Strategy₿

$STRF

INVESTOR BRIEFING

Long Duration Senior Digital Credit

10.00% Series A Perpetual Strife Preferred Stock | Nasdaq: STRF

STRF is Strategy's senior-most perpetual preferred stock. It provides a fixed $10.00 cumulative annual dividend per $100 stated amount, payable quarterly in cash when and if declared, with no conversion feature and no scheduled maturity.

$103.92 **MARKET PRICE** Sep. 11 close	**9.62%** **EFFECTIVE YIELD** $10 / $103.92	**$1.284B** **NOTIONAL** 12.84M shares
40.8x **BTC RATING*** Illustrative	**$1.9K** **BTC FLOOR PRICE** 1.0x threshold	**1 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

STRF is not collateralized by Strategy’s bitcoin holdings and only has a preferred claim on the residual assets of Strategy. It is an equity security with a preferred claim on residual assets, junior to creditors and structurally junior to liabilities of Strategy’s subsidiaries.

There is no guarantee for STRF 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.

Market data as of Sep. 11 close; BTC holdings, USD Reserve and USD Cash as of Sep. 13, as reported in the Sep. 14 Form 8-K; credit metrics from the Sep. 13 dashboard using $77,266 BTC, 10% BTC ARR and 40% BTC volatility.

01 | EXECUTIVE OVERVIEW

What STRF is designed to deliver

A fixed-dollar, cumulative cash-flow instrument sitting at the top of Strategy's preferred equity stack. STRF is designed to have long Macaulay duration: a weighted-average cash-flow timing measure, expressed in years, that is used as an indicator of price sensitivity to changes in interest rates.

THE INVESTMENT PROPOSITION

- **Contractual cash flow.** A $10.00 annual regular dividend on each $100 stated amount, normally $2.50 per quarter.
- **Cumulative protection.** Unpaid regular dividends continue to accrue. Each unpaid installment compounds at 11%, stepping up 100 bps per quarter to an 18% cap.
- **Senior preferred position.** STRF is Strategy's senior-most perpetual preferred, ahead of the company's other preferred and common equity, but behind debt and subsidiary liabilities.
- **No conversion dilution.** STRF is not convertible into MSTR. Its economic return is driven primarily by cash distributions, market yield and issuer credit.
- **Exchange liquidity.** STRF trades on Nasdaq and currently averages approximately $8 million of daily dollar volume over 30 days.
- **Potential tax deferral.** Strategy currently expects preferred distributions to be treated as return of capital to the extent of a U.S. holder's tax basis, subject to change and individual circumstances.

CURRENT ECONOMICS

1,000 Shares

$103,920 Market cost

$100,000 Aggregate stated amount

$10,000 Annual regular cash dividend*

$2,500 Quarterly regular cash dividend*

9.62% Current effective yield

10.6 yrs Illustrative Macaulay duration

40.8x Illustrative BTC Rating

~$1,893 Illustrative STRF BTC Floor Price

1 bps Illustrative BTC Credit

**Cash-flow figures assume each regular dividend is declared and paid in full. Credit metrics use the Sep. 13 dashboard assumptions. BTC Risk is 0.13%; BTC Floor ARR is -27.4%. BTC Floor Price uses $77,266 / 40.8.*

Macaulay Duration is (1 + Effective Yield / 4) / Effective Yield for a quarterly-paying perpetual preferred. At STRF's current price and 9.62% effective yield, this is (1 + 0.0962 / 4) / 0.0962 ≈ 10.6 years.

Displayed figures are from the Strategy Credit Dashboard.

THE ESSENTIAL TRADE-OFF

Long Macaulay-duration income, not principal protection

Here, long duration refers to Macaulay duration, a measure in years of weighted-average cash-flow timing and an indicator of price sensitivity to changes in interest rates. STRF's fixed-rate perpetual structure is designed to have long Macaulay duration. STRF has no scheduled maturity, no general holder put at $100, and no guarantee that its market price will converge to stated amount. Investors receive a senior preferred claim and cumulative cash-flow protections, but accept interest-rate risk, issuer credit risk, bitcoin-related balance-sheet risk and market-price volatility.

HOW TO THINK ABOUT STRF

STRF is best understood as perpetual senior preferred credit: a fixed USD cash-flow claim supported by Strategy's enterprise, capital-markets access, Board-approved USD Reserve, active Digital Credit capital-management framework and bitcoin treasury, without direct ownership of or a security interest in bitcoin.

Source: Strategy STRF dashboard and information page; Strategy Credit Dashboard and Notes; Certificate of Designations; Digital Credit Capital Framework announced June 29, 2026; market data at the Sep. 11, 2026 close; BTC holdings, USD Reserve and USD Cash as of Sep. 13, 2026, as reported in the Form 8-K filed September 14, 2026. Credit metrics use the Sep. 13 dashboard assumptions of $77,266 BTC, 10% BTC ARR and 40% BTC volatility.

02 | SECURITY TERMS

Terms at a glance

The Certificate of Designations and 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 Strife Preferred Stock
Ticker / exchange	STRF / Nasdaq Global Select Market
Initial issue date	March 25, 2025
Stated amount	$100.00 per share
Regular dividend	10.00% per annum on stated amount; $10.00 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 only, when and if declared by the Board from legally available funds
Cumulative?	Yes. Regular dividends accumulate whether or not declared or legally payable at the time
Arrears compounding	The 10% base rate is unchanged. Each unpaid installment compounds quarterly at 11% annualized, rising 100 bps per quarter to 18%.
Maturity	Perpetual; no scheduled maturity
Conversion rights	None
Ranking	Junior to all existing and future indebtedness and subsidiary liabilities; senior-most among current Strategy preferred stock; 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 accumulated unpaid regular dividends, subject to funds legally available and other terms
Issuer redemption	All, not less than all, following specified tax events or if less than 25% of all issued STRF remains outstanding; redemption price is liquidation preference plus accumulated unpaid dividends
General voting rights	None, except specified consent and nonpayment rights
Protective voting rights	Majority consent for materially adverse term changes and creation or issuance of equity senior to STRF
Sinking fund	None

Source: Certificate of Designations filed March 25, 2025; prospectus supplement filed March 21, 2025; Strategy STRF information page. In a conflict, the filed governing documents control.

03 | CASH FLOW AND MARKET PROFILE

A fixed $10 dividend with a market-determined yield

The regular cash amount is fixed to stated amount; the effective yield moves inversely with STRF's trading price.

YIELD SENSITIVITY

STRF PRICE	EFFECTIVE YIELD
$80	12.50%
$90	11.11%
$100	10.00%
$103.92	9.62%
$110	9.09%
$120	8.33%

Formula: $10.00 annual regular dividend / market price. The yield does not include price appreciation or depreciation.

MARKET SNAPSHOT

Price	**$103.92**
Premium to stated amount	**3.92%**
Market capitalization	**$1.334B**
30D avg. daily value	**$8M**
30D volatility	**16%**
3-month total return	**+12%**
1-year total return	**+3%**
Lifetime total return	**+38%**

DIVIDEND RECORD

PERIOD	RECORD DATE	PAYMENT DATE	PER SHARE	STATUS
Q2 2025 stub	Jun. 15, 2025	Jun. 30, 2025	$2.64	Paid
Q3 2025	Sep. 15, 2025	Sep. 30, 2025	$2.50	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	$2.50	Declared

Since initial pricing

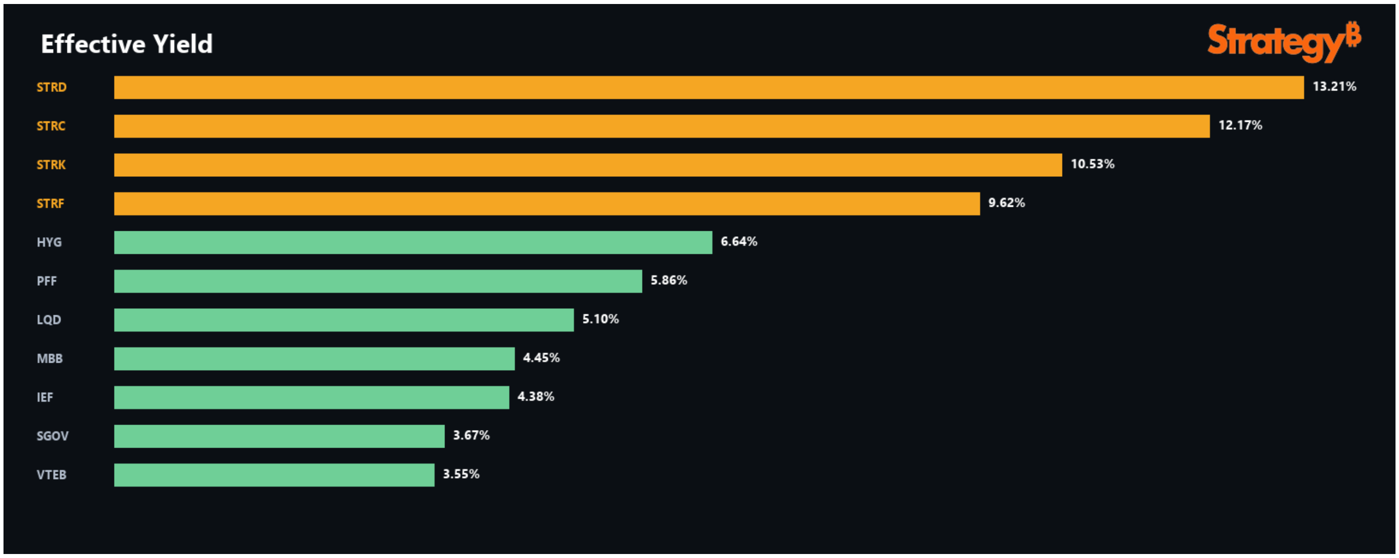
STRF was initially offered at $85.00. At the Sep. 11, 2026 price of $103.92, plus $12.64 of cash distributions paid through June 30, 2026, the simple lifetime total return is approximately 37.1%, reported by Strategy as 38%. This excludes reinvestment, taxes, fees and transaction costs.

Source: Strategy STRF metrics and dividend pages; SEC filings. Market metrics at Sep. 11, 2026 close. Returns include dividends under Strategy's methodology; past performance is not indicative of future results.

04 | PUBLIC MARKET YIELD

STRF's current yield premium

At $103.92, STRF's fixed $10 annual dividend produces a 9.62% effective yield - materially above selected publicly traded credit and income benchmarks.



TICKER	PUBLICLY TRADED BENCHMARK	YIELD	STRF PREMIUM
HYG	High-yield corporate bond ETF	**6.64%**	**+298 bps**
PFF	Preferred stock ETF	**5.86%**	**+376 bps**
LQD	Investment-grade corporate bond ETF	**5.10%**	**+452 bps**
MBB	Agency mortgage-backed securities ETF	**4.45%**	**+517 bps**
IEF	7-10 year U.S. Treasury ETF	**4.38%**	**+524 bps**
SGOV	0-3 month U.S. Treasury ETF	**3.67%**	**+595 bps**
VTEB	Tax-exempt municipal bond ETF	**3.55%**	**+607 bps**

WHAT ACCOMPANIES THE YIELD PREMIUM

A higher yield is not a free return.
STRF concentrates exposure in one perpetual preferred security. Its yield premium is accompanied by Strategy issuer risk, junior-to-debt priority, bitcoin-sensitive enterprise value, long Macaulay duration and related interest-rate sensitivity, lower trading liquidity and higher market volatility than diversified benchmark ETFs.

Source: Strategy-supplied market comparison data at the Sep. 11, 2026 close. Effective yield for STRF equals the $10 annual regular dividend divided by price. ETF yield methodologies differ; municipal yields are not tax-equivalent. This is not a total-return or risk-adjusted comparison.

05 | CREDIT COMPARABLES

Yield, liquidity and volatility in context

The supplied comparison places STRF 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)	1Y Sharpe	Avg Trading Vol (30D)/Mkt Cap
STRC	$98.64	12.17%	5.8%	13.2%	$9,364	$142	13.5%	22.1%	0.53	1.5%
STRF	$103.92	9.62%	12.3%	1.1%	$1,334	$7	10.5%	24.3%	0.04	0.5%
STRK	$76.00	10.53%	14.4%	(11.2%)	$1,066	$6	31.2%	37.2%	-0.27	0.6%
STRD	$75.68	13.21%	10.0%	5.6%	$1,061	$8	23.4%	33.2%	0.25	0.7%
Money Market Proxy ETFs										
SGOV	$100.52	3.67%	0.9%	3.7%	$107,300	$2,201	1.2%	1.0%	-0.40	2.1%
High-Yield Bond ETFs										
HYG	$78.60	6.64%	(0.2%)	2.8%	$15,303	$2,504	3.7%	4.2%	-0.17	16.4%
JNK	$94.61	6.75%	(0.1%)	3.3%	$6,800	$261	3.7%	4.2%	-0.05	3.8%
Preferred Stocks										
PFF	$30.15	5.86%	(1.4%)	(0.8%)	$12,827	$75	7.6%	7.5%	-0.50	0.6%
PGX	$10.43	6.70%	(3.0%)	(5.9%)	$3,677	$41	5.2%	5.9%	-1.65	1.1%
Investment-Grade Corporate Bond ETFs										
VCIT	$79.60	5.13%	(2.3%)	(1.1%)	$68,750	$729	5.1%	4.4%	-1.12	1.1%
LQD	$104.32	5.10%	(3.2%)	(2.6%)	$29,961	$2,910	6.3%	5.5%	-1.12	9.7%
Mortgage-Backed Securities ETFs										
MBB	$91.38	4.45%	(2.2%)	(0.0%)	$38,928	$225	5.4%	4.7%	-0.82	0.6%
VMBS	$45.32	4.41%	(2.0%)	0.2%	$15,630	$64	5.1%	4.5%	-0.77	0.4%

1 INCOME PREMIUM
STRF yields 9.62%, versus 3.55%-6.64% for the selected non-Strategy ETFs. Even the closest benchmark, HYG at 6.64%, is 298 bps lower.

2 SENIORITY WITHIN DIGITAL CREDIT
STRF carries the lowest yield among the four Strategy preferreds shown, consistent with its cumulative fixed dividend and senior-most position in the current preferred stack.

3 VOLATILITY
STRF historical volatility is 16% over 30 days, compared with roughly 1%-8% for the selected non-Strategy ETFs. Current income does not insulate market price.

4 TRADING LIQUIDITY
STRF's $8M 30-day average dollar volume is meaningful, but below PFF ($75M), HYG ($2.50B), LQD ($2.97B) and SGOV ($2.16B). Large orders may require care.

Yield is a starting point, not the outcome.
Trailing total return can differ sharply from current yield because price moves, distributions, volatility and entry price all matter. STRF's 9.62% effective yield should not be read as a forecast of annual total return.

Source: Strategy-supplied credit comparables, Sep. 11, 2026. Figures are rounded snapshots and may reflect different calculation conventions, time windows, tax treatment, portfolio composition and market microstructure.

06 | DIVIDEND PROTECTION

A missed dividend triggers escalating economics

Regular dividends remain cumulative. Each unpaid quarterly installment then compounds under a separate annualized rate that begins at 11% and rises to an 18% cap.

10.00%

BASE REGULAR DIVIDEND

Continues to accumulate on the $100 stated amount whether or not declared or currently payable.

11% -> 18%

COMPOUNDING RATE ON EACH UNPAID INSTALLMENT

The base 10% coupon does not step up. The penalty rate applies only to arrears and increases 100 bps each subsequent quarter.

COMPOUNDED DIVIDEND RATE LADDER

QUARTER UNPAID	1	2	3	4	5	6	7	8+
ANNUALIZED RATE	11%	12%	13%	14%	15%	16%	17%	18%

The schedule applies separately to each missed installment from its own payment date. Payments are applied to the oldest unpaid regular-dividend period first.

CONTRACTUAL RESPONSE TO A DEFERRAL

WHEN	MECHANISM	PRACTICAL EFFECT
Record date	**Automatic notice of deferral**	If no dividend is declared on or before the regular record date, the failure itself constitutes a notice of deferral.
Next 60 days	**Financing effort**	Strategy must use commercially reasonable efforts to sell MSTR and/or other securities sufficient to cover the deferred amount plus compounding.
Deferred date	**Cure opportunity**	The deferred payment date is one trading day after day 60. Full payment then prevents that delay from counting toward the director-right trigger.
Prior 90 days	**Registered-equity trigger**	Cash sales of MSTR or STRK through a registered public offering require declaration and payment to the extent those net proceeds are sufficient.
Until paid	**Continuing accrual**	Base dividends and compounded dividends remain outstanding; each declared payment is applied to the earliest unpaid period.

Illustrative arrears math

A single unpaid $2.50 installment held through eight full quarterly compounding periods under the 11%-18% schedule grows to approximately $3.32, assuming no partial payment and the filed 30/360 convention. New $2.50 regular installments would accumulate separately each quarter.

Source: Certificate of Designations, Sections 5(a)-5(c). The filed instrument controls all calculations, notice mechanics, exclusions and exceptions.

07 | HOLDER RIGHTS

Capital allocation and governance protections

Persistent nonpayment progressively restricts payments to other equity and ultimately gives preferred holders board and consent rights.

IMMEDIATELY	4 CONSECUTIVE MISSED DATES	8 CONSECUTIVE MISSED DATES
Parity dividends become pro rata; most junior dividends and repurchases are blocked until prior completed-period 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
Payment priority	Until arrears for prior completed periods are paid, parity dividends must be pro rata and most dividends or repurchases of junior or parity equity are restricted.	The certificate contains detailed exceptions, including certain equity-plan, fractional-share and pre-existing contractual transactions.
Board representation	One director right arises at four consecutive missed dates and a separate right at eight. Holders of 25% of combined voting power may call a special election meeting.	No more than two preferred directors may serve across voting parity classes. Rights terminate after all accumulated and unpaid regular dividends are paid.
Consent rights	Majority consent is generally required for materially adverse term changes, certain mergers that fail continuity tests, and creation or issuance of stock senior to STRF.	Additional STRF and additional parity stock may be issued without STRF consent.
Fundamental change put	Holders may require cash repurchase at $100 stated amount plus accumulated and unpaid regular dividends after a defined fundamental change.	Payment is limited to legally available funds and may be pro rata if insufficient; Strategy covenants not to voluntarily trigger a change without adequate funds.
Liquidation / redemption	In liquidation, holders receive the then-applicable liquidation preference plus all unpaid regular and compounded dividends before junior equity. Redemption price uses the same preference plus arrears.	Creditors, subsidiary liabilities and any senior stock remain ahead; parity shares share pro rata. Issuer redemption is all-not-less-than-all and limited to a tax event or less than 25% remaining.

Important structural limits

STRF has no maturity, sinking fund, collateral package or direct lien on bitcoin. It remains equity, junior to debt and subsidiary liabilities. Cash dividends still require Board declaration and funds legally available for payment, and holders do not participate in residual equity value beyond the specified preference.

Source: Certificate of Designations, Sections 5(f), 6, 7, 8 and 9. The then-applicable liquidation preference can exceed $100 under the filed recent-market-price formula after additional STRF issuances. This summary omits detailed exceptions and procedures.

08 | DIGITAL CREDIT CAPITAL FRAMEWORK

A disciplined capital framework designed to strengthen Digital Credit

The capital framework adds Board-approved liquidity, repurchase and BTC monetization policies around STRF and Strategy's broader preferred-capital platform.

12-MONTH MINIMUM	$2.0B CREDIT BUYBACK	$1.25B RESERVE CAPACITY
The USD Reserve may be used only for preferred dividends and debt interest; another use or a reduction below the minimum requires Board authorization.	STRF, STRC, STRD and STRK are eligible. STRC is the initial priority when repurchases are accretive and strengthen the capital structure.	BTC monetization authority may build the USD Reserve, fund or replenish dividends and interest, and fund eligible repurchases.

SIX COMPONENTS AND INVESTOR SIGNIFICANCE

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 STRF 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 change STRF's fixed 10% contractual dividend.
Digital Credit repurchases	Up to $2.0B 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.
USD Cash	A separately designated, flexible liquidity pool available for general Bitcoin Treasury Company purposes, such as acquiring bitcoin; paying preferred dividends or debt interest; repurchasing MSTR or preferred stock; repaying or redeeming convertible notes; or increasing the USD Reserve.	A highly liquid, broad discretionary pool that allows management to respond quickly to market dislocations and deploy capital as conditions warrant. Unlike the USD Reserve, it has no 12-month minimum and may be used for a broader range of purposes.

As of September 13, 2026. The USD Reserve remained at $5.10B, alongside $1.298B of USD Cash, for $6.398B of USD Assets; the USD Reserve alone equals approximately 3.1 years of current preferred-dividend and debt-interest obligations. The Sep. 14 Form 8-K reported $1.05B remaining under the $2.0B Digital Credit repurchase authorization, inclusive of fees and prior repurchases, and $1.0B remaining under the MSTR repurchase authorization. During Sep. 8–Sep. 13, Strategy did not sell any shares under its at-the-market offering program and did not purchase or sell any bitcoin; Strategy repurchased 1,420,467 STRC shares for $139.3M; no USD Reserve funds were used.
These are corporate policies and authorizations, not contractual STRF holder rights, and may be modified, suspended or terminated as disclosed.

Source: Strategy Digital Credit Capital Framework press release and Form 8-K dated June 29, 2026; Strategy STRC repurchase policy dated July 27, 2026; Strategy Form 8-K dated September 14, 2026. Corporate policies and forward-looking objectives are subject to the qualifications in those disclosures.

09 | CREDIT POSITION

Senior preferred credit supported by disciplined liquidity management

The Board-approved USD Reserve policy dedicates liquidity to preferred dividends and debt interest; this week residual senior debt of $176M sits under STRF in Strategy's illustrative BTC Rating framework, while bitcoin remains unpledged to STRF.

SIMPLIFIED CAPITAL STACK

CREDITORS & SUBSIDIARY LIABILITIES
Senior to STRF

STRF
Senior-most preferred

OTHER STRATEGY PREFERRED
STRC, STRE, STRK, STRD

MSTR COMMON EQUITY
Residual claim

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

CURRENT ISSUER RESOURCES

845,050 BTC
BITCOIN HOLDINGS
As of Sep. 13

$6.398B
USD ASSETS
As of Sep. 13

$65.294B
BTC RESERVE
At $77,266 / BTC

39.7 yrs
BTC DURATION
Sep. 13 assumptions

- **USD Reserve $5.10B + USD Cash $1.298B = USD Assets $6.398B (Board policy restricts the USD Reserve to preferred dividends and debt interest).**

STRF-scale economics

- Approximately 12.84 million shares outstanding.
- $1.284 billion aggregate stated/notional amount; no STRF ATM issuance during Sep. 8–Sep. 13.
- $128.4 million annual regular STRF dividend at the 10% rate.
- $1.600 billion cumulative covered notional after applying USD Assets to senior debt claims.
- Board policy requires at least 12 months of expected preferred dividends and debt interest; the $5.10B reserve equals approximately 3.1 years at current obligations.

STRATEGY'S ILLUSTRATIVE BTC COVERAGE

40.8x
BTC RATING
ILLUSTRATIVE

~$1.9K
BTC FLOOR PRICE
PER BTC AT 1.0x

1 bps BTC CREDIT
0.13% BTC RISK | -27.4% BTC FLOOR ARR
Illustrative at 10% BTC ARR, 40% BTC volatility and 10.6-year Macaulay duration. BTC Credit annualizes BTC Risk assuming no recovery.

How the capital framework improves STRF 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: The Sep. 14 Form 8-K reported no MSTR ATM sales and no bitcoin purchases or sales; Strategy repurchased 1,420,467 STRC shares for $139.3M. The USD Reserve remained $5.10B; USD Cash is $1.298B and USD Assets are $6.398B. Coverage bridge: $6.714B debt - $6.398B USD Assets + $1.284B STRF = $1.600B covered claims. $65.294B BTC Reserve / $1.600B = 40.8x; $77,266 / 40.8 = $1,893 per BTC. Capital-management overlay: STRF is eligible for the $2.0B Digital Credit repurchase program, although STRC is the initial priority; repurchases cannot use the USD Reserve. These are illustrative economic coverage measures, not legal collateralization, solvency tests or recovery estimates.

Source: Strategy Form 8-K dated Sep. 14, 2026; Strategy Credit Dashboard and Notes. Dashboard assumptions: BTC price $77,266, BTC ARR 10%, BTC volatility 40%, STRF Macaulay duration 10.6 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, not tax exemption

Strategy currently expects distributions on its preferred stock to be return of capital for U.S. federal income-tax purposes to the extent of a holder's basis.

ILLUSTRATIVE 1,000-SHARE EXAMPLE

Purchase price	**$103.92**
Initial tax basis	**$103,920**
One year regular cash distributions	**$10,000**
Illustrative current federal taxable dividend*	**$0**
Illustrative year-end adjusted basis*	**$93,920**

**Assumes the full distribution is classified as return of capital and the holder has sufficient basis. This is not a tax opinion.*

WHAT RETURN OF CAPITAL MEANS

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

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 distributions are generally taxable as capital gain under current rules.

Treatment can change. Strategy's earnings and profits, tax law and a holder's circumstances can alter the result.

Non-U.S. holders. Withholding and other rules may apply even when Strategy expects return-of-capital treatment.

PORTFOLIO ROLE

STRF MAY BE RELEVANT TO INVESTORS SEEKING

- Fixed USD cash distributions
- A senior preferred position in Strategy
- Long Macaulay-duration income exposure
- Cumulative dividend economics
- Nasdaq tradability
- Potential current tax deferral

STRF IS NOT DESIGNED TO PROVIDE

- Principal or market-price guarantees
- A maturity date or general $100 put
- FDIC insurance or government backing
- A security interest in bitcoin
- Direct participation in bitcoin upside
- Low short-term price volatility

Tax advice is investor-specific

Prospective investors should review the applicable Strategy tax disclosure and consult their own tax advisers regarding federal, state, local and non-U.S. consequences, including basis reduction, holding period, capital-gain treatment, withholding and account type.

Source: Strategy Q2 2026 results and preferred tax materials. 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 9.62% current yield should be evaluated alongside perpetual duration, issuer credit, subordination, bitcoin exposure and market volatility.

RISK	WHY IT MATTERS
Perpetual duration and rates	STRF has no maturity. Higher market yields, inflation expectations or credit spreads can reduce its price, potentially for extended periods.
Dividend declaration and legal availability	Dividends accumulate, but cash payment still requires Board declaration and legally available funds. Cumulative status does not guarantee timely payment.
Subordination and structural priority	All debt and subsidiary liabilities rank ahead of STRF. In a stress or liquidation scenario, senior claims could materially reduce or eliminate recoveries.
No bitcoin collateral	Strategy's bitcoin supports enterprise value but is not pledged to STRF. Holdings can be sold, encumbered where permitted, or decline in value.
Bitcoin and issuer concentration	Strategy's financial condition and capital-markets access are materially connected to bitcoin prices, volatility, regulation, custody and market liquidity.
Capital-framework execution risk	Strategy may change Board policies, issue new claims, monetize BTC or alter repurchases. The framework adds flexibility but creates no contractual reserve, buyback or BTC-retention covenant for STRF.
Market price and liquidity	Nasdaq listing and current trading volume do not assure liquidity at a desired price. STRF has experienced meaningful price volatility and negative trailing returns.
Redemption and liquidation-preference complexity	Issuer redemption is limited and not a general holder right. The liquidation preference can adjust under a formula, while the fundamental-change put is based on stated amount.
Fundamental-change funding limitation	The holder put is subject to funds legally available. If funds are insufficient, the company may pay only the legally available amount pro rata.
Tax uncertainty	Return-of-capital treatment may differ by period or investor and may create future gain through basis reduction. Tax law and company earnings and profits can change.
Illustrative credit-metric limitations	The 40.8x BTC Rating, ~$1,893 BTC Floor Price, 1 bps BTC Credit, 0.13% BTC Risk and -27.4% BTC Floor ARR are management-defined and assumption-sensitive, not agency ratings, collateral tests or recovery estimates. They change with BTC price, holdings, reserve, capital stack, Macaulay duration, ARR and volatility, and omit potential cross-default effects.
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 the current price, yield and dividend declaration; examine the latest holdings, USD Reserve, debt and preferred notional; assess BTC price sensitivity and duration; and obtain investment, legal and tax advice appropriate to the investor.

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 Digital Credit Capital Framework and subsequent implementation disclosures.

PRIMARY SOURCES

SOURCE	LINK	USED FOR
Strategy STRF Metrics	**Open source**	Current price, yield, return, volume and volatility metrics.
Strategy STRF Information	**Open source**	Product summary, current notional, BTC Rating and links to governing documents.
Strategy STRF Dividends	**Open source**	Dividend history and expected calendar.
Strategy Credit Dashboard	**Open source**	Current illustrative credit metrics, assumptions and BTC Floor derivation.
Strategy Notes	**Open source**	Definitions and limits for BTC Rating, BTC Floor, yield, Macaulay duration and returns.
Certificate of Designations	**Open source**	Contractual terms of STRF.
Initial Prospectus Supplement	**Open source**	Offering terms, risk factors and use of proceeds.
Digital Credit Capital Framework - June 29, 2026	Press release | Form 8-K	USD Reserve policy, repurchase authorizations, STRC policy and BTC monetization.
September 14, 2026 Form 8-K	**Open source**	845,050 BTC, $5.10B USD Reserve, $1.30B USD Cash, $6.398B USD Assets, and the Sep. 8–Sep. 13 activity.
June 1, 2026 Form 8-K	**Open source**	Most recent paid STRF quarterly dividend declaration and expected tax treatment.
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 STRF or any other security. Any offering may be made only by means of an effective registration statement, prospectus and applicable prospectus supplement.
- This summary is qualified in its entirety by the Certificate of Designations, prospectus, Strategy's SEC filings and applicable law. If any statement here conflicts with a governing filing, the filing controls.
- STRF is a perpetual 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. STRF is not collateralized by Strategy's bitcoin holdings.
- Regular dividends are cumulative but payable in cash only when and if declared by Strategy's Board of Directors from funds legally available. There is no guarantee of dividends, returns, liquidity, redemption, recovery or future market performance.
- BTC Rating, BTC Floor, BTC Credit, BTC Risk, effective yield, Macaulay duration and similar Strategy metrics are illustrative and subject to significant limitations. BTC Floor is a sensitivity threshold, not a forecast, collateral or solvency test, liquidation analysis or recovery estimate. None is an agency rating or a sufficient basis for investment.
- Tax characterization is uncertain and investor-specific. Return-of-capital treatment reduces basis and generally defers rather than eliminates tax. Investors should consult their own tax advisers.
- **The framework and related objectives are corporate policies or authorizations, not contractual STRF terms. They may change or end; buybacks and BTC sales are not required; no assets of Strategy are pledged to secure STRF payment obligations.**
- Comparison data are snapshots and use different yield methods. Instruments differ in seniority, duration, diversification, liquidity, tax treatment and risk; municipal yields are not tax-equivalent. 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 one quarter of the Effective Yield of such stock by the Effective Yield of such stock, reflecting quarterly dividend payments. Displayed figures are from the Strategy Credit Dashboard.

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 Assets, 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 Assets.

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.

USD Cash is a separately designated pool of U.S. dollar liquidity that the Company may retain for future deployment for general Bitcoin Treasury Company purposes, which may include acquiring bitcoin, paying declared cash dividends on Strategy's preferred stock and interest on its outstanding indebtedness, repurchasing Strategy's MSTR Stock or preferred stock, repaying, repurchasing or redeeming Strategy's outstanding convertible notes, increasing the USD Reserve, and other similar Bitcoin Treasury Company purposes.

USD Assets is the sum of the USD Reserve and USD Cash.

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 Assets. 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.

1Y 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 trailing 252 trading days' daily excess returns (daily total 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.