STRATEGY

$STRK

INVESTOR BRIEFING

Convertible Digital Credit with Equity Participation

8.00% Series A Perpetual Strike Preferred Stock | Nasdaq: STRK

STRK is Strategy's convertible perpetual preferred stock. It provides an 8.00% cumulative annual dividend on its $100 stated amount, payable quarterly when and if declared, and each share is initially convertible into 0.1 share of MSTR, subject to adjustment.

$67.05 **MARKET PRICE** Aug. 7 close	**11.93%** **EFFECTIVE YIELD** $8 / $67.05	**$1.402B** **NOTIONAL** 14.02M shares
3.4x **BTC RATING*** Illustrative	**$18.9K** **BTC FLOOR PRICE** 1.0x threshold	**142 bps** **BTC CREDIT** 10% ARR / 40% vol

* BTC Rating does not represent a rating from any rating agency and is not equivalent to a "rating" in the traditional financial context. BTC Rating also does not account for potential cross-defaults under our debt obligations. This metric is presented for illustrative purposes only and should not form the basis for an investment decision.

IMPORTANT STRUCTURAL NOTE

STRK is not collateralized by Strategy's bitcoin holdings and only has a preferred claim on the residual assets of Strategy. It ranks behind creditors, subsidiary liabilities and the senior Strategy preferred series. Its MSTR conversion right can add equity participation, but also links market value and volatility to MSTR.

There is no guarantee for STRK of returns, liquidity, or future performance. Cash dividend is not guaranteed.

Strategy has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before investing, read the prospectus and other documents Strategy has filed with the SEC for more complete information about Strategy and its securities, including significant risks; free at EDGAR on sec.gov; current rate, price, and yield at strategy.com.

This communication contains forward-looking statements that involve risks and uncertainties, including changes in dividend policy, capital structure, bitcoin/digital-asset volatility, regulatory/accounting/tax changes, liquidity and cybersecurity risks, financing availability, and other risks described in Strategy's SEC filings. Strategy undertakes no obligation to update forward-looking statements except as required by law.

Securities market data through Aug. 7; issuer holdings and USD Reserve as of Aug. 9; credit metrics from the Aug. 10 dashboard using $64,975 BTC, 10% BTC ARR and 40% BTC volatility.

01 | EXECUTIVE OVERVIEW

What STRK is designed to deliver

Cumulative preferred income paired with a long-dated contractual option on MSTR.

THE INVESTMENT PROPOSITION

- **Cumulative fixed income.** $8.00 of annual regular dividends per $100 stated amount, normally $2.00 each quarter when declared.
- **Contractual MSTR participation.** Each STRK share is convertible into 0.1 MSTR, subject to specified anti-dilution and transaction adjustments.
- **Arrears protection.** Unpaid regular dividends continue to accumulate and compound quarterly at the 8% regular dividend rate.
- **Payment flexibility.** Declared dividends may be paid in cash, MSTR shares or a combination, subject to legal availability and filed limits.
- **Exchange liquidity.** STRK trades on Nasdaq and currently averages approximately $6 million of daily dollar volume over 30 days.
- **Potential tax deferral.** Strategy expects return-of-capital treatment to the extent of basis, although noncash and deemed distributions add complexity.

CURRENT ECONOMICS

1,000 Shares
$67,050 Market cost
$100,000 Aggregate stated amount
$8,000 Annual regular dividend*
$2,000 Quarterly regular dividend*
11.93% Current effective yield
100 MSTR Shares on conversion at 0.1
8.6 yrs Illustrative Macaulay duration
3.4x Illustrative BTC Rating

~$18,900 Illustrative STRK BTC Floor Price

**Assumes each regular dividend is declared and paid in full. At $100.01 MSTR, current conversion value is about $10,001 for 1,000 STRK, or 14.9% of market cost. BTC Risk is 11.57%; BTC Floor ARR is -8.2%.*

Macaulay Duration is the number of years equal to the quotient obtained by dividing the sum of 1 and the Effective Yield of such stock by the Effective Yield of such stock.

THE ESSENTIAL TRADE-OFF

Income plus a deeply out-of-the-money equity option

At the current 0.1 conversion rate, a $67.05 STRK price corresponds to MSTR parity of $670.50. The initial contractual conversion price was $1,000 per MSTR share. At $100.01 MSTR, immediate conversion value is only about $10.00 per STRK, so investors must underwrite the preferred cash flows, credit quality, Macaulay duration and option time value rather than rely on near-term parity.

HOW TO THINK ABOUT STRK

STRK is best understood as convertible perpetual preferred credit: an 8% cumulative USD income claim combined with a contractual right to convert each share into 0.1 MSTR. At current prices, most of STRK's market value reflects its preferred cash-flow claim and the time value of the embedded equity option rather than immediate conversion value.

Source: Strategy STRK dashboard and information page; Strategy Credit Dashboard and Notes; Certificate of Designations and July 2025 amendment; Digital Credit Capital Framework announced June 29, 2026; market data at the Aug. 7, 2026 close; issuer holdings and USD Reserve as of Aug. 9, 2026. Credit metrics use the Aug. 10 dashboard assumptions of $64,975 BTC, 10% BTC ARR and 40% BTC volatility.

02 | SECURITY TERMS

Terms at a glance

The Certificate of Designations, any amendments and the prospectus govern. This table is a plain-English summary, not a substitute for those documents.

TERM	SUMMARY
Issuer	Strategy Inc.
Security	8.00% Series A Perpetual Strike Preferred Stock
Ticker / exchange	STRK / Nasdaq Global Select Market
Initial issue date	February 5, 2025; initial public offering price $80.00 per share
Stated amount	$100.00 per share
Regular dividend	8.00% per annum on stated amount; $8.00 per share annually
Payment frequency	Quarterly in arrears, normally March 31, June 30, September 30 and December 31
Record dates	Normally March 15, June 15, September 15 and December 15
Form of payment	Cash, MSTR shares or a combination, at Strategy's election after declaration and subject to filed limits
Cumulative?	Yes. Regular dividends accumulate regardless of declaration or current legal availability
Arrears compounding	Unpaid installments compound quarterly at the 8.00% regular dividend rate; payments apply to the earliest unpaid period
Registered-equity covenant	If Strategy sells MSTR for cash in a registered public offering during the 90 days before a record date, it must pay the next dividend to the extent net proceeds are sufficient, subject to senior stock
Maturity / sinking fund	Perpetual; no scheduled maturity and no sinking fund
Conversion rights	Holder may convert on a business day at the then-applicable rate; initially and currently 0.1000 MSTR per STRK, subject to adjustment and procedures
Conversion adjustments	Specified adjustments for stock splits, distributions, rights offerings, cash dividends and tender offers; no general make-whole for lost option value
Ranking	Junior to debt, subsidiary liabilities and current senior preferred series; senior to STRD and common equity in the current stack
Liquidation preference	Initially $100; after the July 2025 amendment, generally the greatest of $100 and specified recent-market-price measures
Fundamental-change put	Holder may require cash repurchase at $100 stated amount plus accumulated unpaid dividends, subject to legally available funds and other terms
Issuer redemption	All, not less than all, after specified tax events or if less than 25% of the original stated amount remains; price uses liquidation preference plus arrears
Voting / protective rights	No general vote; limited majority consent rights and preferred-director rights after four and eight consecutive missed payment dates

Source: Certificate of Designations filed Feb. 5, 2025; Certificate of Amendment filed July 7, 2025; prospectus supplements; Strategy STRK information page. In a conflict, the filed governing documents control.

03 | CASH FLOW AND MARKET PROFILE

An 8% cumulative dividend plus MSTR conversion optionality

The cash-flow claim is fixed to stated amount; effective yield moves with STRK's price, while conversion value moves with MSTR.

YIELD SENSITIVITY

STRK PRICE	EFFECTIVE YIELD
$50	16.00%
$60	13.33%
$67.05	11.93%
$80	10.00%
$100	8.00%
$120	6.67%

Formula: $8.00 annual regular dividend / market price. The yield excludes price changes and does not assign value to the MSTR conversion option.

MARKET SNAPSHOT

Price	**$67.05**
Discount to stated amount	**33.0%**
Market capitalization	**$940M**
30D avg. daily value	**$6.0M**
30D volatility	**43%**
3-month total return	**-13%**
1-year total return	**-31%**
Simple since-IPO return	**-2.1%**

DIVIDEND RECORD

PERIOD	RECORD DATE	PAYMENT DATE	PER SHARE	STATUS
Q1 2025 stub	Mar. 15, 2025	Mar. 31, 2025	$1.24444	Paid
Q2 2025	Jun. 15, 2025	Jun. 30, 2025	$2.00	Paid
Q3 2025	Sep. 15, 2025	Sep. 30, 2025	$2.00	Paid
Q4 2025	Dec. 15, 2025	Dec. 31, 2025	$2.00	Paid
Q1 2026	Mar. 15, 2026	Mar. 31, 2026	$2.00	Paid
Q2 2026	Jun. 15, 2026	Jun. 30, 2026	$2.00	Paid

Since initial pricing

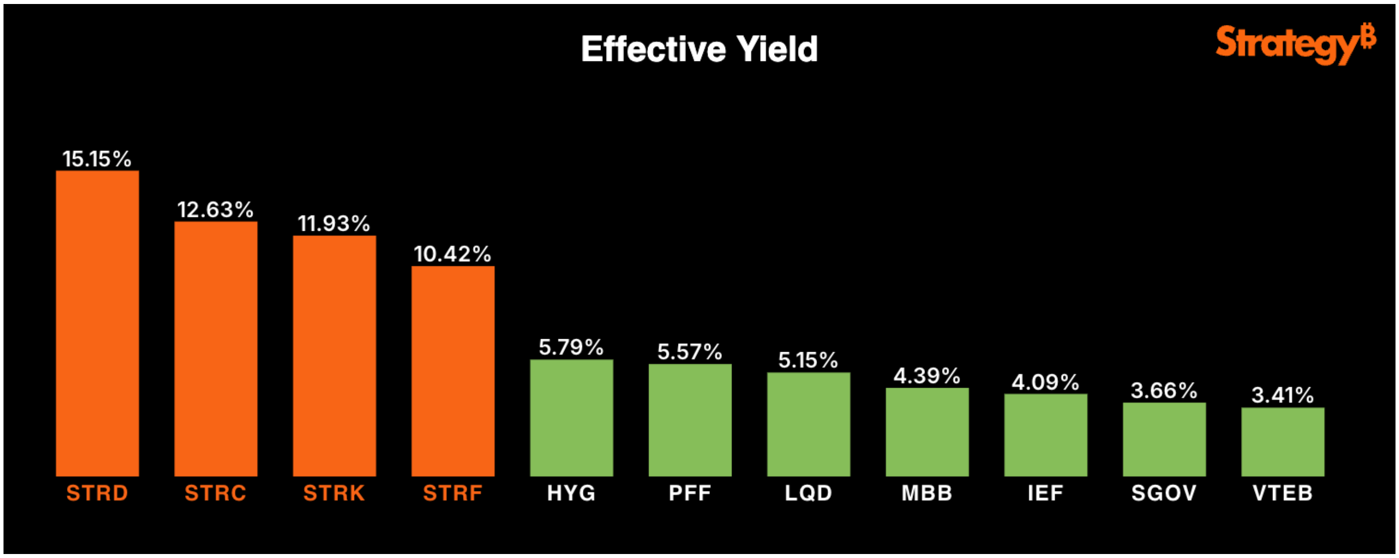
STRK was initially offered at $80.00. At the Aug. 7, 2026 price of $67.05, plus $11.24444 of distributions paid through June 30, 2026, the simple lifetime total return is approximately -2.1%. This excludes reinvestment, taxes, fees and transaction costs. The next expected record and payout dates are Sept. 15 and Sept. 30, subject to Board declaration.

Source: Strategy STRK metrics and dividend pages; SEC filings. Market metrics at Aug. 7, 2026 close. Returns include paid dividends under Strategy methodology; past performance is not indicative of future results.

04 | PUBLIC MARKET YIELD

STRK's current yield premium

At $67.05, STRK's $8 annual dividend produces an 11.93% effective yield - materially above selected public credit and income benchmarks, before assigning value to the MSTR conversion option.



TICKER	PUBLICLY TRADED BENCHMARK	YIELD	STRK PREMIUM
HYG	High-yield corporate bond ETF	5.79%	+614 bps
PFF	Preferred stock ETF	5.57%	+636 bps
LQD	Investment-grade corporate bond ETF	5.15%	+678 bps
MBB	Agency mortgage-backed securities ETF	4.39%	+754 bps
IEF	7-10 year U.S. Treasury ETF	4.09%	+784 bps
SGOV	0-3 month U.S. Treasury ETF	3.66%	+827 bps
VTEB	Tax-exempt municipal bond ETF	3.41%	+852 bps

WHAT THE PREMIUM COMPENSATES FOR

A higher yield is not a free return.
STRK combines single-issuer perpetual preferred risk with a convertible equity option. Its premium compensates for subordination, bitcoin- and MSTR-sensitive enterprise value, Macaulay duration and related interest-rate sensitivity, lower liquidity, higher volatility and conversion complexity versus diversified ETFs.

Source: Strategy-supplied market comparison data at the Aug. 7, 2026 close. Effective yield for STRK equals the $8 annual regular dividend divided by price. ETF yield methodologies differ; municipal yields are not tax-equivalent. This is not a total-return, option-value or risk-adjusted comparison.

05 | CREDIT COMPARABLES

Yield, liquidity and volatility in context

The supplied comparison places STRK beside Strategy Digital Credit and diversified public-market proxies across income, returns, trading activity and volatility.

Credit Comparables

Digital Credit	Price	Effective Yield	3M Return	1Y Return	Market Cap ($M)	Avg Trading Vol (30D) ($M)	Hist Volatility (30D)	Hist Volatility (1Y)	30D Sharpe	Avg Trading Vol (30D)/Mkt Cap
STRC	$95.01	12.63%	(2%)	9%	$9,852	$164	41%	22%	4.97	1.7%
STRF	$96.00	10.42%	(2%)	(10%)	$1,233	$11	31%	24%	2.07	0.9%
STRK	$67.05	11.93%	(13%)	(31%)	$940	$6	43%	36%	5.11	0.7%
STRD	$66.00	15.15%	(10%)	(11%)	$926	$9	36%	33%	5.95	0.9%
Money Market Proxy ETFs										
SGOV	$100.48	3.66%	1%	4%	$100,008	$2,011	1.2%	1.1%	-0.60	2.0%
High-Yield Bond ETFs										
HYG	$79.61	5.79%	1%	5%	$16,646	$2,530	3%	4%	0.46	15.2%
JNK	$95.81	6.60%	1%	6%	$6,925	$265	3%	4%	0.50	3.8%
Preferred Stocks										
PFF	$30.64	5.57%	(1%)	4%	$13,263	$86	9%	7%	1.10	0.6%
PGX	$10.72	6.94%	(2%)	1%	$3,793	$33	5%	6%	-1.52	0.9%
Investment-Grade Corporate Bond ETFs										
VCIT	$81.42	5.04%	0%	3%	$66,287	$668	4%	4%	-2.74	1.0%
LQD	$106.55	5.15%	(1%)	2%	$32,967	$3,173	5%	5%	-4.01	9.6%
Mortgage-Backed Securities ETFs										
MBB	$93.27	4.39%	0%	4%	$39,080	$193	5%	5%	-2.67	0.5%
VMBS	$46.24	4.36%	0%	4%	$15,450	$61	4%	4%	-2.55	0.4%
Municipal Bond ETFs										
MUB	$105.94	3.24%	0%	5%	$45,459	$429	3%	3%	-3.81	0.9%
VTEB	$49.81	3.41%	0%	5%	$45,314	$350	3%	2.9%	-3.62	0.8%
HYD	$50.48	4.60%	0%	7%	$4,455	$46	4%	4%	-3.19	1.0%
US Treasury ETFs										
IEF	$93.17	4.09%	(1%)	1%	$47,274	$534	5%	5%	-2.88	1.1%
BIL	$91.48	3.58%	1%	4%	$46,945	$932	1.2%	1.1%	-0.05	2.0%
SHV	$110.15	3.70%	1%	4%	$20,602	$303	1.3%	1.1%	0.04	1.5%

1 INCOME PREMIUM
STRK yields 11.93%, versus 3.41%-6.94% for the selected non-Strategy ETFs. Across the full supplied set, PGX at 6.94% is closest and remains 499 bps lower.

2 HYBRID PROFILE
The security combines an 8% cumulative preferred claim with a MSTR conversion right. It is neither a conventional bond nor a pure common-equity position.

3 VOLATILITY
STRK historical volatility is 43% over 30 days, materially above the selected non-Strategy ETFs and consistent with its MSTR-linked option value.

4 TRADING LIQUIDITY
STRK's $6M 30-day average dollar volume is useful but far below large bond ETFs. Large or hedged positions may require execution discipline.

Yield is only one component of value.
STRK total return can be dominated by MSTR price, option value, credit spreads, prevailing rates and entry price. The 11.93% effective yield is not a forecast of annual return and excludes conversion-option valuation.

Source: Strategy-supplied credit comparables, Aug. 7, 2026. Figures are rounded snapshots and may reflect different calculation conventions, time windows, tax treatment, portfolio composition and market microstructure.

06 | CONVERSION ECONOMICS

Cumulative income plus a contractual MSTR option

Each STRK share is convertible into 0.1 MSTR, subject to adjustment. Conversion value therefore equals 10% of the MSTR share price.

8.00%

CUMULATIVE REGULAR DIVIDEND

Accumulates on the $100 stated amount whether or not declared; unpaid installments compound quarterly at 8%.

0.1000 MSTR

CURRENT CONVERSION RATE

Each STRK is convertible into 0.1 MSTR, subject to specified adjustments and settlement procedures.

MSTR CONVERSION VALUE PER STRK

MSTR PRICE	$100	$250	$500	$670.50	$1,000	$1,500	$2,000	$5,000
CONVERSION VALUE	$10	$25	$50	$67.05	$100	$150	$200	$500

The table shows immediate conversion value only. STRK can trade above that value because investors may assign value to the cumulative income stream, credit position and remaining option time.

HOW THE CONVERSION FEATURE WORKS

EVENT	MECHANISM	PRACTICAL EFFECT
Holder conversion	Convert on a business day at the then-applicable rate, subject to minimum denominations and procedures.	At 0.1 MSTR per STRK, conversion value equals 10% of the MSTR price.
Current parity	STRK market price divided by 0.1.	$67.05 STRK implies MSTR parity of $670.50; below that, immediate conversion value is less than STRK price.
Dividend payment	Strategy may elect cash, MSTR shares or a combination after declaration.	MSTR used for dividends is valued under a 95%-of-VWAP formula, subject to floor and share-availability limits.
Anti-dilution	Conversion rate adjusts for specified splits, distributions, rights, dividends and tender offers.	Protects against enumerated actions, but not every dilutive or value-reducing event.
Class A change event	The conversion property changes to the consideration received by MSTR holders.	An all-cash transaction can eliminate option time value and leave STRK convertible only into cash.

Current Equity Component %

At $100.01 MSTR, each STRK has about $10.00 of immediate conversion value, approximately 14.9% of its $67.05 market price. The remaining 85.1% reflects the preferred income claim, credit, Macaulay duration and the time value investors assign to future MSTR upside.

Source: Certificate of Designations, Section 10; prospectus supplements; July 7, 2025 amendment. Conversion rate, settlement, anti-dilution adjustments, minimum denominations and class A common stock change events are governed by the filed documents.

07 | HOLDER RIGHTS

Cumulative arrears, payment flexibility and governance triggers

Unpaid regular dividends continue to compound, constrain payments to junior equity and can ultimately activate preferred-director rights.

IMMEDIATELY	4 CONSECUTIVE MISSED DATES	8 CONSECUTIVE MISSED DATES
Unpaid dividends accumulate and compound at 8%; parity dividends become pro rata and most junior dividends and repurchases are restricted until prior arrears are cured.	A first nonpayment event creates the right to elect one preferred director, subject to the filed mechanics.	A separate nonpayment event creates a second director right, with no more than two preferred directors across voting parity classes.

ADDITIONAL PROTECTIONS AND LIMITS

PROTECTION	HOLDER BENEFIT	CONDITION / LIMIT
Cumulative priority	Unpaid regular dividends continue to accrue and compound quarterly at 8%; payments apply to the earliest unpaid period.	Declaration remains discretionary except for the registered-equity proceeds covenant; cash payment is subject to legally available funds.
Equity-proceeds covenant	MSTR cash sales through registered public offerings during the prior 90 days require payment of the next dividend to the extent net proceeds are sufficient.	Subject to senior preferred restrictions; if cash is not legally available, authorized MSTR shares may be used under specified conditions and limits.
Board representation	One director right arises after four consecutive missed dates and a separate second right after eight.	No more than two preferred directors may serve across voting parity classes; rights terminate after arrears are cured.
Fundamental change put	Holders may require cash repurchase at $100 stated amount plus accumulated unpaid dividends after a defined fundamental change.	Payment is limited to legally available funds and may be pro rata if insufficient; specified exceptions apply.
Liquidation / redemption / consent	STRK receives its then-applicable liquidation preference plus arrears before junior equity, and holders have limited consent rights on materially adverse changes.	Creditors, subsidiaries and senior preferred remain ahead. Additional parity or senior preferred may generally be authorized without STRK consent.

Important structural limits

STRK has no maturity, sinking fund, collateral package or direct lien on bitcoin. The conversion option is currently far out of the money, there is no general make-whole for lost option value, declared dividends may be paid in MSTR shares, and Strategy may issue additional senior or parity claims subject to the filed terms.

Source: Certificate of Designations, Sections 5-10, as amended. This summary omits detailed exceptions, procedures, stock-payment limitations, minimum conversion denominations and other terms.

08 | DIGITAL CREDIT CAPITAL FRAMEWORK

A disciplined capital framework designed to strengthen Digital Credit

The June 29 framework adds a Board-approved liquidity reserve, preferred repurchase authorization and limited BTC monetization capacity around STRK's contractual terms.

12-MONTH MINIMUM
The USD Reserve may be used only for preferred dividends and debt interest; another use or a reduction below the minimum requires Board authorization.

$1.0B CREDIT BUYBACK
STRK is eligible with STRF, STRC and the other Digital Credit instruments. STRC is the initial priority when repurchases are accretive.

$1.25B RESERVE CAPACITY
BTC monetization authority may build the USD Reserve, fund or replenish dividends and interest, and fund eligible repurchases.

FIVE COMPONENTS OF THE JUNE 29 FRAMEWORK

FRAMEWORK COMPONENT	WHAT STRATEGY ADOPTED	INVESTOR SIGNIFICANCE / LIMIT
USD Reserve policy	A Board-approved reserve restricted to preferred dividends and debt interest, with a minimum equal to 12 months of expected obligations.	Creates a dedicated liquidity buffer, but the policy is not a contractual security covenant and the reserve is not pledged collateral.
STRC dividend policy	A $99-$100 corporate trading objective and monthly, multi-factor dividend-rate evaluation for STRC.	Supports the broader Digital Credit franchise and market confidence; it does not alter the contractual dividend terms of other securities.
Digital Credit repurchases	Up to $1.0B aggregate purchase price across STRF, STRC, STRD and STRK; no fixed expiration or minimum purchase obligation.	Buying below stated amount can reduce expected dividends and covered claims. STRC is the initial priority; USD Reserve funds cannot be used.
MSTR repurchases	A separate authorization for up to $1.0B of class A common stock repurchases when management views them as attractive.	Preserves capital-allocation flexibility. The program does not obligate purchases and cannot be funded from the USD Reserve.
BTC Monetization Program	Up to $1.25B to build the USD Reserve, plus additional authority for obligations, reserve replenishment and approved repurchases.	Allows limited BTC conversion when preferable to equity issuance, subject to market, tax, legal and shareholder-value considerations; no BTC sale is required.

Current implementation as of August 10, 2026

The USD Reserve increased from $2.55B at framework launch to $4.65B, approximately 2.7 years of current preferred-dividend and debt-interest obligations. The Aug. 10 Form 8-K reported $785.2M remaining under the Digital Credit repurchase authorization and $1.0B under the MSTR authorization. No STRK was issued or repurchased during Aug. 3-9, and $2.10B of STRK ATM capacity remained. STRK is eligible for future repurchases, but STRC is the initial priority and USD Reserve funds cannot be used. These policies may be modified, suspended or terminated.

Source: Strategy Digital Credit Capital Framework press release and Form 8-K dated June 29, 2026; Strategy Form 8-K dated Aug. 10, 2026. Policies and authorizations are discretionary corporate actions, not amendments to STRK.

09 | CREDIT POSITION

Convertible preferred credit supported by liquidity and bitcoin

The Board-approved USD Reserve policy dedicates liquidity to preferred dividends and debt interest; the Aug. 10 increase reduces net senior claims in Strategy's illustrative BTC Rating framework, while bitcoin remains unpledged to STRK.

SIMPLIFIED CAPITAL STACK

CREDITORS & SUBSIDIARY LIABILITIES
Senior to all preferred equity
Senior to STRF

STRF / STRC / STRE
Current senior preferred claims
Senior-most preferred

STRK
Convertible cumulative preferred
Senior to STRD and common equity

STRD / MSTR COMMON
Junior preferred and residual equity
Residual claim

The diagram is simplified. Actual priority is governed by debt documents, subsidiary claims, preferred certificates and applicable law.

CURRENT ISSUER RESOURCES

Macaulay Duration is the number of years equal to the quotient obtained by dividing the sum of 1 and the Effective Yield of such stock by the Effective Yield of such stock.

840,447 BTC
BITCOIN HOLDINGS
As of Aug. 9

$4.65B
USD RESERVE
As of Aug. 9

$54.61B
BTC RESERVE
At $64,975 / BTC

31.5 yrs
BTC DURATION
Aug. 10 assumptions

STRK-scale economics

- Approximately 14.02 million shares outstanding.
- $1.402 billion aggregate stated/notional amount; no STRK ATM issuance during Aug. 3-9.
- $112.2 million annual regular STRK dividend at the 8% rate.
- $15.900 billion cumulative covered notional after applying the USD Reserve and including senior claims through STRK.

STRATEGY'S ILLUSTRATIVE BTC COVERAGE

3.4x
BTC RATING
ILLUSTRATIVE

$18.9K
BTC FLOOR PRICE
PER BTC AT 1.0x

142 bps BTC CREDIT
11.57% BTC RISK | **-8.2%** BTC FLOOR ARR
Illustrative at 10% BTC ARR, 40% BTC volatility and 8.6-year Macaulay duration. BTC Credit annualizes BTC Risk assuming no recovery.

How the capital framework supports STRK credit
Liquidity policy: the USD Reserve is restricted by Board policy to preferred dividends and debt interest and carries a 12-month minimum. Current position: $650.0M of Aug. 3-9 MSTR ATM proceeds raised the reserve to $4.65B. Coverage bridge: $6.714B debt - $4.650B reserve + $1.284B STRF + $10.254B STRC + $0.896B STRE + $1.402B STRK = $15.900B covered claims. $54.61B BTC Reserve / $15.900B = 3.43x, displayed as 3.4x; $64,975 / 3.43 = approximately $18.9K per BTC. STRK is eligible for the $1.0B preferred repurchase program, although STRC is the initial priority. These are economic-coverage metrics, not legal collateralization, solvency tests or recovery estimates.

Source: Strategy Form 8-K dated Aug. 10, 2026; Strategy Credit Dashboard and Notes. Dashboard assumptions: BTC price $64,975, BTC ARR 10%, BTC volatility 40%, STRK Macaulay duration 8.6 years. BTC Rating, BTC Floor Price, BTC Credit, BTC Risk and BTC Floor ARR are supplemental illustrative metrics with substantial limitations.

10 | TAX AND PORTFOLIO ROLE

Potential tax deferral with convertible-specific complexity

Strategy currently expects preferred distributions to be return of capital for U.S. federal income-tax purposes to the extent of basis, but stock payments, deemed distributions and conversion can create additional tax issues.

ILLUSTRATIVE 1,000-SHARE EXAMPLE

Purchase price	**$67.05**
Initial tax basis	**$67,050**
One year regular distributions	**$8,000**
Illustrative current taxable dividend*	**$0**
Year-end adjusted basis*	**$59,050**

**Assumes all distributions are paid, classified as return of capital and the holder has sufficient basis. Stock dividends or deemed distributions can create taxable income without matching cash. This is not a tax opinion.*

WHAT MAKES STRK TAX DIFFERENT

Return of capital. Cash or stock distributions classified as ROC generally reduce basis rather than create current dividend income, subject to applicable rules.

Noncash distributions. MSTR shares delivered as a dividend may be taxable even though the holder receives no cash to fund the tax.

Deemed distributions. Liquidation-preference or conversion-rate adjustments, discount issuance and deferred dividends can raise Section 305 questions.

Conversion. Conversion treatment depends on the facts, including treatment of accrued or declared dividends and cash in lieu of fractions.

Treatment can change. Earnings and profits, future issuances, fast-pay rules, withholding and investor circumstances may alter results.

PORTFOLIO ROLE

STRK MAY BE RELEVANT TO INVESTORS SEEKING

- Cumulative preferred income
- Contractual participation in MSTR upside
- A long-dated convertible option
- Nasdaq tradability
- Potential return-of-capital deferral
- A hybrid credit-and-equity exposure

STRK IS NOT DESIGNED TO PROVIDE

- Principal or market-price guarantees
- Near-term conversion parity
- A maturity date or general $100 put
- A security interest in bitcoin
- Cash-only dividend payments
- Low short-term price volatility

Tax advice is investor-specific

Prospective investors should review the applicable STRK tax disclosure and consult their own advisers regarding return of capital, deemed and noncash distributions, basis adjustment, conversion, withholding, fast-pay rules, discount issuance, holding period and account type.

Source: Strategy Q2 2026 materials and applicable STRK prospectus tax disclosure. Strategy has expressed an expectation, not a guarantee, regarding future return-of-capital characterization.

11 | RISK FRAMEWORK

The principal risks an investor should underwrite

The 11.93% current yield and embedded MSTR option compensate investors for perpetual duration, subordination, issuer and bitcoin exposure, conversion risk and market volatility.

RISK	WHY IT MATTERS
Perpetual duration and rates	STRK has no maturity. Higher market yields, inflation expectations or credit spreads can reduce its price, potentially for extended periods.
Dividend declaration and payment form	Dividends are cumulative, but declaration is generally discretionary and cash payment requires legally available funds. Declared amounts may be paid in MSTR shares, creating price and tax exposure.
Subordination and senior preferred claims	Debt, subsidiary liabilities and current senior preferred series rank ahead of STRK. Senior claims may block dividends and materially reduce recoveries.
Conversion out-of-the-money risk	At current MSTR levels, immediate conversion value is far below STRK price. The option may remain out of the money for a long period or expire economically worthless despite no legal expiration.
No general make-whole	Specified transactions can reduce option time value without an offsetting conversion-rate increase. An all-cash change event can leave STRK convertible only into cash.
MSTR share payment and dilution	Dividend payments in MSTR expose holders to stock-price movement and may be subject to delivery limits. Additional MSTR or STRK issuance can dilute common-equity economics and depress prices.
No bitcoin collateral	Strategy's bitcoin supports enterprise value but is not pledged to STRK. Holdings can be sold or decline in value; holders have no direct claim on specific bitcoin.
Capital-framework execution risk	Reserve, repurchase and BTC monetization policies may change. They create no contractual buyback, reserve or BTC-retention covenant for STRK.
Market price, liquidity and arbitrage	STRK has high volatility and modest trading volume. MSTR borrow costs, short-sale rules and convertible-arbitrage conditions can affect price and liquidity.
Fundamental-change funding limitation	The holder put is subject to legally available funds and detailed exceptions. Insufficient funds may lead to pro rata payment.
Tax and deemed-distribution uncertainty	ROC treatment is not guaranteed. Stock payments, discount issuance, conversion adjustments and deferred dividends can create taxable or withholding consequences without cash.
Illustrative credit-metric limitations	The 3.4x BTC Rating, ~$18.9K BTC Floor Price, 142 bps BTC Credit, 11.57% BTC Risk and -8.2% BTC Floor ARR are management-defined and assumption-sensitive, not agency ratings, collateral tests or recovery estimates.

Prior to making an investment decision, investors should review the current prospectus, Certificate of Designations and amendment; confirm price, yield, conversion rate and dividend declaration; compare STRK price with current MSTR conversion value; examine the latest capital stack, holdings and USD Reserve; assess BTC and MSTR sensitivity; and obtain investment, legal and tax advice.

Source: Strategy prospectuses, Certificate of Designations and amendment, latest Forms 10-K, 10-Q and 8-K, and Strategy dashboard disclosures. This list is not exhaustive.

12 | SOURCES AND DISCLOSURES

Primary sources and important information

This briefing uses public information, including the June 29 Digital Credit Capital Framework and subsequent implementation disclosures.

PRIMARY SOURCES

SOURCE	LINK	USED FOR
Strategy STRK Metrics	Open source	Price, yield, return, volume and volatility metrics.
Strategy STRK Information	Open source	Product summary, notional, conversion rate, calendar and links.
Strategy STRK Dividends	Open source	Dividend history and expected calendar.
Strategy Credit Dashboard	Open source	Illustrative BTC Rating, BTC Floor, BTC Credit, risk and Macaulay duration.
Strategy Notes	Open source	Definitions and limitations for supplemental metrics.
STRK Certificate of Designations	Open source	Contractual terms, dividends, conversion, voting, redemption and put rights.
STRK Certificate of Amendment	Open source	July 2025 stated amount and liquidation-preference amendments.
STRK Prospectus Supplement	Open source	Offering description, risk factors, tax discussion and stock-payment mechanics.
Digital Credit Capital Framework	Open source	USD Reserve policy, repurchase authorizations and BTC monetization.
Strategy SEC Filings	Open source	Aug. 10, 2026 Form 8-K and other current issuer disclosures.
Strategy Asset Comparables	Open source	Effective-yield, return, liquidity and volatility comparisons used on pages 5-6.

IMPORTANT DISCLOSURES

- This document is for informational and educational purposes only. It is not an offer to sell, a solicitation of an offer to buy, or a recommendation concerning STRK or any other security. Any offering may be made only by means of an effective registration statement, prospectus and applicable supplement.
- This summary is qualified in its entirety by the Certificate of Designations, amendment, prospectus, Strategy SEC filings and applicable law. If any statement here conflicts with a governing filing, the filing controls.
- STRK is a perpetual convertible equity security, not debt, a bank deposit, a money-market instrument, an FDIC-insured product, a U.S. government obligation or a bitcoin-backed secured instrument. STRK is not collateralized by Strategy bitcoin.
- Regular dividends are cumulative but generally payable only when declared. They may be paid in cash, MSTR shares or a combination, subject to filed terms. There is no guarantee of timely dividends, conversion value, returns, liquidity, redemption, recovery or future market performance.
- BTC Rating, BTC Floor, BTC Credit, BTC Risk, effective yield, Macaulay duration, conversion value and similar metrics are illustrative and subject to significant limitations. None is an agency rating, collateral or solvency test, liquidation analysis, recovery estimate or sufficient basis for investment.
- Tax characterization is uncertain and investor-specific. Return-of-capital treatment reduces basis and generally defers rather than eliminates tax. Noncash or deemed distributions may create tax without cash. Investors should consult their tax advisers.
- The Digital Credit Capital Framework and related objectives are corporate policies or authorizations, not contractual STRK terms. They may change or end; buybacks and BTC sales are not required; no assets of Strategy are pledged to secure STRK payment obligations.
- Comparison data are snapshots and use different yield methods. Instruments differ in seniority, Macaulay duration, diversification, liquidity, option exposure, tax treatment and risk. Effective yield is not a forecast of total return.

13 | GLOSSARY OF DEFINED TERMS

Glossary of Defined Terms

Effective Yield is the annualized yield on an asset based on its fixed dividend rate or its current dividend rate, as applicable, and the current price of such asset.

Duration for a convertible bond is the sooner of the stated maturity date or the date it may become due upon an exercise of a repurchase right at the option of the holder. Duration for a preferred stock is the Macaulay Duration of such preferred stock. Duration for MSTR is MSTR Duration.

Macaulay Duration is the number of years equal to the quotient obtained by dividing the sum of 1 and the Effective Yield of such stock by the Effective Yield of such stock.

Stochastic Duration is (a) for a convertible bond, its Duration; and (b) for a preferred stock, its Macaulay Duration as adjusted for whether it has any of a variable rate, a penalty step-up, a conversion right, or non-cumulative dividends.

Equity Component % is the ratio between the value of 1/10th of a share of MSTR and the value of one share of STRK.

BTC Rating is in the case of (a) any of our indebtedness or perpetual preferred securities, the ratio of (i) our BTC Reserve to (ii) the sum of the notional values of the instruments being rated and all instruments that are senior to and, if any liabilities share an equal claim to our assets, such instruments with a stated maturity date sooner than or that may become due upon an exercise of a repurchase right at the option of the holder sooner than, the liability being rated; (b) MSTR, the ratio of (i) the sum of the BTC Reserve, less all Debt, less all Pref, plus the USD Reserves, to (ii) MSTR's Market Cap; and (c) any exchange traded product holding only bitcoin, 1. BTC Rating does not represent a rating from any rating agency and is not equivalent to a "rating" in the traditional financial context. BTC Rating also does not account for potential cross-defaults under our debt obligations that would result in debt obligations with stated maturities later than the liability being rated becoming due sooner than the liability being rated. This metric is presented for illustrative purposes only and should not form the basis for an investment decision.

BTC Risk is the probability of an instrument having a BTC Rating less than 1 at the end of its Duration. This probability is derived from a lognormal distribution modeling of bitcoin's price, adjusted for BTC ARR and BTC Volatility assumptions. BTC Risk does not represent an actuarial risk rating or a rating from any rating agency, and it is not a risk rating in the traditional financial context. This metric is presented for illustrative purposes only and should not form the basis for an investment decision. Actual results may vary materially from these illustrative results.

BTC Credit is the credit spread necessary to offset BTC Risk for a given security. It is calculated by annualizing BTC Risk assuming the same probability each year of the BTC Rating of such security falling below 1 each year and assuming no recovery. BTC Credit = (–ln(1 – BTC Risk) ÷ Duration). This metric is presented for illustrative purposes only and should not form the basis for an investment decision.

BTC Floor is the BTC price at which the BTC Rating = 1.0x.

Net Debt is the sum of our notional debt outstanding less the USD Reserve.

BTC Reserve represents the total number of bitcoin the Company holds as of a specified date multiplied by the current market price of one bitcoin (or the price of one bitcoin as of the date indicated). It does not take into account or include the Company's indebtedness or the liquidation value of its perpetual preferred stock. As such, it is not equivalent to "net asset value" or "NAV" or any similar metric in the traditional financial context. It is not a measure of either the net asset value of the Company or the value of the bitcoin held by the Company net of indebtedness, perpetual preferred stock liquidation preference and other obligations. Moreover, this BTC Reserve metric is not comparable to either net asset value or NAV metrics that may be reported by other companies, including ETFs, ETPs and mutual funds. Investors should rely on the financial statements and other disclosures contained in the Company's SEC filings. This metric is merely a supplement, not a substitute, to the financial statements and other disclosures contained in the Company's SEC filings. It should be used only by sophisticated investors who understand its limited purpose and many limitations.

USD Reserve is a management-designated portion of Strategy's USD liquidity intended to support the payment of dividends on Strategy's preferred stock and interest on its outstanding indebtedness.

Net Reserve represents the BTC Reserve; minus the notional amount of the Company's out-of-the-money convertible notes and other debt-like instruments; minus the notional amount of the Company's outstanding perpetual preferred stock (excluding any in-the-money STRK shares); plus the Company's USD Reserve. For this purpose, the notional value of any of the Company's preferred stock that is denominated in a currency other than U.S. dollars is valued based on prevailing exchange rates as of 12:30 PM New York time on the most recent Friday. The notional value of the Company's preferred stock may not be equivalent to its liquidation preference or redemption amount, nor are any accrued and unpaid dividends included in this calculation.

BTC ARR is an assumed annualized rate of return on bitcoin expressed as a percentage. This metric is presented for illustrative purposes only, and no prediction as to the price of bitcoin is being made.

BTC Volatility is the assumed standard deviation of annual return of bitcoin expressed as a percentage. This metric is presented for illustrative purposes only, and no prediction as to the volatility of bitcoin is being made.

BTC Price is the current market price of one bitcoin.

BTC Floor ARR represents the lowest constant BTC ARR over the weighted average duration of our credit structure that maintains 1.0x coverage of our Net Debt and Pref through our BTC Reserve, after funding interest expense and preferred dividends over the period. Below the BTC Floor ARR, Strategy may need to consider restructuring its obligations.

Hist Volatility (30D) is the annualized standard deviation of the daily natural log return of an asset measured over the 30 trading days.

Hist Volatility (1Y) is the annualized standard deviation of the daily natural log return of an asset measured over the last calendar year.

30D Sharpe is a measure used to evaluate the risk-adjusted return of an investment by comparing its excess return over the risk-free rate to its standard deviation. Calculated by annualizing the average of the last 30 trading days' daily excess returns (daily return minus daily risk-free rate) divided by their standard deviation.

Risk-Free Rate is the current 3-month yield on US Treasuries.

14 | IMPORTANT INFORMATION

Important Information

(a) Illustrative-metrics preamble

The following terms used in this briefing provide a conceptual framework for how management views its securities and capital financing decisions in the context of the Company's bitcoin strategy. These terms are presented for illustrative purposes only, do not constitute investment advice, and should not be used to form the basis for an investment decision. Please review these definitions carefully to understand the limitations of these illustrative metrics, and please refer to the Company's SEC filings and financial statements for information about the Company, its business, securities, strategy, bitcoin holdings and similar matters.

(b) BTC Rating, BTC Risk and BTC Credit limitations

BTC Rating does not represent a rating from any rating agency and is not equivalent to a "rating" in the traditional financial context. BTC Rating also does not account for potential cross-defaults under our debt obligations. BTC Risk does not represent an actuarial risk rating or a rating from any rating agency, and it is not a risk rating in the traditional financial context. These metrics are presented for illustrative purposes only and should not form the basis for an investment decision. Actual results may vary materially from these illustrative results.

(c) BTC ARR and BTC Volatility

BTC ARR is an assumed annualized rate of return on bitcoin expressed as a percentage. This metric is presented for illustrative purposes only, and no prediction as to the price of bitcoin is being made. BTC Volatility is the assumed standard deviation of annual return of bitcoin expressed as a percentage. This metric is presented for illustrative purposes only, and no prediction as to the volatility of bitcoin is being made.

(d) Professional advice

This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, investment, tax, legal, accounting, or other professional advice. No representations are made regarding the tax consequences of any actions taken based on the information provided. Investors should consult their own investment, tax, legal and accounting advisors for any such advice.

(e) Past performance

Past performance is not indicative of future results. Actual results may vary materially.