STRATEGY

$STRD

INVESTOR BRIEFING

High Yield Junior Digital Credit

10.00% Series A Perpetual Stride Preferred Stock | Nasdaq: STRD

STRD is Strategy's non-cumulative perpetual preferred stock. It provides a 10.00% annual dividend on its $100 stated amount, payable quarterly solely in cash when and if declared, with no conversion feature and no scheduled maturity.

$66.00 **MARKET PRICE** Aug. 7 close	**15.15%** **EFFECTIVE YIELD** $10 / $66	**$1.402B** **NOTIONAL** 14.02M shares
3.2x **BTC RATING*** Illustrative	**$20.6K** **BTC FLOOR PRICE** 1.0x threshold	**169 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

STRD is not collateralized by Strategy's bitcoin holdings and only has a preferred claim on the residual assets of Strategy. It is the junior-most current Strategy preferred series, ahead of common equity but behind creditors, subsidiary liabilities and the other current preferred instruments. Omitted dividends do not accrue.

There is no guarantee for STRD 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 STRD is designed to deliver

The highest current yield in Strategy Digital Credit, paired with non-cumulative dividend risk and junior priority.

THE INVESTMENT PROPOSITION

- **High indicated cash yield.** $10.00 of annual dividends per $100 stated amount, normally $2.50 per quarter, if declared in every period.
- **Cash-only distributions.** Each declared regular dividend is payable solely in cash, unlike STRK's potential stock payment.
- **Non-cumulative design.** An omitted dividend is not deferred, does not accrue interest and is not owed in a future period.
- **Deep market discount.** At $66.00, STRD trades 34% below stated amount, creating a 15.15% indicated yield but no assurance of convergence to $100.
- **Exchange liquidity.** STRD trades on Nasdaq and currently averages approximately $9 million of daily dollar volume over 30 days.
- **Potential tax deferral.** Strategy expects paid preferred distributions to be return of capital to the extent of basis, subject to change and individual circumstances.

CURRENT ECONOMICS

1,000 Shares
$66,000 Market cost
$100,000 Aggregate stated amount
$10,000 Potential annual cash dividend*
$2,500 Potential quarterly cash dividend*
15.15% Current indicated yield
34.0% Discount to stated amount
6.8 yrs Illustrative Macaulay duration
3.2x Illustrative BTC Rating

~$20,600 Illustrative STRD BTC Floor Price

**Assumes every quarterly dividend is declared and paid. STRD is non-cumulative; omitted dividends are permanently lost. Credit metrics use Aug. 10 assumptions. BTC Risk is 10.96%; BTC Floor ARR is -10.2%.*

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

The highest indicated yield carries the weakest dividend claim

STRD offers the highest effective yield among the four Strategy preferreds in the supplied comparison, but it is the only current U.S. Strategy preferred with non-cumulative dividends. The Board may choose not to declare a quarter even if funds are legally available, no arrears accrue, and senior preferred payment restrictions can block STRD. Investors are paid more because the claim is junior and less protected.

HOW TO THINK ABOUT STRD

STRD is best understood as junior perpetual preferred credit: a high current cash yield, when dividends are declared, in exchange for the absence of cumulative arrears, the lowest position in Strategy's current preferred stack, perpetual duration and bitcoin-sensitive issuer risk. A missed quarter is not deferred; it is permanently omitted.

Source: Strategy STRD dashboard and information page; Strategy Credit Dashboard and Notes; Certificate of Designations; 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	10.00% Series A Perpetual Stride Preferred Stock
Ticker / exchange	STRD / Nasdaq Global Select Market
Initial issue date	June 10, 2025; initial public offering price $85.00 per share
Stated amount	$100.00 per share
Regular dividend	10.00% per annum on stated amount; $10.00 per share annually if declared in all four quarters
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 only, when and if declared by the Board from legally available funds
Cumulative?	No. The Board may omit a dividend, even if funds are available, and no obligation carries forward
Arrears / compounding	None. No dividend, interest or other amount accumulates on an undeclared or unpaid prior-period dividend
Maturity / sinking fund	Perpetual; no scheduled maturity and no sinking fund
Conversion rights	None
Ranking	Junior to debt, subsidiary liabilities and all other current Strategy preferred series; senior to common equity
Liquidation preference	Initially $100; adjusts to the greatest of $100 and specified recent-market-price measures under the certificate
Fundamental-change put	Holder may require cash repurchase at $100 stated amount plus declared and unpaid accrued 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 originally issued STRD remains; price uses liquidation preference plus declared unpaid dividends
General voting rights	None, except specified consent rights and as required by law
Nonpayment director rights	None. Missed or omitted dividends do not give STRD holders the right to elect directors
Protective consent rights	Majority consent for specified materially adverse amendments and certain mergers; the certificate permits additional senior or parity stock without STRD consent

Source: Certificate of Designations filed June 10, 2025; prospectus supplement filed June 5, 2025; Strategy STRD information page. In a conflict, the filed governing documents control.

03 | CASH FLOW AND MARKET PROFILE

A 10% stated dividend with a market yield above 15%

The $10 annual amount is available only if each quarterly dividend is declared; because STRD is non-cumulative, omitted periods create no arrears claim.

YIELD SENSITIVITY

STRD PRICE	INDICATED YIELD
$50	20.00%
$60	16.67%
$66	15.15%
$75	13.33%
$85	11.76%
$100	10.00%

Formula: $10.00 potential annual regular dividend / market price. The yield assumes all four quarterly dividends are declared and excludes price appreciation or depreciation.

MARKET SNAPSHOT

Price	$66.00
Discount to stated amount	34.0%
Market capitalization	$926M
30D avg. daily value	$9.0M
30D volatility	36%
3-month total return	-10%
1-year total return	-11%
Simple since-IPO return	-9.9%

DIVIDEND RECORD

PERIOD	RECORD DATE	PAYMENT DATE	PER SHARE	STATUS
Q3 2025 stub	Sep. 15, 2025	Sep. 30, 2025	$3.05556	Paid
Q4 2025	Dec. 15, 2025	Dec. 31, 2025	$2.50	Paid
Q1 2026	Mar. 15, 2026	Mar. 31, 2026	$2.50	Paid
Q2 2026	Jun. 15, 2026	Jun. 30, 2026	$2.50	Paid
Q3 2026	Sep. 15, 2026	Sep. 30, 2026	TBD	Subject to declaration
Q4 2026	Dec. 15, 2026	Dec. 31, 2026	TBD	Subject to declaration

Since initial pricing

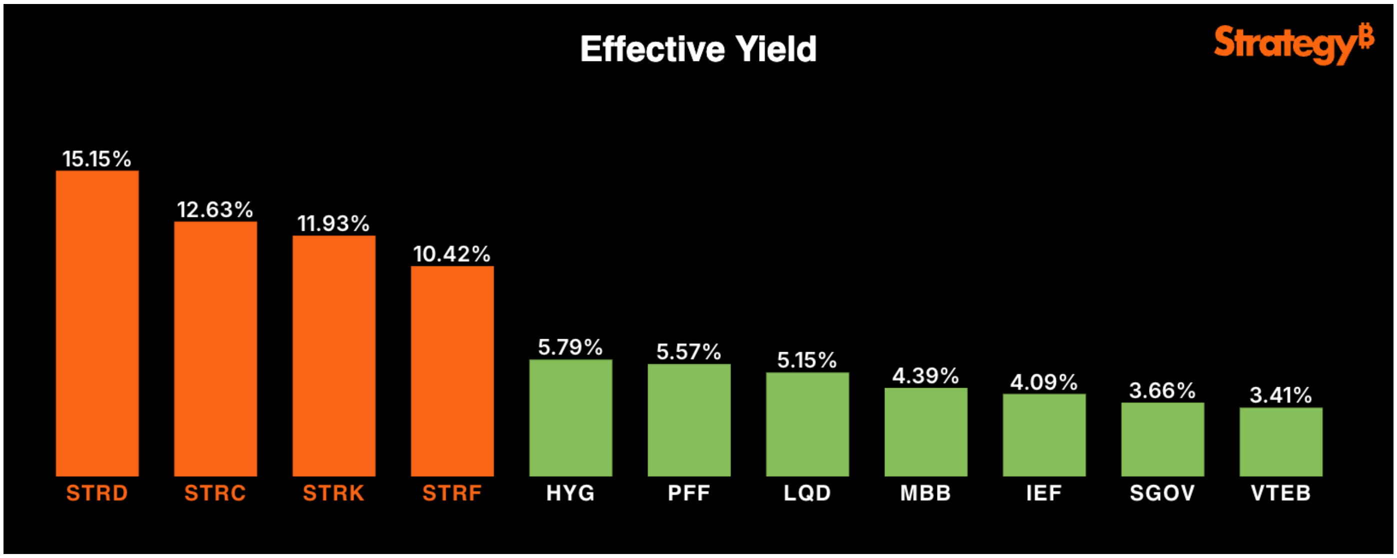
STRD was initially offered at $85.00. At the Aug. 7, 2026 price of $66.00, plus $10.55556 of cash distributions paid through June 30, 2026, the simple lifetime total return is approximately -9.9%. This excludes reinvestment, taxes, fees and transaction costs. Future quarterly dividends remain subject to Board declaration and do not accumulate if omitted.

Source: Strategy STRD 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

STRD's current yield premium

At $66.00, STRD's potential $10 annual dividend produces a 15.15% effective yield - the highest among the Strategy preferreds in the supplied comparison, but only if future dividends are declared and paid.



TICKER	PUBLICLY TRADED BENCHMARK	YIELD	STRD PREMIUM
HYG	High-yield corporate bond ETF	5.79%	+936 bps
PFF	Preferred stock ETF	5.57%	+958 bps
LQD	Investment-grade corporate bond ETF	5.15%	+1,000 bps
MBB	Agency mortgage-backed securities ETF	4.39%	+1,076 bps
IEF	7-10 year U.S. Treasury ETF	4.09%	+1,106 bps
SGOV	0-3 month U.S. Treasury ETF	3.66%	+1,149 bps
VTEB	Tax-exempt municipal bond ETF	3.41%	+1,174 bps

WHAT THE PREMIUM COMPENSATES FOR

A higher yield is not a free return.
STRD is a single-issuer, junior, non-cumulative perpetual preferred. Its yield premium compensates for the possibility that dividends are omitted permanently, senior claims block payment, bitcoin-sensitive enterprise value, perpetual duration, lower liquidity and higher volatility than diversified ETFs.

Source: Strategy-supplied market comparison data at the Aug. 7, 2026 close. Effective yield for STRD equals the potential $10 annual regular dividend divided by price and assumes all four quarterly dividends are declared. ETF yield methodologies differ; this is not a total-return or risk-adjusted comparison.

05 | CREDIT COMPARABLES

Yield, liquidity and volatility in context

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

Credit Comparables

Strategy₿

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
STRD yields 15.15%, versus 3.41%-6.94% for the selected non-Strategy ETFs. Across the full supplied set, PGX at 6.94% is closest and remains 821 bps lower.

2 JUNIOR NON-CUMULATIVE CLAIM
STRD carries the highest yield among the four Strategy preferreds shown, consistent with its lowest current preferred priority and absence of arrears protection.

3 VOLATILITY
STRD historical volatility is 36% over 30 days, compared with roughly 1%-9% for the selected non-Strategy ETFs. A high cash yield does not stabilize market price.

4 TRADING LIQUIDITY
STRD's $9M 30-day average dollar volume is meaningful for a single preferred, but below major bond and preferred ETFs. Large orders may require care.

Indicated yield is conditional, not contractual cash certainty.
The 15.15% calculation assumes every future quarterly dividend is declared and paid. An omitted dividend is permanently lost, and price changes can dominate total return.

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 | NON-CUMULATIVE DIVIDEND DESIGN

High current yield with no arrears claim

STRD pays quarterly cash dividends only when declared. If a quarter is omitted, no dividend, interest or other amount accrues for that period.

10.00%

DECLARED CASH DIVIDEND

The stated rate applies only when the Board declares the quarterly cash dividend from legally available funds.

$0.00

ARREARS CLAIM AFTER OMISSION

No dividend, interest or other amount accrues for a period in which the dividend is not declared.

WHAT HAPPENS AFTER AN OMITTED QUARTER

QUARTER OMITTED	1	2	3	4	5	6	7	8+
AMOUNT ACCRUED	$0	$0	$0	$0	$0	$0	$0	$0

Each new quarter starts independently. A future declaration does not revive or repay a dividend that was not declared for an earlier period.

HOW THE NON-CUMULATIVE STRUCTURE WORKS

WHEN	MECHANISM	PRACTICAL EFFECT
If declared	The quarter's dividend is paid solely in cash.	A full quarter normally produces $2.50 per share; the first stub period was larger because it covered more than one quarter.
If omitted	No obligation survives the payment date.	The investor permanently loses that quarter's distribution; there is no deferred receivable.
Next quarter	A new current-period accrual begins independently.	A future dividend does not repay the omitted amount or earn interest on it.
Senior blockers	Senior preferred and debt restrictions apply before STRD.	Failure to pay required senior claims can prohibit STRD dividends even if the Board would otherwise declare them.
Parity / junior limits	Current-period parity dividends become pro rata; most junior dividends and repurchases are restricted unless the most recent STRD period is paid.	Provides limited current-period discipline but does not create cumulative arrears or a long-term priority claim.

Non-cumulative means optional, not deferred

A missed STRD dividend does not become a liability owed to the holder. The economic value of STRD therefore depends on continued quarterly declarations, available liquidity, senior-payment capacity and the Board's capital-allocation decisions.

Source: Certificate of Designations, Section 5; prospectus supplement. The filed instrument controls declaration timing, current-period priority, junior-payment restrictions, exceptions and all other mechanics.

07 | HOLDER RIGHTS

Current-period priority and limited event protections

STRD receives protections for a declared current-period dividend, liquidation and fundamental changes, but no arrears claim or preferred-director rights after nonpayment.

CURRENT PERIOD	FUNDAMENTAL CHANGE	LIMITED CONSENT ONLY
If less than the full current-period STRD dividend is paid, parity dividends become pro rata and most junior dividends and repurchases are restricted, subject to exceptions.	Holders may require cash repurchase at $100 stated amount plus declared unpaid dividends after a defined fundamental change, subject to legally available funds.	STRD has specified adverse-amendment and transaction consent rights, but no director-election rights after dividend nonpayment.

ADDITIONAL PROTECTIONS AND LIMITS

PROTECTION	HOLDER BENEFIT	CONDITION / LIMIT
Current-period dividend priority	If less than the current STRD period is paid, parity dividends must be pro rata and most junior dividends and repurchases are restricted.	The restriction generally looks only to the most recently completed period; it does not revive prior omitted dividends and contains detailed exceptions.
Liquidation preference	STRD receives the then-applicable liquidation preference plus declared unpaid accrued dividends before common equity.	All creditors, subsidiary liabilities and current senior preferred series remain ahead; undeclared dividends are excluded.
Fundamental change put	Holders may require cash repurchase at $100 stated amount plus declared unpaid accrued dividends after a defined fundamental change.	Payment is limited to legally available funds and may be pro rata if insufficient; specified exceptions apply.
Issuer redemption	Optional all-not-less-than-all redemption after a tax event or if less than 25% of originally issued STRD remains.	Price equals the then-applicable liquidation preference plus declared unpaid dividends; undeclared periods are not included.
Consent rights	Majority consent is generally required for specified materially adverse amendments and certain mergers that fail continuity tests.	No general vote and no nonpayment director rights. Additional STRD, parity or senior stock may generally be issued without STRD consent.

Important structural limits
STRD has no maturity, sinking fund, collateral package, bitcoin lien, cumulative arrears or conversion feature. The Board may omit dividends even if funds are legally available; missed dividends do not trigger director rights; and debt plus every other current Strategy preferred series ranks ahead.

Source: Certificate of Designations, Sections 5-9; prospectus supplement. This summary omits detailed exceptions, procedures and definitions.

08 | DIGITAL CREDIT CAPITAL FRAMEWORK

A disciplined capital framework designed to strengthen Digital Credit

The June 29 framework adds a Board-approved liquidity reserve and preferred repurchase authorization around STRD, but does not convert its discretionary non-cumulative dividend into a contractual payment obligation.

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
STRD 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 STRD was issued or repurchased during Aug. 3-9, and $4.015B of STRD ATM capacity remained. STRD is eligible for future repurchases, but STRC is the initial priority and USD Reserve funds cannot be used. The reserve and buyback framework supports liquidity but does not guarantee any STRD declaration.

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 STRD.

09 | CREDIT POSITION

Junior 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 STRD remains junior and bitcoin remains unpledged.

SIMPLIFIED CAPITAL STACK

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

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

STRD
Junior-most current preferred
Senior to MSTR common equity

MSTR COMMON EQUITY
Residual claim below STRD
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

STRD-scale economics

- Approximately 14.02 million shares outstanding.
- $1.402 billion aggregate stated/notional amount; no STRD ATM issuance during Aug. 3-9.
- Up to $140.2 million annual STRD dividends if all four quarters are declared at the 10% rate.
- $17.302 billion cumulative covered notional after applying the USD Reserve and including senior claims through STRD.

STRATEGY'S ILLUSTRATIVE BTC COVERAGE

3.2x
BTC RATING
ILLUSTRATIVE

$20.6K
BTC FLOOR PRICE
PER BTC AT 1.0x

169 bps BTC CREDIT
10.96% BTC RISK | **-10.2%** BTC FLOOR ARR
Illustrative at 10% BTC ARR, 40% BTC volatility and 6.8-year Macaulay duration. BTC Credit annualizes BTC Risk assuming no recovery.

How the capital framework supports STRD 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 + $1.402B STRD = $17.302B covered claims. $54.61B BTC Reserve / $17.302B = 3.16x, displayed as 3.2x; $64,975 / 3.16 = approximately $20.6K per BTC. STRD 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%, STRD Macaulay duration 6.8 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 applies only to distributions actually paid

Strategy currently expects preferred distributions to be return of capital for U.S. federal income-tax purposes to the extent of basis. Because STRD is non-cumulative, an omitted dividend produces neither cash nor basis reduction.

ILLUSTRATIVE 1,000-SHARE EXAMPLE

Purchase price	**$66.00**
Initial tax basis	**$66,000**
One year distributions if declared	**$10,000**
Illustrative current taxable dividend*	**$0**
Year-end adjusted basis*	**$56,000**

**Assumes all four quarterly dividends are declared, paid and classified as return of capital, and the holder has sufficient basis. An omitted dividend produces neither cash nor basis reduction. This is not a tax opinion.*

RETURN OF CAPITAL IS CONDITIONAL ON PAYMENT

Current deferral. A paid distribution classified as return of capital generally reduces basis rather than creating current U.S. federal dividend income.

Omitted quarter. Because STRD is non-cumulative, a quarter not declared creates no distribution and no related basis reduction.

Deferred tax is preserved. Lower basis generally creates a larger gain when the shares are sold or redeemed.

Basis floor. After basis reaches zero, further return-of-capital distributions are generally taxable as capital gain under current rules.

Treatment can change. Earnings and profits, discount issuance, fast-pay rules, withholding and investor circumstances may alter the result.

PORTFOLIO ROLE

STRD MAY BE RELEVANT TO INVESTORS SEEKING

- The highest indicated yield in Strategy Digital Credit
- Quarterly cash-only distributions when declared
- A discounted junior preferred position
- Nasdaq tradability
- Potential return-of-capital deferral
- Exposure to Strategy enterprise credit

STRD IS NOT DESIGNED TO PROVIDE

- Cumulative dividend protection
- Guaranteed quarterly income
- A maturity date or general $100 put
- A senior preferred position
- A security interest in bitcoin
- Low short-term price volatility

Tax advice is investor-specific

Prospective investors should review the applicable STRD tax disclosure and consult their own advisers regarding return of capital, basis reduction, discount issuance, fast-pay rules, holding period, capital-gain treatment, withholding and account type.

Source: Strategy Q2 2026 materials and applicable STRD 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 15.15% indicated yield compensates investors for non-cumulative dividend discretion, junior priority, perpetual duration, issuer and bitcoin exposure, and market volatility.

RISK	WHY IT MATTERS
Non-cumulative dividend discretion	The Board may omit a dividend for any reason, even if funds are legally available. The missed amount is permanently lost and does not accrue interest or trigger a later obligation.
Senior dividend blockers	Debt documents and senior preferred terms can prohibit STRD payment. Every other current Strategy preferred series ranks ahead of STRD.
Subordination and structural priority	Debt and subsidiary liabilities rank ahead of STRD. In stress or liquidation, senior claims could materially reduce or eliminate recovery.
Perpetual duration and rates	STRD has no maturity. Higher market yields, inflation expectations or credit spreads can reduce its price, potentially for extended periods.
No bitcoin collateral	Strategy's bitcoin supports enterprise value but is not pledged to STRD. 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 dividend, reserve, buyback or BTC-retention covenant for STRD.
Market price and liquidity	Nasdaq listing and current trading volume do not assure liquidity at a desired price. STRD trades at a deep discount and has experienced meaningful volatility and negative trailing returns.
Redemption and liquidation-preference complexity	Issuer redemption is limited and not a general holder right. The liquidation preference may adjust under a formula, and undeclared dividends are excluded from redemption and liquidation amounts.
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 uncertainty	Return-of-capital treatment may differ by period or investor and can create future gain through basis reduction. Discount issuance, fast-pay rules and withholding can create additional complexity.
Illustrative credit-metric limitations	The 3.2x BTC Rating, ~$20.6K BTC Floor Price, 169 bps BTC Credit, 10.96% BTC Risk and -10.2% BTC Floor ARR are management-defined and assumption-sensitive, not agency ratings, collateral tests or recovery estimates.
Broader company risks	Investors are exposed to Strategy's software business, governance, litigation, cybersecurity, custody, regulatory, accounting and capital-markets risks described in SEC filings.

Prior to making an investment decision, investors should review the prospectus and Certificate of Designations; confirm current price, indicated yield and the latest dividend declaration; examine senior dividend status, capital stack, holdings and USD Reserve; assess BTC sensitivity and duration; understand that omitted dividends are permanently lost; and obtain investment, legal and tax advice.

Source: Strategy prospectus, Certificate of Designations, 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 STRD Metrics	Open source	Price, yield, return, volume and volatility metrics.
Strategy STRD Information	Open source	Product summary, current notional, calendar and governing-document links.
Strategy STRD 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.
STRD Certificate of Designations	Open source	Contractual terms, non-cumulative dividends, priority, voting, redemption and put rights.
STRD Prospectus Supplement	Open source	Offering terms, risk factors, tax discussion and cash-only dividend mechanics.
STRD Initial Pricing Release	Open source	Initial $85 price, share count and settlement.
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 STRD 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, prospectus, Strategy SEC filings and applicable law. If any statement here conflicts with a governing filing, the filing controls.
- STRD is a perpetual non-cumulative 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. STRD is not collateralized by Strategy bitcoin.
- Regular dividends are discretionary, non-cumulative and payable solely in cash when declared from legally available funds. An omitted dividend is permanently lost. There is no guarantee of dividends, returns, liquidity, redemption, recovery or future market performance.
- BTC Rating, BTC Floor, BTC Credit, BTC Risk, indicated yield, Macaulay duration and similar Strategy 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 applies only to distributions actually paid, reduces basis and generally defers rather than eliminates tax. Investors should consult their tax advisers.
- The Digital Credit Capital Framework and related objectives are corporate policies or authorizations, not contractual STRD terms. They may change or end; buybacks and BTC sales are not required; no assets of Strategy are pledged to secure STRD payment obligations and reserve assets do not guarantee dividend declarations.
- Comparison data are snapshots and use different yield methods. Instruments differ in seniority, Macaulay duration, diversification, liquidity, tax treatment and risk. STRD effective yield assumes all dividends are declared and 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.

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.