved generic listing standards that may allow exchanges to list and trade certain qualifying commodity-based ETPs, including certain digital asset ETPs, without obtaining separate product-by-product approval through a proposed rule change. The current and potential future availability of investment options with respect to digital assets other than bitcoin could reduce investor demand for bitcoin, increase competition for investor capital allocated to digital asset exposure, or otherwise result in a decline in the price of bitcoin, which could in turn cause a decline in the trading prices of our class A common stock and our other listed securities that may be disproportionate to any decline in the value of our bitcoin holdings.

Any of the foregoing factors could have a material adverse effect on the market price of our listed securities.

Our bitcoin strategy subjects us to enhanced regulatory oversight

Several spot bitcoin ETPs have received approval from the SEC to list their shares on a U.S. national securities exchange with continuous share creation and redemption at net asset value. Even though we are not, and do not function in the manner of, a spot bitcoin ETP, it is possible that we nevertheless could face regulatory scrutiny from the SEC or other federal or state agencies due to our bitcoin holdings and our bitcoin strategy more generally.

In addition, there has been increasing focus on the extent to which digital assets can be used to launder the proceeds of illegal activities, fund criminal or terrorist activities, or circumvent sanctions regimes, including comprehensive sanction programs targeting jurisdictions such as Russia, Iran, and North Korea. While we have implemented and maintain policies and procedures reasonably designed to promote compliance with applicable anti-money laundering and sanctions laws and regulations and take care to only acquire our bitcoin through entities subject to anti-money laundering regulation and related compliance rules in the United States, if we are found to have purchased any of our bitcoin from bad actors that have used bitcoin to launder money or persons subject to sanctions, we may be subject to regulatory proceedings and any further transactions or dealings in bitcoin by us may be restricted or prohibited.

Although our bitcoin holdings did not serve as collateral securing any of our outstanding indebtedness as of September 30, 2026, we may incur indebtedness or enter into other financial instruments in the future that may be collateralized by our bitcoin holdings. We may also consider pursuing strategies to create income streams or otherwise generate funds using our bitcoin holdings. These types of bitcoin-related transactions are the subject of enhanced regulatory oversight. These and any other bitcoin-related transactions we may enter into, beyond simply acquiring and holding bitcoin, may subject us to additional regulatory compliance requirements and scrutiny, including under federal and state money services regulations, money transmitter licensing requirements and various commodity and securities laws and regulations.

Additional laws, guidance and policies may be issued by domestic and foreign regulators, including for example, in response to the failure of a major participant in the digital assets industry, such as the filing for Chapter 11 bankruptcy protection by FTX in November 2022. Increased enforcement activity and changes in the regulatory environment, including changing interpretations and the implementation of new or varying regulatory requirements by the government or any new legislation affecting bitcoin, as well as enforcement actions involving or impacting our trading venues, counterparties and custodians, may impose significant costs or significantly limit our ability to hold and transact in bitcoin.

In addition, private actors that are wary of bitcoin or the regulatory concerns associated with bitcoin have in the past taken and may in the future take further actions that may have an adverse effect on our business or the market price of our listed securities. For example, an affiliate of HSBC Holdings has prohibited customers of its HSBC InvestDirect retail investment platform from buying shares of our class A common stock after determining that the value of our stock is related to the performance of bitcoin, indicating that it did not want to facilitate exposure to virtual currencies.

In November 2025, we issued STRE Stock, which is a Euro-denominated preferred stock instrument listed for trading on the Official List of the Luxembourg Stock Exchange and the Euro MTF market of the Luxembourg Stock Exchange. As a result of such listing, we are subject to certain disclosure and other requirements under applicable EU regulations. We may continue to seek access to non-U.S. capital markets, list or admit our securities to trading on additional foreign exchanges, or otherwise expand the distribution of our securities in foreign jurisdictions, and we may become subject to additional regulatory oversight, disclosure obligations, conduct requirements and review of our bitcoin strategy and digital asset activities in those jurisdictions. Any such additional non-U.S. regulatory oversight could increase our compliance and reporting costs, constrain our flexibility in implementing our bitcoin strategy, or otherwise adversely affect our business, financial condition and results of operations.

Due to the unregulated nature and lack of transparency surrounding the operations of many bitcoin trading venues, bitcoin trading venues may experience greater fraud, security failures or regulatory or operational problems than trading venues for more established asset classes, which may result in a loss of confidence in bitcoin trading venues and adversely affect the value of our bitcoin

Bitcoin trading venues are relatively new (compared to stock exchanges) and, in many cases, unregulated. Furthermore, there are many bitcoin trading venues which do not provide the public with significant information regarding their ownership structure, management teams, corporate practices and regulatory compliance. As a result, the marketplace may lose confidence in bitcoin trading venues, including prominent exchanges that handle a significant volume of bitcoin trading and/or are subject to regulatory oversight, in the event one or more bitcoin trading venues cease or pause for a prolonged period the trading of bitcoin or other digital assets, or experience fraud, significant volumes of withdrawal, security failures or operational problems.

Reports and academic studies have estimated that a substantial portion of trading volume reported by certain unregulated crypto-asset trading venues may be non-economic in nature (including wash trading), with a December 2022 study estimating wash trading averaged over 70% of reported volume on unregulated exchanges studied. The SEC also alleged as part of its June 2023 complaint against Binance Holdings Ltd. that Binance committed strategic and targeted “wash trading” through its affiliates to artificially inflate the volume of certain digital assets traded on its exchange. The SEC has also brought recent actions against individuals and digital asset market participants alleging that such persons artificially increased trading volumes in certain digital assets through wash trades, or repeated buying and selling of the same assets in fictitious transactions to manipulate their underlying trading price. Such reports and allegations may indicate that the bitcoin market is significantly smaller than expected and that the United States makes up a significantly larger percentage of the bitcoin market than is commonly understood. Any actual or perceived wash trading in the bitcoin market, and any other fraudulent or manipulative acts and practices, could adversely affect the value of our bitcoin.

Negative perception, a lack of stability in the broader bitcoin markets and the closure, temporary shutdown or operational disruption of bitcoin trading venues, lending institutions, institutional investors, institutional miners, custodians, or other major participants in the bitcoin ecosystem, due to fraud, business failure, cybersecurity events, government-mandated regulation, bankruptcy, or for any other reason, may result in a decline in confidence in bitcoin and the broader bitcoin ecosystem and greater volatility in the price of bitcoin. For example, in 2022, each of Celsius Network, Voyager Digital, Three Arrows Capital, FTX, and BlockFi filed for bankruptcy, following which the market prices of bitcoin and other digital assets significantly declined. In addition, in June 2023, the SEC announced enforcement actions against Coinbase, Inc., and Binance Holdings Ltd., two providers of large trading venues for digital assets, which similarly was followed by a decrease in the market price of bitcoin and other digital assets. These were followed in November 2023, by an SEC enforcement action against Payward Inc. and Payward Ventures Inc., together known as Kraken, another large trading venue for digital assets. Although these complaints were ultimately dismissed, the SEC or other regulatory agencies may initiate similar actions in the future. As the price of our listed securities is affected by the value of our bitcoin holdings, the failure of a major participant in the bitcoin ecosystem could have a material adverse effect on the market price of our listed securities.

The concentration of our bitcoin holdings enhances the risks inherent in our bitcoin strategy

Our assets are substantially concentrated in bitcoin, and we intend to purchase additional bitcoin and increase our overall holdings of bitcoin in the future. See Note 3, Digital Assets, to the Consolidated Financial Statements contained in Part I, Item 1 of this Quarterly Report and the “Liquidity and Capital Resources” section in Part I, Item 2, Management’s Discussion and Analysis of Financial Condition and Results of Operations, for additional disclosure on our bitcoin holdings and related information. The concentration of our bitcoin holdings limits the risk mitigation that we could achieve if we were to purchase a more diversified portfolio of assets, which enhances the risks inherent in our bitcoin strategy. Any future significant declines in the price of bitcoin would have a more pronounced impact on our financial condition than if we had used our cash to purchase a more diverse portfolio of assets. The scale of our bitcoin holdings may also result in

negative publicity or investor concern. Any resulting market volatility could materially harm the market value of our bitcoin holdings and the trading prices of our listed securities.

The emergence or growth of other digital assets, including those with significant private or public sector backing, could have a negative impact on the price of bitcoin and adversely affect our business

As a result of our bitcoin strategy, our assets are concentrated in our bitcoin holdings. Accordingly, the emergence or growth of digital assets other than bitcoin may have a material adverse effect on our financial condition. As of September 30, 2026, bitcoin was the largest digital asset by market capitalization. However, there are numerous alternative digital assets and many entities, including consortiums and financial institutions, are researching and investing resources into private or permissioned blockchain platforms or digital assets that do not use proof-of-work mining like the Bitcoin network. For example, in late 2022, the Ethereum network transitioned to a "proof-of-stake" mechanism for validating transactions that requires significantly less computing power than proof-of-work mining. The Ethereum network has completed another major update since then and may undertake additional updates in the future. If the mechanisms for validating transactions in Ethereum and other alternative digital assets are perceived as superior to proof-of-work mining, those digital assets could gain market share relative to bitcoin.

Other alternative digital assets that compete with bitcoin in certain ways include "stablecoins," which are designed to maintain a constant price related to or based on some other asset or traditional currency because of, for instance, their issuers' promise to hold high-quality liquid assets (such as U.S. dollar deposits and short-term U.S. treasury securities) equal to the total value of stablecoins in circulation. In July 2025, the "GENIUS Act" was enacted, which establishes a federal framework for "payment stablecoins," treating them as payment systems, not securities, and mandating fiat-backed reserves, monthly disclosures, anti-money laundering safeguards, and similar measures. Stablecoins have grown rapidly as an alternative to bitcoin and other digital assets as a medium of exchange and store of value, particularly on digital asset trading platforms, and their use as an alternative to bitcoin could expand further as a result of the GENIUS Act being enacted. As of September 30, 2026, two of the seven largest digital assets by market capitalization were U.S. dollar-pegged stablecoins.

Additionally, central banks in some countries have started to introduce digital forms of legal tender. For example, China's central bank digital currency ("CBDC") project was made available to consumers in January 2022, and governments including Japan, the United Kingdom and the European Union have been discussing the potential creation of new CBDCs. Further, some countries, such as Sweden, Norway and Israel, are exploring cross-border interoperability of retail CBDCs. Whether or not they incorporate blockchain or similar technology, CBDCs, as legal tender in the issuing jurisdiction, could also compete with, or replace, bitcoin and other digital assets as a medium of exchange or store of value. As a result, the emergence or growth of these or other digital assets could cause the market price of bitcoin to decrease, which could have a material adverse effect on our business, prospects, financial condition, and operating results.

Our bitcoin holdings are less liquid than our existing cash and cash equivalents and may not be able to serve as a source of liquidity for us to the same extent as cash and cash equivalents

Historically, the bitcoin market has been characterized by significant volatility in price, limited liquidity and trading volumes compared to sovereign currencies markets, relative anonymity, a developing regulatory landscape, potential susceptibility to market abuse and manipulation, compliance and internal control failures at exchanges, and various other risks inherent in its entirely electronic, virtual form and decentralized network. We currently expect to satisfy our financial obligations or liquidity needs through one or more sources of liquidity, including cash we hold in the USD Reserve and USD Cash, proceeds from the sale of bitcoin, proceeds from sales of our class A common stock and preferred stock under our ATM, and proceeds from additional equity or debt financings. See the "Liquidity and Capital Resources" section in Part I, Item 2 Management's Discussion and Analysis of Financial Condition and Results of Operations for additional information on such sources. Although we have established the USD Reserve and USD Cash, we have sold bitcoin, including at prices below our cost basis, and may continue to sell bitcoin to meet our liquidity needs, satisfy our financial obligations, fund or replenish the USD Reserve, fund repurchases of our securities, or for other purposes if we determine it is favorable to do so. We may also be required to sell our bitcoin if we deplete our USD Reserve and USD Cash and we are unable to secure equity or debt financing in a timely manner, on favorable terms, or at all, and we may be required to make such sales at prices below our cost basis or on terms that are otherwise unfavorable. Due to the scale of our bitcoin holdings, any such sales, or market perception that we plan to make such sales, could cause preemptive selling pressure by other market participants, driving down the market price of bitcoin, further impairing our ability to use our bitcoin for liquidity. Additionally, during periods of market instability, we may not be able to sell our bitcoin at favorable prices or at all. For example, a number of bitcoin trading venues temporarily halted deposits and withdrawals in 2022, although the Coinbase exchange (our principal market for bitcoin) has, to date, not done so. As a result, our bitcoin holdings may not be able to serve as a source of liquidity for us to the same extent as cash and cash equivalents.

Further, the bitcoin that we hold with our custodians and transact with our trade execution partners does not enjoy the same protections as are available to cash or securities deposited with or transacted by institutions subject to regulation by the Federal Deposit Insurance Corporation or the Securities Investor Protection Corporation.

Additionally, we may be unable to enter into loans or other capital raising transactions collateralized by our unencumbered bitcoin or otherwise generate funds using our bitcoin holdings, including in particular during periods of market instability or when the price of bitcoin has declined significantly. If we are unable to sell our bitcoin, enter into additional capital raising transactions, including capital raising transactions using bitcoin as collateral, or otherwise generate funds using our bitcoin holdings, or if we are forced to sell our bitcoin at a significant loss, in order to meet our financial obligations and liquidity needs, our business and financial condition could be negatively impacted.

If we or our third-party service providers experience a security breach or cyberattack and unauthorized parties obtain access to our bitcoin, or if our private keys are lost or destroyed, or other similar circumstances or events occur, we may lose some or all of our bitcoin and our financial condition and results of operations could be materially adversely affected

Substantially all of the bitcoin we own is held in custody accounts at institutional-grade digital asset custodians. Security breaches and cyberattacks are of particular concern with respect to our bitcoin. Bitcoin and other blockchain-based cryptocurrencies and the entities that provide services to participants in the bitcoin ecosystem have been, and may in the future be, subject to security breaches, cyberattacks, or other malicious activities. For example, in October 2021, it was reported that hackers exploited a flaw in the account recovery process and stole from the accounts of at least 6,000 customers of the Coinbase exchange (our principal market for bitcoin), although the flaw was subsequently fixed and Coinbase reimbursed affected customers. Similarly, in 2025, Coinbase reported that criminals bribed certain of its non-U.S. employees to steal customer data to use in social engineering attacks. Additionally, in October 2026, Binance reported a significant security breach involving the unauthorized withdrawal of digital assets from certain hot wallets. A successful security breach or cyberattack could result in:

- a partial or total loss of our bitcoin in a manner that may not be covered by insurance or the liability provisions of the custody agreements with the custodians who hold our bitcoin;
- harm to our reputation and brand;
- improper disclosure of data and violations of applicable data privacy and other laws; or
- significant regulatory scrutiny, investigations, fines, penalties, and other legal, regulatory, contractual and financial exposure.

Further, any actual or perceived data security breach or cybersecurity attack directed at other companies with digital assets or companies that operate digital asset networks, regardless of whether we are directly impacted, could lead to a general loss of confidence in the broader Bitcoin blockchain ecosystem or in the use of the Bitcoin network to conduct financial transactions, which could negatively impact us.

Attacks upon systems across a variety of industries, including industries related to bitcoin, are increasing in frequency, persistence, and sophistication, and, in many cases, are being conducted by sophisticated, well-funded and organized groups and individuals, including state actors. Emerging technologies, such as AI-driven cyberattacks and the potential for quantum computing, could introduce new vulnerabilities in our systems, potentially rendering traditional cryptographic techniques less effective and exposing us to more sophisticated forms of cyberattacks. The techniques used to obtain unauthorized, improper or illegal access to systems and information (including personal data and digital assets), disable or degrade services, or sabotage systems are constantly evolving, may be difficult to detect quickly, and often are not recognized or detected until after they have been launched against a target. Novel methods, such as those utilizing AI or quantum computing, may be even more difficult to detect and defend against. These attacks may occur on our systems or those of our third-party service providers or partners. We may experience breaches of our security measures due to human error, malfeasance, insider threats, system errors or vulnerabilities or other irregularities. In particular, unauthorized parties have attempted, and we expect that they will continue to attempt, to gain access to our systems and facilities, as well as those of our partners and third-party service providers, through various means, such as hacking, social engineering, phishing and fraud. Threats can come from a variety of sources, including criminal hackers, hacktivists, state-sponsored intrusions, industrial espionage, and insiders. In addition, certain types of attacks could harm us even if our systems are left undisturbed. For example, certain threats are designed to remain dormant or undetectable, sometimes for extended periods of time, or until launched against a target and we may not be able to implement adequate preventative measures. The risk of cyberattacks could also be increased by cyberwarfare in connection with geopolitical conflicts, such as in Ukraine and the Middle East, including potential proliferation of malware into systems unrelated to such conflicts. As of the date of this Quarterly Report, neither we nor any of our service providers has experienced a security breach or cyberattack that has materially impacted our digital asset holdings, financial condition or operating results; however, any future breach of our

operations or those of our service providers or others in the bitcoin industry could materially and adversely affect our business.

We face risks relating to the custody of our bitcoin, including the loss or destruction of private keys required to access our bitcoin and cyberattacks or other data loss relating to our bitcoin

We hold our bitcoin with regulated custodians that have duties to safeguard our private keys. Although our custodial services contracts do not restrict our ability to reallocate our bitcoin among our custodians, our bitcoin holdings may be concentrated with a single custodian from time to time, which may enhance our risk of losses. In light of the significant amount of bitcoin we hold, we continually seek to engage additional custodians to achieve a greater degree of diversification in the custody of our bitcoin as the extent of potential risk of loss is dependent, in part, on the degree of diversification. If there is a decrease in the availability of digital asset custodians that we believe can safely custody our bitcoin, for example, due to regulatory developments or enforcement actions that cause custodians to discontinue or limit their services in the United States, we may need to enter into agreements that are less favorable than our current agreements or take other measures to custody our bitcoin, and our ability to seek a greater degree of diversification in the use of custodial services would be materially adversely affected.

As of September 30, 2026, the insurance coverage available for losses of our bitcoin covers only a small fraction of the value of the entirety of our bitcoin holdings and there can be no assurance that we would recover the full value of our bitcoin lost under all circumstances. Based on information shared by our custodians, they currently maintain commercial insurance coverage in excess of $320.0 million at Coinbase, $100.0 million at Anchorage, and in excess of $100.0 million at Fidelity, in the aggregate and not per occurrence, to cover bitcoin losses as well as certain other losses, subject to the terms and provisions of the applicable insurance policies. The insurance policies maintained by our custodians are shared among all of such custodian's customers and are not specific to us, and there can be no guarantee that such insurance will be maintained as part of the custodial services available to us, or that such coverage will be available or sufficient to cover losses with respect to our bitcoin. Additionally, we do not maintain separate insurance to cover our potential bitcoin losses. Furthermore, our custodians are not members of the FDIC or Securities Investor Protection Corporation ("SIPC") and, therefore, deposits held with or assets held by the custodians are not subject to protections available to depositors with FDIC or SIPC member institutions. Moreover, our use of custodians exposes us to the risk that the bitcoin our custodians hold on our behalf could be subject to insolvency proceedings and we could be treated as a general unsecured creditor of the custodian, inhibiting our ability to exercise ownership rights with respect to such bitcoin. Any loss associated with such insolvency proceedings is unlikely to be covered by the insurance coverage our custodians maintain related to our bitcoin.

Bitcoin is controllable only by the possessor of both the unique public key and private key(s) relating to the local or online digital wallet in which the bitcoin is held. While the Bitcoin blockchain ledger requires a public key relating to a digital wallet to be published when used in a transaction, private keys must be safeguarded and kept private in order to prevent a third party from accessing the bitcoin held in such wallet. To the extent the private key(s) for a digital wallet are lost, destroyed, or otherwise compromised and no backup of the private key(s) is accessible, neither we nor our custodians will be able to access the bitcoin held in the related digital wallet. Furthermore, we cannot provide assurance that our digital wallets, nor the digital wallets of our custodians held on our behalf, will not be compromised as a result of a cyberattack. The bitcoin and blockchain ledger, as well as other digital assets and blockchain technologies, have been, and may in the future be, subject to security breaches, cyberattacks, or other malicious activities.

Regulatory change reclassifying bitcoin as a security could lead to our classification as an "investment company" under the Investment Company Act of 1940 and could adversely affect the market price of bitcoin and the market price of our listed securities

Our assets are concentrated in our bitcoin holdings. While the March 2026 interpretation issued by the SEC, in which the CFTC joined, addressed the application of federal securities laws to certain crypto assets and transactions, we cannot predict whether future SEC, CFTC, judicial, legislative or other regulatory action could reach different conclusions or impose additional requirements with respect to bitcoin or bitcoin-related transactions. A determination that bitcoin constitutes a security for purposes of the federal securities laws could lead to our classification as an "investment company" under the Investment Company Act of 1940, as amended, which would subject us to significant additional regulatory controls that could have a material adverse effect on our ability to execute on our bitcoin strategy, and our business and operations, and may also require us to substantially change the manner in which we conduct our business.

In addition, if bitcoin is determined to constitute a security for purposes of the federal securities laws, the additional regulatory restrictions imposed by such a determination could adversely affect the market price of bitcoin and in turn adversely affect the market price of our listed securities.

We are not subject to legal and regulatory obligations that apply to investment companies such as mutual funds and exchange-traded funds, or to obligations applicable to investment advisers.

Mutual funds, ETFs and their directors and management are subject to extensive regulation as "investment companies" and "investment advisers" under U.S. federal and state law; this regulation is intended for the benefit and protection of investors. We are not subject to, and do not otherwise voluntarily comply with, these laws and regulations. This means, among other things, that the execution of or changes to our Treasury Reserve Policy or our bitcoin strategy, our use of leverage, the manner in which our bitcoin is custodied, our ability to engage in transactions with affiliated parties and our operating and investment activities generally are not subject to the extensive legal and regulatory requirements and prohibitions that apply to investment companies and investment advisers. For example, although a significant change to our Treasury Reserve Policy would require the approval of our board of directors, no shareholder or regulatory approval would be necessary. Consequently, our board of directors has broad discretion over the investment, leverage and cash management policies it authorizes, whether in respect of our bitcoin holdings or other activities we may pursue, and has the power to change our current policies, including our strategy of acquiring and holding bitcoin. Additionally, we are not a registered money market fund under the Investment Company Act of 1940, as amended, and we do not operate as a registered money market fund. Holders of our listed securities, including our STRC Stock, do not benefit from the protections available to holders of securities of a registered money market fund or similar instruments. Bitcoin does not have a similar risk profile to the assets required to be held by money market funds because, among other things, it is much more volatile and involves no principal protection. Unlike money market funds, we do not price our listed securities, including our STRC Stock, based on the net asset value of the pool of assets backing the securities. We are also not subject to any regulation requiring that we maintain any particular pricing or stable value, and we are not subject to the fee restrictions or liquidity requirements applicable to registered money market funds. Our listed securities, including STRC Stock, are not insured by any regulatory agency, nor can we provide any guarantee of returns, cash dividend, liquidity or future performance.

Our bitcoin strategy exposes us to risk of non-performance by counterparties

Our bitcoin strategy exposes us to the risk of non-performance by counterparties, whether contractual or otherwise. Risk of non-performance includes inability or refusal of a counterparty to perform because of a deterioration in the counterparty's financial condition and liquidity or for any other reason. For example, our execution partners, custodians, or other counterparties might fail to perform in accordance with the terms of our agreements with them, which could result in a loss of bitcoin, a loss of the opportunity to generate funds, or other losses. Additionally, with more companies adopting a bitcoin strategy similar to ours, our counterparties and service providers may experience increased demand for their services, which could impact the level or quality of service we receive, or the pricing of these services in the future.

Our principal counterparty risk with respect to our bitcoin is the risk that our custodians may fail to perform their obligations under our custody arrangements. A series of high-profile bankruptcies, closures, liquidations, regulatory enforcement actions and other events relating to companies operating in the digital assets industry, including the filings for bankruptcy protection by Three Arrows Capital, Celsius Network, Voyager Digital, FTX Trading and Genesis Global Capital, the closure or liquidation of certain financial institutions that provided lending and other services to the digital assets industry, including Signature Bank and Silvergate Bank, SEC enforcement actions against Coinbase, Inc., Binance Holdings Ltd., and Kraken, the placement of Prime Trust, LLC into receivership following a cease-and-desist order issued by Nevada's Department of Business and Industry, and the filing and subsequent settlement of a civil fraud lawsuit by the New York Attorney General against Genesis Global Capital, its parent company Digital Currency Group, Inc., and former partner Gemini Trust Company have highlighted the perceived and actual counterparty risk applicable to digital asset ownership and trading. Although these bankruptcies, closures and liquidations have not resulted in any loss or misappropriation of our bitcoin, nor have such events adversely impacted our access to our bitcoin, legal precedent created in these bankruptcy and other proceedings may increase the risk of future rulings adverse to our interests in the event one or more of our custodians becomes a debtor in a bankruptcy case or is the subject of other liquidation, insolvency or similar proceedings.

While all of our custodians are subject to regulatory regimes intended to protect customers in the event of a custodial bankruptcy, receivership or similar insolvency proceeding, no assurance can be provided that our custodially-held bitcoin will not become part of the custodian's insolvency estate if one or more of our custodians enters bankruptcy, receivership or similar insolvency proceedings. Additionally, if we pursue any strategies to create income streams or otherwise generate funds using our bitcoin holdings, we would become subject to additional counterparty risks. Any significant non-performance by counterparties, including in particular the custodians with which we custody substantially all of our bitcoin, could have a material adverse effect on our business, prospects, financial condition, and operating results.

Risks Related to Our Enterprise Analytics Software Business Strategy

We derive revenue from a single software platform and related services, primarily through sales to our installed customer base

We derive revenue from sales of our analytics software platform and related services, primarily through our installed customer base. As a result, if our software business experiences a significant decline in demand for, or in the adoption or prices of, our platform and related services as a result of, among other factors, a significant decline in our installed customer base, any change in our pricing or packaging model, increased competition, maturation in the markets for our platform, or other risks, including but not limited to those described herein, we may not be able to generate revenue from other sources in excess of the expenses relating to our analytics software platform and related services.

As we continue to transition our customers from a product license model to a cloud subscription model, we could face higher future rates of attrition, and such a transition could continue to affect the timing of revenue recognition or reduce product licenses and product support revenues

We offer our analytics platform in the form of an on-premises product license or a cloud subscription; however, as of January 2025, Strategy on-premises product licenses have entered an end-of-support cycle, with full support for such licenses scheduled to end on December 31, 2026. Given that customers could migrate on and off our cloud subscription platform, we could face higher future rates of attrition among our customers during this period. As the end of full support approaches, customers that have not migrated to our cloud subscription platform may elect not to do so, or may reduce their use of, or terminate their relationships with, us, which could result in increased attrition and a decline in our product support revenues in future periods.

In addition, the payment streams and revenue recognition timing for our product licenses are different from those for our cloud subscriptions. For on-premises product licenses, customers typically pay us a lump sum soon after entering into a license agreement, and we typically recognize product licenses revenue when control of the license is transferred to the customer. For cloud subscriptions, customers typically make periodic payments over the subscription period and we recognize subscription services revenues ratably over the subscription period. As a result, as we continue to scale back our support for on-premises product licenses and as our customers increasingly shift to, or new customers purchase, cloud subscriptions instead of on-premises product licenses, the resulting change in payment terms and revenue recognition has resulted in, and may in the future result in, our recognizing less revenue in the reporting period in which the sale transactions are consummated than has been the case in prior periods, with more revenue being recognized in future periods.

Our recognition of deferred revenue and advance payments is subject to future performance obligations and may not be representative of revenues for succeeding periods

The timing and ultimate recognition of our deferred revenue and advance payments depend on various factors, including our performance of various service obligations. Because of the possibility of customer changes or delays in customer development or implementation schedules or budgets, and the need for us to satisfactorily perform product support and other services, deferred revenue and advance payments at any particular date may not be representative of actual revenue for any succeeding period. In addition, we had other remaining performance obligations as of September 30, 2026, consisting of the portions of multi-year contracts that will be invoiced in the future that are not reflected on our balance sheet. As with deferred revenue and advance payments, these other remaining performance obligations at any particular date may not be representative of actual revenue for any succeeding period. For information about our deferred revenue and advance payments and remaining performance obligations, see the “Deferred Revenue and Advance Payments” section of Part I, Item 2, Management’s Discussion and Analysis of Financial Condition and Results of Operations.

Integration of artificial intelligence into our enterprise analytics product offerings and our use of artificial intelligence in our operations could result in reputational or competitive harm, legal liability, and other adverse effects on our business

We have integrated, and plan to further integrate, AI capabilities into certain components of our product offerings and we use certain AI tools in our operations. Such integration and use of AI may become more important in our product offerings and operations over time. These AI-related initiatives, whether successful or not, could cause us to incur substantial costs and could result in delays in our software release cadence. Our competitors or other third parties may incorporate AI into their products or operations more quickly or more successfully than we do, which could impair our ability to compete effectively. Additionally, AI algorithms may be flawed and datasets underlying AI algorithms may be insufficient or contain biased information. If the AI tools we integrate into our products or use in our operations produce analyses or recommendations that are or are alleged to be deficient, inaccurate, or biased, our reputation, business, financial condition, and results of operations may be adversely affected.

Other companies have experienced cybersecurity incidents that implicate confidential and proprietary company data and/or the personal data of end users of AI applications integrated into their software offerings or used in their operations. If we were to experience a cybersecurity incident, whether related to the integration of AI capabilities into our product offerings or our use of AI applications in our operations, our business and results of operations could be adversely affected. AI also

presents various emerging legal, regulatory and ethical issues, and the incorporation of AI into our product offerings and our use of AI applications in our operations could require us to expend significant resources in developing, testing and maintaining our product offerings and may cause us to experience brand, reputational, or competitive harm, or incur legal liability. Additionally, the European Union's Artificial Intelligence Act entered into force in August 2024, and several of its provisions now apply, with additional provisions scheduled to apply in future periods. Other jurisdictions, including certain U.S. states, have adopted or may decide to adopt similar or more restrictive legislation that may render the use of such technologies challenging. These restrictions may make it harder for us to conduct our business using AI, lead to regulatory fines or penalties, require us to change our product offerings or business practices, or prevent or limit our use of AI.

Risks Related to Our Technology and Intellectual Property

Third parties may claim we infringe their intellectual property rights

We periodically receive notices from third parties claiming we are infringing their intellectual property rights. The frequency of such claims may increase as we expand our offerings and branding, the number of offerings and level of competition in our industry grow, the functionality of offerings overlaps, and the volume of issued patents, patent applications, and copyright and trademark registrations continues to increase. Responding to any infringement claim, regardless of its validity, could:

- be time-consuming, costly, and/or result in litigation;
- divert management's time and attention from developing our business;
- require us to pay monetary damages or enter into royalty or licensing agreements that we would normally find unacceptable;
- require us to stop selling certain of our offerings;
- require us to redesign certain of our offerings using alternative non-infringing technology or practices, which could require significant effort and expense;
- require us to rename certain of our offerings or entities; or
- require us to satisfy indemnification obligations to our customers or channel partners.

Additionally, while we monitor our use of third-party software, including open-source software, our processes for controlling such use in our offerings may not be fully effective. If we fail to comply with the terms or conditions associated with third-party software that we use, if we inadvertently embed certain types of third-party software into one or more of our offerings, or if third-party software that we license is found to infringe the intellectual property rights of others, we could become subject to infringement liability and be required to re-engineer our offerings, discontinue the sale of our offerings, or make available to certain third parties or generally available, in source code form, our proprietary code, any of which could materially adversely affect our business, operating results, and financial condition.

If a successful infringement claim is made against us and we fail to develop or license a substitute technology or brand name, as applicable, our business, results of operations, financial condition, or cash flows could be materially adversely affected.

Changes in third-party software or systems or the emergence of new industry standards could materially adversely affect the operation of and demand for our existing software

The functionalities of our software depend in part on the ability of our software to interface with our customers' information technology ("IT") infrastructure and cloud environments, including software applications, network infrastructure, and end user devices, which are supplied to our customers by various other vendors. When new or updated versions of these third-party software or systems are introduced, or new industry standards in related fields emerge, we may be required to develop updated versions of or enhancements to our software to help ensure that it continues to effectively interoperate with our customers' IT infrastructure and cloud environments. If new or modified operating systems are introduced or new web standards and technologies or new standards in the field of database access technology emerge that are incompatible with our software, development efforts to maintain the interoperability of our software with our customers' IT infrastructure and cloud environments could require substantial capital investment and employee resources. If we are unable to update our software in a timely manner, cost-effectively, or at all, the ability of our software to perform key functions could be impaired, which may impact our customers' satisfaction with our software, potentially result in breach of warranty or other claims, and materially adversely affect demand for our software.

The nature of our software makes it particularly susceptible to undetected errors, bugs, or security vulnerabilities, which could cause problems with how the software performs and, in turn, reduce demand for our software, reduce our revenue, and lead to litigation claims against us

Despite extensive testing by us and our current and potential customers, we have in the past discovered software errors, bugs, or security vulnerabilities (including the log4j and SpringShell vulnerabilities which surfaced in December 2021 and March 2022, respectively, and affected companies worldwide) in our offerings after commercial shipments began and they may be found in future offerings or releases. This could result in lost revenue, damage to our reputation, or delays in market acceptance, which could have a material adverse effect on our business, operating results, and financial condition. We may also need to expend resources and capital to correct these defects if they occur.

Our customer agreements typically contain provisions designed to limit our exposure to product liability, warranty, and other claims. It is possible these provisions are unenforceable in certain domestic or international jurisdictions, and we may be exposed to such claims. A successful claim against us could have a material adverse effect on our business, operating results, and financial condition.

Our intellectual property is valuable, and any inability to protect it could reduce the value of our offerings and brand

Unauthorized third parties may try to copy or reverse engineer portions of our software or otherwise obtain and use our intellectual property. Copyrights, patents, trademarks, trade secrets, confidentiality procedures, and contractual commitments can only provide limited protection. Any intellectual property owned by us may be invalidated, circumvented, or challenged. Any of our pending or future intellectual property applications, whether or not currently being challenged, may not be issued with the scope we seek, if at all. Moreover, amendments to and developing jurisprudence regarding U.S. and international law may affect our ability to protect our intellectual property and defend against claims of infringement. In addition, although we generally enter into confidentiality agreements with our employees and contractors, the confidential nature of our intellectual property may not be maintained. Furthermore, the laws of some countries do not provide the same level of protection of our intellectual property as do the laws of the United States. If we cannot protect our intellectual property against unauthorized copying or use, we may not remain competitive.

We may be obligated to disclose our proprietary source code to our customers, which may limit our ability to protect our intellectual property and could reduce the renewals of our support services

Certain of our customer agreements contain provisions permitting the customer to become a party to, or a beneficiary of, a source code escrow agreement under which we place the proprietary source code for our applicable services and products in escrow with a third party. Under these escrow agreements, the source code to the applicable product may be released to the customer, typically for its use to maintain, modify, and enhance the product, upon the occurrence of specified events, such as our filing for bankruptcy, discontinuance of our support services, and/or ceasing our business operations generally.

Disclosing the content of our source code may limit the intellectual property protection we can obtain or maintain for that source code or the services and products containing that source code. It also could permit a customer to which a product's source code is disclosed to support and maintain that software product without being required to purchase our support services.

We may be unable to develop and release new software product offerings or enhancements to our existing offerings in a timely and cost-effective manner

Analytics applications, and applications that leverage the Bitcoin blockchain, can be complex, and research and development for these types of applications can be costly and time consuming. In the case of new or contemplated offerings, we may not be able to identify business use cases for such offerings, and we have in the past and may in the future cease, delay or reallocate resources away from further development of, or marketing efforts for, such offerings. We cannot be sure that we will succeed in developing, marketing, and delivering, on a timely and cost-effective basis, new or enhanced offerings that will achieve market acceptance.

Risks Related to Our Operations

Business disruptions, including interruptions, delays, or failures of our systems, third-party data center hosting facility, or other third-party services, as a result of geopolitical tensions, acts of terrorism, natural disasters, pandemics, and similar events, could materially adversely affect our operating results or result in a material weakness in our internal controls that could adversely affect the market price of our listed securities

A significant portion of our research and development activities or certain other critical business operations are concentrated in facilities in Northern Virginia, China, Argentina, India and Poland. In addition, we serve our customers and manage certain critical internal processes using a third-party data center hosting facility located in the United States and other third-party services, including AWS, Azure, Google, and other cloud services. Any disruptions or failures of our systems or the third-party hosting facility or other services that we use, including as a result of a natural disaster, fire, cyberattack, act of terrorism, geopolitical conflict, pandemic, the effects of climate change, or other catastrophic event, as well as power outages, telecommunications infrastructure outages, a decision by one of our third-party service providers to close facilities that we use without adequate notice or to materially change the pricing or terms of their services, host

country restrictions on the conduct of our business operations or the availability of our offerings, or other unanticipated problems with our systems or the third-party services that we use, such as a failure to meet service standards, could severely impact our ability to conduct our business operations or to attract new customers or maintain existing customers, or result in a material weakness in our internal control over financial reporting, any of which could materially adversely affect our future operating results.

We face a variety of risks in doing business with U.S. and foreign federal, state, and local governments and government agencies, including risks related to the procurement process, budget constraints and cycles, termination of contracts, and compliance with government contracting requirements

Our customers include the U.S. government, state and local governments and government agencies. There are a variety of risks in doing business with government entities, including:

Procurement. Contracting with public sector customers is highly competitive and can be time-consuming and expensive, requiring us to incur significant up-front time and expense without any assurance that we will win a contract. Further, even if we win a contract, it may be placed on hold, or reversed, due to a post-award protest.

Budgetary Constraints and Cycles. Public sector funding reductions or delays adversely impact demand and payment for our offerings.

Termination of Contracts. Public sector customers often have contractual or other legal rights to terminate contracts for convenience or due to a default. If a contract is terminated for the customer's convenience, we may only be able to collect fees for software or services delivered prior to termination and settlement expenses. If a contract is terminated due to our default, we may not recover even those amounts, and we may be liable for excess costs incurred by the customer for procuring alternative software or services.

Compliance with Government Contracting Requirements. Government contractors are required to comply with a variety of complex laws, regulations, and contractual provisions relating to the formation, administration, or performance of government contracts that give public sector customers substantial rights and remedies, many of which are not typical for commercial contracts. These may include rights regarding price protection, the accuracy of information provided to the government, contractor compliance with socio-economic policies, and other terms unique to government contracts. Governments and government agencies routinely investigate and audit contractors for compliance with these requirements. If, as a result of an audit or review, it is determined that we have failed to comply with these requirements, we may be subject to civil and criminal penalties or administrative sanctions, including contract termination, forfeiture of profits, fines, treble damages, and suspensions or debarment from future government business, and we may suffer harm to our reputation.

Our customers also include foreign governments and government agencies. Similar procurement, budgetary, contract, and audit risks also apply to these entities. In addition, compliance with complex regulations and contracting provisions in a variety of jurisdictions can be expensive and consume significant management resources. In certain jurisdictions, our ability to win business may be constrained by political and other factors unrelated to our competitive position in the market.

If we are unable to recruit or retain skilled personnel, or if we lose the services of Michael J. Saylor, our business, operating results, and financial condition could be materially adversely affected

Our future success depends on our continuing ability to attract, train, assimilate, and retain highly skilled personnel. There has historically been significant competition for qualified employees across technology and other industries, and such competition may be further amplified by evolving restrictions on immigration, travel, or availability and costs of visas for skilled workers. We may not be able to retain our current key employees or attract, train, assimilate, and retain other highly skilled personnel in the future, particularly at times when we undergo significant headcount reductions. Our future success also depends in large part on the continued service of Michael J. Saylor, our Chairman of the Board of Directors and Executive Chairman. If we were unable to attract, train, assimilate, and retain the highly skilled personnel we need, or we were to lose the services of Mr. Saylor, our business, operating results, and financial condition could be materially adversely affected. These risks may be exacerbated if a shareholder or a group of affiliated shareholders (other than or not including Mr. Saylor) were to exercise majority voting control of the Company.

Changes in laws or regulations relating to privacy or the collection, processing, disclosure, storage, localization, or transmission of personal data, or any actual or perceived failure by us or our third-party service providers to comply with such laws and regulations, contractual obligations, or applicable privacy policies, could materially adversely affect our business

Certain aspects of our business involve collecting, processing, disclosing, storing, and transmitting personal data, which are subject to certain privacy policies, contractual obligations, and U.S. and foreign laws, regulations, and directives relating to privacy and data protection. In addition, the types of data subject to protection as personal data in the European Union, China, the United States, and elsewhere have been expanding. In recent years, the collection and use of personal data by

companies have come under increased regulatory and public scrutiny, especially in relation to the collection and processing of sensitive data, such as healthcare, biometric, genetic, financial services, and children's data, precise location data, and data regarding a person's race or ethnic origins, political opinions, or religious beliefs.

There are various enforcement agencies at both the state and federal level that review compliance with these requirements, including the United States Department of Health and Human Services for potential violations of the Health Insurance Portability and Accountability Act of 1996 and the Federal Trade Commission ("FTC"). If we are subject to a potential FTC enforcement action, we may be subject to a settlement order that requires us to adhere to very specific privacy and data security practices, which may impact our business. We may also be required to pay fines as part of a settlement (depending on the nature of the alleged violations). If we violate any consent order that we reach with the FTC, we may be subject to additional fines and compliance requirements. We face risks of similar enforcement from State Attorneys General and, potentially, other regulatory agencies.

Similar laws exist in other foreign jurisdictions, including the European Union, that may impact our business activities. In addition, various U.S. federal and state government agencies and foreign government bodies may enact new or additional laws or regulations, or issue rulings that invalidate prior laws or regulations, concerning privacy, data storage, data protection, and cross-border transfer of data that could materially adversely impact our business.

In addition to the provisions in certain international laws restricting the transfer of personal information to the United States, a new U.S. law also restricts the transfer of certain kinds of personal data in certain situations outside of the United States to "countries of concern," including but not limited to China. On April 8, 2025, the U.S. Department of Justice's National Security Division implemented the Data Security Program Rule under Executive Order 14117 and the International Emergency Economic Powers Act. This rule establishes restrictions on certain data-related transactions involving U.S. persons and entities, particularly those that may result in access to U.S. government-related data or bulk sensitive personal data of U.S. persons by foreign adversaries or entities under their control. The rule effectively imposes export control-like restrictions on the transfer, sale, or sharing of sensitive data-including genomic, geolocation, biometric, health, financial, and other personal data-to or with entities in countries of concern, as well as entities and persons associated with those countries. It also imposes additional due diligence obligations on U.S. companies concerning personal data they collect, store, or transmit. Failure to comply with the Data Security Program Rule could result in civil or criminal penalties, reputational harm, and restrictions on our ability to engage in certain business activities. Compliance may require us to modify our data handling practices, implement new controls, or terminate existing relationships with certain foreign vendors, customers, or partners. These changes could increase our operational costs, limit our market opportunities, and adversely affect our financial performance. Additionally, the scope and interpretation of the rule may evolve, and future guidance or enforcement actions could impose further obligations or restrictions.

Any systems failure or security breach that results in the release of, or unauthorized access to, personal data, or any failure or perceived failure by us or our third-party service providers to comply with applicable privacy policies, contractual obligations, or any applicable laws or regulations relating to privacy or data protection, could result in proceedings against us by domestic or foreign government entities or others, including private plaintiffs in litigation. Such proceedings could result in the imposition of sanctions, fines, penalties, liabilities, government orders, and/or orders requiring that we change our data practices, any of which could have a material adverse effect on our business, operating results, reputation, and financial condition.

Furthermore, the U.S. Congress has periodically considered comprehensive federal privacy legislation, including the American Privacy Rights Act, which expired in January 2025 without enactment. It is unclear when, if ever, Congress will enact such legislation and what it would require and prohibit. Moreover, it is not clear whether any such legislation would give the FTC any new authority to impose civil penalties for violations of the Federal Trade Commission Act in the first instance, whether Congress will grant the FTC rulemaking authority over privacy and information security, or whether Congress will vest some or all privacy and data security regulatory authority and enforcement power in a new agency, akin to EU data protection authorities.

Complying with these and other changing requirements could cause us or our customers to incur substantial costs or pay substantial fines or penalties, require us to change our business practices, require us to take on more onerous obligations in our contracts, or limit our ability to provide certain offerings in certain jurisdictions, any of which could materially adversely affect our business and operating results. New laws or regulations restricting or limiting the collection or use of mobile data could also reduce demand for certain of our offerings or require changes to our business practices, which could materially adversely affect our business and operating results.

If we or our third-party service providers experience a disruption due to a cybersecurity attack or security breach and unauthorized parties obtain access to our customers', prospects', vendors', or channel partners' data, our data, our networks or other systems, or the cloud environments we manage, our offerings may be perceived as not being secure,

our reputation may be harmed, demand for our offerings may be reduced, our operations may be disrupted, we may incur significant legal and financial liabilities, and our business could be materially adversely affected

As part of our business, we process, store, and transmit our customers', prospects', vendors', and channel partners' data as well as our own, including in our networks and other systems and the cloud environments we manage. Security breaches may occur due to technological error, computer viruses, or third-party action, including intentional misconduct by computer hackers or state actors, physical break-ins, industrial espionage, fraudulent inducement of employees, customers, or channel partners to disclose sensitive information such as usernames or passwords, and employee, customer, or channel partner error or malfeasance. A security breach could result in unauthorized access to or disclosure, modification, misuse, loss, or destruction of our customers', prospects', vendors', or channel partners' data, our data (including our proprietary information, intellectual property, or trade secrets), our networks or other systems, or the cloud environments we manage. Third parties may also conduct attacks designed to prevent access to critical data or systems through ransomware or temporarily deny customers access to our cloud environments.

We, and our service providers, have experienced and may in the future experience attempts by third parties to identify and exploit software and service vulnerabilities, penetrate or bypass our security measures, and gain unauthorized access to our or our customers' or service providers' cloud environments, networks, and other systems. Security measures that we or our third-party service providers have implemented may not be effective against all current or future security threats. Because there are many different security breach techniques and such techniques continue to evolve, we may be unable to anticipate, detect, or mitigate attempted security breaches and implement adequate preventative measures.

Any security breach, ransomware attack, or successful denial of service attack could result in a loss of customer confidence in the security of our offerings and damage to our brand, reduce the demand for our offerings, disrupt our normal business operations, require us to spend material resources to investigate or correct the breach, require us to notify affected customers or individuals and/or applicable regulators and others, provide identity theft protection services to individuals, expose us to legal liabilities, including litigation, regulatory enforcement actions, and indemnity obligations, and materially adversely affect our revenues and operating results. Our software operates in conjunction with and is dependent on third-party products and components across a broad ecosystem. If there is a security vulnerability in one of these products or components, and if there is a security exploit targeting it, we could face increased costs, liability claims, customer dissatisfaction, reduced revenue, or harm to our reputation or competitive position. Our insurance policies may not be adequate to compensate us for the potential losses arising from any cybersecurity breach or incident. In addition, such insurance may not be available to us in the future on economically reasonable terms, or at all. Further, our insurance may not cover all claims made against us and could have high deductibles in any event, and defending a suit, regardless of its merit, could be costly and divert management attention.

These risks will increase as we continue to grow the number and scale of our cloud subscriptions and process, store, and transmit increasingly large amounts of our customers', prospects', vendors', channel partners', and our own data. In particular, as remote working conditions have led businesses to increasingly rely on virtual environments and communication systems, there has been an increase in cyberattacks and other malicious activities.

Risks Related to Our Listed Securities Generally

The market price of our class A common stock has been and may continue to be volatile

The market price of our class A common stock has historically been volatile and this volatility has been significant in recent periods. Since August 11, 2020, the date on which we announced our initial purchase of bitcoin, the closing price of our class A common stock has increased from $12.36 as of August 10, 2020, the last trading day before our announcement, to $146.01 as of October 23, 2026. The market price of our class A common stock may fluctuate widely in response to various factors, some of which are beyond our control. These factors include, but are not limited to:

- fluctuations in the price of bitcoin, of which we have significant holdings and which we expect to continue to accumulate;
- announcements of significant transactions in bitcoin;
- changes to our bitcoin strategy;
- changes to or failure by us to meet our targets or published guidance for our bitcoin strategy, capital plan, and financial results;
- announcement of additional capital raising transactions;
- regulatory, commercial and technical developments related to bitcoin or the Bitcoin blockchain;
- quarterly variations in our results of operations or those of our competitors;

- announcements by us or our competitors about earnings that are not in line with analyst expectations;
- announcements by us or our competitors of acquisitions, dispositions, new offerings, significant contracts, commercial relationships, or capital commitments;
- our ability to develop, market, and deliver new and enhanced offerings on a timely basis;
- commencement of, or our involvement in, litigation;
- recommendations by securities analysts or changes in earnings estimates and our ability to meet those estimates;
- investor perception of our Company, including as compared to investment vehicles that are designed to track the price of bitcoin, such as spot bitcoin ETPs, and other companies that pursue strategies similar to ours of acquiring bitcoin or other digital assets;
- announcements of commencement of share repurchase programs or repurchases pursuant to such programs;
- inclusion or removal of our class A common stock from major stock market indices;
- the volume of shares of our class A common stock and other listed securities available for public sale;
- failure by us to declare dividends on our Preferred Stock in expected amounts or at all;
- adjustments of the regular dividend rate on our STRC Stock in a manner unexpected by investors and analysts;
- sales or purchases of stock by us or by our stockholders and issuances of awards under our equity incentive plan; and
- general economic conditions and slow or negative growth of related markets, including as a result of war, terrorism, infectious diseases, natural disasters and other global events, and government responses to such events.

In addition, the stock market and the markets for both bitcoin-influenced and technology companies have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of companies in those markets. In particular, recent trading prices of our class A common stock may reflect market dynamics that are not connected to traditional software and business intelligence industry fundamentals, or to valuation methods commonly associated with operating companies in these industries or with companies engaged predominantly in passive investments in bitcoin or other commodities, such as exchange-traded funds. Our equity market capitalization as of September 30, 2026 was in excess of our stockholders' equity calculated in accordance with U.S. GAAP, and in excess of valuations that might traditionally be expected based on our software business' operating performance, cash flows and net assets. Investors may therefore be unable to assess the value of our class A common stock or evaluate the risks of an investment in us using traditional or commonly used enterprise valuation methods. Further, bitcoin is a highly volatile asset and, as a result, the relationship between our equity market capitalization and stockholders' equity has fluctuated and may continue to fluctuate significantly. We cannot predict how these dynamics may evolve over time, or whether or how long they may last. These market and industry factors may significantly harm the market price of our listed securities, regardless of our actual operating performance.

Legal, regulatory, tax or other proceedings could distract our management, harm our reputation, or result in substantial costs, liabilities or judgments

As a public company, we have been, and from time-to-time are subject to, or may be required to respond to, proceedings, claims, inquiries, investigations, audits or other matters, including matters involving stockholder class actions, tax audits, employment-related claims and others. Any such matters could result in substantial costs, judgments or settlements, adversely impact our reputation, and divert management's attention and resources from other priorities, including the execution of our bitcoin strategy, which could have a material adverse effect on our business.

Because of the rights of our two classes of common stock and because Michael J. Saylor, who beneficially owns the majority of our class B common stock, controls a significant portion of our total voting power, Mr. Saylor has significant influence over matters that require approval of our stockholders and as a result could impede a third party from acquiring us, or limit the ability of our other stockholders to influence corporate matters

We have two classes of common stock: class A common stock and class B common stock. Holders of our class A common stock generally have the same rights as holders of our class B common stock, except that holders of class A common stock have one vote per share while holders of class B common stock have ten votes per share. As of September 30, 2026, there were 19,640,250 shares of class B common stock outstanding, which accounted for approximately 32.8% of the total voting power of our outstanding common stock. As of September 30, 2026, Mr. Saylor, our Chairman of the Board of Directors and Executive Chairman, beneficially owned 19,616,680 shares of class B common stock, or 32.8% of the total voting power. Accordingly, Mr. Saylor has significant influence over matters that require approval of our stockholders,

including mergers, going-private transactions, and other extraordinary transactions and their terms, elections of our directors, and amendments to our certificate of incorporation and by-laws.

Provisions of our charter, by-laws and Delaware law may have anti-takeover effects that could prevent a change in control even if the change in control would be beneficial to our stockholders

Provisions of our charter, by-laws and Delaware law could make it more difficult for a third party to control or acquire us, even if doing so would be beneficial to our stockholders, including our board of directors having the right to elect directors to fill a vacancy created by the expansion of the board of directors or the resignation, death or removal of a director and the ability of our board of directors to issue, without stockholder approval, shares of undesignated preferred stock.

Further, as a Delaware corporation, we are also subject to certain Delaware anti-takeover provisions. Under Delaware law, a corporation may not engage in a business combination with any holder of 15% or more of its capital stock unless the holder has held the stock for three years or, among other things, the board of directors has approved the transaction. Our board of directors could rely on Delaware law to prevent or delay an acquisition of us.

Future sales, or the perception of future sales, of our class A common stock, convertible debt instruments, convertible or non-convertible preferred stock, or other securities could depress the price of our listed securities

We may issue and sell additional shares of class A common stock, convertible debt instruments, convertible or non-convertible preferred stock, or other securities in subsequent offerings to raise capital or issue shares for other purposes, including in connection with the acquisition of additional bitcoin. For example, from January 1, 2026 to October 25, 2026, we issued and sold shares of our STRC Stock, STRK Stock and class A common stock pursuant to our ATM, and our ATM provides significant remaining capacity to issue and sell additional shares of our class A common stock and our preferred stock. See the “Capital Markets Activity” section of Part I, Item 2, Management’s Discussion and Analysis of Financial Condition and Results of Operations, for additional information about our ATM activity.

We cannot predict:

- the size of future issuances of equity securities;
- the size and terms of future issuances of convertible debt instruments or other convertible securities; or
- the effect, if any, that future issuances and sales of our securities will have on the market price of our listed securities.

Transactions involving newly issued convertible debt instruments, STRK Stock, class A common stock, other series of convertible preferred stock, or other convertible securities could result in possibly substantial dilution to holders of our class A common stock and securities convertible into our class A common stock, such as our STRK Stock.

Our amended and restated by-laws provide that the Court of Chancery of the State of Delaware (or, if the Court of Chancery of the State of Delaware does not have jurisdiction, then any other state court located in the State of Delaware, or if no state court located within the State of Delaware has jurisdiction, the federal district court for the District of Delaware) is the exclusive forum for certain litigation that may be initiated by our stockholders, which could limit our stockholders’ ability to obtain a favorable judicial forum for such disputes with us or our directors, officers or employees

Our amended and restated by-laws provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if the Court of Chancery of the State of Delaware does not have jurisdiction, then any other state court located in the State of Delaware, or if no state court located within the State of Delaware has jurisdiction, the federal district court for the District of Delaware) shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer, other employee or stockholder of the Company to the Company or the Company’s stockholders, (iii) any action asserting a claim arising pursuant to any provision of the General Corporation Law of the State of Delaware or the Company’s certificate of incorporation or by-laws (in each case, as they may be amended from time to time), or (iv) any action asserting a claim governed by the internal affairs doctrine. This exclusive forum provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act, which provides for exclusive jurisdiction of the federal courts. It could apply, however, to a suit that falls within one or more of the categories enumerated in the choice of forum provision and asserts claims under the Securities Act of 1933, as amended (the "Securities Act"), inasmuch as Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. There is uncertainty as to whether a court would enforce such provision with respect to claims under the Securities Act, and our stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder.

The choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us and our directors, officers and other employees. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated by-laws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions.

Exclusions from, or limitations on our inclusion or weighting in, major market indices could adversely affect the trading price and liquidity of our class A common stock and our ability to raise capital.

Index providers and other benchmark administrators have in the past and may in the future adopt, modify or interpret eligibility criteria or methodology changes in ways that limit or exclude us from their published indices or benchmarks. Such changes may be made at their discretion and with little or no advance notice or opportunity for consultation. For example, on October 15, 2026, MSCI Inc. ("MSCI") announced new eligibility criteria for companies it classifies as "non-operating companies" under its index methodology. Based on these criteria, we expect our class A common stock to be excluded from the MSCI Global Investable Market Indexes (the "MSCI Indexes") as part of MSCI's November 2026 index review.

Our exclusion from the MSCI Indexes, or similar actions by other publishers of major market indices, such as deferring additions or limiting index-related adjustments, could cause index funds, institutional investors, and other holders and investment professionals attempting to track the composition of such indices to sell our class A common stock, or acquire less of our class A common stock than they otherwise would, which could materially and adversely impact the price and liquidity of our class A common stock and, in turn, our other listed securities. MSCI's adoption of these criteria could also prompt other index providers to adopt similar criteria or exclude us from their indices. Such adverse impacts could materially and adversely affect our ability to raise capital, as well as our business, financial condition, and results of operations.

Downgrades in our credit ratings could reduce our access to funding sources in the credit and capital markets.

We are currently assigned a corporate credit rating of 'B-' from S&P Global Ratings based on its evaluation of our creditworthiness. Although our corporate credit rating from S&P Global Ratings is currently below investment grade, there can be no assurance that our rating will not be downgraded or that our rating outlook will not be revised. Credit rating reductions or other negative actions by one or more rating agencies could adversely affect our access to funding sources, the cost and other terms of obtaining funding as well as our overall financial condition, operating results and cash flow.

Risks Related to Our Preferred Stock

In the event of our liquidation, dissolution or winding up, the distribution of assets to our debt and equity holders will be based upon their relative seniority and, depending on the securities you hold, your claim to our assets may be junior to other claims and you may lose some or all of your investment.

If we liquidate, dissolve or wind up, whether voluntarily or involuntarily, then our assets will be available for distribution to our equity holders, including holders of our class A common stock and our Preferred Stock, only if all of our then outstanding indebtedness is first paid in full. The remaining assets, if any, would then be allocated among the holders of our equity securities in accordance with their respective liquidation rights and priorities.

With respect to payments upon our liquidation, dissolution or winding up, our series of Preferred Stock rank, from highest to lowest, as follows: STRF Stock, STRC Stock, STRE Stock, STRK Stock, and STRD Stock, and subject to the availability of assets and the rights of any securities ranking senior, each series of Preferred Stock would be entitled to receive its applicable liquidation preference (and any unpaid accumulated dividends, if applicable), pro rata among holders of that series, in that order, before any payments are made to the class A common stock holders. If we issue any other series of preferred stock in the future that is senior to any existing series of Preferred Stock (any such stock, "liquidation senior stock"), any amounts payable upon our liquidation, dissolution or winding up to liquidation senior stock must be paid in full before any payments may be made to any other series of Preferred Stock that ranks junior to such liquidation senior stock or to the class A common stock. If there are insufficient remaining assets available to pay the full liquidation preference (and any unpaid accumulated dividends, if applicable) on any series of liquidation senior stock, holders of each series of stock that ranks junior to that series of liquidation senior stock will not receive any value for their shares.

As of September 30, 2026, excluding intercompany indebtedness, we had approximately $6.75 billion in aggregate principal amount of outstanding indebtedness, all of which ranks senior to our Preferred Stock and our common stock. See the "Liquidity and Capital Resources" section in Part I, Item 2 Management's Discussion and Analysis of Financial Condition and Results of Operations, for additional information about our outstanding indebtedness.

In addition, our subsidiaries have no obligation to pay any amounts on the Preferred Stock. If any of our subsidiaries liquidate, dissolve or wind up, whether voluntarily or involuntarily, then we, as a direct or indirect common equity owner

of any such subsidiaries, will be subject to the prior claims of such subsidiaries' creditors, including trade creditors and preferred equity holders, if any. As a result of this structural subordination, we may not receive any amounts from such subsidiaries, and the assets of such subsidiaries may never be available to make payments on the Preferred Stock.

We may not have sufficient funds to pay dividends in cash on our Preferred Stock, or we may choose not to pay dividends on our Preferred Stock. Additionally, regulatory and contractual restrictions, as well as the terms of our existing or future preferred stock, may prevent us from declaring or paying dividends on some or all series of our Preferred Stock

We currently intend to fund any dividends paid in cash on our Preferred Stock through one or more available sources of liquidity, including cash we hold in the USD Reserve and USD Cash, proceeds from the sale of bitcoin, proceeds from sales of our class A common stock and preferred stock under our ATM, and proceeds from additional equity or debt financings. However, our ability to declare and pay cash dividends on our Preferred Stock will depend on many factors, including the following:

- our financial condition, including the amount of cash we have in our USD Reserve and USD Cash (each of which may fluctuate over time);
- the amount of cash, if any, generated by our operations and financing activities (including our ability to raise additional capital from the equity capital markets on favorable terms or at all);
- our anticipated financing needs, including the amounts needed to service our indebtedness or other obligations;
- the degree to which we decide to reinvest any cash generated by our operations or financing activities to fund our future operations;
- the ability of our subsidiaries to distribute funds to us;
- legal or regulatory restrictions on our ability to declare and pay dividends, including under the Delaware General Corporation Law;
- in the case of STRE Stock, prevailing USD-to-Euro currency exchange rates;
- our ability to sell equity securities under ATMs, including our class A common stock or preferred stock to maintain and grow our USD Reserve;
- the market price of bitcoin; and
- contractual restrictions on our ability to pay dividends.

In addition, subject to limited exceptions for each of our STRF Stock and STRK Stock set forth in the applicable certificate of designations, our board of directors or any duly authorized committee thereof may choose not to declare or pay dividends, as applicable, or may pay less than the full amount of dividends, on our Preferred Stock for any reason. If we fail to declare and pay dividends on any series of our Preferred Stock in full, then the value of that series or our other series of Preferred Stock, as well as our class A common stock, will likely decline. Additionally, any such failure to declare and pay dividends on our Preferred Stock could also impair our ability to sell additional securities pursuant to our ATM program.

Provisions contained in the instruments governing our future indebtedness may restrict or prohibit us from paying cash dividends on our Preferred Stock. If the terms of our indebtedness restrict or prohibit us from paying dividends, then we may seek to refinance that indebtedness or seek a waiver that would permit the payment of dividends. However, we may be unable or may choose not to refinance the indebtedness or obtain a waiver.

If we issue any dividend senior stock in the future, such dividend senior stock could contain provisions that prohibit us from paying accumulated dividends on our Preferred Stock or common stock, or from purchasing, redeeming or acquiring our Preferred Stock or common stock until and unless we first pay accumulated dividends in full on such dividend senior stock.

Under the Delaware General Corporation Law, we may declare dividends on our Preferred Stock only out of our "surplus" (which generally means our total assets less total liabilities, each measured at their fair market values, less statutory capital), or, if there is no surplus, out of our net profits for the current or the immediately preceding fiscal year. We may not have sufficient surplus or net profits to declare and pay dividends on our Preferred Stock in cash, even if we have cash and cash equivalents available in our USD Reserve. Additionally, under Delaware law, a corporation must have funds "legally available" for the payment of the dividends in addition to having the requisite surplus, meaning that the dividend will not cause the corporation to become insolvent or unable to continue as a going concern.

If we are unable or, if permitted, decide not to pay accumulated dividends on our STRK Stock in cash, then we may, but are not obligated, subject to a limited exception, to elect to pay dividends on our STRK Stock in shares of our class A common stock. However, the payment of dividends in shares of our class A common stock will cause dilution to holders of our class A common stock and exposes holders of our STRK Stock to dilution and the risk of fluctuations in the price of our class A common stock. Additionally, even if we choose to pay dividends on our STRK Stock in shares of class A common stock, the number of shares of class A common stock that we are permitted to deliver may be limited by the terms of the STRK Stock, the number of our authorized but unissued shares, stock exchange rules, or other legal or contractual constraints.

If we fail to declare and pay full dividends on our Preferred Stock, then we will be prohibited from paying dividends on our class A common stock and any other junior securities, subject to limited exceptions. Although we do not currently pay dividends on our class A common stock, if we decide to do so in the future, a reduction or elimination of dividends on our class A common stock may cause the trading price of our class A common stock to decline, which, in turn, will likely depress the value of our Preferred Stock.

Our transition to daily dividend payments on certain series of our Preferred Stock may not achieve its intended effects and may increase our operational and liquidity risks

In October 2026, our stockholders approved amendments to the certificates of designations of each of our STRF Stock, STRC Stock, STRK Stock and STRD Stock to provide for regular dividends on those series to have a record date on each calendar day and to be payable on the following business day. We began paying dividends on STRC Stock under the daily dividend schedule in November 2026 and expect to begin paying dividends on STRF Stock, STRK Stock and STRD Stock under the daily dividend schedule in January 2027. The amendments did not change the dividend rates on, or the aggregate annual amount of regular dividends payable on, the affected series.

The daily dividend framework is intended, among other things, to support liquidity and market efficiency of each security and, in the case of STRC Stock, trading at a price close to its $100 per share stated amount. However, there can be no assurance that it will increase demand for, reduce the volatility of or increase the liquidity of any of these series of Preferred Stock, or support the trading price of STRC Stock. Daily payments also require us to have cash available on each business day and may reduce our flexibility to manage the timing of our liquidity needs.

Further, a daily dividend framework is a novel practice. We and other participants in the process, such as our transfer agent and paying agent, The Depository Trust Company, and brokers and other intermediaries may encounter operational difficulties processing such dividends on a daily basis, which may increase our costs and the risk of errors, delays or failures in the calculation, declaration, payment or crediting of dividends. Certain brokers or other intermediaries may be unable or unwilling to support daily dividend payments, which could adversely affect the liquidity of the affected series. Additionally, third-party financial data providers and other market participants may also publish inaccurate information regarding dividend payments, yields or related metrics, which could adversely affect investor perceptions of, or trading in, the affected series.

Our Preferred Stock has only limited voting rights

Our Preferred Stock confers no voting rights except with respect to certain dividend arrearages, certain amendments to the terms of our Preferred Stock, and certain other limited circumstances, and except as required by the Delaware General Corporation Law. For example, holders of our Preferred Stock, as such, do not have the right to vote in the general election of our directors, although holders of our STRF Stock and STRK Stock, as applicable, will have a limited right, voting together with holders of any voting parity stock, if any, with similar voting rights regarding the election of directors upon a failure to pay dividends on each of our STRF Stock and STRK Stock, as applicable, which similar voting rights are then exercisable, to elect one director upon the occurrence of each of the following events: (i) if less than the full amount of accumulated and unpaid regular dividends on the outstanding STRF Stock and STRK Stock, as applicable, have been declared and paid as of the last regular dividend payment date of each of four or more consecutive calendar quarters; and (ii) if less than the full amount of accumulated and unpaid regular dividends on the outstanding STRF Stock and STRK Stock, as applicable, have been declared and paid as of the last regular dividend payment date of each of eight or more consecutive calendar quarters. Our STRC Stock, STRE Stock and STRD Stock do not have any additional voting rights upon non-payment of dividends, such as the right to elect any directors. Accordingly, the voting provisions of our Preferred Stock may not afford meaningful protections. Additionally, holding STRK Stock does not confer the right to vote on an as-converted basis with holders of our class A common stock on matters on which our class A common stockholders are entitled to vote.

Without the consent of any holder of our Preferred Stock or class A common stock, we may issue preferred stock in the future that ranks equally with our STRF Stock and equally with or senior to our STRC Stock, STRE Stock, STRK Stock

or STRD Stock with respect to dividends and liquidation rights, which may adversely affect the rights of holders of our existing series of Preferred Stock and our class A common stock

Without the consent of any holder of Preferred Stock or class A common stock, we may authorize and issue preferred stock (including additional STRF Stock) that ranks equally with STRF Stock with respect to the payment of dividends or the distribution of assets upon our liquidation, dissolution or winding up. In addition, without the consent of any holder of our STRC Stock, STRE Stock, STRK Stock, STRD Stock or class A common stock, we may authorize and issue preferred stock (including additional shares of our existing Preferred Stock) that ranks equally with or senior to our STRC Stock, STRE Stock, STRK Stock and STRD Stock with respect to the payment of dividends or the distribution of assets upon our liquidation, dissolution or winding up. If we issue any such preferred stock in the future, the rights of holders of our Preferred Stock and our class A common stock will be diluted and the value of our Preferred Stock and class A common stock may decline. For example, if we issue any preferred stock that is senior to STRC Stock, STRE Stock, STRK Stock or STRD Stock in the future, such preferred stock could contain provisions that prohibit us from paying dividends on our STRC Stock, STRE Stock, STRK Stock or STRD Stock or purchasing, redeeming or acquiring our STRC Stock, STRE Stock, STRK Stock or STRD Stock until and unless we first pay accumulated dividends in full on such preferred stock. The issuance of any preferred stock in the future would also have the effect of further subordinating our class A common stock.

Holders of our Preferred Stock may be treated as receiving deemed distributions and holders of STRK Stock may receive distributions paid in class A common stock, and consequently may be subject to tax with respect to our Preferred Stock under certain circumstances even though no corresponding distribution of cash has been made

Under Section 305 of the Internal Revenue Code of 1986, as amended (the "Code"), holders of our Preferred Stock may be treated as receiving a deemed distribution on our Preferred Stock under certain circumstances, including (i) an increase in the liquidation preference of our Preferred Stock, (ii) if our Preferred Stock is issued at a discount or (iii) in the case of STRC Stock, if we can call STRC Stock at a price above its issue price. The liquidation preference of the Preferred Stock is subject to adjustment in the manner described in the applicable certificate of designations, which adjustments may give rise to a deemed distribution to holders of Preferred Stock. See Note 10, "Redeemable Preferred Stock" of the Notes to Consolidated Financial Statements contained in Part I, Item 1 of this Quarterly Report, as well as the "Liquidity and Capital Resources" section in Part I, Item 2 Management's Discussion and Analysis of Financial Condition and Results of Operations, for additional information. In addition, if our board of directors does not declare a dividend on our STRF Stock, STRC Stock, or STRK Stock in respect of any applicable regular record date, or on our STRE Stock in respect of any dividend period before the related dividend payment date, the deferred dividend may be treated as an increase in the liquidation preference of our STRF Stock, STRC Stock, STRE Stock or STRK Stock that could give rise to a deemed dividend to holders of STRF Stock, STRC Stock, STRE Stock or STRK Stock. Although the matter is not entirely clear, we believe any deferred dividend on our STRF Stock, STRC Stock, STRE Stock or STRK Stock, any discount on our Preferred Stock, any adjustment of the liquidation preference of the Preferred Stock in accordance with their applicable terms, and, in the case of STRC Stock, any call premium, should not be treated as giving rise to a deemed distribution on our Preferred Stock. However, there is no assurance that the IRS or an applicable withholding agent will not take a contrary position.

In addition, the conversion rate of our STRK Stock is subject to adjustment in certain circumstances. If and to the extent that certain adjustments in the conversion rate (or failures to adjust the conversion rate) increase the proportionate interest of a holder of our STRK Stock in our assets or earnings and profits, the holder of our STRK Stock may be deemed to have received for U.S. federal income tax purposes a deemed distribution without the receipt of any cash or property.

Furthermore, upon a conversion of our STRK Stock into shares of our class A common stock, depending on the circumstances, any class A common stock received in respect of any deferred and unpaid dividend (and any dividend that has been declared and not yet paid as well as any accrued but unpaid dividend) could be treated as a deemed distribution for U.S. federal income tax purposes.

Any deemed distribution on our Preferred Stock or any distribution to holders of our STRK Stock that is paid in shares of our class A common stock will generally be taxable to the same extent as a cash distribution. In addition, for any holder of our Preferred Stock that is a non-U.S. holder, any deemed distribution or non-cash distribution could be subject to U.S. federal withholding tax at a 30% rate, or such lower rate as may be specified by an applicable treaty. Because deemed distributions or non-cash distributions received by a holder of our Preferred Stock would not give rise to any cash from which any applicable withholding tax could be satisfied, if we (or an applicable withholding agent) pay withholding (including backup withholding) on behalf of a holder of our Preferred Stock, we (or an applicable withholding agent) may set off any such payment against, or withhold such taxes from, payments of cash or, in the case of our STRK Stock, delivery of shares of our class A common stock to such holder of our Preferred Stock (or, in some circumstances, any payments on our class A common stock) or sales proceeds received by, or other funds or assets of, such holder of our

Preferred Stock, or require alternative arrangements with respect to such withholding taxes (e.g., in the case of our STRK Stock, deposit for taxes prior to delivery of any dividend in the form of class A common stock or of conversion consideration).

The application of the rules under Section 305 of the Code to our Preferred Stock is uncertain, and holders of our Preferred Stock should consult their tax advisors about the impact of these rules in their particular situations.

U.S. holders of our Preferred Stock may not be entitled to the dividends-received deduction or preferential tax rates applicable to qualified dividend income and non-U.S. holders may be subject to U.S. federal withholding tax on dividends or deemed dividends on our Preferred Stock

Distributions paid to corporate U.S. holders of our Preferred Stock may be eligible for the dividends-received deduction and distributions paid to non-corporate U.S. holders of our Preferred Stock may be subject to tax at the preferential tax rates applicable to "qualified dividend income" if we have current or accumulated earnings and profits, as determined for U.S. federal income tax purposes and certain holding period and other requirements are met. We do not have positive accumulated earnings and profits, and do not expect to generate positive net current earnings and profits in the current year or the foreseeable future. Accordingly, distributions on our Preferred Stock are generally not expected to qualify as dividends for U.S. federal income tax purposes in the current year or the foreseeable future. However, our board-approved USD Reserve policy currently provides for us to maintain a minimum USD Reserve equal to at least 12 months of our current expected annual preferred stock dividend payments and interest obligations, and any reduction below that level requires board authorization. The interest earned on the cash and cash equivalents and short-term investments in which the USD Assets are held contributes positively to our current earnings and profits Nonetheless, we currently do not expect positive current-year earnings and profits. However, should we hold significant additional amounts of cash and cash equivalents or short-term investments in the future under the USD Reserve policy, USD Cash or otherwise, or should interest rates significantly rise, we may generate positive net current and/or accumulated earnings and profits, which would cause distributions on our Preferred Stock to be treated, in whole or in part, as "qualified dividend income", as opposed to "return of capital".

Distributions to non-U.S. holders of our Preferred Stock that are not treated as being made out of our current or accumulated earnings and profits, as determined for U.S. federal income tax purposes, are potentially exempt from U.S. withholding tax, subject to backup withholding and the Foreign Account Tax Compliance Act rules. However, it is possible that a withholding agent may elect to withhold on the entire amount of such distributions, in which case any amounts withheld may be allowed as a refund or credit to the non-U.S. holder, provided the required information is timely furnished to the IRS. We do not have any accumulated earnings and profits, and do not expect to generate current earnings and profits in the current year or the foreseeable future. However, as described above, a withholding agent may still elect to withhold U.S. withholding tax. If a withholding agent withholds from distributions any U.S. withholding tax at a rate in excess of a rate for which a non-U.S. holder is otherwise eligible, the non-U.S. holder may be able to obtain a refund of or credit for any amounts withheld in excess of the applicable rate by timely filing a refund claim with the IRS. If any distributions on our Preferred Stock are not exempt from U.S. withholding tax because of any current or accumulated earnings and profits, the market value of our Preferred Stock may decline.

We intend to provide public notice to the holders of our Preferred Stock to the extent that the distributions on our Preferred Stock are not treated as being made out of our current or accumulated earnings and profits. However, our expectations on earnings and profits may change, and any such change could affect the U.S. federal income tax treatment of the distributions. In February 2026, we publicly disclosed that, for U.S. federal income tax purposes, 100% of distributions paid during calendar year 2025 on our preferred equity instruments were treated as a return of capital to the extent of a holder's tax basis, and we stated our expectation regarding continued return-of-capital treatment of distributions for the foreseeable future. Any change in our earnings and profits position or other relevant facts or circumstances could cause the actual tax treatment to differ from those expectations, which could affect the after-tax return realized by holders and could affect withholding, if any, and reporting by intermediaries. Holders of our Preferred Stock are encouraged to consult with their tax advisors regarding the implications of our current or accumulated earnings and profits for U.S. federal income tax purposes.

The tax rules applicable to "fast-pay stock" could result in adverse consequences to holders of our Preferred Stock

Under Treasury Regulations promulgated under Section 7701(l) of the Code (the "Fast-Pay Stock Regulations"), if stock of a corporation is structured such that dividends paid with respect to the stock are economically (in whole or in part) a return of the stockholder's investment (rather than a return on the stockholder's investment), then the stock is characterized as "fast-pay stock" and is subject to adverse tax reporting requirements and potentially penalties, as described below. In addition, under the Fast-Pay Stock Regulations, unless clearly demonstrated otherwise, stock is presumed to be fast-pay stock if it is structured to have a dividend that is reasonably expected to decline (as opposed to a dividend rate that is reasonably expected to fluctuate or remain constant) or it is issued for an amount that exceeds (by more than a de minimis

amount, as determined under applicable Treasury Regulations) the amount at which the stockholder can be compelled to dispose of the stock. For this purpose, the dividend rate may be viewed as reasonably expected to decline if we are reasonably expected to stop paying regular dividends on our Preferred Stock, if the maximum compounded dividend rate (as defined in the certificate of designations for STRF Stock, the "Compounded STRF Dividend Rate") is in effect with respect to STRF Stock, if we are reasonably expected to reduce the regular dividend rate over a meaningful time period with respect to STRC Stock or the maximum compounded dividend rate (as such term is defined in the certificate of designations for STRE Stock, the "Compounded STRE Dividend Rate") is in effect with respect to STRE Stock. It is not clear what amount would constitute "de minimis" in the case of stock with a perpetual term.

The determination of whether stock is fast-pay stock is based on all the facts and circumstances. To determine if it is fast-pay stock, stock is examined when issued, and, for stock that is not fast-pay stock when issued, when there is a significant modification in the terms of the stock or the related agreements or a significant change in the relevant facts and circumstances. The relevant tax regulations do not indicate the types of significant changes in facts and circumstances that are intended to give rise to such a determination, and therefore it is possible that such a change could arise when, for example, a Compounded STRF Dividend Rate becomes in effect with respect to STRF Stock or a Compounded STRE Dividend Rate becomes in effect with respect to STRE Stock or there is a change to the terms of our optional redemption right with respect to STRC Stock.

We do not believe that our previously issued Preferred Stock is fast-pay stock.

We may issue additional shares of our Preferred Stock (or resell any shares that we or any of our subsidiaries have purchased or otherwise acquired) (such additional or resold shares, the "Additional Shares"). We do not intend to issue any Additional Shares that would be treated as fast-pay stock. Moreover, we intend to obtain advice of counsel in connection with future offerings of Additional Shares for the purpose of analyzing the consequences of issuing such Additional Shares in light of any legal developments regarding the definition of fast-pay stock. It is possible, however, that Additional Shares may be issued at a premium above their liquidation preference. As the liquidation preference of the Preferred Stock is subject to adjustment in the manner described in the applicable certificate of designations, it is generally not expected that the Additional Shares of Preferred Stock would be issued at such a level of premium above their liquidation preference at the time of sale of such Additional Shares so as to implicate the fast-pay stock rules. See Note 10, "Redeemable Preferred Stock" of the Notes to Consolidated Financial Statements contained in Part I, Item 1 of this Quarterly Report for additional information. In addition, with respect to STRC Stock, we do not intend to adjust its regular dividend rate in a manner that would cause STRC Stock to be treated as fast-pay stock. Any adjustment to STRC Stock's regular dividend rate is expected to be consistent with our current intention to have STRC Stock trade over time close to its stated amount of $100 per share within a range of approximately $99 to $100 per share, and therefore STRC Stock's dividend rate is generally expected to fluctuate over time. Nonetheless, there may be increased risk that the IRS could assert that such Additional Shares constitute fast-pay stock.

Transactions involving fast-pay stock arrangements are treated as "listed transactions" for U.S. federal income tax purposes. Issuers and holders of any shares of fast-pay stock would be required to report their participation in the transaction on IRS Form 8886 on an annual basis with their U.S. federal income tax returns and would also be required to mail a copy of that form to the IRS Office of Tax Shelter Analysis. Failure to comply with those disclosure requirements could result in the assessment by the IRS of interest, additions to tax and onerous penalties. In addition, an accuracy-related penalty applies under the Code to any reportable transaction understatement attributable to a listed transaction, regardless of whether a significant purpose of the transaction is the avoidance or evasion of U.S. federal income tax. Furthermore, certain material advisors would also be required to file a disclosure statement with the IRS. If we determine that we are required to file an IRS Form 8886 (including a protective filing) in connection with the potential issuance of fast-pay stock with respect to our previously issued Preferred Stock or Additional Shares, we intend to provide public notice to the holders of our previously issued Preferred Stock or Additional Shares, as applicable, which notice may be by a press release, by publication on our investor relations website, or by filing a current report on Form 8-K with the SEC.

Notwithstanding our intent not to issue Additional Shares that would be fast-pay stock, the rules regarding the definition of fast-pay stock are unclear in certain respects and, therefore, the IRS could disagree with our determination and treat such Additional Shares as fast-pay stock. In addition, even though we believe that our previously issued Preferred Stock is not fast-pay stock, treatment of the Additional Shares as fast-pay stock could result in adverse consequences to holders of our previously issued Preferred Stock because such Additional Shares may be indistinguishable from our previously issued Preferred Stock. See "—A future issuance of Additional Shares could have an adverse tax profile, which could subject holders of our previously issued Preferred Stock to adverse consequences" below.

Accordingly, holders of our Preferred Stock are strongly urged to consult their tax advisors regarding the Fast-Pay Stock Regulations and their potential consequences to an investment in our Preferred Stock.

A future issuance of Additional Shares could have an adverse tax profile, which could subject holders of our previously issued Preferred Stock to adverse consequences

If we issue Additional Shares that have a different, and potentially adverse, tax profile or treatment for U.S. federal income tax purposes from our previously issued Preferred Stock, since such Additional Shares would trade under the same CUSIP (or, in the case of STRE Stock, ISIN) or other identifying number as that of our previously issued STRF Stock, STRC Stock, STRE Stock, STRK Stock or STRD Stock, as applicable, our previously issued Preferred Stock may be treated by subsequent purchasers, withholding agents and potentially the IRS as having the same profile or treatment as such Additional Shares if our previously issued Preferred Stock is not otherwise distinguishable from the Additional Shares.

For example, notwithstanding our intent not to issue any Additional Shares that are fast-pay stock, the IRS could assert that such Additional Shares constitute fast-pay stock, particularly, with respect to Additional Shares of STRK Stock, if they are issued at a premium to their liquidation preference. See "—The tax rules applicable to "fast-pay stock" could result in adverse consequences to holders of our Preferred Stock" above.

Furthermore, if any Additional Shares are issued at a price that exceeds their liquidation preference, such Additional Shares would constitute "disqualified preferred stock" within the meaning of Section 1059(f)(2) of the Code and any corporate U.S. holder generally will be required to reduce its tax basis (but not below zero) in our Preferred Stock by the amount of any dividends-received deduction it receives. The liquidation preference of our Preferred Stock is subject to adjustment in the manner described in the applicable certificate of designations, which adjustment may be taken into account for purposes of disqualified preferred stock determination. See Note 10, "Redeemable Preferred Stock", of the Notes to Consolidated Financial Statements contained in Part I, Item 1 of this Quarterly Report for additional information. If Additional Shares issued are considered disqualified preferred stock, our previously issued Preferred Stock could also be subject to the same treatment as a practical matter due to fungible trading.

If any Additional Shares are sold at a discount (or at a discount that exceeds the discount that applies to our previously issued Preferred Stock), such Additional Shares may be subject to U.S. tax rules (which are similar to the rules governing original issue discount for debt instruments) that require the accrual of such discount (or such greater discount) over the deemed term of the Additional Shares. In that event, the IRS or a withholding agent may treat any such discount as resulting in deemed distributions, which may be taxable before receipt of any cash payments attributable to such discount with respect to our previously issued Preferred Stock and such Additional Shares.

Because the IRS or other parties (such as withholding agents) may not be able to distinguish our Preferred Stock offered or resold from time to time, a holder of our Preferred Stock might be subject to adverse tax consequences or might be required to demonstrate to the IRS (or such other parties) that the holder purchased our Preferred Stock in a specific offering to which those adverse tax consequences did not apply. Moreover, any adverse tax consequences as described above in connection with the future issuance of Additional Shares may adversely affect the trading price of our Preferred Stock.

Provisions of our Preferred Stock could delay or prevent an otherwise beneficial takeover of us

Certain provisions in our Preferred Stock could make a third-party attempt to acquire us more difficult or expensive. For example, if a takeover constitutes a fundamental change, then, subject to certain exceptions, holders of our Preferred Stock will have the right to require us to repurchase their Preferred Stock for cash. These fundamental change provisions could increase the cost of acquiring us or otherwise discourage a third party from acquiring us or removing incumbent management, including in a transaction that holders of our Preferred Stock or holders of our class A common stock may view as favorable.

The accounting method for our Preferred Stock may result in lower reported net earnings attributable to common stockholders and lower reported diluted earnings per share

The accounting method for reflecting the conversion and other provisions of our Preferred Stock in our financial statements may adversely affect our reported earnings. Applicable accounting standards require us to separately account for certain redemption features associated with our Preferred Stock as embedded derivatives. Under this treatment, any embedded derivatives are measured at their fair value and accounted for separately as liabilities that are marked to market at the end of each reporting period. For each financial statement period after the issuance of the preferred stock, a gain or loss would be reported in our statement of operations to the extent the valuation of any of the embedded derivatives changes from the previous period. This accounting treatment may subject our reported net income (loss) to significant non-cash volatility. In addition, the if-converted method applies to reflect our STRK Stock in the calculation of our diluted earnings per share. Under this method, diluted earnings per share is calculated assuming that our STRK Stock is converted at the beginning of the reporting period (or, if later, the time our STRK Stock is issued). However, this calculation is not made if reflecting our STRK Stock in diluted earnings per share in this manner is anti-dilutive. Accordingly, the application of the if-converted method to our STRK Stock may result in lower reported diluted earnings per share.

In addition, accounting standards may change in the future. Accordingly, we may account for our Preferred Stock in a manner that is significantly different than described above.

Our right to unilaterally reduce the regular dividend rate of STRC Stock could cause STRC Stock to accumulate dividends at rates that are below those of otherwise comparable instruments, could cause the trading price or value of STRC Stock to decrease, and could otherwise significantly harm investors

STRC Stock accumulates cumulative regular dividends on the stated amount thereof at a variable rate per annum equal to the regular dividend rate per annum then in effect. The most recently announced regular dividend rate per annum for our STRC Stock as of the date of this Quarterly Report was 12.00%. However, we have the right, in our sole and absolute discretion, to adjust the regular dividend rate per annum applicable to future periods. Our right to adjust the regular dividend rate per annum is subject to certain restrictions. For example, we are not permitted to reduce the regular dividend rate per annum that will apply to any calendar month (i) by more than the following amount from the regular dividend rate per annum applicable to the preceding calendar month: the sum of (1) 25 basis points; and (2) the excess, if any, of (x) the monthly SOFR per annum on the first business day of the second calendar month preceding such calendar month, over (y) the minimum of the monthly SOFR per annum rates that occur on the business days during such second preceding calendar month; or (ii) to a regular dividend rate per annum that is less than the monthly SOFR per annum in effect on the business day before we provide notice of the next regular dividend rate. In addition, we are not entitled to reduce the regular dividend rate per annum of STRC Stock unless, at the time we provide the related notice of the adjustment, all accumulated regular dividends, if any, on the STRC Stock then outstanding with a regular dividend payment date occurring before the date of such notice, if any, have been paid in full (or have been declared in full and consideration in kind and amount that is sufficient, in accordance with the certificate of designations, to pay such accumulated regular dividends, is set aside for the benefit of the preferred stockholders entitled thereto).

Our current intention, which is subject to change in our sole and absolute discretion, is for STRC Stock to trade over time in a range of approximately $99 to $100 per share, close to its $100 per share stated amount. We have utilized, and may continue to utilize, one or more components of our Digital Credit Capital Framework in furtherance of such objective, including selling bitcoin under the BTC Monetization Program to fund payment of dividends on STRC Stock, maintaining the dividend rate for STRC Stock under the STRC Stock dividend rate program, strengthening our capital structure and reducing our dividend obligations with repurchases through our digital credit securities repurchase program, and growing our USD Assets. Despite such efforts, we may be unsuccessful in achieving, or may change, our current intention of STRC Stock trading over time in a range of approximately $99 to $100 per share. Regarding the dividend rate program, we intend to evaluate whether to adjust the regular dividend rate per annum for STRC Stock based on a range of factors, including STRC Stock's trading levels, market yields, credit spreads, bitcoin's price and volatility, our USD Reserve coverage, capital market conditions, and our overall capital structure. We will not necessarily increase the STRC Stock regular dividend rate per annum solely because STRC Stock trades below its stated amount. Although management does not currently intend to recommend to our board of directors or an authorized committee any change to the current 12.00% regular dividend rate per annum on STRC Stock until STRC Stock has demonstrated sustained trading near its $100 stated amount, our board of directors or an authorized committee may determine not to maintain that rate. Dividends on STRC Stock remain subject to declaration by our board of directors or an authorized committee and are not guaranteed, and the trading price of STRC Stock may fluctuate for reasons unrelated to the applicable dividend rate. Regarding our USD Assets, our ability to grow or maintain our USD Assets depends in part on our ability to raise additional capital on acceptable terms, which may be limited by market conditions, investor demand and other factors beyond our control. Regarding repurchases, we have repurchased, and may continue to repurchase from time-to-time, STRC Stock under our Preferred Stock repurchase program. Such repurchases may not cause STRC Stock to trade near its stated amount, increase its liquidity, reduce its volatility, or create or maintain sustainable independent demand. Repurchases may be limited by market conditions, the trading price and liquidity of STRC Stock, our capital-allocation priorities, applicable law, and other factors. Any repurchase program may be modified, suspended or terminated at any time, and we are not obligated to repurchase any minimum number or dollar amount of STRC Stock.

We may, at any time in our sole and absolute discretion, and without the consent of any holder of STRC Stock, choose to reduce the regular dividend rate per annum to the maximum extent permitted by the terms of STRC Stock, without regard to the impact that reduction may have on the trading price or value of STRC Stock. If we reduce the regular dividend rate per annum, then the trading price or value of STRC Stock could decrease significantly. If you hold STRC Stock at the time of such a decrease, the value of your investment could materially depreciate, and you may not be able to resell your STRC Stock at favorable prices, if at all. Moreover, the mere existence of our right to unilaterally reduce the regular dividend rate per annum could, in itself, and without any actual reduction in the regular dividend rate per annum, cause STRC Stock to trade at prices below those that may otherwise be expected.

Notwithstanding the limitations on our ability to reduce the regular dividend rate per annum, the trading price of STRC Stock could decline significantly if, for example, we reduce the dividend rate in successive calendar months, or there is a

market expectation that we do so. Further, consecutive reductions of the regular dividend rate on STRC Stock may cause the regular dividend rate on STRC Stock to be viewed as reasonably expected to decline, which could result in adverse consequences to holders of STRC Stock. See "—The tax rules applicable to "fast-pay stock" could result in adverse consequences to holders of our Preferred Stock" above. If we reduce the regular dividend rate per annum to the minimum dividend rate of the monthly SOFR per annum, and the monthly SOFR per annum thereafter increases, we will have no obligation to increase the regular dividend rate per annum to the new monthly SOFR per annum. Moreover, SOFR has a limited history, and its future performance cannot be predicted.

Because we are permitted to exercise our right to adjust the regular dividend rate per annum for any reason, the trading price of STRC Stock could be significantly volatile. For example, we could choose to adjust the regular dividend rate per annum for reasons not directly related to the fair market value of our bitcoin holdings, the credit spreads on our other debt and preferred stock instruments, or the interest rate environment. Accordingly, the trading profile of our STRC Stock could be significantly different than that of our other securities or other securities with variable dividend or interest rate features. Increased volatility could harm investors by, for example, causing wide fluctuations in the implied yield of the STRC Stock and otherwise increasing the uncertainty regarding the price at which investors may resell their STRC Stock, if at all.

Certain provisions of STRC Stock are intended to protect investors in the event we fail to declare and pay regular dividends on STRC Stock. These provisions include restrictions on our ability to make payments on, or engage in certain other transactions relating to, other classes of our capital stock that rank junior to, or on parity with, STRC Stock. Our ability to reduce the regular dividend rate per annum could cause these provisions to be inadequate to protect investors. For example, we could reduce the regular dividend rate per annum to a sufficiently low rate that permits us to pay all accumulated regular dividends and avoid invoking the protective measures of these provisions.

We may be unsuccessful in achieving STRC Stock trading over time at prices, or otherwise having a value, near its stated amount of $100 per share

Our current intention, which is subject to change in our sole and absolute discretion, is to have STRC Stock trade over time close to its stated amount of $100 per share, within a range of approximately $99 to $100 per share. To this end, we may adjust the regular dividend rate per annum on our STRC Stock, repurchase STRC Stock, manage the USD Assets, monetize bitcoin, modify issuance activity, or take other actions that we believe may further this objective. However, we have no obligation to do so, and we may not necessarily continue to attempt to do so. Even if we attempt to achieve our current stated intention in the manner described above, any adjustments we make, or any other actions we take, may fail to achieve or maintain the trading price or value of STRC Stock near $100 per share. For example, if STRC Stock is trading at a price per share above $100 and we reduce the regular dividend rate per annum with the goal of decreasing the trading price per share of STRC Stock to $100, such reduction may cause the trading price of STRC Stock to decrease by a greater amount than we anticipate, such that the trading price per share of STRC Stock may decrease below $100. Similarly, if STRC Stock is trading at a price per share below $100 and we increase the regular dividend rate per annum with the goal of increasing the trading price per share of STRC Stock to $100, such increase may cause the trading price of STRC Stock to increase by a lesser amount than we anticipate, such that the trading price per share of STRC Stock may remain below $100. For example, during the current year, STRC Stock has at times traded below its stated amount of $100 per share, including at prices as low as approximately $71 per share in June 2026, notwithstanding actions we have taken to increase our USD Assets, reduce our indebtedness and reduce our dividend obligations. Further, for any additional shares of STRC Stock that we issue under our ATM, our current intention (which is subject to change in our sole and absolute discretion) is not to issue any such shares of STRC Stock at a price per share below $100. However, we may issue any additional shares of STRC Stock at any price we choose.

Like any other security, the trading price or value of STRC Stock will depend on a wide range of factors, including those described elsewhere in Part II, Item 1A "Risk Factors" of this Quarterly Report, many of which are beyond our control. While we expect that the dividend rate on STRC Stock will directly impact its trading price or value, there are many other factors that could have equal or more significant impacts. Any adjustment we make to the regular dividend rate per annum of STRC Stock that is designed to achieve a specified trading price or value will, necessarily, be based on assumptions regarding those other factors. These assumptions will always be inaccurate or incomplete to some degree, and potentially to a material extent. Moreover, even if such an adjustment initially achieves a specified trading price or value, the trading price or value may fluctuate significantly throughout the applicable calendar month before an adjusted regular dividend rate per annum can become effective for a subsequent calendar month.

Importantly, the mere existence of our right to unilaterally adjust the regular dividend rate per annum will impact the trading price and value of STRC Stock. Specifically, we expect the trading price of STRC Stock at any time to reflect the market's expectations at that time regarding how we will exercise this right in the foreseeable future. Comments we make regarding our intentions regarding the adjustment of the regular dividend rate per annum could also impact the trading price and value of STRC Stock. Modeling the impact of market expectations on the trading price of STRC Stock may be

impossible. For example, if we increase, or announce an intention to increase, the regular dividend rate per annum, then the trading price of STRC Stock may in fact decrease if the market expected us to make a larger increase.

From time to time, we may publicly disclose our expected policies regarding adjustments to the regular dividend rate per annum of STRC Stock. These disclosures may include specific numerical frameworks setting forth the amount of any change to the regular dividend rate per annum that we intend to make based on the trading price of STRC Stock or other metrics and/or considerations. In all cases, these disclosures refer only to our current intent as of the time of the applicable disclosure; they are neither a guarantee that STRC Stock will trade at a specified price in response to any changes to the regular dividend rate per annum, nor a guarantee that we will make any specific adjustment to the regular dividend rate per annum. Moreover, we are free to abandon our stated intent, as described above, or any policies or frameworks that we may subsequently disclose publicly, at any time in our sole and absolute discretion and without the consent of any preferred stockholder. See "—Our right to unilaterally reduce the regular dividend rate of STRC Stock could cause STRC Stock to accumulate dividends at rates that are below those of otherwise comparable instruments, could cause the trading price or value of STRC Stock to decrease, and could otherwise significantly harm investors" above.

Currency exchange rate fluctuations and Euro-related risks may adversely affect our ability to pay regular dividends on, and the value of, the STRE Stock

Subject to a limited exception (described in the certificate of designations of the STRE Stock), dividends and other payments on the STRE Stock, including any liquidation preference, will be made in Euros. We do not hold an "EUR Reserve" similar to our USD Reserve to pay dividends on the STRE Stock. Because we expect to convert U.S. dollar cash balances into Euros to make such payments, our ability to pay dividends on the STRE Stock depends on prevailing currency exchange rates, which have historically been volatile. An appreciation of the Euro against the U.S. dollar could significantly increase the cost of making payments on the STRE Stock and may limit our ability to declare and pay dividends in full.

In addition, if the Euro is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control or ceases to be used by member states of the European Monetary Union that have adopted the Euro as their currency or for the settlement of transactions by public institutions of or within the international banking community, then all payments in respect of the STRE Stock will be made in U.S. dollars until the Euro is again available to us or so used. In such circumstances, amounts payable on the STRE Stock in Euros will be converted into U.S. dollars on the basis of the then most recently available market exchange rate. Such rate may be materially less favorable than the rate in effect at the time the STRE Stock was issued or as would be determined by applicable law.

Further, investors whose functional currency is not the Euro are exposed to factors beyond our control which could reduce such investors' returns or result in losses, including exchange rate fluctuations, foreign exchange controls, and related economic, financial, and political risks.

These risks could materially adversely affect the value of the STRE Stock, and investors may lose a significant portion of their investment.

Because the STRE Stock is held by or on behalf of Euroclear and Clearstream in book-entry form, holders of the STRE Stock must rely on their procedures for transfer, payment and communication with the issuer and to exercise their rights and remedies

The STRE Stock was issued in the form of one or more "global certificates" deposited with, or on behalf of a common depositary, and registered in the name of a nominee of the common depositary, for, and in respect of interests held through Euroclear and Clearstream (which we refer to collectively as the "ICSDs"). Beneficial interests in shares represented by global certificates are shown on, and transfers of global certificates are effected only through, the records maintained by the ICSDs. Except in limited circumstances, we do not issue physical certificates representing the STRE Stock.

Accordingly, beneficial owners of the STRE Stock may not be considered holders of record. Instead, the nominee of the common depositary for Euroclear and Clearstream will be the sole holder of record for beneficial interests in shares represented by global certificates. Payments of cash dividends and other cash amounts on global certificates will be made to the paying agent, who will remit the payments to Euroclear and Clearstream for distribution to their accountholders.

Furthermore, owners of beneficial interests in shares represented by global certificates will not have the direct right to act on our solicitations for consents or requests for waivers or other actions from holders of the STRE Stock. Such owners may act only through proxies from Euroclear and Clearstream or, if applicable, a Euroclear or Clearstream participant. Such proxy procedures may not be sufficient to enable owners of beneficial interests in shares represented by global certificates to exercise voting rights on a timely basis.

In addition, pursuant to SEC rules and regulations, Euroclear and Clearstream do not provide settlement services to any direct participant in the ICSDs having a U.S. residence, including, without limitation, U.S. banks, SEC- registered broker-

dealers (even if such broker-dealer does not have a U.S. residence), and foreign branches of U.S. banks or U.S. registered broker-dealers. This restriction may limit the ability of certain investors to hold or transfer STRE Stock unless they can access a non-U.S. custody provider, which may have a negative impact on trading activity and limit liquidity in the STRE Stock.

The limited trading market for STRE Stock listed on the Luxembourg Stock Exchange's Euro MTF may adversely affect its liquidity and trading price

STRE Stock is admitted to trading on the Luxembourg Stock Exchange's Euro MTF, an exchange with limited trading volumes in equity securities compared to our other securities listed on Nasdaq. As a result, there is reduced liquidity and less extensive and timely price information available for investors transacting on the Euro MTF. As a result, the trading price of STRE Stock may deviate meaningfully from the prices at which other similar equity securities trade on Nasdaq or from the prices implied by broader market conditions.

Future sales or other dilution of our class A common stock, including other equity-related securities, could dilute our existing stockholders or otherwise depress the market price of our class A common stock and the value of our STRK Stock

Future sales of our class A common stock in the public market, or the perception that such sales could occur, or the issuance of class A common stock upon the conversion of our STRK Stock could negatively impact the market price of our class A common stock, and, accordingly, the value of our STRK Stock. The terms of our Preferred Stock do not restrict our ability to issue additional STRK Stock, class A common stock or other equity-related securities in the future. Future sales or issuances of class A common stock, STRK Stock or other equity-related securities could be dilutive to holders of our class A common stock and STRK Stock and could adversely affect their voting and other rights and economic interests. If we issue additional shares of our STRK Stock, shares of class A common stock (including as payment for regular dividends on our STRK Stock), or other equity-related securities, the price of our class A common stock and the value of our STRK Stock may decline. We cannot predict the size of future issuances of our class A common stock or other securities or the effect, if any, that the issuance of our STRK Stock, and future sales and issuances of our class A common stock and other securities would have on the market price of our class A common stock and the value of our STRK Stock.

In addition, the existence of our STRK Stock may encourage short selling by market participants because the conversion of our STRK Stock could be used to satisfy short positions, or anticipated conversion of our STRK Stock into shares of class A common stock could depress the price of our class A common stock. The sale or the availability for sale of a large number of shares of class A common stock in the public market could cause the market price of our class A common stock to decline.

Not all events that may adversely affect the value of our STRK Stock and our class A common stock will result in an adjustment to the conversion rate of our STRK Stock

The conversion rate of our STRK Stock is subject to adjustment for certain events, including:

- certain stock dividends, splits and combinations;
- the issuance of certain rights, options or warrants to holders of our class A common stock;
- certain distributions of assets, debt securities, capital stock or other property to holders of our class A common stock;
- cash dividends on our class A common stock; and
- certain tender or exchange offers.

We are not required to adjust the conversion rate for other events, such as third-party tender offers or an issuance of class A common stock (or securities exercisable for, or convertible into, class A common stock) for cash, that may adversely affect the value of our STRK Stock and the trading price of our class A common stock. An event may occur that adversely affects the value of our STRK Stock and the trading price of the underlying shares of our class A common stock but that does not result in an adjustment to the conversion rate.

Certain events that can significantly reduce, or eliminate entirely, the option value of the conversion right of our STRK Stock will not require an adjustment to the conversion rate. For example, if we are party to a business combination transaction pursuant to which our class A common stock is acquired solely for cash, then, our STRK Stock will become convertible solely into cash, which will eliminate the time value, and may harm the option value, of the conversion right of our STRK Stock. Similarly, a de-listing of our class A common stock will likely severely reduce the liquidity of the market for our class A common stock and the volatility of the trading price of our class A common stock, which, in turn, will likely reduce the option value of the conversion right of our STRK Stock significantly. None of these, or certain other,

events will, in themselves, require an adjustment to the conversion rate to compensate holders of STRK Stock for their lost option value.

Many convertible instruments contain “make-whole” provisions that adjust the conversion rate in a manner that is designed to compensate investors for lost option value upon the occurrence of specified events. Our STRK Stock does not contain such a provision. Accordingly, we may engage in transactions that significantly reduce the option value of the conversion right of our STRK Stock without a corresponding adjustment to the conversion rate.

Recent and future regulatory actions, changes in market conditions and other events may adversely affect the trading price and liquidity of our STRK Stock and the ability of investors to implement a convertible arbitrage trading strategy

We expect that holders of our STRK Stock may seek to employ a convertible arbitrage strategy. Under this strategy, investors typically sell short a certain number of shares of our class A common stock and adjust their short position over time while they continue to hold our STRK Stock. Investors may also implement this type of strategy by entering into swaps on our class A common stock in lieu of, or in addition to, short selling shares of our class A common stock.

The SEC and other regulatory authorities have implemented various rules and taken certain actions, and may in the future adopt additional rules and take other actions, that may impact those engaging in short selling activity involving equity securities (including our class A common stock). These rules and actions include Rule 201 of SEC Regulation SHO, the adoption by the Financial Industry Regulatory Authority, Inc., and the national securities exchanges of a “limit up-limit down” program, the imposition of market-wide circuit breakers that halt trading of securities for certain periods following specific market declines, and the implementation of certain regulatory reforms required by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Any governmental or regulatory action that restricts investors’ ability to effect short sales of our class A common stock or enter into equity swaps on our class A common stock could depress the trading price of, and the liquidity of the market for, our STRK Stock.

In addition, the liquidity of the market for our class A common stock and other market conditions could deteriorate, which could reduce, or eliminate entirely, the number of shares available for lending in connection with short sale transactions and the number of counterparties willing to enter into an equity swap on our class A common stock with an investor of our STRK Stock. These and other market events could make implementing a convertible arbitrage strategy prohibitively expensive or infeasible. If investors seeking to employ a convertible arbitrage strategy are unable to do so on commercial terms, or at all, then the trading price of, and the liquidity of the market for, our STRK Stock may significantly decline.

Holding STRK Stock does not, in itself, confer any rights with respect to our class A common stock

Holding STRK Stock does not confer any rights with respect to our class A common stock (including the voting rights of, and rights to receive any dividends or other distributions on, our class A common stock). However, holders of our STRK Stock are subject to all changes affecting our class A common stock to the extent the value of our STRK Stock depends on the market price of our class A common stock and to the extent they receive shares of our class A common stock upon conversion of our STRK Stock. For example, if we propose an amendment to our charter documents that requires the approval of our class A common stockholders but not the approval of the holders of our Preferred Stock, then holders of any STRK Stock will not, as such, be entitled to vote on the amendment, although those holders will be subject to any changes implemented by that amendment in the powers, preferences or special rights of our class A common stock.

Holders of STRD Stock may not receive dividends on STRD Stock, which are discretionary and non-cumulative

Dividends on STRD Stock are discretionary and not cumulative. If our board of directors or any duly authorized committee thereof does not declare a dividend on STRD Stock in respect of any regular record date, then no dividend will be deemed to have accrued for such regular record date, be payable on the applicable dividend payment date or be cumulative, and we will have no obligation to pay any dividend for such regular record date, whether or not our board of directors or any duly authorized committee thereof declares a dividend on STRD Stock, any other series of our Preferred Stock or our common stock with respect to any subsequent regular record date. Accordingly, holders of STRD Stock may not receive dividends on STRD Stock.

Risks Related to Our Outstanding and Potential Future Indebtedness

Our level and terms of indebtedness could adversely affect our ability to raise additional capital to further execute on our bitcoin strategy, fund our enterprise analytics software operations, and take advantage of new business opportunities

As of September 30, 2026, we had approximately $6.75 billion of outstanding indebtedness. See the “Liquidity and Capital Resources” section in Part I, Item 2 Management’s Discussion and Analysis of Financial Condition and Results of Operations and Note 6, "Long-term Debt," to the Consolidated Financial Statements contained in Part I, Item 1 of this

Quarterly Report, for additional information about our outstanding indebtedness and associated contractual interest obligations.

Our substantial indebtedness and interest expense could have important consequences to us, including:

- limiting our ability to use a substantial portion of our cash flow from operations in other areas of our business, including for acquisition of additional bitcoin, working capital, research and development, expanding our infrastructure, capital expenditures, and other general business activities and investment opportunities in our company, because we must dedicate a substantial portion of these funds to pay interest on and/or service our debt;
- limiting our ability to obtain additional financing in the future for acquisition of additional bitcoin, working capital, capital expenditures, debt service, acquisitions, execution of our strategy, and other expenses or investments planned by us;
- limiting our flexibility and our ability to capitalize on business opportunities and to react to competitive pressures and adverse changes in government regulation, our business, and our industry;
- increasing our vulnerability to a downturn in our business and to adverse economic and industry conditions generally;
- placing us at a competitive disadvantage as compared to our competitors that are less leveraged; and
- limiting our ability, or increasing the costs, to refinance indebtedness.

We may be unable to service our indebtedness, which could cause us to default on our debt obligations and could force us into bankruptcy or liquidation

Our ability to make scheduled payments on and to refinance our indebtedness depends on and is subject to our financial and operating performance, which is influenced, in part, by general economic, financial, competitive, legislative, regulatory, counterparty business, and other risks that are beyond our control, including the availability of financing in the U.S. banking and capital markets. We do not expect cash generated by our software operations to be sufficient to satisfy our short-term or long-term liquidity needs. However, we expect to be able to satisfy such needs through one or more available sources of liquidity, including cash and cash equivalents we hold in the USD Reserve, proceeds from the sale of bitcoin, proceeds from sales of our class A common stock and preferred stock under our ATM and proceeds from additional equity or debt financings. If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay capital expenditures, sell assets such as our bitcoin, seek additional capital, or restructure or refinance our indebtedness, and we may be required to take these actions under unfavorable market conditions. We cannot assure investors that future borrowings will be available to us in an amount sufficient to enable us to service our indebtedness, to refinance our indebtedness, or to fund our other liquidity needs. Even if refinancing indebtedness is available, any refinancing of our indebtedness could be at higher interest rates and may require us to comply with more onerous covenants that could further restrict our business operations. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations or our financial covenants, which could cause us to default on our debt obligations. In addition, any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our credit rating, which could harm our ability to incur additional indebtedness.

Upon the occurrence of an event of default under any of our indebtedness, the holders of the defaulted indebtedness could elect to declare all the funds borrowed to be due and payable, together with accrued and unpaid interest. Any of these events could in turn result in cross-defaults under our other indebtedness. We may not have sufficient funds available to pay the amounts due upon any such default, particularly in the event that there has been a decrease in the fair market value of our bitcoin holdings, and we may not be able to raise additional funds to pay such amounts on a timely basis, on terms we find acceptable, or at all. Any financing that we may undertake under such circumstances could result in substantial dilution of our existing stockholders, and in the absence of being able to obtain such financing, we could be forced into bankruptcy or liquidation.

We may not have the ability to raise the funds necessary to settle conversions of our outstanding convertible notes in cash or to repurchase our convertible notes for cash upon a fundamental change or if noteholders exercise their repurchase rights, and any future debt we incur may contain limitations on our ability to engage in cash-settled conversions or repurchases of convertible notes

In connection with any conversion of the Outstanding Convertible Notes, unless we elect (or have previously irrevocably elected) to deliver solely shares of our class A common stock to settle such conversion (other than paying cash in lieu of delivering any fractional share), we will be required to make cash payments in respect of the Outstanding Convertible Notes being converted. However, any future debt may contain limitations on our ability to (i) pay cash upon conversion or

redemption of the Outstanding Convertible Notes, which may require us to elect to deliver solely shares of our class A common stock to settle such conversion (other than paying cash in lieu of delivering any fractional share), or (ii) sell certain bitcoin to generate cash that can be used to make such cash payments.

Upon a fundamental change as defined in the indentures governing the Outstanding Convertible Notes, the holders of such notes will have the right to require us to offer to purchase all of the applicable notes then outstanding at a price equal to 100% of the principal amount of the Outstanding Convertible Notes, plus, in each case, accrued and unpaid interest, if any, to, but excluding, the repurchase date. Moreover, the exercise by holders of the Outstanding Convertible Notes of their right to require us to repurchase such Outstanding Convertible Notes could cause a default under future debt agreements, even if the change of control or fundamental change itself does not, due to the financial effect of such repurchase on us. In order to obtain sufficient funds to pay the purchase price of such notes, we expect that we would have to refinance the Outstanding Convertible Notes or obtain a waiver from the applicable holders of Outstanding Convertible Notes and we may not be able to refinance the Outstanding Convertible Notes on reasonable terms, if at all. Absent a waiver from the applicable holders of Outstanding Convertible Notes, our failure to offer to purchase all applicable Outstanding Convertible Notes or to purchase all validly tendered Outstanding Convertible Notes would be an event of default under the indentures governing the Outstanding Convertible Notes.

In addition, holders of Outstanding Convertible Notes have the right to require us to repurchase all or a portion of their notes on the following dates with respect to the following Outstanding Convertible Notes: September 15, 2027 (2028 Convertible Notes), June 1, 2028 (2029 Convertible Notes), September 15, 2028 (2030A Convertible Notes and 2031 Convertible Notes), March 1, 2028 (2030B Convertible Notes), and June 15, 2029 (2032 Convertible Notes), in each case, at a repurchase price equal to 100% of the principal amount of the notes to be repurchased, plus accrued and unpaid interest, if any.

The conditional conversion feature of the Outstanding Convertible Notes, if triggered, may adversely affect our financial condition and operating results

In the event the conditional conversion feature of the Outstanding Convertible Notes is triggered, holders of the applicable Outstanding Convertible Notes will be entitled to convert such notes at any time during specified periods at their option. If one or more holders elect to convert their Outstanding Convertible Notes, unless we elect to satisfy our conversion obligation by delivering solely shares of our class A common stock (other than paying cash in lieu of delivering any fractional share), we would be required to settle a portion or all of our conversion obligation through the payment of cash, which could adversely affect our liquidity. Furthermore, even if holders do not elect to convert their Outstanding Convertible Notes, we could be required under applicable accounting rules to reclassify all or a portion of the outstanding principal of the applicable Outstanding Convertible Notes as a current rather than long-term liability, which would result in a material reduction of our net working capital.

We use funds from our subsidiaries in order to meet our cash needs and service our indebtedness, including the Outstanding Convertible Notes and our other long-term indebtedness, and certain of our subsidiaries holding digital assets may not provide any dividends, distributions, or other payments to us to fund our obligations and meet our cash needs

We receive dividends, distributions, and other payments from our subsidiaries to fund our obligations, including those arising under the Outstanding Convertible Notes, and our other long-term indebtedness, and meet our cash needs. The operating results of our subsidiaries at any given time may not be sufficient to make dividends, distributions, or other payments to us in order to allow us to make payments on the Outstanding Convertible Notes, and our other long-term indebtedness. In addition, dividends, distributions, or other payments, as well as other transfers of assets, between our subsidiaries and from our subsidiaries to us may be subject to legal, regulatory, or contractual restrictions, which may materially adversely affect our ability to transfer cash within our consolidated companies and our ability to meet our cash needs and service our indebtedness.

Despite our current level of indebtedness, we may incur substantially more indebtedness and enter into other transactions in the future which could further exacerbate the risks related to our indebtedness

Our bitcoin strategy includes acquiring bitcoin using proceeds from equity and debt financings and, if available, cash flows from operations. As such, despite our current level of indebtedness, we may incur substantially more indebtedness, and we may enter into other transactions in the future. Even if we were to enter into debt or other arrangements that contain restrictions on our ability to incur additional indebtedness, these restrictions may be subject to a number of qualifications and exceptions that would allow us to incur significant additional indebtedness. To the extent we incur additional indebtedness or other obligations, the risks described herein with respect to our indebtedness may increase significantly.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities

Issuer Purchases of Equity Securities

The following table shows the purchases of STRC Stock by or on behalf of the Company, or any "affiliated purchaser" (as defined in Rule 10b-18(a)(3) under the Securities Exchange Act of 1934, as amended) of the Company, for each fiscal month in the three months ended September 30, 2026.

Period	Total Number of Shares Purchased	Average Price Paid Per Share (1)	Total Number of Shares Purchased as Part of the Program	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Program (in millions) (2)
July 1, 2026 through July 31, 2026	752,993	$ 87.88	752,993	$ 933.8
August 1, 2026 through August 31, 2026	5,977,209	$ 95.21	5,977,209	$ 364.8
September 1, 2026 through September 30, 2026	7,199,971	$ 98.21	7,199,971	$ 657.6
Total	13,930,173		13,930,173	

(1) The average price per share and aggregate cost amounts disclosed above include broker commissions.

(2) On June 29, 2026, we announced that our board of directors authorized us to repurchase up to an aggregate purchase price of $1.0 billion of our outstanding preferred stock, including our STRF Stock, STRC Stock, STRK Stock and STRD Stock, under our preferred stock repurchase program. On September 8, 2026, we announced that our board of directors increased the aggregate purchase price authorized under such program to $2.0 billion, inclusive of any commissions, fees and expenses and any repurchases made under the program to date. The increased authorization is reflected only in the amount presented for September 2026 in the table above. Such program does not have an expiration date. We did not repurchase any other series of Preferred Stock in the three months ended September 30, 2026 pursuant to our preferred stock repurchase program.

On October 19, 2026, we announced that our board of directors approved an increase in the aggregate purchase price authorized under our preferred stock repurchase program from $2.0 billion to $3.0 billion (inclusive of any commissions, fees and expenses and inclusive of any repurchases made under the program to date).

Additionally, on June 29, 2026, we announced that our board of directors authorized us to repurchase up to an aggregate purchase price of $1.0 billion of our class A common stock under our common stock repurchase program. Such program does not have an expiration date. We did not repurchase any shares of our class A common stock during the three months ended September 30, 2026 pursuant to such program.

Repurchases under both programs may be made from time to time through open-market purchases, block trades, privately negotiated transactions, tender offers, exchange offers or other legally permissible means. The timing and amount of any repurchases will be determined by management based on its evaluation of market conditions, trading prices, liquidity, applicable legal requirements and other factors.

See Note 10, "Redeemable Preferred Stock" to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report and "Capital Markets Activity" heading within Part I, Item 2 Management's Discussion and Analysis of Financial Condition and Results of Operations, for additional information regarding our repurchase programs, including activity through October 25, 2026.

Item 5. Other Information

Rule 10b5-1 Information

None of our directors or officers (as defined in Rule 16a-1(f) promulgated under the Exchange Act) adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (each as defined in Item 408 of Regulation S-K) during the quarterly period covered by this report.

Item 6. Exhibits

INDEX TO EXHIBITS

Exhibit Number	Description
3.1	Second Restated Certificate of Incorporation of the registrant (incorporated herein by reference to Exhibit 3.1 to the registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2003 (File No. 000-24435)).
3.2	Certificate of Amendment to the registrant's Second Restated Certificate of Incorporation (incorporated herein by reference to Exhibit 3.1 to the registrant's Current Report on Form 8-K filed with the SEC on January 23, 2025 (File No. 000-24435)).
3.3	Certificate of Amendment to the registrant's Second Restated Certificate of Incorporation (incorporated herein by reference to Exhibit 3.1 to the registrant's Current Report on Form 8-K filed with the SEC on August 11, 2025 (File No. 001-42509)).
3.4	Second Amended and Restated By-Laws of the registrant (incorporated herein by reference to Exhibit 3.2 to the registrant's Current Report on Form 8-K filed with the SEC on August 11, 2025 (File No. 001-42509)).
3.5	Amended and Restated Certificate of Designations of 10.00% Series A Perpetual Strife Preferred Stock (incorporated herein by reference to Exhibit 3.1 to the registrant's Current Report on Form 8-K filed with the SEC on October 29, 2026 (File No. 001-42509)).
3.6	Second Amended and Restated Certificate of Designations of Variable Rate Series A Perpetual Stretch Preferred Stock (incorporated herein by reference to Exhibit 3.2 to the registrant's Current Report on Form 8-K filed with the SEC on October 29, 2026 (File No. 001-42509)).
3.7	Amended and Restated Certificate of Designations of 8.00% Series A Perpetual Strike Preferred Stock (incorporated herein by reference to Exhibit 3.3 to the registrant's Current Report on Form 8-K filed with the SEC on October 29, 2026 (File No. 001-42509)).
3.8	Amended and Restated Certificate of Designations of 10.00% Series A Perpetual Stride Preferred Stock (incorporated herein by reference to Exhibit 3.4 to the registrant's Current Report on Form 8-K filed with the SEC on October 29, 2026 (File No. 001-42509)).
3.9	Certificate of Designations of 10.00% Series A Perpetual Stream Preferred Stock (incorporated herein by reference to Exhibit 3.1 to the registrant's Current Report on Form 8-K filed with the SEC on November 13, 2025 (File No. 001-42509)).
4.1	Form of Certificate of Class A Common Stock of the registrant (incorporated herein by reference to Exhibit 4.1 to the registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2024 (File No. 000-24435)).
4.2	Indenture, dated as of March 8, 2024, by and between the registrant and U.S. Bank Trust Company, National Association, as trustee (incorporated herein by reference to Exhibit 4.2 to the registrant's Current Report on Form 8-K filed with the SEC on March 11, 2024 (File No. 000-24435)).
4.3	Form of 0.625% Convertible Senior Note due 2030 (incorporated herein by reference to Exhibit 4.2 to the registrant's Current Report on Form 8-K filed with the SEC on March 11, 2024 (File No. 000-24435)).
4.4	Indenture, dated as of March 18, 2024, by and between the registrant and U.S. Bank Trust Company, National Association, as trustee (incorporated herein by reference to Exhibit 4.1 to the registrant's Current Report on Form 8-K filed with the SEC on March 19, 2024 (File No. 000-24435)).
4.5	Form of 0.875% Convertible Senior Note due 2031 (incorporated herein by reference to Exhibit 4.2 to the registrant's Current Report on Form 8-K filed with the SEC on March 19, 2024 (File No. 000-24435)).
4.6	Indenture, dated as of June 17, 2024, by and between MicroStrategy Incorporated and U.S. Bank Trust Company, National Association, as trustee (incorporated herein by reference to Exhibit 4.1 to the registrant's Current Report on Form 8-K filed with the SEC on June 20, 2024 (File No. 000-24435)).
4.7	Form of 2.25% Convertible Senior Note due 2032 (incorporated herein by reference to Exhibit 4.2 to the registrant's Current Report on Form 8-K filed with the SEC on June 20, 2024 (File No. 000-24435)).

4.8	Indenture, dated as of September 19, 2024, by and between MicroStrategy Incorporated and U.S. Bank Trust Company, National Association, as trustee (incorporated herein by reference to Exhibit 4.1 to the registrant's Current Report on Form 8-K filed with the SEC on September 20, 2024 (File No. 000-24435)).
4.9	Form of 0.625% Convertible Senior Note due 2028 (incorporated herein by reference to Exhibit 4.2 to the registrant's Current Report on Form 8-K filed with the SEC on September 20, 2024 (File No. 000-24435)).
4.10	Indenture, dated as of November 21, 2024, by and between the registrant and U.S. Bank Trust Company, National Association, as trustee (incorporated herein by reference to Exhibit 4.1 to the registrant's Current Report on Form 8-K filed with the SEC on November 21, 2024 (File No. 000-24435)).
4.11	Form of 0% Convertible Senior Note due 2029 (incorporated herein by reference to Exhibit 4.2 to the registrant's Current Report on Form 8-K filed with the SEC on November 21, 2024 (File No. 000-24435)).
4.12	Indenture, dated as of February 21, 2025, by and between MicroStrategy Incorporated and U.S. Bank Trust Company, National Association, as trustee (incorporated herein by reference to Exhibit 4.1 to the registrant's Current Report on Form 8-K filed with the SEC on February 24, 2025 (File No. 001-42509)).
4.13	Form of 0% Convertible Senior Notes due 2030 (incorporated herein by reference to Exhibit 4.2 to the registrant's Current Report on Form 8-K filed with the SEC on February 24, 2025 (File No. 001-42509)).
4.14	Form of Certificate of 10.00% Series A Perpetual Strife Preferred Stock (incorporated herein by reference to Exhibit 4.1 to the registrant's Current Report on Form 8-K filed with the SEC on October 29, 2026 (File No. 001-42509)).
4.15	Form of Certificate of Variable Rate Series A Perpetual Stretch Preferred Stock (incorporated herein by reference to Exhibit 4.2 to the registrant's Current Report on Form 8-K filed with the SEC on October 29, 2026 (File No. 001-42509)).
4.16	Form of Certificate of 8.00% Series A Perpetual Strike Preferred Stock (incorporated herein by reference to Exhibit 4.3 to the registrant's Current Report on Form 8-K filed with the SEC on October 29, 2026 (File No. 001-42509)).
4.17	Form of Certificate of 10.00% Series A Perpetual Stride Preferred Stock (incorporated herein by reference to Exhibit 4.4 to the registrant's Current Report on Form 8-K filed with the SEC on October 29, 2026 (File No. 001-42509)).
4.18	Form of Certificate of 10.00% Series A Perpetual Stream Preferred Stock (incorporated herein by reference to Exhibit 4.1 to the registrant's Current Report on Form 8-K filed with the SEC on November 13, 2025 (File No. 001-42509)).
10.1	Omnibus Sales Agreement, dated as of November 4, 2025, as amended and supplemented to date, by and among Strategy and TD Securities (USA) LLC, StoneX Financial Inc., A.G.P./Alliance Global Partners, Barclays Capital Inc., BTIG, LLC, Canaccord Genuity LLC, Cantor Fitzgerald & Co., Clear Street LLC, Compass Point Research & Trading, LLC, H.C. Wainwright & Co., LLC, Keefe, Bruyette & Woods, Inc., Maxim Group LLC, Mizuho Securities USA LLC, Moelis & Company LLC, Morgan Stanley & Co. LLC, Santander US Capital Markets LLC, SG Americas Securities, LLC, and TCBI Securities, Inc., doing business as Texas Capital Securities, as sales agents.
31.1	Certification pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Principal Executive Officer.
31.2	Certification pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Principal Financial Officer.
32.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document. The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema with Embedded Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL with applicable taxonomy extension information contained in Exhibits 101).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

STRATEGY INC

By: /s/ Andrew Kang

Andrew Kang

Executive Vice President & Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

Date: November 2, 2026