



**8,500,000 Shares**  
**10.00% Series A Perpetual Strife Preferred Stock**

MicroStrategy Incorporated d/b/a Strategy is offering 8,500,000 shares of our 10.00% Series A Perpetual Strife Preferred Stock, which we refer to as our “perpetual strife preferred stock.” The perpetual strife preferred stock will have a stated amount of \$100 per share and an initial liquidation preference of \$100 per share. The liquidation preference will be subject to adjustment in the manner described in this prospectus supplement. However, the liquidation preference will not be adjusted to an amount that is less than \$100 per share.

**DIVIDENDS**

The perpetual strife preferred stock will accumulate cumulative dividends, which we refer to as “regular dividends,” at a rate per annum equal to 10.00% on the stated amount thereof, which is \$100 per share of perpetual strife preferred stock. Regular dividends on the perpetual strife preferred stock will be payable when, as and if declared by our board of directors or any duly authorized committee thereof, out of funds legally available for their payment to the extent paid in cash, quarterly in arrears on March 31, June 30, September 30 and December 31 of each year, beginning on June 30, 2025. Declared regular dividends on the perpetual strife preferred stock will be payable solely in cash in the manner, and subject to the provisions, described in this prospectus supplement.

**REDEMPTION AND REPURCHASE**

We will have the right, at our election, to redeem all, and not less than all, of the perpetual strife preferred stock, at any time, for cash if the total number of shares of all perpetual strife preferred stock then outstanding is less than 25% of the total number of shares of perpetual strife preferred stock originally issued in this offering and in any future offering taken together. In addition, we will have the right to redeem all, but not less than all, of the perpetual strife preferred stock if a “tax event” (as defined in this prospectus supplement) occurs. The redemption price for any perpetual strife preferred stock to be redeemed will be a cash amount equal to the liquidation preference of the perpetual strife preferred stock to be redeemed as of the business day before the date we send the related redemption notice, plus accumulated and unpaid regular dividends to, but excluding, the redemption date. If a “fundamental change” (as defined in this prospectus supplement) occurs, then, except as described in this prospectus supplement, preferred stockholders will have the right (which we refer to as the “fundamental change repurchase right”) to require us to repurchase some or all of their shares of perpetual strife preferred stock at a cash repurchase price equal to the stated amount of the perpetual strife preferred stock to be repurchased, plus accumulated and unpaid regular dividends, if any, to, but excluding the fundamental change repurchase date.

**LISTING**

No public market currently exists for the perpetual strife preferred stock. We have applied to list the perpetual strife preferred stock on The Nasdaq Global Select Market under the symbol “STRF.” If the listing is approved, we expect trading to commence within 30 days after the date the perpetual strife preferred stock is first issued.

|  | <u>Per Share</u> | <u>Total</u>  |
|--|------------------|---------------|
| Public offering price . . . . .                    | \$ 85.00         | \$722,500,000 |
| Underwriting discount and commissions(1) . . . . . | \$ 1.2385        | \$ 10,527,250 |
| Proceeds, before expenses, to us . . . . .         | \$83.7615        | \$711,972,750 |

(1) For additional information about underwriting compensation, see “Underwriting.”

**Our business and an investment in the perpetual strife preferred stock involve significant risks. These risks are described under the caption “Risk Factors” beginning on page S-16 of this prospectus supplement and in the documents incorporated by reference into this prospectus supplement.**

**Neither the Securities and Exchange Commission nor any state or foreign securities commission has approved or disapproved of the perpetual strife preferred stock or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.**

At our request, the underwriters have reserved up to 425,000 shares of the perpetual strife preferred stock, or 5% of the shares offered by this prospectus supplement, for sale at the public offering price through a directed share program to certain of our employees, officers and directors based in the United States. See “Underwriting—Directed Share Program.”

We expect to deliver the perpetual strife preferred stock in book-entry form through the facilities of The Depository Trust Company on or about March 25, 2025, which will be the third business day after the initial trade date for the perpetual strife preferred stock (this settlement cycle being referred to as “T+3”). Under Rule 15c6-1 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), trades in the secondary market generally must settle in one business day, unless the parties to the trade expressly agree otherwise. Accordingly, purchasers who wish to trade perpetual strife preferred stock before the business day before the settlement date must, because the perpetual strife preferred stock initially will settle T+3, specify an alternate settlement cycle at the time of such trade to prevent a failed settlement. Those purchasers should consult their advisors.

*Joint Book-Running Managers*

**Morgan Stanley**  
Cantor

**Barclays**  
Keefe, Bruyette & Woods  
*A Stifel Company*

**Citigroup**  
Mizuho

**Moelis & Company**  
SOCIETE GENERALE

*Co-Managers*

**AmeriVet Securities**

**Bancroft Capital**

**BTIG**

**The Benchmark Company**

Prospectus supplement dated March 20, 2025.

**TABLE OF CONTENTS**  
**PROSPECTUS SUPPLEMENT**

|   |      |
|---|------|
| About This Prospectus Supplement .....                                      | S-1  |
| Forward-Looking Statements .....  | S-3  |
| Prospectus Supplement Summary .....   | S-7  |
| The Offering .....  | S-9  |
| Risk Factors .....  | S-16 |
| Use of Proceeds .....   | S-25 |
| Capitalization .....  | S-26 |
| Description of Perpetual Strife Preferred Stock .....                       | S-28 |
| Material United States Federal Income Tax Considerations .....              | S-51 |
| Underwriting .....  | S-59 |
| Legal Matters .....   | S-68 |
| Experts .....   | S-68 |
| Where You Can Find Additional Information; Incorporation by Reference ..... | S-69 |

**PROSPECTUS**

|  |    |
|--|----|
| ABOUT THIS PROSPECTUS .....                                | 1  |
| WHERE YOU CAN FIND MORE INFORMATION .....                  | 3  |
| INCORPORATION BY REFERENCE .....                           | 4  |
| CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS ..... | 5  |
| RISK FACTORS .....   | 8  |
| MICROSTRATEGY INCORPORATED .....                           | 9  |
| USE OF PROCEEDS .....                                      | 11 |
| DESCRIPTION OF DEBT SECURITIES .....                       | 12 |
| DESCRIPTION OF CAPITAL STOCK .....                         | 22 |
| DESCRIPTION OF DEPOSITARY SHARES .....                     | 29 |
| DESCRIPTION OF WARRANTS .....                              | 32 |
| DESCRIPTION OF UNITS .....                                 | 33 |
| FORMS OF SECURITIES .....                                  | 34 |
| PLAN OF DISTRIBUTION .....                                 | 36 |
| LEGAL MATTERS .....  | 38 |
| EXPERTS .....  | 38 |

## ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is the prospectus supplement, which describes the specific terms of this offering. The second part is the accompanying prospectus, which provides more general information about securities we may offer from time to time, some of which does not apply to this offering. Generally, when we refer to this prospectus, we are referring to both parts of this document combined. Before purchasing any of the perpetual strife preferred stock that we are offering, you should carefully read this prospectus supplement, the accompanying prospectus and all of the information contained in the documents incorporated by reference herein and therein, as well as the additional information described under the heading “Where You Can Find Additional Information; Incorporation by Reference.” These documents contain important information that you should consider when making your investment decision.

This prospectus supplement is part of a registration statement that we filed with the Securities and Exchange Commission (the “SEC”) as a “well known seasoned issuer” as defined in Rule 405 under the Securities Act of 1933, as amended (the “Securities Act”), utilizing a “shelf” registration process. By using a shelf registration statement, we may sell an unspecified amount of securities from time to time.

This prospectus supplement may add, update or change information contained in the accompanying prospectus. To the extent there is a conflict between the information contained in this prospectus supplement, on the one hand, and the information contained in the accompanying prospectus or any document incorporated by reference herein or therein and filed prior to the date of this prospectus supplement, on the other hand, you should rely on the information in this prospectus supplement; provided that, if any statement in one of these documents is inconsistent with a statement in another document having a later date—for example, a document filed after the date of this prospectus supplement and incorporated by reference in this prospectus—the statement in the document having the later date modifies or supersedes the earlier statement.

This prospectus contains summaries of certain provisions contained in some of the documents described herein, but reference is made to the actual documents for complete information. All of the summaries are qualified in their entirety by the actual documents. Copies of some of the documents referred to herein have been filed as exhibits to the registration statement of which this prospectus supplement and the accompanying prospectus are a part or have been filed or will be filed as exhibits to documents incorporated by reference herein, and you may obtain copies of those documents as described under the heading “Where You Can Find Additional Information; Incorporation by Reference.” We further note that the representations, warranties and covenants made by us in any agreement that was filed as an exhibit to the registration statement of which this prospectus supplement and the accompanying prospectus are a part or any document that is incorporated by reference herein were made solely for the benefit of the parties to such agreement, including, in some cases, for the purpose of allocating risk among the parties to such agreement, and should not be deemed to be a representation, warranty or covenant to you. Moreover, such representations, warranties or covenants were accurate only as of the date when made. Accordingly, such representations, warranties and covenants should not be relied on as accurately representing the current state of our affairs.

We have not, and the underwriters have not, authorized anyone to provide you with any information or to make any representations other than those contained or incorporated by reference in this prospectus supplement, the accompanying prospectus, or any related free writing prospectus filed by or on behalf of us or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We have not, and the underwriters have not, authorized anyone to provide you with different information. This prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities described in this prospectus supplement or an offer to sell or the solicitation of an offer to buy such securities in any circumstances in which such offer or solicitation is unlawful.

You should assume that the information appearing in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference herein and therein, and any related free writing prospectus is accurate as of the date on its respective cover or as otherwise specified therein and that any information incorporated by reference is accurate only as of the date of the document incorporated by reference, unless we indicate otherwise, even though this prospectus supplement and the accompanying prospectus or any related free writing prospectus is delivered, or the perpetual strife preferred stock is sold, on a later date. Our business, financial condition, results of operations and prospects may have changed since those dates. This prospectus incorporates by reference, and any free writing prospectus may contain and incorporate by reference, market data and industry statistics and forecasts that are based on independent industry publications and other publicly available information. Although we believe these sources are reliable, we do not guarantee the accuracy or completeness of this information and we have not independently verified this information. Although we are not aware of any misstatements regarding the market and industry data presented in this prospectus and the documents incorporated by reference in this prospectus, these estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under the heading “Risk Factors” contained or incorporated by reference in this prospectus and any related free writing prospectus and under similar headings in other documents that are incorporated by reference into this prospectus. Accordingly, investors should not place undue reliance on this information.

Unless otherwise indicated or the context otherwise requires, references in this prospectus to “Strategy,” “MicroStrategy,” the “Company,” “we,” “us,” and “our” refer to MicroStrategy Incorporated d/b/a Strategy and its consolidated subsidiaries.

## FORWARD-LOOKING STATEMENTS

This prospectus, and the information incorporated by reference in this prospectus, contain certain forward-looking statements within the meaning of Section 27A of the Securities Act, Section 21E of the Exchange Act and Private Securities Litigation Reform Act of 1995, as amended. All statements, other than statements of historical facts, including statements concerning our plans, objectives, goals, beliefs, business strategies, future events, business conditions, results of operations, financial position, business outlook, business trends and other information, may be forward-looking statements. Words such as “might,” “will,” “may,” “should,” “estimates,” “expects,” “continues,” “contemplates,” “anticipates,” “projects,” “plans,” “potential,” “predicts,” “intends,” “believes,” “forecasts,” “future,” “targeted,” “goal” and variations of such words or similar expressions are intended to identify forward-looking statements. The forward-looking statements are not historical facts, and are based upon our current expectations, beliefs, estimates and projections, and various assumptions, many of which, by their nature, are inherently uncertain and beyond our control. Our expectations, beliefs, estimates and projections are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that management’s expectations, beliefs, estimates and projections will result or be achieved and actual results may vary materially from what is expressed in or indicated by the forward-looking statements. There are a number of risks, uncertainties and other important factors, many of which are beyond our control, that could cause our actual results to differ materially from the forward-looking statements contained in this prospectus. The principal risks, uncertainties and other important factors that have affected or may affect our business and that have caused or could cause our actual results to differ materially include the following, as well as the other risks detailed in the “Risk Factors” sections contained in this prospectus supplement, the accompanying prospectus or in documents incorporated by reference herein and therein, without limitation:

### **Risks Related to Our Business in General**

- our quarterly operating results, revenues, and expenses may fluctuate significantly, which could have an adverse effect on the market price of the perpetual strife preferred stock;
- we may not be able to regain profitability in future periods;
- a significant decrease in the market value of our bitcoin holdings could adversely affect our ability to satisfy our financial obligations;
- unrealized fair value gains on our bitcoin holdings could cause us to become subject to the corporate alternative minimum tax under the Inflation Reduction Act of 2022;

### **Risks Related to Our Bitcoin Strategy and Holdings**

- our bitcoin strategy exposes us to various risks, including risks associated with bitcoin;
- bitcoin is a highly volatile asset, and fluctuations in the price of bitcoin have in the past influenced and are likely to continue to influence our financial results;
- bitcoin and other digital assets are novel assets, and are subject to significant legal, commercial, regulatory and technical uncertainty;
- our historical financial statements do not reflect the potential variability in earnings that we may experience in the future relating to our bitcoin holdings;
- the availability of spot exchange-traded products (“ETPs”) for bitcoin and other digital assets may adversely affect the market price of the perpetual strife preferred stock;
- our bitcoin strategy subjects us to enhanced regulatory oversight;
- bitcoin trading venues may experience greater fraud, security failures or regulatory or operational problems than trading venues for more established asset classes;

- the concentration of our bitcoin holdings enhances the risks inherent in our bitcoin strategy;
- our bitcoin holdings are less liquid than our existing cash and cash equivalents and may not be able to serve as a source of liquidity for us to the same extent as cash and cash equivalents;
- if we or our third-party service providers experience a security breach or cyberattack and unauthorized parties obtain access to our bitcoin, or if our private keys are lost or destroyed, or other similar circumstances or events occur, we may lose some or all of our bitcoin and our financial condition and results of operations could be materially adversely affected;
- we face risks relating to the custody of our bitcoin, including the loss or destruction of private keys required to access our bitcoin and cyberattacks or other data loss relating to our bitcoin;
- regulatory change reclassifying bitcoin as a security could lead to our classification as an “investment company” under the Investment Company Act of 1940 and could adversely affect the market price of bitcoin and the market price of the perpetual strife preferred stock;
- we are not subject to legal and regulatory obligations that apply to investment companies such as mutual funds and exchange-traded funds, or to obligations applicable to investment advisers;
- our bitcoin strategy exposes us to risk of non-performance by counterparties;

#### **Risks Related to Our Enterprise Analytics Software Business Strategy**

- we derive revenue from a single software platform and related services as well as revenue from our installed customer base;
- as our customers increasingly shift from a product license model to a cloud subscription model, we could face higher future rates of attrition, and such a shift could continue to affect the timing of revenue recognition or reduce product licenses and product support revenues;
- integration of artificial intelligence into our enterprise analytics product offerings and our use of artificial intelligence in our operations could result in reputational or competitive harm, legal liability, and other adverse effects on our business;

#### **Risks Related to Our Technology and Intellectual Property**

- third parties may claim we infringe their intellectual property rights;
- changes in third-party software or systems or the emergence of new industry standards could materially adversely affect the operation of and demand for our existing software;
- the nature of our software makes it particularly susceptible to undetected errors, bugs, or security vulnerabilities, which could cause problems with how the software performs and, in turn, reduce demand for our software, reduce our revenue, and lead to litigation claims against us;

#### **Risks Related to Our Operations**

- business disruptions could materially adversely affect our operating results or result in a material weakness in our internal controls;
- we face a variety of risks in doing business with U.S. and foreign federal, state, and local governments and government agencies, including risks related to the procurement process, budget constraints and cycles, termination of contracts, and compliance with government contracting requirements;
- if we are unable to recruit or retain skilled personnel, or if we lose the services of Michael J. Saylor, our business, operating results, and financial condition could be materially adversely affected;

- changes in laws or regulations relating to privacy or the collection, processing, disclosure, storage, localization, or transmission of personal data, or any actual or perceived failure by us or our third-party service providers to comply with such laws and regulations, contractual obligations, or applicable privacy policies, could materially adversely affect our business;
- if we experience a disruption due to a cybersecurity attack or security breach and unauthorized parties obtain access to data, networks or other systems, we may incur significant legal and financial liabilities, and our business could be materially adversely affected;
- our having entered into an indemnification agreement with Michael J. Saylor, our Chairman of the Board of Directors and Executive Chairman, that supplements our conventional director and officer liability insurance provided by third-party insurance carriers could negatively affect our business and the market price of the perpetual strife preferred stock;

#### **Risks Related to Our Series A Perpetual Strife Preferred Stock**

- although the perpetual strife preferred stock will be senior to our class A common stock, class B common stock, and 8.00% Series A perpetual strike preferred stock (“perpetual strike preferred stock”), it will be junior to our existing and future indebtedness, structurally junior to the liabilities of our subsidiaries and subject to the rights and preferences of any other class or series of preferred stock then outstanding;
- we may not have sufficient funds to pay dividends in cash on our perpetual strife preferred stock, or we may choose not to pay dividends on our perpetual strife preferred stock. In addition, regulatory and contractual restrictions may prevent us from declaring or paying dividends;
- we may issue preferred stock in the future that ranks equally with our perpetual strife preferred stock with respect to dividends and liquidation rights, which may adversely affect the rights of holders of our perpetual strife preferred stock;
- the perpetual strife preferred stock has only limited voting rights;
- future sales, or the perception of future sales, of our debt instruments, perpetual strife preferred stock, or other classes or series of liquidation parity or dividend parity preferred stock could depress the price of the perpetual strife preferred stock;

#### **Risks Related to Our Outstanding and Potential Future Indebtedness**

- our level and terms of indebtedness could adversely affect our ability to raise additional capital to further execute on our bitcoin strategy, fund our enterprise analytics software operations, and take advantage of new business opportunities;
- we may be unable to service our indebtedness, in part due to an inability to sell future equity, which could cause us to default on our debt obligations and could force us into bankruptcy or liquidation;
- we may not have the ability to raise the funds necessary to settle conversions of our outstanding convertible notes in cash or to repurchase the convertible notes for cash upon a fundamental change, or to repurchase convertible notes if noteholders exercise their repurchase rights, and any future debt may contain limitations on our ability to engage in cash settled conversions or repurchases of convertible notes;
- despite our current level of indebtedness, we may incur substantially more indebtedness and enter into other transactions in the future which could further exacerbate the risks related to our indebtedness; and

#### **Other Risks**

- the risks related to the perpetual strife preferred stock and this offering and the other risks detailed in this prospectus supplement and in the “Risk Factors” sections in the accompanying prospectus or in documents incorporated by reference herein and therein.

We caution you that the foregoing list of important factors may not contain all of the material factors that are important to you. In addition, in light of these risks and uncertainties, the matters referred to in the forward-looking statements contained in this prospectus supplement may not in fact occur. The forward-looking statements made in this prospectus supplement relate only to events as of the date on which the statements were made. Except as may be required by law, we undertake no obligation to update our forward-looking statements to reflect events and circumstances after the date on which the statements were made or to reflect the occurrence of unanticipated events.



## PROSPECTUS SUPPLEMENT SUMMARY

*This summary highlights selected information contained elsewhere in this prospectus supplement and in the documents we incorporate by reference. This summary does not contain all of the information you should consider before making an investment decision. You should read this entire prospectus carefully, especially the information relating to the risks of investing in the perpetual strife preferred stock provided under “Risk Factors” beginning on page S-16 of this prospectus supplement and the other risks detailed in the “Risk Factors” sections contained in documents incorporated by reference in this prospectus, along with our consolidated financial statements and notes to those consolidated financial statements and the other information incorporated by reference in this prospectus.*

### **Business Overview**

Strategy is the world’s first and largest Bitcoin Treasury Company. We are a publicly traded company that has adopted Bitcoin as our primary treasury reserve asset. By using proceeds from equity and debt financings, as well as cash flows from our operations, we strategically accumulate Bitcoin and advocate for its role as digital capital. Our treasury strategy is designed to provide investors varying degrees of economic exposure to Bitcoin by offering a range of securities, including equity and fixed income instruments.

In addition, we provide industry-leading AI-powered enterprise analytics software, advancing our vision of Intelligence Everywhere. We leverage our development capabilities to explore innovation in Bitcoin applications, integrating analytics expertise with our commitment to digital asset growth. We believe our combination of operational excellence, strategic Bitcoin reserve, and focus on technological innovation positions us as a leader in both the digital asset and enterprise analytics sectors, offering a unique opportunity for long-term value creation.

### **Bitcoin Strategy**

Our bitcoin strategy generally involves from time to time, subject to market conditions, (i) issuing debt or equity securities or engaging in other capital raising transactions with the objective of using the proceeds to purchase bitcoin and (ii) acquiring bitcoin with our liquid assets that exceed working capital requirements. We intend to fund further bitcoin acquisitions primarily through issuances of class A common stock and a variety of fixed-income instruments, including debt, convertible notes and preferred stock.

We view our bitcoin holdings as long-term holdings and expect to continue to accumulate bitcoin. We have not set any specific target for the amount of bitcoin we seek to hold, and we will continue to monitor market conditions in determining whether to engage in additional financings to purchase additional bitcoin. This overall strategy also contemplates that we may (i) periodically sell bitcoin for general corporate purposes or in connection with strategies that generate tax benefits in accordance with applicable law, (ii) enter into additional capital raising transactions that are collateralized by our bitcoin holdings, and (iii) consider pursuing strategies to create income streams or otherwise generate funds using our bitcoin holdings.

Additionally, we periodically engage in advocacy and educational activities regarding the continued acceptance and value of Bitcoin as an open, secure protocol for an internet-native digital capital asset, and we leverage our software development capabilities to explore innovation in Bitcoin applications.

### **Enterprise Analytics Software Strategy**

Strategy is a pioneer in AI-powered business intelligence (BI), and a global leader in enterprise analytics solutions. We provide software and services designed to turn complex, chaotic data environments into rich, reliable, and convenient information feeds for our customers. Our vision is to drive growth and competitive advantage for our customers by delivering Intelligence Everywhere™.

Our cloud-native flagship, Strategy One™, powers some of the largest analytics deployments in the world for customers spanning a wide range of industries, including retail, banking, technology, manufacturing, insurance, consulting, healthcare, telecommunications, and the public sector.

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

Strategy One combines the flexibility and scalability afforded by a modern, cloud application with the reliability and security of our robust data governance model. It empowers users by making rich analytics easily accessible and personalized, while enabling organizations to harness the value of their data wherever it is needed.

### **Corporate Information**

We are a Delaware corporation, and our principal executive offices are located at 1850 Towers Crescent Plaza, Tysons Corner, Virginia 22182. Our telephone number is (703) 848-8600. Our website address is [www.strategy.com](http://www.strategy.com). Website materials are not part of, and are not incorporated by reference into, this prospectus.

Strategy, MicroStrategy, Strategy One, Strategy Auto, Intelligence Everywhere, HyperIntelligence, Strategy Consulting, Strategy Education, Strategy Cloud, Enterprise Semantic Graph, Strategy Services, Strategy Professional Services, Strategy Support, and Intelligent Enterprise are either trademarks or registered trademarks of MicroStrategy Incorporated d/b/a Strategy and its subsidiaries in the United States and certain other countries. Other product and company names mentioned herein may be the trademarks of their respective owners.

## THE OFFERING

*The summary below describes the principal terms of the perpetual strife preferred stock. Certain of the terms of the perpetual strife preferred stock described below are subject to important limitations and exceptions that are described in more detail under the caption “Description of Perpetual Strife Preferred Stock.” As used in this section, (i) “we,” “our” and “us” refer to MicroStrategy Incorporated d/b/a Strategy and not to its subsidiaries; and (ii) “preferred stockholder” refers to a registered holder of the perpetual strife preferred stock.*

|                                      |   |
|--------------------------------------|---|
| Issuer .....                         | MicroStrategy Incorporated d/b/a Strategy.  |
| Securities Offered .....             | 10.00% Series A Perpetual Strife Preferred Stock, which we refer to as the “perpetual strife preferred stock.”  |
| Amount Offered .....                 | 8,500,000 shares of perpetual strife preferred stock.   |
| Public Offering Price .....          | \$85.00 per share of perpetual strife preferred stock.  |
| Settlement .....                     | March 25, 2025 (the “settlement date”), which is the third business day after the initial trade date for the perpetual strife preferred stock (this settlement cycle being referred to as “T+3”). Under Rule 15c6-1 under the Exchange Act, trades in the secondary market generally must settle in one business day, unless the parties to the trade expressly agree otherwise. Accordingly, purchasers who wish to trade perpetual strife preferred stock before the business day before the settlement date must, because the perpetual strife preferred stock initially will settle T+3, specify an alternate settlement cycle at the time of such trade to prevent a failed settlement. Those purchasers should consult their advisors.  |
| Stated Amount .....                  | \$100 per share of perpetual strife preferred stock.  |
| Liquidation Preference .....         | Initially, \$100 per share of perpetual strife preferred stock. The liquidation preference will be subject to adjustment in the manner described in this prospectus supplement. However, the liquidation preference will not be adjusted to an amount that is less than \$100 per share of perpetual strife preferred stock.  |
| Regular Dividend Payment Dates ..... | March 31, June 30, September 30 and December 31 of each year, beginning on June 30, 2025.   |
| Regular Record Dates .....           | March 15, June 15, September 15 and December 15.  |
| Regular Dividends .....              | The perpetual strife preferred stock will accumulate cumulative dividends, which we refer to as “regular dividends,” at a rate per annum equal to 10.00% on the stated amount thereof, regardless of whether or not declared or funds are legally available for their payment. Subject to the other provisions described in this prospectus supplement, regular dividends will be payable when, as and if declared by our board of directors or any duly authorized committee thereof, out of funds legally available for their payment to the extent paid in cash, quarterly in arrears on each regular dividend payment date to the preferred stockholders of record as of the close of business on the regular record date immediately preceding the applicable regular dividend payment date. |

Declared regular dividends on the perpetual strife preferred stock will be payable solely in cash, in the manner, and subject to the provisions, described in this prospectus supplement.

If any accumulated regular dividend (or any portion thereof) on the perpetual strife preferred stock is not paid on the applicable regular dividend payment date (or, if such regular dividend payment date is not a business day, the next business day), then additional regular dividends, which we refer to as “compounded dividends,” will accumulate on the amount of such unpaid regular dividend, compounded quarterly at the “compounded dividend rate,” from, and including, such regular dividend payment date to, but excluding, the date the same, including all compounded dividends thereon, is paid in full. The compounded dividend rate applicable to any unpaid regular dividend that was due on a “regular dividend payment date” (as defined in this prospectus supplement) (or, if such regular dividend payment date is not a business day, the next business day) will initially be a rate per annum equal to the “regular dividend rate” (as defined in this prospectus supplement) plus 100 basis points; *provided, however*, that until such regular dividend, together with compounded dividends thereon, is paid in full, such compounded dividend rate will increase by 100 basis points per annum for each subsequent regular dividend period, up to a maximum rate of 18% per annum.

If we fail to declare a regular dividend on or prior to a given regular record date, such failure shall constitute the issuance of a notice of deferral. Upon issuance of such notice, we shall use commercially reasonable efforts over the following 60-day period to sell class A common stock and/or other securities to raise proceeds in an amount sufficient to cover any deferred dividends that would have been due with respect to the applicable regular dividend payment date, plus compounded dividends thereon, on the next “deferred regular dividend payment date” (as defined in this prospectus supplement). Payment of any declared regular dividend on such deferred regular dividend payment date will be made, if at all, to the preferred stockholders of record as of the close of business on the “deferred regular record date” (as defined in this prospectus supplement) immediately preceding such deferred regular dividend payment date. If we fail to pay in full such regular dividend, plus compounded dividends thereon, in cash on the applicable deferred regular dividend payment date, such failure shall constitute a failure to declare and pay regular dividends for purposes of determining whether a “regular dividend non-payment event” (as defined in this prospectus supplement) has occurred with respect to the appointment of board members, as described further below. If we pay such regular dividend, plus compounded dividends thereon, on the deferred regular dividend payment date in the manner described above, then the related delay in payment shall be deemed not to constitute a failure to declare or pay regular dividends for purposes of determining whether a “regular dividend non-payment event” has occurred.

See “Description of Perpetual Strife Preferred Stock—Regular Dividends.”

We expect to fund any dividends paid in cash on the perpetual strife preferred stock primarily through additional capital raising activities, including, but not limited to, at-the-market offerings of our class A common stock and our perpetual strike preferred stock. See “Risk Factors—Risks Relating to the Perpetual Strife Preferred Stock and This Offering—We may not have sufficient funds to pay dividends in cash on the perpetual strife preferred stock, or we may choose not to pay dividends on the perpetual strife preferred stock. In addition, regulatory and contractual restrictions may prevent us from declaring or paying dividends.”

No Preemptive and Conversion

Rights . . . . . The perpetual strife preferred stock will not be convertible into or exchangeable for any other securities or property and will not be entitled to any preemptive or similar rights.

Optional Redemption . . . . . We will have the right, at our election, to redeem all, and not less than all, of the perpetual strife preferred stock, at any time, for cash if the total number of shares of all perpetual strife preferred stock then outstanding is less than 25% of the total number of shares of perpetual strife preferred stock originally issued in this offering and in any future offering taken together. We refer to a redemption pursuant to this provision as an “optional redemption.” The redemption price for any perpetual strife preferred stock to be redeemed pursuant to an optional redemption will be a cash amount equal to the liquidation preference of the perpetual strife preferred stock as of the business day before the date we send the related redemption notice, plus accumulated and unpaid regular dividends to, but excluding, the redemption date.

See “Description of Perpetual Strife Preferred Stock—Redemption at Our Option—Optional Redemption.”

Redemption Upon Tax Event . . . . . In addition to the redemption right described above, we will have the right, at our election, to redeem all, and not less than all, of the perpetual strife preferred stock, at any time, for cash if a “tax event” (as defined in this prospectus supplement) occurs. We refer to a redemption pursuant to this provision as a “tax redemption.” The redemption price for any perpetual strife preferred stock to be redeemed pursuant to a tax redemption will be a cash amount equal to the liquidation preference of the perpetual strife preferred stock as of the business day before the date we send the related redemption notice, plus accumulated and unpaid regular dividends to, but excluding, the redemption date.

See “Description of Perpetual Strife Preferred Stock—Redemption at Our Option—Tax Redemption.”

Repurchase at the Option of the Preferred Stockholders After a Fundamental Change . . . . .

If a “fundamental change” (as defined in this prospectus supplement) occurs, then, except as described in this prospectus supplement,

preferred stockholders will have the right (which we refer to as the “fundamental change repurchase right”) to require us to repurchase some or all of their shares of perpetual strife preferred stock at a cash repurchase price equal to the stated amount of the perpetual strife preferred stock to be repurchased, plus accumulated and unpaid regular dividends, if any, to, but excluding the fundamental change repurchase date.

See “Description of Perpetual Strife Preferred Stock—Fundamental Change Permits Preferred Stockholders to Require Us to Repurchase Perpetual Strife Preferred Stock.”

Voting Rights ..... The perpetual strife preferred stock will have no voting rights except as described in this prospectus supplement or as provided in our certificate of incorporation or required by the Delaware General Corporation Law.

If (in each case, subject to the provisions described in this prospectus supplement) less than the full amount of accumulated and unpaid regular dividends on the outstanding perpetual strife preferred stock have been declared and paid by the following regular dividend payment date in respect of each of (i) four or more consecutive regular dividend payment dates and (ii) eight or more consecutive regular dividend payment dates then, in each case, the authorized number of our directors will automatically increase by one (or we will vacate the office of one director) and the holders of the perpetual strife preferred stock, voting together as a single class with the holders of each class or series of “voting parity stock” (as defined in this prospectus supplement), if any, with similar voting rights regarding the election of directors upon a failure to pay dividends, which similar voting rights are then exercisable, will have the right to elect one director (which we refer to as a “preferred stock director”) to fill such directorship at our next annual meeting of stockholders (or, if earlier, at a special meeting of our stockholders called for such purpose). If, thereafter, all accumulated and unpaid dividends on the outstanding perpetual strife preferred stock have been paid in full, then the right of the holders of the perpetual strife preferred stock to elect any preferred stock directors will terminate. Upon the termination of such right with respect to the perpetual strife preferred stock and all other outstanding voting parity stock, if any, the term of office of each person then serving as a preferred stock director will immediately and automatically terminate (and, if the authorized number of our directors was increased by one or two, as applicable, in connection with such election, then the authorized number of our directors will automatically decrease by one or two, as applicable).

Subject to the exceptions and limitations described in this prospectus supplement, the affirmative vote or consent of preferred stockholders, and holders of each class or series of voting parity stock, if any, with similar voting or consent rights with respect to such event, representing at least a majority of the combined outstanding voting power of the perpetual strife preferred stock and such voting parity stock will be required for certain transactions or events, including (i) certain amendments to our certificate of incorporation or the

certificate of designations establishing the terms of the perpetual strife preferred stock; (ii) certain consolidations, combinations and mergers involving us; (iii) certain binding or statutory share exchanges or reclassifications involving the perpetual strife preferred stock; and (iv) the creation and issuance, or increase in the authorized or issued number, of any dividend senior stock or liquidation senior stock.

See “Description of Perpetual Strife Preferred Stock—Voting Rights.”

Ranking ..... The perpetual strife preferred stock will rank as follows:

- senior to any other class or series of equity security, including our class A common stock, class B common stock and perpetual strike preferred stock, with respect to the payment of dividends and with respect to the distribution of assets upon our liquidation, dissolution or winding up other than any equity security referred to in the second bullet point below;
- equally with (i) “dividend parity stock” (as defined in this prospectus supplement) with respect to the payment of dividends; and (ii) “liquidation parity stock” (as defined in this prospectus supplement) with respect to the distribution of assets upon our liquidation, dissolution or winding up;
- junior to our existing and future indebtedness (including all of our issued and outstanding “Convertible Notes” (as defined in this prospectus supplement)); and
- structurally junior to all existing and future indebtedness and other liabilities, including trade payables, and (to the extent we are not a holder thereof) capital stock of our subsidiaries.

Our class A common stock, class B common stock, and perpetual strike preferred stock will constitute “dividend junior stock” and “liquidation junior stock” (each as defined in this prospectus supplement).

As of December 31, 2024, excluding intercompany indebtedness, and on an as-adjusted basis after giving effect to the issuance of our 0% Convertible Senior Notes due 2030 (“0% 2030 Convertible Notes”) and the conversion and redemption of all of our 0% Convertible Senior Notes due 2027 (“2027 Convertible Notes”), which were redeemed in full on February 24, 2025, we had approximately \$8.21 billion in aggregate principal amount of consolidated indebtedness outstanding, all of which would rank senior to the perpetual strife preferred stock, and no dividend parity stock or liquidation parity stock outstanding.

Transfer Agent and Paying Agent for the Perpetual Strife Preferred Stock ..... U.S. Bank Trust Company, National Association.

Listing ..... No public market currently exists for the perpetual strife preferred stock. We have applied to list the perpetual strife preferred stock on The Nasdaq Global Select Market under the symbol “STRF.” If the listing is approved, we expect trading to commence within 30 days after the date the perpetual strife preferred stock is first issued.

|   |   |
|---|---|
| Use of Proceeds . . . . .                                 | <p>We estimate that the net proceeds to us from this offering will be approximately \$711.2 million, after deducting the underwriting discount and commissions and our estimated offering expenses. We intend to use the net proceeds from this offering for general corporate purposes, including the acquisition of bitcoin and for working capital.</p> <p>Bitcoin is a highly volatile asset that has traded below \$50,000 per bitcoin and above \$105,000 per bitcoin in our principal market in the 12 months preceding the date of this prospectus supplement. Bitcoin does not pay interest or other returns and so our ability to generate cash from our bitcoin holdings depends on sales. Future fluctuations in bitcoin trading prices may result in our converting bitcoin purchased with the net proceeds from this offering into cash with a value substantially below the net proceeds from this offering, and there can be no assurance as to whether or when we will realize any cash proceeds from our contemplated acquisition of bitcoin.</p> |
| Directed Share Program . . . . .                          | <p>At our request, the underwriters have reserved up to 425,000 shares of the perpetual strife preferred stock, or 5% of the shares offered by this prospectus supplement, for sale at the public offering price through a directed share program to certain of our employees, officers and directors based in the United States. The number of shares of the perpetual strife preferred stock available for sale to the general public will be reduced to the extent that such persons purchase such reserved shares. Any reserved shares not so purchased will be offered by the underwriters to the general public on the same basis as the other shares offered by this prospectus. Fidelity Brokerage Services LLC and Fidelity Capital Markets, a division of National Financial Services LLC, a selling group member in this offering, will administer our directed share program. See “Underwriting—Directed Share Program.”</p>  |
| Risk Factors . . . . .                                    | <p>Investing in the perpetual strife preferred stock involves risks. See “Risk Factors.”</p>  |
| Material U.S. Federal Income Tax Considerations . . . . . | <p>For a description of material U.S. federal income tax consequences of purchasing, owning, and disposing of the perpetual strife preferred stock, see “Material United States Federal Income Tax Considerations.”</p>   |
| Book-Entry Form . . . . .                                 | <p>We will initially issue the perpetual strife preferred stock in the form of one or more global certificates registered in the name of Cede &amp; Co., as nominee of The Depository Trust Company (which we refer to as “DTC”), which we will deposit with the transfer agent as custodian for DTC. Beneficial interests in global certificates will be shown on, and transfers of perpetual strife preferred stock represented by global certificates will be effected only through, the records maintained by DTC. Except in limited circumstances, we will not issue physical certificates representing any perpetual strife preferred stock. See “Description of Perpetual Strife Preferred Stock—Book Entry, Settlement and Clearance.”</p>  |



Shares Outstanding After This

Offering . . . . . Immediately after the consummation of this offering, 8,500,000 shares of perpetual strike preferred stock, 7,423,000 shares of perpetual strike preferred stock, 19,640,250 shares of class B common stock, and 240,816,421 shares of our class A common stock will be outstanding. For purposes of this calculation, we have used the number of shares of perpetual strike preferred stock, class B common stock, and class A common stock that were outstanding as of March 16, 2025.

## RISK FACTORS

*An investment in the perpetual strife preferred stock involves a high degree of risk. Before deciding whether to invest in the perpetual strife preferred stock, you should carefully consider the risks described below and discussed under the sections captioned “Risk Factors” contained in our most recent Annual Report on Form 10-K, as well as in any of our subsequent Quarterly Reports on Form 10-Q, which are incorporated by reference herein in their entirety, together with other information in this prospectus, the information and documents incorporated by reference in this prospectus, and in any free writing prospectus that we have authorized for use in connection with this offering. If any of these risks actually occurs, our business, financial condition, results of operations or cash flow could be seriously harmed, resulting in a loss of all or part of your investment. As used in this section, (i) “we,” “our” and “us” refer to MicroStrategy Incorporated d/b/a Strategy and not to its subsidiaries; and (ii) “preferred stockholder” refers to a registered holder of the perpetual strife preferred stock.*

### **Risks Relating to the Perpetual Strife Preferred Stock and This Offering**

***Although the perpetual strife preferred stock will be senior to our class A common stock, class B common stock, and perpetual strike preferred stock, it will be junior to our existing and future indebtedness, structurally junior to the liabilities of our subsidiaries and subject to the rights and preferences of any other class or series of preferred stock then outstanding.***

If we liquidate, dissolve or wind up, whether voluntarily or involuntarily, then our assets will be available to distribute to our equity holders, including holders of the perpetual strife preferred stock, only if all of our then-outstanding indebtedness is first paid in full. The remaining assets, if any, would then be allocated among the holders of our equity securities in accordance with their respective liquidation rights. If we issue any liquidation parity stock in the future, then the assets available for distribution will be distributed pro rata among holders of the perpetual strife preferred stock and any other liquidation parity stock then outstanding. There may be insufficient remaining assets available to pay the liquidation preference and unpaid accumulated dividends on the perpetual strife preferred stock. As of December 31, 2024, excluding intercompany indebtedness, and on an as-adjusted basis after giving effect to the issuance of our 0% 2030 Convertible Notes and the conversion and redemption of all of our 2027 Convertible Notes, which were redeemed in full on February 24, 2025, we had approximately \$8.21 billion in aggregate principal amount of consolidated indebtedness outstanding, all of which would rank senior to the perpetual strife preferred stock, and no dividend parity stock or liquidation parity stock outstanding.

In addition, our subsidiaries will have no obligation to pay any amounts on the perpetual strife preferred stock. If any of our subsidiaries liquidates, dissolves or winds up, whether voluntarily or involuntarily, then we, as a direct or indirect common equity owner of that subsidiary, will be subject to the prior claims of that subsidiary’s creditors, including trade creditors and preferred equity holders. We may never receive any amounts from that subsidiary, and, accordingly, the assets of that subsidiary may never be available to make payments on the perpetual strife preferred stock.

***We may not have sufficient funds to pay dividends in cash on the perpetual strife preferred stock, or we may choose not to pay dividends on the perpetual strife preferred stock. In addition, regulatory and contractual restrictions may prevent us from declaring or paying dividends.***

We expect to fund any dividends paid in cash on the perpetual strife preferred stock primarily through additional capital raising activities, including, but not limited to, at-the-market offerings of our class A common stock and our perpetual strike preferred stock. However, our ability to declare and pay cash dividends on the perpetual strife preferred stock will depend on many factors, including the following:

- our financial condition, including the amount of cash we have on hand;
- the amount of cash, if any, generated by our operations and financing activities (including our ability to raise additional capital from the equity capital markets on favorable terms or at all);

- our anticipated financing needs, including the amounts needed to service our indebtedness or other obligations, which may be impacted by our ability to sell equity which is reliant on maintaining effective registration statements, certain market conditions, such as sufficient liquid trading volume for our stock, the market price of our securities, the value of our bitcoin holdings, investor sentiment and the general public perception of bitcoin, our strategy and our value proposition;
- the degree to which we decide to reinvest any cash generated by our operations or financing activities to fund our future operations;
- the ability of our subsidiaries to distribute funds to us;
- regulatory restrictions on our ability to pay dividends, including under the Delaware General Corporation Law;
- our ability to sell equity securities under existing or new at-the-market offering programs; and
- contractual restrictions on our ability to pay dividends.

In addition, subject to a limited exception, as described under the caption “Description of Perpetual Strife Preferred Stock—Regular Dividends,” our board of directors or any duly authorized committee thereof may choose not to pay accumulated dividends on the perpetual strife preferred stock for any reason. Accordingly, we may pay less than the full amount of accumulated dividends on the perpetual strife preferred stock. In addition, if we fail to declare and pay accumulated dividends on the perpetual strife preferred stock in full, then the value of the perpetual strife preferred stock will likely decline.

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

Under the Delaware General Corporation Law, we may declare dividends on the perpetual strife preferred stock only out of our “surplus” (which generally means our total assets less total liabilities, each measured at their fair market values, less statutory capital), or, if there is no surplus, out of our net profits for the current or the immediately preceding fiscal year. We may not have sufficient surplus or net profits to declare and pay dividends on the perpetual strife preferred stock in cash.

If we fail to declare and pay full dividends on the perpetual strife preferred stock, then we will be prohibited from paying dividends on our class A common stock and any other junior securities (including our perpetual strike preferred stock), subject to limited exceptions. Further, no dividends may be declared or paid on any class or series of dividend parity stock unless regular dividends are simultaneously declared on the perpetual strife preferred stock on a pro rata basis (as described further under the caption “Description of Perpetual Strife Preferred Stock—Regular Dividends—Priority of Dividends; Limitation on Junior Payments; No Participation Rights— Limitation on Dividends on Parity Stock”).

***The perpetual strife preferred stock has only limited voting rights.***

The perpetual strife preferred stock confers no voting rights except with respect to certain dividend arrearages, certain amendments to the terms of the perpetual strife preferred stock, and certain other limited circumstances described in this prospectus supplement and except as required by the Delaware General Corporation Law. Holding perpetual strife preferred stock will not confer the right to vote together with holders of our class A common stock on matters on which our class A common stockholders are entitled to vote. For example, holders of perpetual strife preferred stock, as such, do not have the right to vote in the general election of our directors, although those holders will have a limited right, voting together with holders of any voting parity stock if any,

with similar voting rights regarding the election of directors upon a failure to pay dividends, which similar voting rights are then exercisable, to elect one director upon the occurrence of a “regular dividend non-payment event” (as defined below under the caption “Description of Perpetual Strife Preferred Stock—Definitions”). See “Description of Perpetual Strife Preferred Stock—Voting Rights—Right to Designate up to Two Preferred Stock Directors Upon Regular Dividend Non-Payment Events.” However, because Michael J. Saylor, who beneficially owns the majority of our class B common stock, controls a significant portion of our total voting power, the impact of any such election may be limited. Accordingly, the voting provisions of the perpetual strife preferred stock may not afford you with meaningful protections for your investment.

***We may issue preferred stock in the future that ranks equally with the perpetual strife preferred stock with respect to dividends and liquidation rights, which may adversely affect the rights of preferred stockholders.***

Without the consent of any holder of perpetual strife preferred stock, we may authorize and issue preferred stock (including additional perpetual strife preferred stock) that ranks equally with the perpetual strife preferred stock with respect to the payment of dividends or the distribution of assets upon our liquidation, dissolution or winding up. If we issue any such equally ranked preferred stock in the future, the rights of holders of the perpetual strife preferred stock will be diluted and the value of the perpetual strife preferred stock may decline. For example, if we issue any dividend parity stock in the future, no dividends may be declared or paid on perpetual strife preferred stock unless regular dividends are simultaneously declared on any dividend parity preferred stock on a pro rata basis (as described further under the caption “Description of Perpetual Strife Preferred Stock—Regular Dividends—Priority of Dividends; Limitation on Junior Payments; No Participation Rights— Limitation on Dividends on Parity Stock”).

***There is currently no trading market for the perpetual strife preferred stock. If an active trading market does not develop for the perpetual strife preferred stock, then holders of the perpetual strife preferred stock may be unable to sell their perpetual strife preferred stock at desired times or prices, or at all.***

The perpetual strife preferred stock is a new class of securities for which no market currently exists. We have applied to list the perpetual strife preferred stock on The Nasdaq Global Select Market under the symbol “STRF.” If the listing is approved, we expect trading to commence within 30 days after the date the perpetual strife preferred stock is first issued. However, our listing application may not be approved. If our listing application is not approved, then the perpetual strife preferred stock will not be listed on The Nasdaq Global Select Market. Investors should assume that they may not be able to liquidate their investment for some time, if ever, or be able to pledge their perpetual strife preferred stock as collateral. Moreover, even if the listing is approved, a liquid trading market for the perpetual strife preferred stock may not develop or be maintained, and the listing may be subsequently withdrawn. Accordingly, you may not be able to sell your perpetual strife preferred stock at the times you wish to or at favorable prices, if at all.

The liquidity of the trading market, if any, and future trading prices of the perpetual strife preferred stock will depend on many factors, including, among other things, prevailing interest rates, our dividend yield, financial condition, results of operations, business, prospects and credit quality relative to our competitors, the market for similar securities and the overall securities market. Many of these factors are beyond our control.

Market volatility could significantly harm the market for the perpetual strife preferred stock, regardless of our financial condition, results of operations, business, prospects or credit quality.

In addition, we currently anticipate that a portion of the perpetual strife preferred stock sold in connection with this offering will, at our request, be offered to non-institutional investors through Fidelity Brokerage Services LLC, via their online brokerage platform. Fidelity Brokerage Services LLC and Fidelity Capital Markets, a division of National Financial Services LLC will act as a selling group member for this offering. Such platform is not associated with us and there may be risks associated with the use of such platform that we cannot foresee,

including risks related to the technology and operation of such platform, and the publicity and the use of social media by users of such platform that we cannot control.

***The condition of the financial markets, prevailing interest rates and other factors could significantly affect the value of the perpetual strife preferred stock.***

The condition of the financial markets and changes in prevailing interest rates can have an adverse effect on the value of the perpetual strife preferred stock. For example, prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future, and we would expect an increase in prevailing interest rates to depress the value of the perpetual strife preferred stock. An increase in short- or long-term interest rates, including as a result of a rise in actual or expected inflation, could cause the value of the perpetual strife preferred stock to fall significantly.

***Future sales, or the perception of future sales, of our debt instruments, perpetual strife preferred stock, or other classes or series of liquidation parity or dividend parity preferred stock could depress the price of the perpetual strife preferred stock***

We may issue and sell additional notes, shares of perpetual strife preferred stock, or other classes or series of liquidation parity or dividend parity preferred stock in subsequent offerings to raise capital, or may issue such securities for other purposes, including in connection with the acquisition of additional bitcoin. For example, between January 1, 2024 and March 16, 2025, we issued and sold:

- \$800.0 million aggregate principal amount of 0.625% Convertible Senior Notes due 2030 (“0.625% 2030 Convertible Notes”);
- \$2.000 billion aggregate principal amount of 0% 2030 Convertible Notes;
- \$603.8 million aggregate principal amount of 0.875% Convertible Senior Notes due 2031 (“2031 Convertible Notes”);
- \$800.0 million in aggregate principal amount of 2.25% Convertible Senior Notes due 2032 (“2032 Convertible Notes”);
- \$1.010 billion in aggregate principal amount of 0.625% Convertible Senior Notes due 2028 (“2028 Convertible Notes”); and
- \$3.000 billion in aggregate principal amount of 0% Convertible Senior Notes due 2029 (“2029 Convertible Notes” and, together with the 0.625% 2030 Convertible Notes, the 0% 2030 Convertible Notes, the 2031 Convertible Notes, the 2032 Convertible Notes, and the 2028 Convertible Notes, the “Convertible Notes”).

We cannot predict:

- the size and terms of future issuances such securities; or
- the effect, if any, that future issuances and sales of such securities will have on the market price of the perpetual strife preferred stock.

Transactions involving newly issued debt, perpetual strife preferred stock, or other series of liquidation parity or dividend parity preferred stock could result in a decrease in the market price of our perpetual strife preferred stock perpetual strife preferred stock.

***Holder of perpetual strife preferred stock may be treated as receiving deemed distributions, and consequently may be subject to tax with respect to the perpetual strife preferred stock under certain circumstances, even though no corresponding distribution of cash has been made.***

Under Section 305 of the Internal Revenue Code of 1986, as amended (the “Code”), holders of perpetual strife preferred stock may be treated as receiving a deemed distribution on the perpetual strife preferred stock under

certain circumstances, including (i) an increase in the liquidation preference of the perpetual strife preferred stock or (ii) if the perpetual strife preferred stock is issued at a discount. The liquidation preference of the perpetual strife preferred stock will be subject to adjustment in the manner described in this prospectus supplement, which adjustment may result in an increase in the liquidation preference. In addition, if our board of directors does not declare a dividend on the perpetual strife preferred stock in respect of any dividend period before the related dividend payment date, the deferred dividend may be treated as an increase in the liquidation preference of the perpetual strife preferred stock. In either case, any increase in the liquidation preference could give rise to a deemed dividend to holders of perpetual strife preferred stock. Although the matter is not entirely clear, we believe any such adjustment of liquidation preference in the manner described in this prospectus supplement, deferred dividend or discount should not be treated as giving rise to a deemed distribution on the perpetual strife preferred stock. However, there is no assurance that the IRS or an applicable withholding agent will not take a contrary position.

Any deemed distribution will generally be taxable to the same extent as a cash distribution. In addition, for any perpetual strife preferred stockholder that is a “non-U.S. holder” (as defined in “Material United States Federal Income Tax Considerations”), any deemed distribution could be subject to U.S. federal withholding tax at a 30% rate, or such lower rate as may be specified by an applicable treaty. Because deemed distributions received by a holder of perpetual strife preferred stock would not give rise to any cash from which any applicable withholding tax could be satisfied, if we (or an applicable withholding agent) pay withholding (including backup withholding) on behalf of a holder of perpetual strife preferred stock, we (or an applicable withholding agent) may set off any such payment against, or withhold such taxes from, payments of cash payable to such holder of perpetual strife preferred stock or sales proceeds received by, or other funds or assets of, such holder of perpetual strife preferred stock, or require alternative arrangements with respect to such withholding taxes.

The application of the rules under Section 305 of the Code to the perpetual strife preferred stock is uncertain, and holders of perpetual strife preferred stock should consult their tax advisors about the impact of these rules in their particular situations.

***Holders of perpetual strife preferred stock may not be entitled to the dividends-received deduction or preferential tax rates applicable to qualified dividend income.***

Distributions paid to corporate U.S. holders may be eligible for the dividends-received deduction and distributions paid to non-corporate U.S. holders may be subject to tax at the preferential tax rates applicable to “qualified dividend income” if we have current or accumulated earnings and profits, as determined for U.S. federal income tax purposes and certain holding period and other requirements are met. We may not have sufficient current or accumulated earnings and profits during any fiscal year for the distributions on the perpetual strife preferred stock to qualify as dividends for U.S. federal income tax purposes. If any distributions on the perpetual strife preferred stock with respect to any fiscal year are not eligible for the dividends-received deduction or for the preferential tax rates applicable to “qualified dividend income” because of insufficient current or accumulated earnings and profits, the market value of the perpetual strife preferred stock may decline.

***The tax rules applicable to “fast-pay stock” could result in adverse consequences to holders of perpetual strife preferred stock.***

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

reasonably expected to stop paying regular dividends on the perpetual strife preferred stock or if the maximum compounded dividend rate is in effect) or is issued for an amount that exceeds (by more than a de minimis amount, as determined under applicable Treasury Regulations) the amount at which the stockholder can be compelled to dispose of the stock. It is not clear what amount would constitute “de minimis” in the case of stock with a perpetual term.

The determination of whether stock is fast-pay stock is based on all the facts and circumstances. To determine if it is fast-pay stock, stock is examined when issued, and, for stock that is not fast-pay stock when issued, when there is a significant modification in the terms of the stock or the related agreements or a significant change in the relevant facts and circumstances. The relevant tax regulations do not indicate the types of significant changes in facts and circumstances that are intended to give rise to such a determination, and therefore it is possible that such a change could arise when, for example, a compounded dividend rate becomes in effect.

We do not believe that the perpetual strife preferred stock offered hereunder is fast-pay stock.

We may issue additional shares of perpetual strife preferred stock (or resell any shares that we or any of our subsidiaries have purchased or otherwise acquired) (such additional or resold shares, the “Additional Shares”). We do not intend to issue any Additional Shares that would be treated as fast-pay stock. Moreover, we intend to obtain advice of counsel in connection with future offerings of Additional Shares for the purpose of analyzing the consequences of issuing such Additional Shares in light of any legal developments regarding the definition of fast-pay stock. As the liquidation preference of the perpetual strife preferred stock will be subject to adjustment in the manner described in this prospectus supplement, it is generally not expected that the Additional Shares would be issued at such a level of premium above their liquidation preference at the time of sale of the Additional Shares so as to implicate the fast-pay stock rules. Nonetheless, there may be increased risk that the IRS could assert that such Additional Shares constitute fast-pay stock.

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

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

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

***A future issuance of Additional Shares could have an adverse tax profile, which could subject holders of perpetual strife preferred stock offered hereby to adverse consequences.***

If we issue Additional Shares that have a different, and potentially adverse, tax profile or treatment for U.S. federal income tax purposes from the perpetual strife preferred stock offered hereunder, since such Additional Shares would trade under the same CUSIP or other identifying number as that of the perpetual strife preferred stock offered hereunder, the perpetual strife preferred stock issued hereunder may be treated by subsequent purchasers, withholding agents and potentially the IRS as having the same profile or treatment as such Additional Shares if the perpetual strife preferred stock offered hereunder is not otherwise distinguishable from the Additional Shares.

For example, notwithstanding our intent not to issue any Additional Shares that are fast-pay stock, the IRS could assert that such Additional Shares constitute fast-pay stock. See “—The tax rules applicable to “fast-pay stock” could result in adverse consequences to holders of perpetual strife preferred stock.” above.

Furthermore, if any Additional Shares are issued at a price that exceeds their liquidation preference, such Additional Shares would constitute “disqualified preferred stock” within the meaning of Section 1059(f)(2) of the Code and any corporate U.S. holder generally will be required to reduce its tax basis (but not below zero) in the perpetual strife preferred stock by the amount of any dividends-received deduction it receives. The liquidation preference of the perpetual strife preferred stock will be subject to adjustment in the manner described in this prospectus supplement, which adjustment may be taken into account for purposes of disqualified preferred stock determination. If Additional Shares issued are considered disqualified preferred stock, the perpetual strife preferred stock offered hereunder could also be subject to same treatment as a practical matter due to fungible trading.

If any Additional Shares are sold at a discount (or at a discount that exceeds the discount that applies to the perpetual strife preferred stock offered hereunder at issuance), such Additional Shares may be subject to rules that require the accrual of such discount (or such greater discount) currently over the deemed term of the Additional Shares as deemed distributions under U.S. tax rules similar to those governing original issue discount for debt instruments. In that event, the IRS or a withholding agent may treat any such discount as resulting in deemed taxable distributions with respect to the perpetual strife preferred stock offered hereunder as well as such Additional Shares.

Because the IRS or other parties (such as withholding agents) may not be able to distinguish between the perpetual strife preferred stock offered hereunder and the Additional Shares, a holder of perpetual strife preferred stock might be subject to adverse tax consequences or might be required to demonstrate to the IRS (or such other parties) that the holder purchased the perpetual strife preferred stock as opposed to such Additional Shares. Moreover, any adverse tax consequences as described above in connection with the future issuance of Additional Shares may adversely affect the market value of the perpetual strife preferred stock offered hereunder. See “Material United States Federal Income Tax Considerations” for further discussion.

***Provisions of the perpetual strife preferred stock could delay or prevent an otherwise beneficial takeover of us.***

Certain provisions in the perpetual strife preferred stock could make a third-party attempt to acquire us more difficult or expensive. For example, if a takeover constitutes a fundamental change, then, except as described in this prospectus supplement, preferred stockholders will have the right to require us to repurchase their perpetual strife preferred stock for cash. See “Description of Perpetual Strife Preferred Stock—Fundamental Change Permits Preferred Stockholders to Require Us to Repurchase Perpetual Strife Preferred Stock.” These fundamental change provisions could increase the cost of acquiring us or otherwise discourage a third party from acquiring us or removing incumbent management, including in a transaction that preferred stockholders may view as favorable.



***Your investment in the perpetual strife preferred stock may be harmed if we redeem the perpetual strife preferred stock.***

We will have the right to redeem the perpetual strife preferred stock in certain circumstances. See “Description of Perpetual Strife Preferred Stock—Redemption at Our Option.” If we redeem your perpetual strife preferred stock, then you may be unable to reinvest any proceeds from the redemption in comparable investments at favorable dividend or interest rates.

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

Mutual funds, exchange-traded funds and their directors and management are subject to extensive regulation as “investment companies” and “investment advisers” under U.S. federal and state law; this regulation is intended for the benefit and protection of investors. We are not subject to, and do not otherwise voluntarily comply with, these laws and regulations. This means, among other things, that the execution of or changes to our Treasury Reserve Policy or our bitcoin strategy, our use of leverage, the manner in which our bitcoin is custodied, our ability to engage in transactions with affiliated parties and our operating and investment activities generally are not subject to the extensive legal and regulatory requirements and prohibitions that apply to investment companies and investment advisers. For example, although a significant change to our Treasury Reserve Policy would require the approval of our board of directors, no stockholder or regulatory approval would be necessary. Consequently, our board of directors has broad discretion over the investment, leverage and cash management policies it authorizes, whether in respect of our bitcoin holdings or other activities we may pursue, and has the power to change our current policies, including our strategy of acquiring and holding bitcoin. See “Use of Proceeds.”

***We have broad discretion in the use of the net proceeds from this offering and may not use them effectively.***

We intend to use the net proceeds from this offering for general corporate purposes, including the acquisition of bitcoin and for working capital. As a result, our management will have broad discretion in the application of the net proceeds from this offering and you will not have the opportunity as part of your investment decision to assess whether the net proceeds are being used in a manner of which you approve. Because of the number and variability of factors that will determine our use of the net proceeds from this offering, their ultimate use may vary substantially. Our management may not apply our net proceeds in ways that ultimately increase the value of your investment. The failure by our management to apply these funds effectively could harm our business. If we do not invest or apply the net proceeds from this offering in ways that enhance stockholder value, we may fail to achieve expected financial results, which could cause the value of the perpetual strife preferred stock to decline.

***We may use the net proceeds from this offering to purchase additional bitcoin, the price of which has been, and will likely continue to be, highly volatile.***

We may use the net proceeds from this offering to purchase additional bitcoin. Bitcoin is a highly volatile asset that has traded below \$50,000 per bitcoin and above \$105,000 per bitcoin on the Coinbase exchange (our principal market for bitcoin) in the 12 months preceding the date of this prospectus supplement. In addition, bitcoin does not pay interest or other returns and so the ability to generate a return on investment from the net proceeds from this offering will depend on whether there is appreciation in the value of bitcoin following our purchases of bitcoin with the net proceeds from this offering. Future fluctuations in bitcoin trading prices may result in our converting bitcoin purchased with the net proceeds from this offering into cash with a value substantially below the net proceeds from this offering.

***The accounting method for the perpetual strife preferred stock may result in lower reported net earnings attributable to common stockholders.***

The accounting method for reflecting the provisions of the perpetual strife preferred stock in our financial statements may adversely affect our reported earnings. We expect that applicable accounting standards will require us to separately account for the tax redemption feature associated with the perpetual strife preferred stock as an embedded derivative. Under this treatment, the embedded derivative will be measured at its fair value and accounted for separately as a liability that is marked-to-market at the end of each reporting period. For each financial statement period after the issuance of the perpetual strife preferred stock, a gain or loss will be reported in our statement of operations to the extent the valuation of the embedded derivative changes from the previous period. This accounting treatment may subject our reported net income (loss) to significant non-cash volatility.

Furthermore, we have not reached a final determination regarding the accounting treatment for the perpetual strife preferred stock, and the description above is preliminary. In addition, accounting standards may change in the future. Accordingly, we may account for the perpetual strife preferred stock in a manner that is significantly different than described above.

***Because the perpetual strife preferred stock will initially be held in book-entry form, holders of the perpetual strife preferred stock must rely on DTC's procedures to exercise their rights and remedies.***

We will initially issue the perpetual strife preferred stock in the form of one or more "global certificates" registered in the name of Cede & Co., as nominee of DTC. Beneficial interests in global certificates will be shown on, and transfers of global certificates will be effected only through, the records maintained by DTC. Except in limited circumstances, we will not issue physical certificates representing the perpetual strife preferred stock. See "Description of Perpetual Strife Preferred Stock—Book Entry, Settlement and Clearance." Accordingly, if you own a beneficial interest in a global certificate, then you will not be considered an owner or holder of the perpetual strife preferred stock. Instead, DTC or its nominee will be the sole holder of the perpetual strife preferred stock. Payments of cash dividends and other cash amounts on global certificates will be made to the paying agent, who will remit the payments to DTC. We expect that DTC will then credit those payments to the DTC participant accounts that hold book-entry interests in the global certificates and that those participants will credit the payments to indirect DTC participants. Unlike persons who have physical certificates registered in their names, owners of beneficial interests in global certificates will not have the direct right to act on our solicitations for consents or requests for waivers or other actions from holders of the perpetual strife preferred stock. Instead, those beneficial owners will be permitted to act only to the extent that they have received appropriate proxies to do so from DTC or, if applicable, a DTC participant. The applicable procedures for the granting of these proxies may not be sufficient to enable owners of beneficial interests in global certificates to vote on any requested actions on a timely basis.

## USE OF PROCEEDS

We estimate that the net proceeds to us from this offering will be approximately \$711.2 million, after deducting the underwriting discounts and commissions and our estimated offering expenses.

We intend to use the net proceeds from this offering for general corporate purposes, including the acquisition of bitcoin and for working capital.

Bitcoin is a highly volatile asset that has traded below \$50,000 per bitcoin and above \$105,000 per bitcoin in our principal market in the 12 months preceding the date of this prospectus supplement. Bitcoin does not pay interest or other returns and so our ability to generate cash from our bitcoin holdings depends on sales. Future fluctuations in bitcoin trading prices may result in our converting bitcoin purchased with the net proceeds from this offering into cash with a value substantially below the net proceeds from this offering, and there can be no assurance as to whether or when we will realize any cash proceeds from our contemplated acquisition of bitcoin.

We have not determined the amount of net proceeds to be used specifically for any of these purposes. As a result, our management will have broad discretion in the application of the net proceeds from this offering and you will not have the opportunity as part of your investment decision to assess whether the net proceeds are being used in a manner of which you approve.

## CAPITALIZATION

The following table presents our cash and cash equivalents and our capitalization as of December 31, 2024:

- on an actual basis;
- on an as adjusted basis to give effect to (i) the issuance and sale of an aggregate of 7,004,067 shares of class A common stock for aggregate net proceeds of approximately \$2.6 billion under our at-the-market offering program for our class A common stock between January 1, 2025 and March 16, 2025, (ii) the issuance and sale of the 0% 2030 Convertible Notes for aggregate net proceeds of approximately \$1.99 billion, (iii) the issuance and sale of 7,300,000 shares of perpetual strike preferred stock for aggregate net proceeds of approximately \$563.4 million, (iv) the payment of fees and expenses relating to the establishment of an at-the-market offering program for our perpetual strike preferred stock, and the issuance and sale thereunder of an aggregate of 123,000 shares of perpetual strike preferred stock for aggregate net proceeds of approximately \$10.7 million between March 10, 2025 and March 16, 2025, (v) the application of the net proceeds from the foregoing transactions to purchase bitcoin between January 1, 2025 and March 16, 2025, (vi) the conversion and redemption in full of all of our 2027 Convertible Notes and the issuance of shares of class A common stock upon conversion of the 2027 Convertible Notes, and (vii) the amendments to our certificate of incorporation approved by our stockholders on January 21, 2025 to, among other things, increase the number of authorized shares of class A common stock and preferred stock; and
- on an as further adjusted basis to give further effect to the issuance and sale of the perpetual strike preferred stock in this offering and receipt of the net proceeds therefrom, after deducting the underwriting discount and commissions and our estimated offering expenses, and use of such net proceeds as described under “Use of Proceeds” (assuming for illustrative purposes that all net proceeds are used to purchase bitcoin).

You should read this table together with the “Item 7—Management’s Discussion and Analysis of Financial Condition and Results of Operations” section of our Annual Report on Form 10-K for the year ended December 31, 2024, as well as the audited consolidated financial statements and the unaudited consolidated financial statements, which are incorporated by reference in this prospectus supplement or the accompany prospectus.

| <u>(in thousands)</u>  | <u>Actual</u>     | <u>As Adjusted</u><br>(Unaudited) | <u>As Further Adjusted</u> |
|--|-------------------|-----------------------------------|----------------------------|
| Cash and cash equivalents . . . . .                                  | \$ 38,117         | \$ 33,419                         | \$ 33,419                  |
| Digital assets <sup>(1)</sup> . . . . .                              | <u>23,909,373</u> | <u>29,070,915</u>                 | <u>29,782,115</u>          |
| Debt:  |                   |                                   |                            |
| 0.00% Convertible Senior Notes due<br>2030 . . . . .                 | \$ 0              | \$ 1,985,000                      | \$ 1,985,000               |
| 0% Convertible Senior Notes due<br>2029 <sup>(2)</sup> . . . . .     | 2,975,037         | 2,975,037                         | 2,975,037                  |
| 0.625% Convertible Senior Notes due<br>2028 <sup>(2)</sup> . . . . . | 998,543           | 998,543                           | 998,543                    |
| 2.25% Convertible Senior Notes due<br>2032 <sup>(2)</sup> . . . . .  | 787,417           | 787,417                           | 787,417                    |
| 0.875% Convertible Senior Notes due<br>2031 <sup>(2)</sup> . . . . . | 594,476           | 594,476                           | 594,476                    |
| 0.625% Convertible Senior Notes due<br>2030 <sup>(2)</sup> . . . . . | 785,172           | 785,172                           | 785,172                    |
| 0% Convertible Senior Notes due<br>2027 <sup>(2)</sup> . . . . .     | 1,041,352         | 0                                 | 0                          |
| Other secured indebtedness <sup>(3)</sup> . . . . .                  | 9,678             | 9,678                             | 9,678                      |
| Total debt . . . . .   | <u>7,191,675</u>  | <u>8,135,323</u>                  | <u>8,135,323</u>           |

| <u>(in thousands)</u>   | <u>Actual</u>       | <u>As Adjusted</u><br>(Unaudited) | <u>As Further<br/>Adjusted</u> |
|---|---------------------|-----------------------------------|--------------------------------|
| Preferred stock, \$0.001 par value per share;<br>5,000 shares authorized, no shares designated,<br>no shares outstanding, actual; 1,005,000<br>shares authorized as adjusted and as further<br>adjusted; 7,423 shares of 8.00% Series A<br>Perpetual Strike Preferred Stock designated,<br>issued and outstanding as adjusted and as<br>further adjusted; 8,500 shares of 10.00%<br>Series A Perpetual Strife Preferred Stock<br>designated, issued and outstanding as further<br>adjusted <sup>(4)</sup> . . . . . | 0                   | 574,146                           | 1,285,346                      |
| Stockholders' equity:   |                     |                                   |                                |
| Class A common stock, \$0.001 par value<br>per share; 330,000 shares authorized,<br>226,138 shares issued and outstanding,<br>actual; 10,330,000 shares authorized,<br>240,516 shares issued and outstanding,<br>as adjusted and as further adjusted . . . . .  | 226                 | 241                               | 241                            |
| Class B convertible common stock, \$0.001<br>par value per share; 165,000 shares<br>authorized, 19,640 shares issued and<br>outstanding, actual, as adjusted and as<br>further adjusted . . . . .   | 20                  | 20                                | 20                             |
| Additional paid-in capital <sup>(4)</sup> . . . . .   | 20,441,998          | 24,054,948                        | 24,054,948                     |
| Accumulated other comprehensive loss . . .  | (15,384)            | (15,384)                          | (15,384)                       |
| Accumulated deficit . . . . .   | <u>(2,166,876)</u>  | <u>(2,166,876)</u>                | <u>(2,166,876)</u>             |
| Total mezzanine equity and stockholders'<br>equity . . . . .  | <u>18,229,984</u>   | <u>22,447,095</u>                 | <u>23,158,295</u>              |
| Total capitalization . . . . .  | <u>\$25,421,659</u> | <u>\$30,582,417</u>               | <u>\$31,293,618</u>            |

- (1) Actual amount represents the carrying value of 447,470 bitcoin purchased for \$27.97 billion in cash as of December 31, 2024, which reflects cumulative impairments of \$4.059 billion as of December 31, 2024. As adjusted amount reflects the cost basis of an additional 51,756 bitcoins purchased using the net proceeds from the sales of shares of our class A common stock under our at-the-market equity offering programs, the issuance and sale of the 0% 2030 Convertible Notes, and the issuance and sale of 7,423,000 shares of perpetual strike preferred stock between December 31, 2024 and March 16, 2025. As further adjusted amount also reflects an assumed cost basis of bitcoin acquired with the net proceeds from this offering (assuming for illustrative purposes that all such net proceeds are used to purchase bitcoin). The actual cost basis of any bitcoin we acquire with the net proceeds from this offering may vary, and such variance may be material.
- (2) Reflects net carrying value of convertible notes.
- (3) Reflects net carrying value of a secured term loan agreement we entered into in June 2022 and maturing in June 2027. The loan is secured by certain of our non-bitcoin assets that are not otherwise serving as collateral for any of our other indebtedness.
- (4) The perpetual strike preferred stock is presented in the as adjusted and as further adjusted columns, and the perpetual strife preferred stock is presented in the as further adjusted column, of the table above as an increase to the preferred stock line item in an amount equal to, in the case of the perpetual strike preferred stock, the net proceeds of the issuance and sale of perpetual strike preferred stock, and in the case of the perpetual strife preferred stock, the expected net proceeds from this offering of the perpetual strife preferred stock.

## DESCRIPTION OF PERPETUAL STRIFE PREFERRED STOCK

The following is a summary of certain provisions of our 10.00% Series A Perpetual Strife Preferred Stock (the “perpetual strife preferred stock”). It is only a summary and is not complete. The terms of our perpetual strife preferred stock will be set forth in a certificate of designations (the “certificate of designations”) and our second restated certificate of incorporation (the “certificate of incorporation”). We qualify this summary by referring you to the certificate of designations and our certificate of incorporation, because they, and not this summary, define your rights as a holder of the perpetual strife preferred stock. We will provide you, upon written request, with a copy of the certificate of designations, which includes the form of the certificates that will represent the perpetual strife preferred stock, and our certificate of incorporation, as provided under the caption “Where You Can Find Additional Information; Incorporation by Reference.”

Certain terms used in this summary are defined below under the caption “—Definitions.” Certain other terms used in this summary are defined in the certificate of designations.

References to “we,” “us” and “our” in this section refer to MicroStrategy Incorporated d/b/a Strategy only and not to any of its subsidiaries.

This “Description of Perpetual Strife Preferred Stock” section supplements and, to the extent inconsistent therewith, supersedes the information in the accompanying prospectus under the caption “Description of Capital Stock.”

### General

Our certificate of incorporation authorizes us to issue up to 1,005,000,000 shares of preferred stock, \$0.001 par value per share, in one or more series, and authorizes our board of directors to designate the preferences, rights and other terms of each series. As of March 16, 2025, 7,423,000 shares of perpetual strike preferred stock are outstanding. We will issue 8,500,000 shares of perpetual strife preferred stock in this offering.

Without the consent of any holder, we may, by resolution of our board of directors, increase the total number of authorized shares of perpetual strife preferred stock, except that in no event will such increase be by an amount that exceeds the total number of authorized and undesignated shares of our preferred stock. In addition, without the consent of any holder of perpetual strife preferred stock, we may issue additional perpetual strife preferred stock with the same terms as the perpetual strife preferred stock we are offering (except for certain differences, such as the date as of which regular dividends begin to accumulate on, the first regular dividend payment date for, and transfer restrictions applicable to, such additional perpetual strife preferred stock). Furthermore, without the consent of any holder, we may resell any perpetual strife preferred stock that we or any of our “subsidiaries” (as defined below under the caption “—Definitions”) has purchased or otherwise acquired. However, such additional or resold perpetual strife preferred stock must be identified by a separate CUSIP number or by no CUSIP number if they are not fungible, for purposes of federal securities laws or, if applicable, the “depository procedures” (as defined below under the caption “—Definitions”), with other perpetual strife preferred stock that is then outstanding. In addition, without the consent of any holder, we may create and issue, or increase the authorized or issued number of, any other class or series of stock, provided that such class or series of stock is not “dividend senior stock” or “liquidation senior stock” (as those terms are defined below under the caption “—Definitions”).

Subject to applicable law, we or our subsidiaries may directly or indirectly repurchase perpetual strife preferred stock in the open market or otherwise, whether through private or public tender or exchange offers, cash-settled swaps or other cash-settled derivatives.

### Transfer Agent, Registrar and Paying Agent

U.S. Bank Trust Company, National Association will act as the initial transfer agent, registrar and paying agent for the perpetual strife preferred stock. However, without prior notice to the preferred stockholders, we may

change the transfer agent, registrar and paying agent and we or any of our subsidiaries may choose to act in that capacity as well (except that the transfer agent, registrar and paying agent with respect to any global certificate must at all times be a person that is eligible to act in that capacity under the depositary procedures).

### **Registered Holders**

Absent manifest error, a person in whose name any share of perpetual strife preferred stock is registered on the registrar's books will be considered to be the holder of that share for all purposes, and only registered holders (which, in the case of perpetual strife preferred stock held through DTC, will initially be DTC's nominee, Cede & Co.) will have rights under our certificate of incorporation and certificate of designations as holders of the perpetual strife preferred stock. In this section, we refer to the registered holders of the perpetual strife preferred stock as "holders" of the perpetual strife preferred stock or "preferred stockholders."

The perpetual strife preferred stock will be initially issued in global form, represented by one or more "global certificates" registered in the name of Cede & Co., as nominee of DTC, and DTC will act as the initial depositary for the perpetual strife preferred stock. In limited circumstances, global certificates will be exchanged for "physical certificates" registered in the name of the applicable preferred stockholders. See "—Book Entry, Settlement and Clearance" for a definition of these terms and a description of certain DTC procedures that will be applicable to perpetual strife preferred stock represented by global certificates.

### **Transfers and Exchanges**

A preferred stockholder may transfer or exchange its perpetual strife preferred stock at the office of the registrar in accordance with the certificate of designations. We, the transfer agent and the registrar may require the preferred stockholder to, among other things, deliver appropriate endorsements or transfer instruments as we or they may reasonably require. In addition, subject to the terms of the certificate of designations, we, the transfer agent and the registrar may refuse to register the transfer or exchange of any share of perpetual strife preferred stock that is subject to redemption or required repurchase.

### **Listing**

We have applied to list the perpetual strife preferred stock on The Nasdaq Global Select Market under the symbol "STRF." If the listing of the perpetual strife preferred stock is approved, we expect trading to commence within 30 days after the "initial issue date" (as defined below under the caption "—Definitions"). However, our listing application may not be approved. Moreover, even if the listing is approved, a liquid trading market for the perpetual strife preferred stock may not develop or be maintained, and the listing may be subsequently withdrawn. Accordingly, you may not be able to sell your perpetual strife preferred stock at the times you wish to or at favorable prices, if at all.

Our class A common stock is listed on The Nasdaq Global Select Market under the symbol "MSTR."

### **Payments on the Perpetual Strife Preferred Stock**

We will pay (or cause our paying agent to pay) all declared cash regular dividends or other cash amounts due on any perpetual strife preferred stock represented by a global certificate by wire transfer of immediately available funds. We will pay (or cause our paying agent to pay) all declared cash regular dividends or other cash amounts due on any perpetual strife preferred stock represented by a physical certificate as follows:

- if the aggregate "stated amount" (as defined below under the caption "—Definitions") of the perpetual strife preferred stock represented by such physical certificate is at least \$5.0 million (or such lower amount as we may choose in our sole and absolute discretion) and the holder of such perpetual strife preferred stock entitled to such cash regular dividend or amount has delivered to the paying agent, no

later than the time set forth below, a written request to receive payment by wire transfer to an account of such holder within the United States, by wire transfer of immediately available funds to such account; and

- in all other cases, by check mailed to the address of such holder set forth in the register for the perpetual strike preferred stock.

To be timely, a written request referred to in the first bullet point above must be delivered no later than the “close of business” (as defined below under the caption “—Definitions”) on the following date: (i) with respect to the payment of any declared cash regular dividend due on a regular dividend payment date for the perpetual strike preferred stock, the immediately preceding regular record date; and (ii) with respect to any other payment, the date that is 15 calendar days immediately before the date such payment is due.

If the due date for a payment on any perpetual strike preferred stock is not a “business day” (as defined below under the caption “—Definitions”), then such payment may be made on the immediately following business day with the same force and effect as if such payment were made on that due date, and no interest, dividend or other amount will accrue or accumulate on such payment as a result of the related delay. Solely for purposes of the immediately preceding sentence, a day on which the applicable place of payment is authorized or required by law or executive order to close or be closed will be deemed not to be a “business day.”

## **Ranking**

The perpetual strike preferred stock will rank as follows:

- senior to any equity security, including our class A common stock, class B common stock and perpetual strike preferred stock, with respect to the payment of dividends and with respect to the distribution of assets upon our liquidation, dissolution or winding up other than any equity security referred to in the second bullet point below;
- equally with (i) “dividend parity stock” (as defined below under the caption “—Definitions”) with respect to the payment of dividends; and (ii) “liquidation parity stock” (as defined below under the caption “—Definitions”) with respect to the distribution of assets upon our liquidation, dissolution or winding up;
- junior to our existing and future indebtedness (including all of our issued and outstanding Convertible Notes); and
- structurally junior to all existing and future indebtedness and other liabilities, including trade payables, and (to the extent we are not a holder thereof) capital stock of our subsidiaries.

Our class A common stock and class B common stock, and our outstanding perpetual preferred strike preferred stock, will constitute dividend junior stock and liquidation junior stock. The terms of the perpetual strike preferred stock will not restrict us from issuing dividend parity stock or liquidation parity stock; however, we cannot issue dividend senior stock or liquidation senior stock without the consent of holders of at least a majority of the combined outstanding voting power of the perpetual strike preferred stock and any voting parity stockholders.

As of December 31, 2024, excluding intercompany indebtedness, and on an as-adjusted basis after giving effect to the issuance of our 0% 2030 Convertible Notes and the conversion and redemption of all of our 2027 Convertible Notes, we had approximately \$8.21 billion in aggregate principal amount of consolidated indebtedness outstanding, all of which would rank senior to the perpetual strike preferred stock, and no dividend parity stock or liquidation parity stock outstanding.



## Regular Dividends

### *Generally*

The perpetual strife preferred stock will accumulate cumulative dividends (which we refer to as “regular dividends”) at a rate per annum equal to 10.00% (such rate per annum, the “regular dividend rate”) on the “stated amount” (as defined below under the caption “—Definitions”) thereof (and, to the extent described in the third immediately following paragraph, on unpaid regular dividends), regardless of whether or not declared or funds are legally available for their payment. Subject to the other provisions described below, such regular dividends will be payable when, as and if declared by our “board of directors” (as defined below under the caption “—Definitions”), out of funds legally available for their payment to the extent paid in cash, quarterly in arrears on each “regular dividend payment date” (as defined below under the caption “—Definitions”) to the preferred stockholders of record as of the close of business on the “regular record date” (as defined below under the caption “—Definitions”) immediately preceding the applicable regular dividend payment date.

Regular dividends on the perpetual strife preferred stock will accumulate from, and including, the last date to which regular dividends have been paid (or, if no regular dividends have been paid, from, and including, the initial issue date) to, but excluding, the next regular dividend payment date.

Declared regular dividends on the perpetual strife preferred stock will be payable solely in cash in the manner, and subject to the provisions, described below under the caption “—Method of Payment.”

If any accumulated regular dividend (or any portion thereof) on the perpetual strife preferred stock is not paid on the applicable regular dividend payment date (or, if such regular dividend payment date is not a business day, the next business day), then additional regular dividends, which we refer to as “compounded dividends,” will accumulate on the amount of such unpaid regular dividend, compounded quarterly at the “compounded dividend rate,” from, and including, such regular dividend payment date to, but excluding, the date the same, including all compounded dividends thereon, is paid in full. The compounded dividend rate applicable to any unpaid regular dividend that was due on a “regular dividend payment date” (as defined in this prospectus supplement) (or, if such regular dividend payment date is not a business day, the next business day) will initially be a rate per annum equal to the “regular dividend rate” (as defined in this prospectus supplement) plus 100 basis points; *provided, however*, that until such regular dividend, together with compounded dividends thereon, is paid in full, such compounded dividend rate will increase by 100 basis points per annum for each subsequent regular dividend period, up to a maximum rate of 18% per annum. Each reference in this prospectus supplement to “accumulated” or “unpaid” regular dividends will include any compounded dividends that accumulate thereon pursuant to the provision described in this paragraph. Each payment of declared regular dividends on the perpetual strife preferred stock will be applied to the earliest regular dividend period for which regular dividends have not yet been paid.

Accumulated regular dividends will be computed on the basis of a 360-day year comprised of twelve 30-day months.

If we fail to declare a regular dividend on or prior to a given regular record date, such failure shall constitute the issuance of a notice of deferral. Upon issuance of such notice, we shall use our commercially reasonable efforts over the following 60-day period to sell class A common stock and/or other securities to raise proceeds in an amount sufficient to cover any deferred dividends that would have been due with respect to the applicable regular dividend payment date, plus compounded dividends thereon, on the next “deferred regular dividend payment date” (as defined below under the caption “—Definitions”). Payment of any declared regular dividend on such deferred regular dividend payment date will be made, if at all, to the preferred stockholders of record as of the close of business on the “deferred regular record date” (as defined below under the caption “—Definitions”) immediately preceding such deferred regular dividend payment date. If we fail to pay in full such regular dividend, plus compounded dividends thereon, in cash by the applicable deferred regular dividend payment date, such failure shall constitute a failure to declare and pay regular dividends for purposes of determining whether a

“regular dividend non-payment event” (as defined below under the caption “—Definitions”) has occurred with respect to the right to appoint directors as described below under the caption “Voting Rights—Right to Designate up to Two Preferred Stock Directors Upon Regular Dividend Non-Payment Events.” However, if we pay such regular dividend, plus compounded dividends thereon, on such deferred regular dividend payment date in the manner described above, then the related delay in payment shall be deemed not to constitute a failure to declare or pay regular dividends for purposes of the definition of a “regular dividend non-payment event.”

Except as described in the next paragraph, the certificate of designations will not require us to declare regular dividends on the perpetual strife preferred stock, even if funds are legally available for their payment. Accordingly, we may choose not to declare regular dividends on the perpetual strife preferred stock. See “Risk Factors—Risks Relating to the Perpetual Strife Preferred Stock and This Offering—We may not have sufficient funds to pay dividends in cash on the perpetual strife preferred stock, or we may choose not to pay dividends on the perpetual strife preferred stock. In addition, regulatory and contractual restrictions may prevent us from declaring or paying dividends.”

If we sell any shares of our class A common stock and/or perpetual strike preferred stock for cash through a registered public offering (including an at-the-market offering or follow-on offering) during the 90 calendar days preceding a regular record date, then we will declare and pay the regular dividend due on the regular dividend payment date immediately after such regular record date (including, for the avoidance of doubt, compounded dividends, if any) to the extent the net proceeds to us of such sale(s) during such 90 calendar days are sufficient to pay such regular dividend. For the avoidance of doubt, payments of regular dividends will be applied in accordance with the last sentence of the fourth paragraph under this “—Regular Dividends—Generally” section. For these purposes, and for the avoidance of doubt, but without limitation, none of the following will constitute a sale of shares of our class A common stock:

- the issuance or sale of any securities that are convertible into, or exchangeable or exercisable for, class A common stock;
- the issuance of any shares of our class A common stock upon the conversion, exchange or exercise of any securities referred to in the preceding bullet point; and
- the issuance or sale of any securities pursuant to a registration statement on Form S-8 (or any successor form).

For the avoidance of doubt, to the extent we fail to pay any portion of such regular dividend in cash due to the limitations described in the preceding paragraph, such portion of such regular dividend will constitute unpaid regular dividends and will accumulate compounded dividends as described under the fourth paragraph under this “—Regular Dividends—Generally” section.

#### ***Method of Payment***

Each declared regular dividend on the perpetual strife preferred stock will be paid in cash.

#### ***Treatment of Dividends Upon Repurchase Upon Fundamental Change or Redemption***

If the “fundamental change repurchase date” (as defined below under the caption “—Fundamental Change Permits Preferred Stockholders to Require Us to Repurchase Perpetual Strife Preferred Stock”), or redemption date of any share of perpetual strife preferred stock to be repurchased or redeemed is after a regular record date for a declared regular dividend on the perpetual strife preferred stock and on or before the next regular dividend payment date, then the holder of such share at the close of business on such regular record date will be entitled, notwithstanding such repurchase or redemption, as applicable, to receive, on or, at our election, before such regular dividend payment date, such declared regular dividend on such share.

Except as described in the preceding paragraph, regular dividends on any share of perpetual strife preferred stock will cease to accumulate from and after the fundamental change repurchase date or redemption date, as applicable, for such share.

#### ***Limitations on Our Ability to Pay Dividends***

We may not have sufficient cash to pay regular dividends on the perpetual strife preferred stock in cash. In addition, applicable law (including the Delaware General Corporation Law), regulatory authorities and the agreements governing our indebtedness may restrict our ability to pay dividends on the perpetual strife preferred stock. Similarly, statutory, contractual or other restrictions may limit our subsidiaries' ability to pay dividends or make distributions, loans or advances to us to enable us to pay regular dividends to the extent paid in cash on the perpetual strife preferred stock. See "Risk Factors—Risks Relating to the Perpetual Strife Preferred Stock and This Offering—We may not have sufficient funds to pay dividends in cash on the perpetual strife preferred stock, or we may choose not to pay dividends on the perpetual strife preferred stock. In addition, regulatory and contractual restrictions may prevent us from declaring or paying dividends."

#### ***Priority of Dividends; Limitation on Junior Payments; No Participation Rights***

Except as described below under "—Limitation on Dividends on Parity Stock" and "—Limitation on Certain Payments," the certificate of designations will not prohibit or restrict us or our board of directors from declaring or paying any dividend or distribution (whether in cash, securities or other property, or any combination of the foregoing) on any class or series of our stock, and, unless such dividend or distribution is declared on the perpetual strife preferred stock, the perpetual strife preferred stock will not be entitled to participate in such dividend or distribution.

For purposes of the descriptions below under the captions "—Limitation on Dividends on Parity Stock" and "—Limitation on Certain Payments," a regular dividend on the perpetual strife preferred stock will be deemed to have been paid if such regular dividend is declared and consideration in kind and amount that is sufficient, in accordance with the certificate of designations, to pay such regular dividend is set aside for the benefit of the preferred stockholders entitled thereto.

#### ***Limitation on Dividends on Parity Stock***

If:

- less than all accumulated and unpaid regular dividends on the outstanding perpetual strife preferred stock have been declared and paid as of any regular dividend payment date; or
- our board of directors declares a regular dividend on the perpetual strife preferred stock that is less than the total amount of unpaid regular dividends on the outstanding perpetual strife preferred stock that would accumulate to, but excluding, the regular dividend payment date following such declaration,

then, until and unless all accumulated and unpaid regular dividends on the outstanding perpetual strife preferred stock have been paid, no dividends may be declared or paid on any class or series of dividend parity stock unless regular dividends are simultaneously declared on the perpetual strife preferred stock on a pro rata basis, such that (i) the ratio of (x) the dollar amount of regular dividends so declared per share of perpetual strife preferred stock to (y) the dollar amount of the total accumulated and unpaid regular dividends per share of perpetual strife preferred stock immediately before the payment of such regular dividend is no less than (ii) the ratio of (x) the dollar amount of dividends so declared or paid per share of such class or series of dividend parity stock to (y) the dollar amount of the total accumulated and unpaid dividends per share of such class or series of dividend parity stock immediately before the payment of such dividend (which dollar amount in this clause (y) will, if dividends on such class or series of dividend parity stock are not cumulative, be the full amount of dividends per share thereof in respect of the most recent dividend period thereof).

### *Limitation on Certain Payments*

If any perpetual strife preferred stock is outstanding, then no dividends or distributions (whether in cash, securities or other property, or any combination of the foregoing) will be declared or paid on any of our “junior stock” (as defined below under the caption “—Definitions”), and neither we nor any of our subsidiaries will purchase, redeem or otherwise acquire for value (whether in cash, securities or other property, or any combination of the foregoing) any of our junior stock or dividend parity stock, in each case unless all accumulated regular dividends, if any, on the perpetual strife preferred stock then outstanding for all prior completed regular dividend periods, if any, have been paid in full. However, the restrictions described in the preceding sentence will not apply to the following:

- dividends and distributions on junior stock that are payable solely in shares of junior stock, together with cash in lieu of any fractional share;
- the purchase of any junior stock or dividend parity stock solely with the proceeds of a substantially simultaneous sale of other junior stock;
- purchases, redemptions or other acquisitions of junior stock in connection with the administration of any benefit or other incentive plan of ours (including any employment contract) in the ordinary course of business, including (x) the forfeiture of unvested shares of restricted stock, or any withholdings (including withholdings effected by a repurchase or similar transaction), or other surrender, of shares that would otherwise be deliverable upon exercise, delivery or vesting of equity awards under any such plan or contract, in each case whether for payment of applicable taxes or the exercise price, or otherwise; (y) cash paid in connection therewith in lieu of issuing any fractional share; and (z) purchases of junior stock pursuant to a publicly announced repurchase plan to offset the dilution resulting from issuances pursuant to any such plan or contract; *provided, however*, that repurchases pursuant to this clause (z) will be permitted pursuant to the exception described in this bullet point only to the extent that the number of shares of junior stock so repurchased does not exceed the related “number of incremental diluted shares” (as defined below under the caption “—Definitions”);
- purchases, or other payments in lieu of the issuance, of any fractional share of junior stock in connection with the conversion, exercise or exchange of such junior stock or of any securities convertible into, or exercisable or exchangeable for, junior stock;
- purchases, or other payments in lieu of the issuance, of any fractional share of dividend parity stock in connection with the conversion, exercise or exchange of such dividend parity stock or of any securities convertible into, or exercisable or exchangeable for, dividend parity stock;
- (x) dividends and distributions of junior stock, or rights to acquire junior stock, pursuant to a stockholder rights plan; and (y) the redemption or repurchase of such rights pursuant to such stockholder rights plan;
- purchases of junior stock or dividend parity stock pursuant to a binding contract (including a stock repurchase plan) to make such purchases, if such contract was in effect on the immediately preceding regular dividend payment date and such purchases, if effected immediately before such regular dividend payment date, would not have been prohibited by the provision described in the first sentence under this “—Limitation on Certain Payments” section;
- the settlement of any convertible note hedge transactions, capped call transactions or similar transactions entered into in connection with the issuance, by us or any of our subsidiaries, of any debt securities that are convertible into, or exchangeable for, our common stock (or into or for any combination of cash and our common stock based on the value of our common stock), *provided* such transactions are on customary terms and were entered into either (x) before the initial issue date or (y) in compliance with the provision described in the first sentence under this “—Limitation on Certain Payments” section;
- the acquisition, by us or any of our subsidiaries, of record ownership of any junior stock or dividend parity stock solely on behalf of persons (other than us or any of our subsidiaries) that are the beneficial

owners thereof, including as trustee or custodian (or as a result of our acquisition of another person that was, immediately before such acquisition, the record or beneficial owner of such junior stock or dividend parity stock, as applicable, *provided* such record or beneficial ownership was not obtained in anticipation of such acquisition);

- the exchange, conversion or reclassification of dividend parity stock solely for or into junior stock or other dividend parity stock, together with the payment, in connection therewith, of cash in lieu of any fractional share; and
- the exchange, conversion or reclassification of junior stock solely for or into other junior stock, together with the payment, in connection therewith, of cash in lieu of any fractional share.

For the avoidance of doubt, the provisions described in this “—Limitation on Certain Payments” section will not prohibit or restrict the payment or other acquisition for value of any debt securities that are convertible into, or exchangeable for, any capital stock.

Any dividend senior stock that we may issue in the future in accordance with the provision described in clause (3) under the caption “—Voting Rights—Voting and Consent Rights with Respect to Specified Matters” below could contain provisions similar to the one described in this “—Limitation on Certain Payments” section, which could prohibit us from paying accumulated dividends on the perpetual strife preferred stock or purchasing, redeeming or acquiring the perpetual strife preferred stock until and unless we first pay accumulated dividends in full on such dividend senior stock.

#### **Rights Upon Our Liquidation, Dissolution or Winding Up**

If we liquidate, dissolve or wind up, whether voluntarily or involuntarily, then, subject to the rights of any of our creditors, each share of perpetual strife preferred stock will entitle the holder thereof to receive payment for the following amount out of our assets or funds legally available for distribution to our stockholders, before any such assets or funds are distributed to, or set aside for the benefit of, any liquidation junior stock:

- the “liquidation preference” (as defined below under the caption “—Definitions”) per share of perpetual strife preferred stock as of the business day immediately before the date of such payment; and
- all unpaid regular dividends (plus compounded dividends thereon), if any, that will have accumulated on such share to, but excluding, the date of such payment.

Upon payment of such amount in full on the outstanding perpetual strife preferred stock, holders of the perpetual strife preferred stock will have no rights to our remaining assets or funds, if any. If such assets or funds are insufficient to fully pay such amount on all outstanding shares of perpetual strife preferred stock and the corresponding amounts payable in respect of all outstanding shares of liquidation parity stock, if any, then, subject to the rights of any of our creditors or holders of any outstanding liquidation senior stock, such assets or funds will be distributed ratably on the outstanding shares of perpetual strife preferred stock and liquidation parity stock in proportion to the full respective distributions to which such shares would otherwise be entitled.

For purposes of the provisions described above in this “—Rights Upon Our Liquidation, Dissolution or Winding Up” section, our consolidation or combination with, or merger with or into, or the sale, lease or other transfer of all or substantially all of our assets (other than a sale, lease or other transfer in connection with our liquidation, dissolution or winding up) to, another person will not, in itself, constitute our liquidation, dissolution or winding up, even if, in connection therewith, the perpetual strife preferred stock is converted into, or is exchanged for, or represents solely the right to receive, other securities, cash or other property, or any combination of the foregoing.

The certificate of designations for our perpetual strife preferred stock will not contain any provision requiring funds to be set aside to protect the liquidation preference of the perpetual strife preferred stock, even though it is

substantially in excess of the par value thereof. As such, we may have no assets or funds available for payment on the perpetual strife preferred stock upon our liquidation, dissolution or winding up. See “Risk Factors—Risks Relating to the Perpetual Strife Preferred Stock and This Offering—The perpetual strife preferred stock will be junior to our existing and future indebtedness, structurally junior to the liabilities of our subsidiaries and subject to the rights and preferences of any other class or series of preferred stock then outstanding.”

## **Voting Rights**

The perpetual strife preferred stock will have no voting rights except as described below or as provided in our certificate of incorporation or required by the Delaware General Corporation Law.

### ***Right to Designate up to Two Preferred Stock Directors Upon Regular Dividend Non-Payment Events***

#### *Generally*

If a “regular dividend non-payment event” (as defined below under the caption “—Definitions”) occurs, then, subject to the other provisions described below, the authorized number of our directors will automatically increase by one (or we will vacate the offices of one director) and the preferred stockholders, voting together as a single class with the holders of each class or series of voting parity stock, if any, with similar voting rights regarding the election of directors upon a failure to pay dividends, which similar voting rights are then exercisable, will have the right to elect one director to fill such directorship at our next annual meeting of stockholders (or, if earlier, at a special meeting of our stockholders called for such purpose) and at each following annual meeting of our stockholders until such regular dividend non-payment event has been cured, at which time such right will terminate with respect to the perpetual strife preferred stock until and unless a subsequent regular dividend non-payment event occurs. However, as a condition to the election of any such director, whom we refer to as a “preferred stock director,” such election must not cause us to violate any rule of any securities exchange or other trading facility on which any of our securities are then listed or qualified for trading requiring that a majority of our directors be independent. We refer to this condition as the “director qualification requirement.” In addition, notwithstanding anything to the contrary, our board of directors will at no time include more than two preferred stock directors, regardless of how many classes of voting parity stock (which term, solely for purposes of this sentence, includes the perpetual strife preferred stock) have rights that are then exercisable to elect any number of preferred stock directors. Upon the termination of such right with respect to the perpetual strife preferred stock and all other outstanding voting parity stock, if any, the term of office of any person then serving as a preferred stock director will immediately and automatically terminate (and, if the authorized number of our directors was increased by one or two, as applicable, in connection with such regular dividend non-payment event(s), then the authorized number of our directors will automatically decrease by one or two, as applicable).

A preferred stock director will hold office until our next annual meeting of stockholders or, if earlier, upon his or her death, resignation or removal or the termination of the term of such office as described above. However, if:

- a class or series of voting parity stock with similar voting rights regarding the election of directors upon a failure to pay dividends is outstanding;
- such voting rights become exercisable at a time when a preferred stock director holds office with respect to the perpetual strife preferred stock; and
- a special meeting of our stockholders is called for the purpose of electing a director pursuant to such voting rights,

then (x) holders of the perpetual strife preferred stock will be entitled to vote, as a single class with the holders of such class or series of voting parity stock, at such special meeting in respect of such election of such new director(s); and (y) the office of any such preferred stock director of the perpetual strife preferred stock will terminate upon the election, at such special meeting, of the new director(s).

For the avoidance of doubt, the compensation, if any, payable to any preferred stock director will be at our sole and absolute discretion.

#### *Removal and Vacancies of a Preferred Stock Director*

At any time, a preferred stock director may be removed either (i) with cause in accordance with applicable law; or (ii) with or without cause by the affirmative vote of the preferred stockholders, voting together as a single class with the holders of each class or series of voting parity stock, if any, with similar voting rights regarding the election of directors upon a failure to pay dividends, which similar voting rights are then exercisable, representing a majority of the combined voting power of the perpetual strife preferred stock and such voting parity stock.

During the continuance of a regular dividend non-payment event, a vacancy in the office of a preferred stock director (other than a vacancy before the initial election of the preferred stock director in connection with such regular dividend non-payment event) may be filled, subject to the director qualification requirement, by the affirmative vote of the preferred stockholders, voting together as a single class with the holders of each class or series of voting parity stock, if any, with similar voting rights regarding the election of directors upon a failure to pay dividends, which similar voting rights are then exercisable, representing a majority of the combined voting power of the perpetual strife preferred stock and such voting parity stock.

#### *The Right to Call a Special Meeting to Elect a Preferred Stock Director*

During the continuance of a regular dividend non-payment event, the preferred stockholders, and holders of each class or series of voting parity stock, if any, with similar voting rights regarding the election of directors upon a failure to pay dividends, which similar voting rights are then exercisable, representing at least 25% of the combined voting power of the perpetual strife preferred stock and such voting parity stock will have the right to call a special meeting of stockholders for the election of a preferred stock director (including an election to fill any vacancy in the office of a preferred stock director). Such right may be exercised by written notice, executed by such preferred stockholders and holders, as applicable, delivered to us at our principal executive offices (except that, in the case of any global certificate representing the perpetual strife preferred stock or such voting parity stock, such notice must instead comply with the applicable depositary procedures). However, if our next annual or special meeting of stockholders is scheduled to occur within 90 days after such right is exercised, and we are otherwise permitted to conduct such election at such next annual or special meeting, then such election will instead be included in the agenda for, and conducted at, such next annual or special meeting.

#### *Voting and Consent Rights with Respect to Specified Matters*

Subject to the other provisions described below, while any perpetual strife preferred stock is outstanding, each of the following events will require, and cannot be effected without, the affirmative vote or consent of preferred stockholders, and holders of each class or series of voting parity stock, if any, with similar voting or consent rights with respect to such event, representing at least a majority of the combined outstanding voting power of the perpetual strife preferred stock and such voting parity stock, if any:

- (1) any amendment, modification or repeal of any provision of our certificate of incorporation or the certificate of designations that materially adversely affects the special rights, preferences or voting powers of the perpetual strife preferred stock (other than an amendment, modification or repeal permitted by the provisions described below under the caption “—Certain Amendments Permitted Without Consent”);
- (2) our consolidation or combination with, or merger with or into, another person, or any binding or statutory share exchange or reclassification involving the perpetual strife preferred stock, in each case unless:
  - (a) the perpetual strife preferred stock either (i) remains outstanding after such consolidation, combination, merger, share exchange or reclassification; or (ii) is converted or reclassified into, or is exchanged for, or represents solely the right to receive, preference securities of the continuing, resulting or surviving person of such consolidation, combination, merger, share exchange or reclassification, or the parent thereof;

- (b) the perpetual strife preferred stock that remains outstanding or such preference securities, as applicable, have rights, preferences and voting powers that, taken as a whole, are not materially less favorable (as determined by our board of directors in good faith) to the holders thereof than the rights, preferences and voting powers, taken as a whole, of the perpetual strife preferred stock immediately before the consummation of such consolidation, combination, merger, share exchange or reclassification; and
- (c) the issuer of the perpetual strife preferred stock that remains outstanding or such preference securities, as applicable, is a corporation duly organized and existing under the laws of the United States of America, any State thereof or the District of Columbia that, if not us, will succeed to us under the certificate of designations and the perpetual strife preferred stock; and
- (3) the creation or issuance, or increase in the authorized or issued number, of any dividend senior stock or liquidation senior stock.

However, a consolidation, combination, merger, share exchange or reclassification that satisfies the requirements of clauses (a), (b) and (c) of paragraph (2) above will not require any vote or consent pursuant to paragraph (1) above. In addition, each of the following will be deemed not to materially adversely affect the rights, preferences or voting powers of the perpetual strife preferred stock (or cause any of the rights, preferences or voting powers of any such preference securities to be materially less favorable as described above) and will not require any vote or consent pursuant to any of the preceding clauses (1), (2) or (3):

- any increase in the number of the authorized but unissued shares of our undesignated preferred stock;
- any increase in the number of authorized or issued shares of perpetual strife preferred stock; and
- the creation and issuance, or increase in the authorized or issued number, of any class or series of stock (including, for the avoidance of doubt, dividend parity stock or liquidation parity stock), provided that such class or series of stock is not dividend senior stock or liquidation senior stock.

If any event described in paragraphs (1), (2) or (3) above would materially adversely affect the rights, preferences or voting powers of one or more, but not all, classes or series of voting parity stock (which term, solely for these purposes, includes the perpetual strife preferred stock), then those classes or series whose rights, preferences or voting powers would not be materially adversely affected will be deemed not to have voting or consent rights with respect to such event. Furthermore, an amendment, modification or repeal described in paragraph (1) above that materially adversely affects the special rights, preferences or voting powers of the perpetual strife preferred stock cannot be effected without the affirmative vote or consent of preferred stockholders, voting separately as a class, of at least a majority of the perpetual strife preferred stock then outstanding.

#### ***Certain Amendments Permitted Without Consent***

Notwithstanding anything to the contrary described in paragraph (1) above under the caption “—Voting and Consent Rights with Respect to Specified Matters,” we may amend, modify or repeal any of the terms of the perpetual strife preferred stock without the vote or consent of any preferred stockholder to:

- cure any ambiguity or correct any omission, defect or inconsistency in the certificate of designations or the certificates representing the perpetual strife preferred stock, including the filing of a certificate of correction, or a corrected instrument, pursuant to Section 103(f) of the Delaware General Corporation Law in connection therewith;
- conform the provisions of the certificate of designations or the certificates representing the perpetual strife preferred stock to the “Description of Perpetual Strife Preferred Stock” section of the preliminary prospectus supplement for the offering, as supplemented by the related pricing term sheet;
- provide for or confirm the issuance of additional perpetual strife preferred stock pursuant to the certificate of designations;



- provide for any transfer restrictions that apply to any shares of perpetual strife preferred stock (other than the shares of perpetual strife preferred stock issued in this offering and any shares of perpetual strife preferred stock issued in exchange therefor or in substitution thereof) that, at the time of their original issuance, constitute “restricted securities” within the meaning of Rule 144 under the Securities Act or that are originally issued in reliance upon Regulation S under the Securities Act; or
- make any other change to our certificate of incorporation, the certificate of designations or the certificates representing the perpetual strife preferred stock that does not, individually or in the aggregate with all other such changes, adversely affect the rights of any preferred stockholder (other than preferred stockholders that have consented to such change), as such, in any material respect (as determined by our board of directors in good faith).

### *Procedures for Voting and Consents*

If any vote or consent of the preferred stockholders will be held or solicited, including at a regular annual meeting or a special meeting of stockholders, then our board of directors will adopt customary rules and procedures at its discretion to govern such vote or consent, subject to the other provisions described in this section. Such rules and procedures may include fixing a record date to determine the preferred stockholders (and, if applicable, holders of voting parity stock) that are entitled to vote or provide consent, as applicable, rules governing the solicitation and use of proxies or written consents and customary procedures for the nomination and designation, by preferred stockholders (and, if applicable, holders of voting parity stock), of preferred stock directors for election. Without limiting the foregoing, the persons calling any special meeting of stockholders pursuant to the provisions described above under “—Right to Designate up to Two Preferred Stock Directors Upon Regular Dividend Non-Payment Events—The Right to Call a Special Meeting to Elect a Preferred Stock Director” will, at their election, be entitled to specify one or more preferred stock director nominees in the notice referred to in such section, if such special meeting is scheduled to include the election of any preferred stock director (including an election to fill any vacancy in the office of any preferred stock director).

Each share of perpetual strife preferred stock will be entitled to one vote on each matter on which the holders of the perpetual strife preferred stock are entitled to vote separately as a class and not together with the holders of any other class or series of stock. The respective voting powers of the perpetual strife preferred stock and all classes or series of voting parity stock entitled to vote on any matter together as a single class will be determined (including for purposes of determining whether a plurality, majority or other applicable portion of votes has been obtained) in proportion to their respective liquidation amounts. Solely for these purposes, the liquidation amount of the perpetual strife preferred stock or any such class or series of voting parity stock will be the maximum amount payable in respect of the perpetual strife preferred stock or such class or series, as applicable, assuming we are liquidated on the record date for the applicable vote or consent (or, if there is no record date, on the date of such vote or consent).

At any meeting in which the perpetual strife preferred stock (and, if applicable, any class or series of voting parity stock) is entitled to elect any preferred stock director (including to fill any vacancy in the office of any preferred stock director), the presence, in person or by proxy, of holders of perpetual strife preferred stock (and, if applicable, holders of each such class or series) representing a majority of the outstanding voting power of the perpetual strife preferred stock (and, if applicable, each such class or series) will constitute a quorum. The affirmative vote of a majority of the outstanding voting power of the perpetual strife preferred stock (and, if applicable, each such class or series) cast at such a meeting at which a quorum is present will be sufficient to elect a preferred stock director.

A consent or affirmative vote of the preferred stockholders pursuant to the provisions described above under the caption “—Voting and Consent Rights with Respect to Specified Matters” may be given or obtained either in writing without a meeting or in person or by proxy at a regular annual meeting or a special meeting of stockholders.

## **Redemption at Our Option**

The perpetual strife preferred stock will not be redeemable at our option except pursuant to an optional redemption or a tax redemption, as described below.

### ***Optional Redemption***

Subject to the terms of the certificate of designations, we will have the right, at our election, to redeem all, but not less than all, of the outstanding perpetual strife preferred stock, at any time for cash if the total number of shares of perpetual strife preferred stock then outstanding is less than 25% of the total number of shares of the perpetual strife preferred stock originally issued in this offering and in any future offering taken together. We refer to a redemption pursuant to the provision described above as an “optional redemption.”

### ***Tax Redemption***

Subject to the terms of the certificate of designations, we will have the right, at our election, to redeem all, and not less than all, of the perpetual strife preferred stock, at any time, for cash if a “tax event” (as defined below under the caption “—Definitions”) occurs. We refer to a redemption pursuant to this provision described in this paragraph as a “tax redemption.”

### ***Redemption Date***

The redemption date will be a business day of our choosing that is no more than 60, nor less than 15, calendar days after the date we send the related redemption notice, as described below.

### ***Redemption Price***

The redemption price for a share of perpetual strife preferred stock called for either optional redemption or tax redemption will be an amount equal to (i) the liquidation preference of such share as of the business day before the date we send the related redemption notice, as described below, plus (ii) accumulated and unpaid regular dividends (plus compounded dividends thereon) on such share to, but excluding, the redemption date. However, if the redemption date is after a “specified regular record date” (as defined below under the caption “—Definitions”) for a declared regular dividend on the perpetual strife preferred stock and on or before the next “specified dividend payment date” (as defined below under the caption “—Definitions”), then (a) the holder of such share at the close of business on such specified regular record date will be entitled, notwithstanding such redemption, to receive, on or, at our election, before such specified regular dividend payment date, such declared regular dividend on such share; and (b) the amount referred to in clause (ii) of the preceding sentence will instead be the excess, if any, of (x) the accumulated and unpaid regular dividends on such share to, but excluding, such redemption date over (y) the amount of such declared regular dividend on such share.

### ***Redemption Notice***

We will send to the preferred stockholders notice of the redemption containing certain information set forth in the certificate of designations, including the redemption price and the redemption date.

## **Fundamental Change Permits Preferred Stockholders to Require Us to Repurchase Perpetual Strife Preferred Stock**

### ***Generally***

If a fundamental change occurs, then, each preferred stockholder will have the right (the “fundamental change repurchase right”) to require us to repurchase some or all of its shares of perpetual strife preferred stock for cash on a date (the “fundamental change repurchase date”) of our choosing, which must be a business day that is no

more than 35, nor less than 20, business days after the date we send the related fundamental change notice, as described below. We refer to a repurchase of any perpetual strife preferred stock pursuant to the provisions described in this section as a “repurchase upon fundamental change.” Notwithstanding anything to the contrary, in no event will any preferred stockholder be entitled to require us to repurchase a number of shares of perpetual strife preferred stock that is not a whole number.

The repurchase price (the “fundamental change repurchase price”) for a share of perpetual strife preferred stock tendered for repurchase will be an amount equal to (i) the stated amount of such share, plus (ii) accumulated and unpaid regular dividends on such share to, but excluding, the fundamental change repurchase date. However, if the fundamental change repurchase date is after a specified regular record date for a declared regular dividend on the perpetual strife preferred stock and on or before the next specified regular dividend payment date, then (a) the holder of such share at the close of business on such specified regular record date will be entitled, notwithstanding such repurchase, to receive, on or, at our election, before such specified regular dividend payment date, such declared regular dividend on such share; and (b) the amount referred to in clause (ii) of the preceding sentence will instead be the excess, if any, of (x) the accumulated and unpaid regular dividends on such share to, but excluding, such fundamental change repurchase date over (y) the amount of such declared regular dividend on such share.

#### ***Notice of Fundamental Change***

On or before the 20th calendar day after the effective date of a fundamental change, we will send to each preferred stockholder notice of such fundamental change containing certain information set forth in the certificate of designations, including the fundamental change repurchase date, the fundamental change repurchase price and the procedures preferred stockholders must follow to tender their perpetual strife preferred stock for repurchase.

#### ***Procedures to Exercise the Fundamental Change Repurchase Right***

To exercise its fundamental change repurchase right with respect to any perpetual strife preferred stock, the holder thereof must deliver a notice (a “fundamental change repurchase notice”) to the paying agent before the close of business on the business day immediately before the related fundamental change repurchase date (or such later time as may be required by law).

The fundamental change repurchase notice must contain certain information set forth in the certificate of designations, including the certificate number of any physical certificate representing any perpetual strife preferred stock to be repurchased, or must otherwise comply with the depositary procedures in the case of a global certificate.

A preferred stockholder that has delivered a fundamental change repurchase notice with respect to any perpetual strife preferred stock may withdraw that notice by delivering a withdrawal notice to the paying agent at any time before the close of business on the business day immediately before the fundamental change repurchase date. The withdrawal notice must contain certain information set forth in the certificate of designations, including the certificate number of any physical certificate representing any perpetual strife preferred stock with respect to which the withdrawal notice is being delivered, or must otherwise comply with the depositary procedures in the case of a global certificate.

Perpetual strife preferred stock to be repurchased must be delivered to the paying agent (in the case of perpetual strife preferred stock represented by any physical certificate) or the depositary procedures must be complied with (in the case of perpetual strife preferred stock represented by any global certificate) for the holder of such perpetual strife preferred stock to be entitled to receive the fundamental change repurchase price.

#### ***Compliance with Securities Laws***

We will comply, in all material respects, with all federal and state securities laws in connection with a repurchase following a fundamental change (including complying with Rules 13e-4 and 14e-1 under the Exchange Act and

filing any required Schedule TO, to the extent applicable) so as to permit effecting such repurchase in the manner described above. However, to the extent that our obligations to offer to repurchase and to repurchase perpetual strife preferred stock pursuant to the provisions described above conflict with any law or regulation that is applicable to us, our compliance with such law or regulation will not be considered to be a breach of those obligations.

***Funds Legally Available for Payment of the Fundamental Change Repurchase Price; Covenant Not to Take Certain Actions***

Notwithstanding anything to the contrary, (i) we will not be obligated to pay the fundamental change repurchase price of any shares of perpetual strife preferred stock to the extent, and only to the extent, we do not have sufficient funds legally available to pay the same; and (ii) if we do not have sufficient funds legally available to pay the fundamental change repurchase price of all shares of perpetual strife preferred stock that are otherwise to be repurchased pursuant to a repurchase upon fundamental change, then (a) we will pay the maximum amount of such fundamental change repurchase price that can be paid out of funds legally available for payment, which payment will be made pro rata to each preferred stockholder based on the total number of shares of perpetual strife preferred stock of such preferred stockholder that were otherwise to be repurchased pursuant to such repurchase upon fundamental change; and (b) we will cause all such shares as to which the fundamental change repurchase price was not paid to be returned to the holder(s) thereof, and such shares will be deemed to remain outstanding. We will not voluntarily take any action, or voluntarily engage in any transaction, that would result in a fundamental change unless we have sufficient funds legally available to fully pay the maximum aggregate fundamental change repurchase price that would be payable in respect of such fundamental change on all shares of perpetual strife preferred stock then outstanding.

***Repurchase by Third Party***

Notwithstanding anything to the contrary, we will be deemed to satisfy our obligations to repurchase perpetual strife preferred stock pursuant to a repurchase upon fundamental change if (i) one or more third parties conduct the repurchase offer and repurchase tendered perpetual strife preferred stock in a manner that would have satisfied our obligations to do the same if conducted directly by us; and (ii) an owner of a beneficial interest in any perpetual strife preferred stock repurchased by such third party or parties will not receive a lesser amount (as a result of withholding or other similar taxes) than such owner would have received had we repurchased such perpetual strife preferred stock.

**No Preemptive Rights**

Without limiting the rights of preferred stockholders described above, the perpetual strife preferred stock will not have any preemptive rights to subscribe for or purchase any of our securities.

## **Calculations**

### ***Responsibility; Schedule of Calculations***

Except as otherwise provided in the certificate of designations, we will be responsible for making all calculations called for under the certificate of designations or the perpetual strife preferred stock, including determinations of the last reported sale prices, liquidation preference, fundamental change repurchase price, redemption price and accumulated regular dividends and compounded dividends on the perpetual strife preferred stock. We will make all calculations in good faith, and, absent manifest error, our calculations will be final and binding on all preferred stockholders. We will provide a schedule of these calculations to any preferred stockholder or any beneficial owner of any perpetual strife preferred stock upon written request.

### ***Calculations Aggregated for Each Preferred Stockholder***

The composition of the consideration due upon the payment of the fundamental change repurchase price or redemption price for, and the payment on a regular dividend payment date of regular dividends on, the perpetual strife preferred stock of any preferred stockholder will (in the case of a global certificate, to the extent permitted by, and practicable under, the depositary procedures) be computed based on the total number of shares of perpetual strife preferred stock of such preferred stockholder to be repurchased (in the case of payment of the fundamental change repurchase price) or redeemed (in the case of payment of the redemption price) or held by such preferred stockholder as of the close of business on the related regular record date (in the case of payment of such regular dividends), as applicable. Any cash amounts due to such preferred stockholder in respect thereof will, after giving effect to the preceding sentence, be rounded to the nearest cent.

## **Notices**

We will send all notices or communications to preferred stockholders pursuant to the certificate of designations in writing by first class mail, certified or registered, return receipt requested, or by overnight air courier guaranteeing next day delivery, to the preferred stockholders' respective addresses shown on the register for the perpetual strife preferred stock. However, in the case of perpetual strife preferred stock represented by one or more global certificates, we are permitted to send notices or communications to preferred stockholders pursuant to the depositary procedures, and notices and communications that we send in this manner will be deemed to have been properly sent to such preferred stockholders in writing.

## **Definitions**

“Affiliate” has the meaning set forth in Rule 144 under the Securities Act as in effect on the initial issue date.

“Board of directors” means our board of directors or a committee of such board duly authorized to act on behalf of such board.

“Business day” means any day other than a Saturday, a Sunday or any day on which the Federal Reserve Bank of New York is authorized or required by law or executive order to close or be closed.

“Capital stock” of any person means any and all shares of, interests in, rights to purchase, warrants or options for, participations in, or other equivalents of, in each case however designated, the equity of such person, but excluding any debt securities convertible into such equity.

“Class A common stock” means our class A common stock, \$0.001 par value per share.

“Class B common stock” means our class B common stock, \$0.001 par value per share.

“Close of business” means 5:00 p.m., New York City time.

“Compounded dividends” has the meaning set forth above under the caption “—Regular Dividends—Generally.”

“Compounded dividend rate” has the meaning set forth above under the caption “—Regular Dividends—Generally.”

“Deferred regular dividend payment date” shall mean the date that is one trading day after the 60th calendar day after a regular dividend payment date with respect to which the full amount of regular dividends has not been paid (or, if such trading day is not a business day, the next business day).

“Deferred regular record date” means the 15th calendar day preceding the relevant deferred regular dividend payment date (whether or not a business day).

“Depository” means The Depository Trust Company or its successor, or any successor depository for the applicable shares of perpetual strife preferred stock.

“Depository procedures” means, with respect to any transfer, exchange or other transaction involving a global certificate representing any perpetual strife preferred stock, or any beneficial interest in such certificate, the rules and procedures of the depository applicable to such transfer, exchange or transaction.

“Director qualification requirement” has the meaning set forth under the caption “—Voting Rights—Right to Designate up to Two Preferred Stock Directors Upon Regular Dividend Non-Payment Events—Generally.”

“Dividend junior stock” means any class or series of our stock whose terms do not expressly provide that such class or series will rank senior to, or equally with, the perpetual strife preferred stock with respect to the payment of dividends (without regard to whether or not dividends accumulate cumulatively). Dividend junior stock includes our class A common stock, our class B common stock and our perpetual strike preferred stock. For the avoidance of doubt, dividend junior stock will not include any securities of our subsidiaries.

“Dividend parity stock” means any class or series of our stock (other than the perpetual strife preferred stock) whose terms expressly provide that such class or series will rank equally with the perpetual strife preferred stock with respect to the payment of dividends (without regard to whether or not dividends accumulate cumulatively). For the avoidance of doubt, dividend parity stock will not include any securities of our subsidiaries.

“Dividend senior stock” means any class or series of our stock whose terms expressly provide that such class or series will rank senior to the perpetual strife preferred stock with respect to the payment of dividends (without regard to whether or not dividends accumulate cumulatively). For the avoidance of doubt, dividend senior stock will not include any securities of our subsidiaries.

“Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended.

“Fundamental change” means any of the following events:

(i) either (a) a “person” or “group” (within the meaning of Section 13(d)(3) of the Exchange Act) (other than (w) us; (x) our “wholly owned subsidiaries” (as defined below); (y) any employee benefit plans of ours or our wholly owned subsidiaries; or (z) any “permitted party” (as defined below)), files any report with the SEC indicating that such person or group has become the direct or indirect “beneficial owner” (as defined below) of shares of our common equity representing more than 50% of the voting power of all of our common equity; or (b) a “person” or “group” (within the meaning of Section 13(d)(3) of the Exchange Act) (other than (w) us; (x) our “wholly owned subsidiaries” (as defined below); or (y) any employee benefit plans of ours or our wholly owned subsidiaries), files any report with the SEC indicating that such person or group has become the direct or indirect “beneficial owner” (as defined below) of shares of our class A common stock representing more than 50% of the voting power of all of our class A common stock, *provided* that, solely for purposes of this clause (b),

none of the following will constitute beneficial ownership of our class A common stock: (x) beneficial ownership of our class B common stock; and (y) beneficial ownership by any permitted party of any of our class A common stock issued upon conversion of our class B common stock; or

(ii) the consummation of: (1) any sale, lease or other transfer, in one transaction or a series of transactions, of all or substantially all of the assets of us and our subsidiaries, taken as a whole, to any person, other than solely to one or more of our wholly owned subsidiaries; or (2) any transaction or series of related transactions in connection with which (whether by means of merger, consolidation, share exchange, combination, reclassification, recapitalization, acquisition, liquidation or otherwise) all of our class A common stock is exchanged for, converted into, acquired for, or constitutes solely the right to receive, other securities, cash or other property; *provided, however*, that any merger, consolidation, share exchange or combination of us pursuant to which the persons that directly or indirectly “beneficially owned” (as defined below) all classes of our common equity immediately before such transaction directly or indirectly “beneficially own,” immediately after such transaction, more than 50% of all classes of common equity of the surviving, continuing or acquiring company or other transferee, as applicable, or the parent thereof, in substantially the same proportions vis-à-vis each other as immediately before such transaction will be deemed not to be a fundamental change pursuant to this clause (ii).

For the purposes of this definition, (x) any transaction or event described in both clause (i) and in clause (ii)(1) or (2) above (without regard to the proviso in clause (ii)) will be deemed to occur solely pursuant to clause (ii) above (subject to such proviso); and (y) whether a person is a “beneficial owner,” whether shares are “beneficially owned,” and percentage beneficial ownership, will be determined in accordance with Rule 13d-3 under the Exchange Act.

“Initial issue date” means the first date any perpetual strife preferred stock offered by this prospectus supplement is issued.

“Junior stock” means any dividend junior stock or liquidation junior stock.

“Last reported sale price” per share of perpetual strife preferred stock for any trading day means the closing sale price per share (or, if no closing sale price is reported, the average of the last bid price and the last ask price per share or, if more than one in either case, the average of the average last bid prices and the average last ask prices per share) of perpetual strife preferred stock on such trading day as reported in composite transactions for the principal U.S. national or regional securities exchange on which the perpetual strife preferred stock is then listed. If the perpetual strife preferred stock is not listed on a U.S. national or regional securities exchange on such trading day, then the last reported sale price will be the last quoted bid price per share of perpetual strife preferred stock on such trading day in the over-the-counter market as reported by OTC Markets Group Inc. or a similar organization. If the perpetual strife preferred stock is not so quoted on such trading day, then the last reported sale price will be the mid-point of the last bid price and the last ask price per share of perpetual strife preferred stock on such trading day from a nationally recognized independent investment banking firm we select, which may be any of the underwriters (or, if no such last bid price or last ask price is available, the fair value of one share of perpetual strife preferred stock on such trading day determined by a nationally recognized independent investment banking firm we select, which may be any of the underwriters).

“Liquidation junior stock” means any class or series of our stock whose terms do not expressly provide that such class or series will rank senior to, or equally with, the perpetual strife preferred stock with respect to the distribution of assets upon our liquidation, dissolution or winding up. Liquidation junior stock includes our class A common stock, our class B common stock and our outstanding perpetual strike preferred stock. For the avoidance of doubt, liquidation junior stock will not include any securities of our subsidiaries.

“Liquidation parity stock” means any class or series of our stock (other than the perpetual strife preferred stock) whose terms expressly provide that such class or series will rank equally with the perpetual strife preferred stock

with respect to the distribution of assets upon our liquidation, dissolution or winding up. For the avoidance of doubt, liquidation parity stock will not include any securities of our subsidiaries.

“Liquidation preference” initially means \$100 per share of perpetual strife preferred stock; provided, however, that, effective immediately after the close of business on each business day after the initial issue date (and, if applicable, during the course of a business day on which any sale transaction to be settled by the issuance of perpetual strife preferred stock is executed, from the exact time of the first such sale transaction during such business day until the close of business of such business day), the liquidation preference per share of perpetual strife preferred stock will be adjusted to be the greatest of (i) the stated amount per share of perpetual strife preferred stock; (ii) in the case of any business day with respect to which we have, on such business day or any business day during the ten (10) trading day period preceding such business day, executed any sale transaction to be settled by the issuance of perpetual strife preferred stock, an amount equal to the last reported sale price per share of perpetual strife preferred stock on the trading day immediately before such business day; and (iii) the arithmetic average of the last reported sale prices per share of perpetual strife preferred stock for each trading day of the ten (10) consecutive trading days immediately preceding such business day, provided, however, that, if applicable, the reference in this clause (iii) to ten (10) will be replaced by such lesser number of trading days as have elapsed during the period from, and including, the initial issue date to, but excluding, such business day. Notwithstanding anything to the contrary in the preceding sentence, at all times before the first date on which we execute any sale transaction to be settled by the issuance of perpetual strife preferred stock (other than the perpetual strife preferred stock initially issued on the initial issue date), the liquidation preference per share of perpetual strife preferred stock will be \$100. Whenever in this prospectus supplement we refer to the liquidation preference of the perpetual strife preferred stock as of a particular date without setting forth a particular time on such date, such reference will be deemed to be to the liquidation preference immediately after the close of business on such date. For purposes of this definition, references to our execution of any sale transaction to be settled by the issuance of perpetual strife preferred stock includes any resale of any shares of perpetual strife preferred stock that we or any of our subsidiaries have purchased or otherwise acquired.

“Liquidation senior stock” means any class or series of our stock whose terms expressly provide that such class or series will rank senior to the perpetual strife preferred stock with respect to the distribution of assets upon our liquidation, dissolution or winding up. For the avoidance of doubt, liquidation senior stock will not include any securities of our subsidiaries.

“Market disruption event” means, with respect to the perpetual strife preferred stock, on any date, the occurrence or existence, during the one-half hour period ending at the scheduled close of trading on such date on the principal U.S. national or regional securities exchange or other market on which the perpetual strife preferred stock is listed for trading or trades, of any material suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant exchange or otherwise) in the perpetual strife preferred stock or in any options contracts or futures contracts relating to the perpetual strife preferred stock.

“Number of incremental diluted shares” means the increase in the number of diluted shares of the applicable class or series of junior stock (determined in accordance with generally accepted accounting principles in the United States, as the same is in effect on the initial issue date, and assuming net income is positive) that would result from the grant, vesting or exercise of equity-based compensation to directors, employees, contractors and agents (subject to proportionate adjustment for stock dividends, stock splits or stock combinations with respect to such class or series of junior stock).

“Permitted party” means any “person” or “group” (within the meaning of Section 13(d)(3) of the Exchange Act) that consists of, or includes, Michael J. Saylor, the heirs of Michael J. Saylor, or any Affiliates of Michael J. Saylor or the heirs of Michael J. Saylor.

“Person” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or other agency or political subdivision



thereof. Any division or series of a limited liability company, limited partnership or trust will constitute a separate “person.”

“Preferred stock director” means any person elected to serve as our director in connection with a regular dividend non-payment event pursuant to the provisions described above under the caption “—Voting Rights—Right to Designate up to Two Preferred Stock Directors Upon Regular Dividend Non-Payment Events.”

“Preferred stockholder,” or “holder” of any perpetual strife preferred stock, means any person in whose name any share of perpetual strife preferred stock is registered on the registrar’s books.

A “regular dividend non-payment event” will be deemed to occur upon the occurrence of either of the following events (in each case, subject to the provisions described above under the caption “—Regular Dividends—Generally”): (i) if less than the full amount of accumulated and unpaid regular dividends on the shares of perpetual strife preferred stock outstanding as of the applicable regular dividend record date have been declared and paid by the following regular dividend payment date in respect of each of four or more consecutive regular dividend payment dates; or (ii) if less than the full amount of accumulated and unpaid regular dividends on the shares of perpetual strife preferred stock outstanding as of the applicable regular dividend record date have been declared and paid by the following regular dividend payment date in respect of each of eight or more consecutive regular dividend payment dates. A regular dividend non-payment event that has occurred will be deemed to continue until such time when all accumulated and unpaid regular dividends on the outstanding perpetual strife preferred stock have been paid in full, at which time such regular dividend non-payment event will be deemed to be cured and cease to be continuing. For purposes of this definition, a regular dividend on the perpetual strife preferred stock will be deemed to have been paid if such dividend is declared and cash that is sufficient to pay such dividend is set aside for the benefit of the preferred stockholders entitled thereto. For the avoidance of doubt, the regular dividend non-payment events set forth in clauses (i) and (ii) above are separate regular dividend non-payment events, each providing for a separate right to appoint a preferred stock director pursuant to the provisions described above under the caption “—Voting Rights—Right to Designate up to Two Preferred Stock Directors Upon Regular Dividend Non-Payment Events.”

“Regular dividend payment date” means each March 31, June 30, September 30 and December 31 of each year, beginning on June 30, 2025.

“Regular dividend period” means each period from, and including, a regular dividend payment date (or, in the case of the first regular dividend period, from, and including, the initial issue date) to, but excluding, the next regular dividend payment date.

“Regular dividend rate” means 10.00% per annum.

“Regular dividends” has the meaning set forth above under the caption “—Regular Dividends—Generally.”

“Regular record date” has the following meaning: (i) March 15, in the case of a regular dividend payment date occurring on March 31; (ii) June 15, in the case of a regular dividend payment date occurring on June 30; (iii) September 15, in the case of a regular dividend payment date occurring on September 30; and (iv) December 15, in the case of a regular dividend payment date occurring on December 31.

“Specified dividend payment date” means a regular dividend payment date or a deferred regular dividend payment date.

“Specified regular record date” means a regular record date or a deferred regular record date.

“Stated amount” means \$100 per share of perpetual strife preferred stock.

“Subsidiary” means, with respect to any person, (i) any corporation, association or other business entity (other than a partnership or limited liability company) of which more than 50% of the total voting power of the capital stock entitled (without regard to the occurrence of any contingency, but after giving effect to any voting agreement or stockholders’ agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees, as applicable, of such corporation, association or other business entity is owned or controlled, directly or indirectly, by such person or one or more of the other subsidiaries of such person; and (ii) any partnership or limited liability company where (x) more than 50% of the capital accounts, distribution rights, equity and voting interests, or of the general and limited partnership interests, as applicable, of such partnership or limited liability company are owned or controlled, directly or indirectly, by such person or one or more of the other subsidiaries of such person, whether in the form of membership, general, special or limited partnership or limited liability company interests or otherwise; and (y) such person or any one or more of the other subsidiaries of such person is a controlling general partner of, or otherwise controls, such partnership or limited liability company.

A “tax event” will be deemed to occur if we have received an opinion of counsel experienced in such matters to the effect that, as a result of:

- any amendment to, clarification of, or change, including any announced prospective change, in the laws or treaties of the United States or any of its political subdivisions or taxing authorities, or any regulations under those laws or treaties;
- an administrative action, which means any judicial decision or any official administrative pronouncement, ruling, regulatory procedure, notice or announcement, including any notice or announcement of intent to issue or adopt any administrative pronouncement, ruling, regulatory procedure or regulation;
- any amendment to, clarification of, or change in the official position or the interpretation of any administrative action or judicial decision or any interpretation or pronouncement that provides for a position with respect to an administrative action or judicial decision that differs from the previously generally accepted position, in each case by any legislative body, court, governmental authority or regulatory body, regardless of the time or manner in which that amendment, clarification or change is introduced or made known; or
- a threatened challenge asserted in writing in connection with a tax audit of us or any of our subsidiaries, or a publicly known threatened challenge asserted in writing against any other taxpayer that has raised capital through the issuance of securities that are substantially similar to the perpetual strife preferred stock,

which amendment, clarification or change is effective or the administrative action is taken or judicial decision, interpretation or pronouncement is issued or threatened challenge is asserted or becomes publicly known after the date of this prospectus supplement, there is more than an insubstantial risk that any of the outstanding perpetual strife preferred stock is treated as “fast-pay stock” within the meaning of Treasury Regulation Section 1.7701(l)-3(b)(2) (or becomes subject to substantially similar successor provision).

“Trading day” means, with respect to the perpetual strife preferred stock, any day on which (i) trading in the perpetual strife preferred stock generally occurs on the principal U.S. national or regional securities exchange on which the perpetual strife preferred stock is then listed or, if the perpetual strife preferred stock is not then listed on a U.S. national or regional securities exchange, on the principal other market on which the perpetual strife preferred stock is then traded; and (ii) there is no market disruption event. If the perpetual strife preferred stock is not so listed or traded, then “trading day” with respect to the perpetual strife preferred stock means a business day.

“Voting parity stock” means, with respect to any matter as to which preferred stockholders are entitled to vote pursuant to the provisions described above under the caption “—Voting Rights—Right to Designate up to Two Preferred Stock Directors Upon Regular Dividend Non-Payment Events” or “—Voting and Consent Rights with

Respect to Specified Matters,” each class or series of outstanding dividend parity stock or liquidation parity stock, if any, upon which similar voting rights are conferred and are exercisable with respect to such matter. For the avoidance of doubt, voting parity stock will not include any securities of our subsidiaries.

“Wholly owned subsidiary” of a person means any subsidiary of such person all of the outstanding capital stock or other ownership interests of which (other than directors’ qualifying shares) are owned by such person or one or more wholly owned subsidiaries of such person.

## **Book Entry, Settlement and Clearance**

### ***Global Certificates***

The perpetual strife preferred stock will be initially issued in the form of one or more certificates (the “global certificates”) registered in the name of Cede & Co., as nominee of DTC, and will be deposited with the transfer agent as custodian for DTC.

Only persons who have accounts with DTC (“DTC participants”) or persons who hold interests through DTC participants may own beneficial interests in a global certificate. We expect that, under procedures established by DTC:

- upon deposit of a global certificate with DTC’s custodian, DTC will credit the shares of perpetual strife preferred stock represented by such global certificate to the accounts of the DTC participants designated by the underwriters; and
- ownership of beneficial interests in a global certificate will be shown on, and transfers of such interests will be effected only through, records maintained by DTC (with respect to interests of DTC participants) and the records of DTC participants (with respect to other owners of beneficial interests in the global certificate).

### ***Book-Entry Procedures for Global Certificates***

All interests in a global certificate will be subject to the operations and procedures of DTC. Accordingly, you must allow for sufficient time in order to comply with those operations and procedures if you wish to exercise any of your rights with respect to the perpetual strife preferred stock. The operations and procedures of DTC are controlled by DTC and may be changed at any time. None of us, the transfer agent or any of the underwriters will be responsible for those operations or procedures.

DTC has advised us that it is:

- a limited purpose trust company organized under the laws of the State of New York;
- a “banking organization” within the meaning of the New York State Banking Law;
- a member of the Federal Reserve System;
- a “clearing corporation” within the meaning of the Uniform Commercial Code; and
- a “clearing agency” registered under Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between its participants through electronic book-entry changes to the accounts of its participants. DTC’s participants include securities brokers and dealers (including the underwriters), banks and trust companies, clearing corporations and other organizations. Indirect access to DTC’s book-entry system is also available to other “indirect participants,” such as banks, brokers, dealers and trust companies, who directly or indirectly clear through or maintain a custodial relationship with a DTC participant. Purchasers of perpetual strife preferred stock who are not DTC participants may beneficially own securities held by or on behalf of DTC only through DTC participants or indirect participants in DTC.

So long as DTC or its nominee is the registered owner of a global certificate, DTC or that nominee will be considered the sole owner or holder of the perpetual strife preferred stock represented by that global certificate for all purposes under the certificate of designations. Except as provided below, owners of beneficial interests in a global certificate:

- will not be entitled to have perpetual strife preferred stock represented by the global certificate registered in their names;
- will not receive or be entitled to receive physical, certificated perpetual strife preferred stock registered in their respective names (“physical certificates”); and
- will not be considered the owners or holders of the perpetual strife preferred stock under the certificate of designations for any purpose.

As a result, each investor who owns a beneficial interest in a global certificate must rely on the procedures of DTC (and, if the investor is not a participant or an indirect participant in DTC, on the procedures of the DTC participant through whom the investor owns its interest) to exercise any rights of a preferred stockholder under the certificate of designations.

Payments on any global certificates will be made to DTC’s nominee as the registered holder of the global certificate. None of us, the transfer agent or the paying agent will have any responsibility or liability for the payment of amounts to owners of beneficial interests in a global certificate, for any aspect of the records relating to, or payments made on account of, those interests by DTC or for maintaining, supervising or reviewing any records of DTC relating to those interests. Payments by participants and indirect participants in DTC to the owners of beneficial interests in a global certificate will be governed by standing instructions and customary industry practice and will be the responsibility of those participants or indirect participants and DTC.

Transfers between participants in DTC will be effected under DTC’s procedures and will be settled in same-day funds.

### ***Physical Certificates***

A global certificate will be exchanged, pursuant to customary procedures, for one or more physical certificates only if:

- DTC notifies us or the transfer agent that it is unwilling or unable to continue as depository for such global certificate or DTC ceases to be a “clearing agency” registered under Section 17A of the Exchange Act and, in each case, we fail to appoint a successor depository within 90 days of such notice or cessation; or
- we, in our sole discretion, permit the exchange of any beneficial interest in such global certificate for one or more physical certificates at the request of the owner of such beneficial interest.

## MATERIAL UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following discussion is a summary of material U.S. federal income tax considerations relevant to the purchase, ownership and disposition of the shares of 10.00% Series A Perpetual Strife Preferred Stock (the “Perpetual Strife Preferred Stock”) issued pursuant to this offering (such shares offered hereunder referred to as “Preferred Stock” for purposes of this discussion), but does not purport to be a complete analysis of all potential U.S. federal income tax considerations. This discussion deals only with shares of the Preferred Stock held as capital assets, within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the “Code”), by holders who purchase such shares in this offering.

This discussion does not cover all aspects of U.S. federal income taxation that may be relevant to the purchase, ownership or disposition of the Preferred Stock by prospective investors in light of their particular circumstances. In particular, this discussion does not address all of the tax considerations that may be relevant to persons in special tax situations, including, without limitation, tax-exempt organizations, insurance companies, banks or other financial institutions, dealers in securities or currencies, entities or arrangements treated as partnerships for U.S. federal income tax purposes or other flow-through entities (and investors therein), subchapter S corporations, retirement plans, individual retirement accounts or other tax-deferred accounts, real estate investment trusts, regulated investment companies, persons liable for any alternative minimum tax, “controlled foreign corporations,” “passive foreign investment companies,” persons subject to special tax accounting rules as a result of any item of gross income with respect to the Preferred Stock being taken into account in an applicable financial statement, certain former citizens or former long-term residents of the United States, traders in securities that elect to use a mark-to-market method of tax accounting for their securities holdings, persons that will hold the Preferred Stock as a position in a hedging transaction, “straddle,” constructive sale, “conversion transaction” or other risk-reduction transaction, persons that acquire any Preferred Stock through the directed share program, U.S. holders (as defined herein) whose functional currency is not the U.S. dollar, “qualified foreign pension funds” as described in Section 897(1)(2) of the Code and entities all of the interests of which are held by qualified foreign pension funds, or who are otherwise subject to special treatment under the Code.

Furthermore, this summary is based upon the provisions of the Code, the Treasury Regulations promulgated thereunder and administrative and judicial interpretations thereof, all as of the date hereof. Such authorities may be repealed, revoked, modified or subject to differing interpretations, possibly on a retroactive basis, so as to result in U.S. federal income tax consequences different from those discussed below. This discussion does not address any other U.S. federal tax considerations (such as estate and gift taxes) or any state, local or non-U.S. tax considerations, or the Medicare contribution tax applicable to net investment income of certain non-corporate U.S. holders.

For purposes of this discussion, a “U.S. holder” means a beneficial owner of the Preferred Stock that for U.S. federal income tax purposes is

- an individual who is a citizen or resident of the United States;
- a corporation or other entity treated as a corporation for U.S. federal income tax purposes that is created or organized in or under the laws of the United States, any State thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if (a) a court within the United States is able to exercise primary control over its administration and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of such trust or (b) the trust has validly elected to be treated as a United States person.

For the purposes of this discussion, a “non-U.S. holder” means a beneficial owner of the Preferred Stock that is neither a U.S. holder nor a partnership (including any entity or arrangement that is treated as a partnership for U.S. federal income tax purposes).

If an entity or arrangement classified as a partnership for U.S. federal income tax purposes holds the Preferred Stock, the tax treatment of a partner in such partnership generally will depend upon the status of the partner and the activities of the partnership. A partnership holding the Preferred Stock, and partners therein, are urged to consult their tax advisors regarding the tax considerations of acquiring, holding and disposing of the Preferred Stock.

We have not sought and will not seek any rulings from the Internal Revenue Service (the “IRS”) with respect to the matters discussed below. There can be no assurance that the IRS will not take a different position concerning the tax consequences of the purchase, ownership, and disposition of the Preferred Stock or that any such position will not be sustained.

This discussion of material U.S. federal income tax considerations is not intended, and should not be construed, to be tax or legal advice to any particular investor in or holder of the Preferred Stock. Prospective investors are advised to consult their tax advisors concerning the application of the U.S. federal income tax laws to their particular situations as well as any tax considerations arising under the laws of any state, local or non-U.S. taxing jurisdiction or any applicable tax treaties, and the possible effect of changes in applicable tax law.

## **U.S. Holders**

### *Distributions*

Distributions made to U.S. holders with respect to the Preferred Stock will be taxable as dividend income when paid to the extent of our current or accumulated earnings and profits as determined for U.S. federal income tax purposes. To the extent that the amount of a distribution with respect to the Preferred Stock exceeds our current and accumulated earnings and profits, the distribution will be treated first as a tax-free return of capital to the extent of the holder’s adjusted tax basis in the Preferred Stock, and thereafter as capital gain which will be long-term capital gain if the holder’s holding period for the stock exceeds one year at the time of the distribution. Distributions on the Preferred Stock constituting dividend income paid to a U.S. holder that is an individual generally will be subject to taxation at preferential rates as qualified dividend income, provided applicable holding period requirements are met and certain other conditions are satisfied. Distributions on the Preferred Stock constituting dividend income paid to a U.S. holder that is a corporation generally will qualify for the dividends-received deduction, subject to various limitations and the satisfaction of the applicable holding period requirements. There is no assurance that we will have sufficient current or accumulated earnings and profits to ensure that any of our distributions are treated as dividends such that qualified dividend income or dividends-received deduction treatment may be available.

Dividends that exceed certain thresholds in relation to a corporate U.S. holder’s tax basis in the Preferred Stock could be characterized as “extraordinary dividends” under the Code. If a corporate U.S. holder that has held the Preferred Stock for two years or less before the dividend announcement date receives an extraordinary dividend, the holder generally will be required to reduce its tax basis (but not below zero) in the Preferred Stock with respect to which the dividend was made by the non-taxed portion of the dividend. If the amount of the reduction exceeds the U.S. holder’s tax basis in the Preferred Stock, the excess is treated as gain from the sale or exchange of the Preferred Stock. Non-corporate U.S. holders that receive an extraordinary dividend could, under certain circumstances, be required to treat any losses on the sale of our Preferred Stock as long-term capital losses to the extent of the extraordinary dividends such U.S. holder receives that qualify for taxation at the preferential rates discussed above.

### *Deemed Distributions on the Preferred Stock*

The liquidation preference of the Preferred Stock will be subject to adjustment in the manner described in this prospectus supplement, which adjustment may result in an increase in the liquidation preference. Under Section 305 of the Code, U.S. holders may be treated as receiving a deemed dividend on the Preferred Stock upon such

an increase in the liquidation preference, although the matter is not clear. In addition, if our board of directors does not declare a distribution on the Preferred Stock in respect of any dividend period before the related dividend payment date, the deferred dividend may be treated as an increase in the liquidation preference of the Preferred Stock. Furthermore, if the Preferred Stock is issued at a discount to its liquidation preference, it may be subject to rules that require the accrual of such discount currently over the deemed term of the Preferred Stock as deemed distributions under U.S. tax rules similar to those governing original issue discount for debt instruments. Although the matter is not entirely clear, we believe any such adjustment of liquidation preference in the manner described in this prospectus supplement, such a deferred dividend or such a discount should not be treated as giving rise to a deemed distribution on the Preferred Stock, but in light of this uncertainty, the IRS or an applicable withholding agent could take a contrary position.

In each case of the foregoing, if the IRS or an applicable withholding agent takes a contrary position, a U.S. holder may be required to include a deemed dividend in income currently with respect to the Preferred Stock even though the holder has not received a cash payment. Further, because deemed distributions received by a U.S. holder would not give rise to any cash from which any applicable withholding could be satisfied, if we (or an applicable withholding agent) pay backup withholding on behalf of a U.S. holder (because the U.S. holder failed to establish an exemption from backup withholding), we may, at our option, set off any such payment against, or an applicable withholding agent may withhold such taxes from, payments of cash payable to the U.S. holder or sales proceeds received by, or other funds or assets of, such holder, or require alternative arrangements in respect of such withholding taxes.

#### *Sale or Redemption of Preferred Stock*

A U.S. holder generally will recognize capital gain or loss on a sale, exchange, redemption (including a repurchase) (other than a redemption that is treated as a distribution, as discussed below) or other disposition of the Preferred Stock equal to the difference between the amount realized upon the disposition and the holder's adjusted tax basis in the stock so disposed. The capital gain or loss generally will be long-term capital gain or loss if the holder's holding period for the stock exceeds one year at the time of disposition. Long-term capital gains of non-corporate taxpayers generally are taxed at a lower maximum marginal tax rate than the maximum marginal tax rate applicable to ordinary income. The deductibility of capital losses is subject to limitations.

A redemption (including a repurchase) of the Preferred Stock will be treated as a sale or exchange described in the preceding paragraph if the redemption, based on the facts and circumstances, is treated for U.S. federal income tax purposes as (i) a "complete termination" of a U.S. holder's equity interest in us, (ii) a "substantially disproportionate" redemption of our stock with respect to such holder, or (iii) being "not essentially equivalent to a dividend" with respect to such holder, each within the meaning of Section 302 of the Code. In determining whether any of these tests has been met, a U.S. holder must take into account not only the Preferred Stock and other equity interests in us actually owned by the holder but also other equity interests in us that the holder constructively owns under U.S. federal income tax rules, as well as any rights the holder may have to vote for the election of board members. A U.S. holder that owns (actually or constructively) only an insubstantial percentage of our total equity interests and that exercises no control or management over our affairs may be entitled to sale or exchange treatment on a redemption of the Preferred Stock if such holder experiences any reduction in its equity interest (taking into account any constructively owned equity interests) as a result of the redemption.

If a U.S. holder meets none of the alternative tests described above, the redemption will be treated as a distribution subject to the rules described under "U.S. Holders—Distributions." If a redemption of the Preferred Stock is treated as a distribution that is taxable as a dividend, U.S. holders are urged to consult their tax advisors regarding the allocation of tax basis in the redeemed and remaining shares of Preferred Stock.

Because the determination as to whether any of the alternative tests described above is satisfied with respect to any particular U.S. holder of the Preferred Stock will depend upon the facts and circumstances as of the time the determination is made, U.S. holders are urged to consult their tax advisors regarding the tax treatment of a redemption.

## **Non-U.S. Holders**

### ***Distributions***

Generally, subject to the discussions below under “Information Reporting and Backup Withholding” and “FATCA,” distributions treated as dividends, as described above under “U.S. Holders—Distributions,” paid to a non-U.S. holder with respect to the Preferred Stock that are not effectively connected with the holder’s conduct of a trade or business within the United States will be subject to a 30% U.S. withholding tax, or such lower rate as may be specified by an applicable income tax treaty provided the non-U.S. holder furnishes to the withholding agent a properly executed IRS Form W-8BEN or Form W-8BEN-E (or suitable substitute form) certifying that such holder is eligible for treaty benefits. Withholding may also be required in respect of dividends paid to a non-U.S. holder if certain reporting information is not provided, as described below under “—FATCA.” If you are subject to withholding at a rate in excess of a reduced rate for which you are eligible under a tax treaty or otherwise, you may be able to obtain a refund of or credit for any amounts withheld in excess of the applicable rate by timely filing a refund claim with the IRS. Non-U.S. holders are encouraged to consult with their tax advisors regarding the possible implications of these withholding requirements on their investment in the Preferred Stock.

Subject to the discussions below under “Information Reporting and Backup Withholding” and “FATCA,” dividends paid to a non-U.S. holder that are effectively connected with the holder’s conduct of a trade or business in the United States and, if an applicable income tax treaty so requires, are attributable to a permanent establishment the holder maintains in the United States, are taxed on a net-income basis at the regular rates and in the manner applicable to U.S. persons. Non-U.S. holders generally will be required to provide to the applicable withholding agent a properly executed IRS Form W-8ECI (or a suitable substitute form) in order to claim an exemption from, or reduction in, U.S. federal withholding tax. In addition, a “branch profits tax” may be imposed at a 30% rate (or a reduced rate under an applicable income tax treaty) on a foreign corporation’s effectively connected earnings and profits for the taxable year, as adjusted for certain items.

### ***Sale or Redemption of Preferred Stock***

Subject to the discussion below under “Information Reporting and Backup Withholding,” non-U.S. holders generally will not be subject to U.S. federal income or withholding tax with respect to gain, if any, recognized on a sale, exchange or other taxable disposition of the Preferred Stock, other than a redemption that is treated as a distribution as discussed below, unless:

- the gain is effectively connected with the non-U.S. holder’s conduct of a trade or business within the United States, and, if certain tax treaties apply, is attributable to a permanent establishment or fixed base within the United States;
- the non-U.S. holder is a nonresident alien individual that is present in the United States for 183 or more days in the taxable year of the disposition and certain other conditions are satisfied; or
- the Preferred Stock constitutes a U.S. real property interest (“USRPI”) by reason of our status as a United States real property holding corporation (“USRPHC”) for U.S. federal income tax purposes at any time during the shorter of the five-year period preceding the disposition of the Preferred Stock or the period that the non-U.S. holder held the Preferred Stock.

A non-U.S. holder described in the first bullet point above generally will be subject to U.S. federal income tax on the net gain derived from the sale in the same manner as a U.S. holder. A non-U.S. holder that is a foreign corporation will be subject to tax on such gain at regular graduated U.S. federal income tax rates and, in addition, may be subject to a branch profits tax at a 30% rate or a lower rate if so specified by an applicable income tax treaty.

A non-U.S. holder described in the second bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on the gain recognized, which may be



offset by certain U.S. source capital losses of the non-U.S. holder (even though the individual is not considered a resident of the United States), provided the non-U.S. holder has timely filed U.S. federal income tax returns with respect to such losses.

With respect to the third bullet point above, we believe we currently are not, and do not anticipate becoming, a USRPHC.

A payment made to a non-U.S. holder in redemption of the Preferred Stock may be treated as a dividend, rather than as a payment in exchange for the stock, in the circumstances discussed above under “U.S. Holders—Sale or Redemption of Preferred Stock,” in which event the payment would be subject to tax as discussed above under “Non-U.S. Holders—Distributions.”

Non-U.S. holders should consult their tax advisors regarding potentially applicable income tax treaties that may provide for different rules.

#### ***Deemed Distributions on the Preferred Stock***

As described above under “U.S. Holders—Deemed Distributions on the Preferred Stock,” upon an adjustment to the liquidation preference of the Preferred Stock, or if our board of directors does not declare a distribution on the Preferred Stock in respect of any dividend period before the related dividend payment date or the Preferred Stock were issued at a discount, the holder may be treated as receiving a deemed distribution. If we (or an applicable withholding agent) pay withholding on behalf of a non-U.S. holder (because such non-U.S. holder failed to establish an exemption from dividend withholding), we (or an applicable withholding agent) may set off such payments against, or withhold such taxes from, current or subsequent payments of cash or sales proceeds received by, or other funds or assets of, such holder, or require alternative arrangements in respect of such withholding taxes.

#### **Issuance of Additional Shares**

If in the future we issue additional shares of Perpetual Strife Preferred Stock or resell any shares of Perpetual Strife Preferred Stock that we or any of our subsidiaries have purchased or otherwise acquired (such shares, “Additional Shares”) and such Additional Shares trade under the same CUSIP or other identifying number as that of the Preferred Stock, the Preferred Stock may not be distinguishable by persons such as subsequent purchasers and withholding agents from the Additional Shares. If such Additional Shares have a different, and potentially adverse, tax profile or treatment for U.S. federal income tax purposes from the Preferred Stock, such profile or treatment could adversely impact the Preferred Stock because of the inability to distinguish between the Preferred Stock and the Additional Shares. For example, adverse tax treatment of the Additional Shares could negatively impact the market value of the Preferred Stock. In addition, the IRS could treat a holder of the Preferred Stock as subject to the adverse consequences applicable to the Additional Shares unless the holder is able to demonstrate that it acquired the Preferred Stock in this offering and did not hold the Additional Shares. Preferred stockholders are urged to consult their tax advisors regarding these tax considerations.

Please also review the discussion below under “Fast-Pay Stock Regulations” for a discussion about the potential application of those rules to Additional Shares.

#### ***Extraordinary Dividends***

If Additional Shares are treated as being issued at a price that exceeds their liquidation preference, such Additional Shares would constitute “disqualified preferred stock” for purposes of the extraordinary dividend rules. The liquidation preference of the Perpetual Strife Preferred Stock will be subject to adjustment in the manner described in this prospectus supplement. It is not entirely clear how such an adjustable liquidation preference would be treated for purposes of applying the disqualified preferred stock and the extraordinary

dividend rules. However, it is possible that such adjustment may be taken into account for purposes of disqualified preferred stock determination. Even if the Preferred Stock is not issued at such a price, due to fungible trading of Additional Shares with Preferred Stock, the Preferred Stock may be considered disqualified preferred stock, unless owners of the Preferred Stock can clearly demonstrate that they purchased the Preferred Stock offered hereby as opposed to such Additional Shares. If the Preferred Stock held by a corporate U.S. holder were considered disqualified preferred stock (because such shares are indistinguishable from the Additional Shares), for any dividend received, the holder generally will be required to reduce its tax basis (but not below zero) in the Preferred Stock with respect to which the dividend is received by the non-taxed portion of the dividend. Please also review the discussion above under “U.S. Holders—Distributions” for a discussion of extraordinary dividends.

### ***Sales at a Discount***

As discussed above under “U.S. Holders—Deemed Distributions on the Preferred Stock,” if the Additional Shares are sold at a discount (or at a discount that exceeds the discount that applies to the Preferred Stock at issuance), such Additional Shares may be subject to rules that require the accrual of such discount (or such greater discount) currently over the deemed term of the Additional Shares as deemed distributions under U.S. tax rules similar to those governing original issue discount for debt instruments. Due to fungible trading of Additional Shares with Preferred Stock, the IRS or a withholding agent may treat any such discount as resulting in deemed distributions with respect to the Preferred Stock as well as such Additional Shares. Because any such deemed distributions received by a holder would not give rise to any cash from which any applicable withholding could be satisfied, an applicable withholding agent may withhold such taxes from payments of cash payable to the holder or sales proceeds received by, or other funds or assets of, such holder, or require alternative arrangements with respect to such withholding taxes.

### **Fast-Pay Stock Regulations**

Under Treasury Regulations promulgated under Section 7701(l) of the Code (the “Fast-Pay Stock Regulations”), if stock of a corporation is structured such that dividends paid with respect to the stock are economically (in whole or in part) a return of the stockholder’s investment (rather than a return on the stockholder’s investment), then the stock is characterized as “fast-pay stock” and is subject to adverse tax reporting requirements and potentially penalties, as described below. In addition, under the Fast-Pay Stock Regulations, unless clearly demonstrated otherwise, stock is presumed to be fast-pay stock if it is structured to have a dividend that is reasonably expected to decline (as opposed to a dividend rate that is reasonably expected to fluctuate or remain constant) (for such purpose, the dividend rate may be viewed as reasonably expected to decline if we are reasonably expected to stop paying regular dividends on the perpetual strike preferred stock or if the maximum compounded dividend rate is in effect) or is issued for an amount that exceeds (by more than a de minimis amount, as determined under applicable Treasury Regulations) the amount at which the stockholder can be compelled to dispose of the stock. It is not clear what amount would constitute “de minimis” in the case of stock with a perpetual term.

The determination of whether stock is fast-pay stock is based on all the facts and circumstances. To determine if it is fast-pay stock, stock is examined when issued, and, for stock that is not fast-pay stock when issued, when there is a significant modification in the terms of the stock or the related agreements or a significant change in the relevant facts and circumstances. The relevant tax regulations do not indicate the types of significant changes in facts and circumstances that are intended to give rise to such a determination, and therefore it is possible that such a change could arise when, for example, a compounded dividend rate becomes in effect.

We do not believe that the Preferred Stock is fast-pay stock.

We also do not intend to issue any Additional Shares that would be treated as fast-pay stock. Moreover, we intend to obtain advice of counsel in connection with future offerings of Additional Shares for the purpose of

analyzing the consequences of issuing such Additional Shares in light of any legal developments regarding the definition of fast-pay stock. As the liquidation preference of the perpetual strike preferred stock will be subject to adjustment in the manner described in this prospectus supplement, it is generally not expected that the Additional Shares would be issued at such a level of premium above their liquidation preference at the time of sale of the Additional Shares so as to implicate the fast-pay stock rules. Nonetheless, there may be increased risk that the IRS could assert that such Additional Shares constitute fast-pay stock.

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

Notwithstanding our intent not to issue Additional Shares that would be fast-pay stock, the rules regarding the definition of fast-pay stock are unclear in certain respects and, therefore, the IRS could disagree with our determination and treat such Additional Shares as fast-pay stock. In addition, as discussed above under “—Issuance of Additional Shares,” even though we believe that the Preferred Stock offered hereby is not treated as fast-pay stock, the treatment of any Additional Shares as fast-pay stock could affect the Preferred Stock if all such shares are indistinguishable because they have the same CUSIP or other identifying number. For example, if the IRS treated such Additional Shares as fast-pay stock, a holder of the Preferred Stock might be required to demonstrate to the IRS that the holder purchased the Preferred Stock as opposed to such Additional Shares.

Furthermore, treatment of such Additional Shares as fast-pay stock could adversely affect the trading price of the Preferred Stock. Accordingly, holders are strongly urged to consult their tax advisors regarding the Fast-Pay Stock Regulations and their potential consequences to an investment in the Preferred Stock.

### **Information Reporting and Backup Withholding**

In general, information reporting will apply with respect to the payment of distributions (including deemed distributions) on the Preferred Stock and the payment of proceeds on the sale or other taxable disposition of the Preferred Stock, unless a U.S. holder is an exempt recipient such as a corporation. Backup withholding may apply to such payments unless the U.S. holder provides proof of an applicable exemption or a correct taxpayer identification number, and otherwise complies with applicable requirements of the backup withholding rules.

We must report annually to the IRS and to each non-U.S. holder the amount of distributions (including, for this purpose, deemed distributions) paid to such holder and any tax withheld with respect to any dividends, regardless of whether withholding was required. Copies of the information returns reporting distributions and withholding may also be made available to the tax authorities in the country in which the non-U.S. holder resides under the provisions of an applicable income tax treaty. Non-U.S. holders may be subject to backup withholding unless the non-U.S. holder certifies on IRS Form W-8BEN or IRS Form W-8BEN-E (or a suitable substitute form) that it is not a U.S. person (and the withholding agent does not have actual knowledge or reason to know that such holder is a U.S. person) or such holder otherwise establishes an exemption from backup withholding.

Backup withholding is not an additional tax. Any amount withheld under the backup withholding rules from a payment to a U.S. holder or non-U.S. holder is allowable as a credit against the holder’s U.S. federal income tax

liability and may entitle the holder to a refund, provided that the required information is timely furnished to the IRS.

### **FATCA**

The Foreign Account Tax Compliance Act (“FATCA”) and related IRS guidance concerning FATCA impose a 30% U.S. withholding tax on dividends (including, for this purpose, deemed dividends) in respect of Preferred Stock made to a non-U.S. entity that fails to take required steps to provide information regarding its “United States accounts” or its direct or indirect “substantial United States owners,” as applicable, or to make a required certification that it has no such accounts or owners. Although withholding under FATCA would have applied to payments of gross proceeds from the taxable disposition of the Preferred Stock, proposed Treasury Regulations eliminate FATCA withholding on payments of gross proceeds entirely. Taxpayers generally may rely on these proposed Treasury Regulations until final Treasury Regulations are issued. We will not pay any additional amounts to holders of the Preferred Stock in respect of any amounts withheld.

Prospective investors should consult their tax advisors about how information reporting and the possible imposition of withholding tax under FATCA may apply to their investment in the Preferred Stock.

## UNDERWRITING

Morgan Stanley & Co. LLC is acting as the representative of the underwriters and book-running managers of this offering. Under the terms of an underwriting agreement, each of the underwriters named below has severally agreed to purchase from us the respective number of shares of perpetual strife preferred stock shown opposite its name below:

| <b>Underwriters</b>                | <b><u>Number of Shares</u></b> |
|------------------------------------|--------------------------------|
| Morgan Stanley & Co. LLC .....     | 2,720,000                      |
| Barclays Capital Inc. ....         | 1,700,000                      |
| Citigroup Global Markets Inc. .... | 1,275,000                      |
| Moelis & Company LLC .....         | 1,275,000                      |
| Cantor Fitzgerald & Co. ....       | 297,500                        |
| Keefe, Bruyette & Woods, Inc. .... | 297,500                        |
| Mizuho Securities USA LLC .....    | 297,500                        |
| SG Americas Securities, LLC .....  | 297,500                        |
| AmeriVet Securities, Inc. ....     | 85,000                         |
| Bancroft Capital, LLC .....        | 85,000                         |
| BTIG, LLC .....                    | 85,000                         |
| The Benchmark Company, LLC .....   | 85,000                         |
| <b>Total</b> .....                 | <b><u>8,500,000</u></b>        |

The underwriting agreement provides that the underwriters' obligation to purchase the perpetual strife preferred stock depends on the satisfaction of the certain conditions contained in the underwriting agreement including:

- the obligation to purchase all of the perpetual strife preferred stock offered hereby, if any of the shares are purchased;
- the representations and warranties made by us to the underwriters are true;
- there is no material change in our business or the financial markets; and
- we deliver customary closing documents to the underwriters.

### Commissions and Expenses

The following table shows the underwriting discounts to be paid to the underwriters by us in connection with this offering. These underwriting discounts are the difference between the public offering price and the amount the underwriters pay to us to purchase the perpetual strife preferred stock.

|  | <b><u>Per Share</u></b> | <b><u>Total</u></b> |
|--|-------------------------|---------------------|
| Perpetual Strife Preferred Stock ..... | \$1.2385                | \$10,527,250        |

The representatives have advised us that the underwriters propose to offer the perpetual strife preferred stock directly to the public at the offering price on the cover of this prospectus supplement and to selected dealers, which may include the underwriters, at such offering price less a selling concession not in excess of \$1.70 per share. If all the shares are not sold at the initial offering price following the initial offering, the representatives may change the offering price and other selling terms.

Our net offering expenses are estimated to be \$775,500, excluding underwriting discounts. We have agreed to reimburse the underwriters certain expenses incurred in connection with this offering, including, among others, expenses of their counsel and their expenses incurred in connection with, among others, the review and clearance by the Financial Industry Regulatory Authority, Inc., or FINRA, in an amount of up to \$35,000.

We agree that, without the prior written consent of Morgan Stanley & Co. LLC on behalf of the Underwriters, we will not, and will not publicly disclose an intention to, during the period commencing on the date hereof and ending 60 days after the date of the Prospectus, (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, additional shares of the perpetual strife preferred stock, (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the perpetual strife preferred stock, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of perpetual strife preferred stock, common stock or other securities, in cash or otherwise, or (3) file any registration statement with the Commission relating to the offering of any shares of the perpetual strife preferred stock.

The foregoing sentence shall not apply to the sale of the securities under the underwriting agreement.

Morgan Stanley & Co. LLC, in its sole discretion, may waive the restrictions described above in whole or in part at any time. When determining whether or not to waive such restrictions, Morgan Stanley & Co. LLC will consider, among other factors, the Company's reasons for requesting the release, the number of shares of perpetual strife preferred stock and other securities for which the release is being requested and market conditions at the time.

### **Offering Price Determination**

Prior to this offering, there has been no public market for the perpetual strife preferred stock. The initial offering price was negotiated between the representatives and us. In determining the initial offering price of the perpetual strife preferred stock, the representatives considered numerous factors, including prevailing market interest rates, the recent market prices of, and the demand for, our other securities, the recent history and prospects for the Bitcoin ecosystem and digital assets industry more broadly, and our financial information.

### **Indemnification**

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, and to contribute to payments that the underwriters may be required to make for these liabilities.

### **Stabilization, Short Positions and Penalty Bids**

The representatives may engage in stabilizing transactions, short sales and purchases to cover positions created by short sales, and penalty bids or purchases for the purpose of pegging, fixing or maintaining the price of the perpetual strife preferred stock, in accordance with Regulation M under the Exchange Act:

- Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.
- A short position involves a sale by the underwriters of shares in excess of the number of shares the underwriters are obligated to purchase in the offering, which creates the syndicate short position. The underwriters may close out any short position by purchasing shares of perpetual strife preferred stock in the open market.
- Syndicate covering transactions involve purchases of the perpetual strife preferred stock in the open market after the distribution has been completed in order to cover syndicate short positions.
- Penalty bids permit the representatives to reclaim a selling concession from a syndicate member when the perpetual strife preferred stock originally sold by the syndicate member is purchased in a stabilizing or syndicate covering transaction to cover syndicate short positions.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of the perpetual strife preferred stock or preventing or retarding a decline in the

market price of the perpetual strife preferred stock. As a result, the price of the perpetual strife preferred stock may be higher than the price that might otherwise exist in the open market. These transactions may be effected on The Nasdaq Global Select Market or otherwise and, if commenced, may be discontinued at any time.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the perpetual strife preferred stock. In addition, neither we nor any of the underwriters make any representation that the representatives will engage in these stabilizing transactions or that any transaction, once commenced, will not be discontinued without notice.

### **Electronic Distribution**

A prospectus in electronic format may be made available on the Internet sites or through other online services maintained by one or more of the underwriters and/or selling group members participating in this offering, or by their affiliates. In those cases, prospective investors may view offering terms online and, depending upon the particular underwriter or selling group member, prospective investors may be allowed to place orders online. The underwriters may agree with us to allocate a specific number of shares for sale to online brokerage account holders. Any such allocation for online distributions will be made by the representatives on the same basis as other allocations.

Other than the prospectus in electronic format, the information on any underwriter's or selling group member's web site and any information contained in any other web site maintained by an underwriter or selling group member is not part of the prospectus or the registration statement of which this prospectus forms a part, has not been approved and/or endorsed by us or any underwriter or selling group member in its capacity as underwriter or selling group member and should not be construed as having been authorized or approved to us, any underwriter or any selling group member.

### **Listing on The Nasdaq Global Select Market**

We have applied to list the perpetual strife preferred stock on The Nasdaq Global Select Market under the symbol "STRF." If the listing is approved, we expect trading to commence within 30 days after the date the perpetual strife preferred stock is first issued.

### **Directed Share Program**

At our request, the underwriters have reserved up to 425,000 shares of the perpetual strife preferred stock, or 5% of the shares offered by this prospectus supplement, for sale at the public offering price through a directed share program to certain of our employees, officers and directors based in the United States. The number of shares of the perpetual strife preferred stock available for sale to the general public will be reduced to the extent that such persons purchase such reserved shares. Any reserved shares not so purchased will be offered by the underwriters to the general public on the same basis as the other shares offered by this prospectus. Fidelity Brokerage Services LLC and Fidelity Capital Markets, a division of National Financial Services LLC, a selling group member in this offering, will administer our directed share program.

We will agree to indemnify Fidelity Brokerage Services LLC and Fidelity Capital Markets, a division of National Financial Services LLC, as the program administrator, against certain liabilities and expenses in connection with the sale of the shares of the perpetual strife preferred stock reserved for the directed share program.

### **Sales to Non-Institutional Investors**

We anticipate that a portion of the perpetual strife preferred stock sold in connection with this offering will, at our request, be offered to non-institutional investors through Fidelity Brokerage Services LLC, via their online brokerage platform. Such platform is not associated with us and there may be risks associated with the use of

such platform that we cannot foresee, including risks related to the technology and operation of such platform, and the publicity and the use of social media by users of such platform that we cannot control. Purchases made through such platform will be subject to the terms, conditions, and requirements set by Fidelity Brokerage Services LLC. The perpetual strife preferred stock offered in this offering through such platform will initially be offered at the public offering price listed on the cover page of this prospectus supplement. Information contained on, or that can be accessed through, such brokerage platform does not constitute part of this prospectus.

### **Settlement**

We expect to deliver the perpetual strife preferred stock in book-entry form through the facilities of The Depository Trust Company on or about March 25, 2025, which will be the third business day after the initial trade date for the perpetual strife preferred stock (this settlement cycle being referred to as “T+3”). Under Rule 15c6-1 under the Exchange Act, trades in the secondary market generally must settle in one business day, unless the parties to the trade expressly agree otherwise. Accordingly, purchasers who wish to trade perpetual strife preferred stock before the business day before the settlement date must, because the perpetual strife preferred stock initially will settle T+3, specify an alternate settlement cycle at the time of such trade to prevent a failed settlement. Those purchasers should consult their advisors.

### **Other Relationships**

The underwriters and certain of their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriters and certain of their affiliates have, from time to time, performed, and may in the future perform, various commercial and investment banking and financial advisory services for the issuer and its affiliates, for which they received or may in the future receive customary fees and expenses.

In the ordinary course of their various business activities, the underwriters and certain of their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the issuer or its affiliates. If the underwriters or their affiliates have a lending relationship with us, the underwriters or their affiliates may hedge, their credit exposure to us consistent with their customary risk management policies. Typically, the underwriters and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities or the securities of our affiliates, including potentially the perpetual strife preferred stock offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the perpetual strife preferred stock offered hereby. The underwriters and certain of their affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

### **Selling Restrictions**

#### *General*

Other than in the United States, no action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus supplement in any jurisdiction where action for that purpose is required. The securities offered by this prospectus supplement may not be offered or sold, directly or indirectly, nor may this prospectus supplement or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus supplement comes are advised to inform themselves about and to observe



any restrictions relating to the offering and the distribution of this prospectus supplement. This prospectus supplement does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus supplement in any jurisdiction in which such an offer or a solicitation is unlawful.

### ***European Economic Area***

In relation to each Member State of the European Economic Area (each a “Relevant State”), no perpetual strife preferred stock has been offered or will be offered pursuant to the offering to the public in that Relevant State prior to the publication of a prospectus in relation to the perpetual strife preferred stock which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers of perpetual strife preferred stock may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

- (a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of each of the underwriters for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

*provided* that no such offer of perpetual strife preferred stock shall require the Company or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

Each person in a Relevant State who initially acquires any perpetual strife preferred stock or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with the Company and the underwriters that it is a qualified investor within the meaning of the Prospectus Regulation.

In the case of any perpetual strife preferred stock being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the perpetual strife preferred stock acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in a Relevant State to qualified investors, in circumstances in which the prior consent of each of the underwriters has been obtained to each such proposed offer or resale.

The Company, the underwriters and their affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

For the purposes of this provision, the expression an “offer to the public” in relation to any perpetual strife preferred stock in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any perpetual strife preferred stock to be offered so as to enable an investor to decide to purchase or subscribe for any perpetual strife preferred stock, and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

The above selling restriction is in addition to any other selling restrictions set out below.

In connection with the offering, the underwriters are not acting for anyone other than the Company and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the offering.

### ***United Kingdom***

An offer to the public of any perpetual strife preferred stock may not be made in the United Kingdom, except that an offer to the public in the United Kingdom of any perpetual strife preferred stock may be made at any time under the following exemptions under the UK Prospectus Regulation:

- (a) to any legal entity which is a “qualified investor” as defined under the UK Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than “qualified investors” as defined under the UK Prospectus Regulation), subject to obtaining the prior consent of each of the underwriters for any such offer; or
- (c) in any other circumstances falling within section 86 of the Financial Services and Markets Act 2000 (as amended, FSMA), provided that no such offer of perpetual strife preferred stock shall result in a requirement for us or any underwriter to publish a prospectus pursuant to section 85 of the FSMA or a supplemental prospectus pursuant to Article 23 of the UK Prospectus Regulation and each person who initially acquires any perpetual strife preferred stock or to whom any offer is made will be deemed to have represented, warranted and agreed to and with the underwriters and us that it is a qualified investor within the meaning of Article 2 of the UK Prospectus Regulation.

In the case of any perpetual strife preferred stock being offered to a financial intermediary as that term is used in Article 1(4) of the UK Prospectus Regulation, each financial intermediary will also be deemed to have represented, warranted and agreed that the perpetual strife preferred stock acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any perpetual strife preferred stock to the public, other than their offer or resale in the United Kingdom to qualified investors as so defined or in circumstances in which the prior consent of each of the underwriters has been obtained to each such proposed offer or resale.

We, the underwriters and their affiliates will rely upon the truth and accuracy of the foregoing representations, warranties and agreements.

For the purposes of this provision, the expression an “offer to the public” in relation to any perpetual strife preferred stock in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any perpetual strife preferred stock to be offered so as to enable an investor to decide to purchase or subscribe for any perpetual strife preferred stock, and the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

### ***Switzerland***

The perpetual strife preferred stock may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (“SIX”) or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the perpetual strife preferred stock or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company or the perpetual strife preferred stock have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of perpetual strife preferred stock will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the offer of shares of Common Stock has not been and will not be authorized under the Swiss Federal Act on Collective Investment

Schemes (“CISA”). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of perpetual strife preferred stock.

### ***Dubai International Financial Centre***

This prospectus supplement relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (“DFSA”). This prospectus supplement is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for the prospectus supplement. The perpetual strife preferred stock to which this prospectus supplement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the perpetual strife preferred stock offered should conduct their own due diligence on the perpetual strife preferred stock. If you do not understand the contents of this prospectus supplement you should consult an authorized financial advisor.

### ***Canada***

The perpetual strife preferred stock may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the perpetual strife preferred stock must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus supplement (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

### ***Hong Kong***

The perpetual strife preferred stock has not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the perpetual strife preferred stock has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to perpetual strife preferred stock which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

### *Singapore*

This prospectus supplement has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the perpetual strife preferred stock were not offered or sold or caused to be made the subject of an invitation for subscription or purchase and will not be offered or sold or caused to be made the subject of an invitation for subscription or purchase, and this prospectus supplement or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the perpetual strife preferred stock, has not been circulated or distributed, nor will it be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the perpetual strife preferred stock is subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the perpetual strife preferred stock pursuant to an offer made under Section 275 of the SFA except:
  - (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
  - (ii) where no consideration is or will be given for the transfer;
  - (iii) where the transfer is by operation of law; or
  - (iv) as specified in Section 276(7) of the SFA.

### *Japan*

The perpetual strife preferred stock has not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, will not be offered or sold, directly or indirectly, in Japan, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time. For the purposes of this paragraph, “Japanese Person” shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

### *Australia*

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission, in relation to the offering. This prospectus supplement does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001 (the “Corporations Act”), and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the perpetual strife preferred stock may only be made to persons (the “Exempt Investors”) who are “sophisticated investors” (within the meaning of section 708(8) of the Corporations Act), “professional investors” (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the perpetual strife preferred stock without disclosure to investors under Chapter 6D of the Corporations Act.

The perpetual strife preferred stock applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring perpetual strife preferred stock must observe such Australian on-sale restrictions.

This prospectus supplement contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus supplement is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

## **LEGAL MATTERS**

Certain legal matters with respect to the offering of perpetual strife preferred stock will be passed upon for the Company by Wilmer Cutler Pickering Hale and Dorr LLP and Latham & Watkins LLP. Certain legal matters with respect to the offering of perpetual strife preferred stock will be passed upon for the underwriters by Davis Polk & Wardwell LLP.

## **EXPERTS**

The consolidated financial statements of MicroStrategy Incorporated as of December 31, 2024 and 2023, and for each of the years in the three-year period ended December 31, 2024, and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2024 have been incorporated by reference herein and in the registration statement in reliance upon the reports of KPMG LLP, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.

## WHERE YOU CAN FIND ADDITIONAL INFORMATION; INCORPORATION BY REFERENCE

### Available Information

This prospectus supplement is part of a registration statement on Form S-3 we filed with the SEC under the Securities Act and does not contain all of the information in the registration statement. The full registration statement may be obtained from the SEC or us, as provided below. Whenever a reference is made in this prospectus supplement to any of our contracts, agreements or other documents, the reference may not be complete and you should refer to the exhibits that are a part of the registration statement or the exhibits to the reports or other documents incorporated by reference into this prospectus supplement for a copy of such contract, agreement or other document. We file periodic and current reports, proxy statements and other information with the SEC. The SEC maintains a web site that contains periodic and current reports, proxy and information statements and other information about issuers, such as us, who file electronically with the SEC. The address of that website is <http://www.sec.gov>.

### Incorporation by Reference

The SEC's rules allow us to "incorporate by reference" information into this prospectus supplement, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus supplement, and subsequent information that we file with the SEC will automatically update and supersede that information. Any statement contained in a previously filed document incorporated by reference will be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained in this prospectus supplement modifies or replaces that statement.

We also incorporate by reference our documents listed below and any future filings made by us with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Exchange Act between the date of this prospectus supplement and the termination of the offering of the securities described in this prospectus supplement. We are not, however, incorporating by reference any documents or portions thereof, whether specifically listed below or filed in the future, that are not deemed "filed" with the SEC, including any information furnished pursuant to Items 2.02 or 7.01 of Form 8-K or related exhibits furnished pursuant to Item 9.01 of Form 8-K.

This prospectus supplement incorporates by reference the documents set forth below that have previously been filed with the SEC (File Nos. 000-24435 and 001-42509):

- Annual Report on Form 10-K for the fiscal year ended December 31, 2024, as filed with the SEC on February 18, 2025;
- The information in our proxy statement filed on April 12, 2024, but only to the extent such information is incorporated by reference in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, and the information in our proxy statement filed on January 3, 2025;
- Current Reports on Form 8-K as filed with the SEC on January 3, 2025, January 6, 2025 (with respect to Item 8.01), January 13, 2025 (with respect to Item 8.01), January 21, 2025 (with respect to Item 8.01), January 23, 2025, January 24, 2025, January 27, 2025 (with respect to Item 8.01), January 31, 2025, February 3, 2025, February 5, 2025, February 10, 2025 (with respect to Item 8.01), February 18, 2025, February 20, 2025, February 24, 2025, February 24, 2025 (with respect to Item 8.01), March 3, 2025 (with respect to Item 8.01), March 10, 2025 (with respect to Items 1.01 and 8.01), and March 17, 2025 (with respect to Item 8.01); and
- The descriptions of our registered securities contained in our Registration Statement on Form 8-A as filed with the SEC on June 10, 1998 and our Registration Statement on Form 8-A as filed with the SEC on February 5, 2025, as the descriptions therein have been updated and superseded by the description of our registered securities contained in Exhibit 4.2 to our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, as filed with the SEC on February 18, 2025, and including any amendments and reports filed for the purpose of updating such description;

We will provide to each person, including any beneficial owner, to whom this prospectus supplement is delivered, upon written or oral request, at no cost to the requester, any of the documents incorporated by reference in this prospectus supplement (other than exhibits, unless they are specifically incorporated by reference in the documents).

Requests for such documents should be directed to:

Strategy  
1850 Towers Crescent Plaza  
Tysons Corner, Virginia 22182  
Attention: Investor Relations  
Email: [ir@strategy.com](mailto:ir@strategy.com)  
(703) 848-8600

The information accessible through any website referred to in this prospectus supplement or any document incorporated herein is not, and should not be deemed to be, a part of this prospectus supplement.



PROSPECTUS



**Debt Securities  
Class A Common Stock  
Preferred Stock  
Depositary Shares  
Warrants  
Units**

---

We may offer and sell securities from time to time in one or more offerings. This prospectus describes the general terms of these securities and the general manner in which these securities will be offered. We will provide the specific terms of these securities in supplements to this prospectus. The prospectus supplements will also describe the specific manner in which these securities will be offered and may also supplement, update or amend information contained in this document. You should read this prospectus and any applicable prospectus supplement before you invest.

We may offer these securities in amounts, at prices and on terms determined at the time of offering. The securities may be sold directly to you, through agents, or through underwriters and dealers. If agents, underwriters or dealers are used to sell the securities, we will name them and describe their compensation in a prospectus supplement. No securities may be sold without delivery of this prospectus and the applicable prospectus supplement describing the method and terms of the offering of such securities.

Our class A common stock is listed on The Nasdaq Global Select Market under the symbol "MSTR."

---

**Investing in our securities involves significant risks. See the information included under "Risk Factors" on page 8 of this prospectus and in any accompanying prospectus supplement, and under similar headings in the documents incorporated by reference in this prospectus or any prospectus supplement, for a discussion of the factors you should carefully consider before deciding to purchase our securities.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

---

**The date of this prospectus is January 27, 2025**

## TABLE OF CONTENTS

|  |    |
|--|----|
| ABOUT THIS PROSPECTUS .....                                | 1  |
| WHERE YOU CAN FIND MORE INFORMATION .....                  | 3  |
| INCORPORATION BY REFERENCE .....                           | 4  |
| CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS ..... | 5  |
| RISK FACTORS .....   | 8  |
| MICROSTRATEGY INCORPORATED .....                           | 9  |
| USE OF PROCEEDS .....                                      | 11 |
| DESCRIPTION OF DEBT SECURITIES .....                       | 12 |
| DESCRIPTION OF CAPITAL STOCK .....                         | 22 |
| DESCRIPTION OF DEPOSITARY SHARES .....                     | 29 |
| DESCRIPTION OF WARRANTS .....                              | 32 |
| DESCRIPTION OF UNITS .....                                 | 33 |
| FORMS OF SECURITIES .....                                  | 34 |
| PLAN OF DISTRIBUTION .....                                 | 36 |
| LEGAL MATTERS .....  | 38 |
| EXPERTS .....  | 38 |

## ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission (the “SEC”) as a “well-known seasoned issuer,” as defined in Rule 405 under the Securities Act of 1933, as amended (the “Securities Act”), utilizing a “shelf” registration process. Under this shelf registration process, we may from time to time sell any combination of the securities described in this prospectus in one or more offerings.

This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide one or more prospectus supplements that will contain specific information about the terms of the offering. We may also authorize one or more free writing prospectuses to be provided to you that may contain material information relating to these offerings. The prospectus supplement or free writing prospectus may also add, update or change information contained in this prospectus. You should read both this prospectus and the accompanying prospectus supplement (and any applicable free writing prospectus) together with the additional information described under the headings “Where You Can Find More Information” and “Incorporation by Reference.” If there is any inconsistency between the information in this prospectus and any prospectus supplement or free writing prospectus, you should rely on the information contained in the prospectus supplement or free writing prospectus, as applicable.

You should rely only on the information contained in or incorporated by reference in this prospectus, any accompanying prospectus supplement or in any related free writing prospectus filed by us with the SEC. We have not authorized anyone to provide you with different information. We take no responsibility for, and can provide no assurance as to the reliability of, any other information or representations that others may give you. This prospectus and any accompanying prospectus supplement (and any applicable free writing prospectus) do not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities described in this prospectus or such accompanying prospectus supplement or an offer to sell or the solicitation of an offer to buy such securities in any jurisdiction or under any circumstances in which such offer or solicitation is unlawful. You should assume that the information appearing in this prospectus, any prospectus supplement, the documents incorporated by reference and any related free writing prospectus is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed materially since those dates.

A statement contained in a subsequent prospectus supplement or document incorporated by reference into this prospectus after the date hereof shall be deemed to be modified or superseded for purposes of this prospectus to the extent that such statement contained in this prospectus conflicts or is otherwise inconsistent with the statement in any such prospectus supplement or subsequently filed document which is also incorporated in this prospectus. Any statements so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

This prospectus incorporates by reference, and any prospectus supplement or free writing prospectus may contain and incorporate by reference, market data and industry statistics and forecasts that are based on independent industry publications and other publicly available information. Although we believe these sources are reliable, we do not guarantee the accuracy or completeness of this information and we have not independently verified this information. In addition, the market and industry data and forecasts that may be included or incorporated by reference in this prospectus, any prospectus supplement or any applicable free writing prospectus may involve estimates, assumptions and other risks and uncertainties and are subject to change based on various factors, including those discussed under the heading “Risk Factors” contained in this prospectus, in any accompanying prospectus supplement and any applicable free writing prospectus, and under similar headings in other documents that are incorporated by reference into this prospectus. Accordingly, investors should not place undue reliance on this information.

Unless otherwise indicated or the context otherwise requires, references in this prospectus to “MicroStrategy,” the “Company,” “we,” “us,” and “our” refer to MicroStrategy Incorporated and its consolidated subsidiaries.

## **WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's website at <http://www.sec.gov>. Copies of certain information filed by us with the SEC are also available on our website at [www.microstrategy.com](http://www.microstrategy.com). The information contained in, or accessible through, our website is not incorporated by reference into this prospectus and should not be considered to be a part of this prospectus. We have included our website address in this prospectus solely as an inactive textual reference.

This prospectus is part of a registration statement we filed with the SEC. This prospectus omits some information contained in the registration statement in accordance with SEC rules and regulations. You should review the information and exhibits in the registration statement for further information about us and our consolidated subsidiaries and the securities we are offering. Statements in this prospectus concerning any document we filed as an exhibit to the registration statement or that we otherwise filed with the SEC are not intended to be comprehensive and are qualified by reference to these filings and the exhibits attached thereto. You should review the complete document to evaluate these statements.

## INCORPORATION BY REFERENCE

The SEC allows us to incorporate by reference much of the information we file with the SEC, which means that we can disclose important information to you by referring you to those publicly available documents. The information that we incorporate by reference in this prospectus is considered to be part of this prospectus. Because we are incorporating by reference future filings with the SEC, this prospectus is continually updated and those future filings may modify or supersede some of the information included or incorporated in this prospectus. This means that you must review all of the SEC filings that we incorporate by reference to determine if any of the statements in this prospectus or in any document previously incorporated by reference have been modified or superseded. This prospectus incorporates by reference the documents listed below (File No. 000-24435) and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) (in each case, other than those documents or the portions of those documents not deemed to be filed) until the offering of the securities under the registration statement is terminated or completed:

- Annual Report on Form 10-K for the fiscal year ended December 31, 2023, as filed with the SEC on February 15, 2024;
- The information in our proxy statement filed on April 12, 2024, but only to the extent such information is incorporated by reference in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023;
- Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2024, June 30, 2024 and September 30, 2024, as filed with the SEC on May 1, 2024, August 6, 2024 and October 31, 2024;
- Current Reports on Form 8-K as filed with the SEC on February 26, 2024, March 6, 2024, March 11, 2024, March 11, 2024, March 15, 2024, March 19, 2024, March 19, 2024, May 24, 2024, June 3, 2024, June 14, 2024, June 20, 2024, June 20, 2024, July 5, 2024, July 11, 2024, September 13, 2024, September 18, 2024, September 20, 2024, September 20, 2024, October 30, 2024, November 12, 2024, November 18, 2024, November 20, 2024, November 21, 2024, November 25, 2024, December 2, 2024, December 9, 2024, December 16, 2024, December 20, 2024, December 23, 2024, December 30, 2024, January 3, 2025, January 6, 2025, January 13, 2025, January 21, 2025, January 23, 2025, January 24, 2025 and January 27, 2025; and
- The description of our class A common stock contained in our Registration Statement on Form 8-A as filed with the SEC on June 10, 1998, as the description therein has been updated and superseded by the description of our capital stock contained in Exhibit 4.2 to our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as filed with the SEC on February 14, 2020, and including any amendments and reports filed for the purpose of updating such description.

You may request a copy of these filings, at no cost, by writing or telephoning us at the following address or telephone number:

**1850 Towers Crescent Plaza  
Tysons Corner, Virginia  
Attention: Investor Relations  
703-848-8600**

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the information incorporated by reference in this prospectus contain certain forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements, other than statements of historical facts, including statements concerning our plans, objectives, goals, beliefs, business strategies, future events, business conditions, results of operations, financial position, business outlook, business trends and other information, may be forward-looking statements. Words such as “might,” “will,” “may,” “should,” “estimates,” “expects,” “continues,” “contemplates,” “anticipates,” “projects,” “plans,” “potential,” “predicts,” “intends,” “believes,” “forecasts,” “future,” “targeted,” “goal” and variations of such words or similar expressions are intended to identify forward-looking statements. The forward-looking statements are not historical facts, and are based upon our current expectations, beliefs, estimates and projections, and various assumptions, many of which, by their nature, are inherently uncertain and beyond our control. Our expectations, beliefs, estimates and projections are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that management’s expectations, beliefs, estimates and projections will result or be achieved and actual results may vary materially from what is expressed in or indicated by the forward-looking statements. There are many risks, uncertainties and other important factors, many of which are beyond our control, that could cause our actual results to differ materially from the forward-looking statements contained in this prospectus. The principal risks, uncertainties and other important factors that have affected or may affect our business and that have caused or could cause our actual results to differ materially include, without limitation:

### *Risks Related to our Business in General*

- our quarterly operating results, revenues, and expenses may fluctuate significantly, which could have an adverse effect on the market price of our stock;
- we may not be able to regain profitability in future periods;
- a significant decrease in the market value of our bitcoin holdings could adversely affect our ability to service our indebtedness;
- unrealized fair value gains on our bitcoin holdings could cause us to become subject to the corporate alternative minimum tax under the Inflation Reduction Act of 2022;

### *Risks Related to Our Bitcoin Acquisition Strategy and Holdings*

- our bitcoin strategy exposes us to various risks associated with bitcoin;
- bitcoin is a highly volatile asset, and fluctuations in the price of bitcoin have in the past influenced and are likely to continue to influence our financial results and the market price of our class A common stock;
- Bitcoin and other digital assets are novel assets, and are subject to significant legal, commercial, regulatory and technical uncertainty;
- our historical financial statements do not reflect the potential variability in earnings that we may experience in the future relating to our bitcoin holdings;
- the availability of spot exchange-traded products for bitcoin and other digital assets may adversely affect the market price of our class A common stock;
- our bitcoin strategy subjects us to enhanced regulatory oversight;
- the concentration of our bitcoin holdings enhances the risks inherent in our bitcoin strategy;
- bitcoin trading venues may experience greater fraud, security failures or regulatory or operational problems than trading venues for more established asset classes;

- the emergence or growth of other digital assets could have a negative impact on the price of bitcoin;
- our bitcoin holdings are less liquid than our existing cash and cash equivalents and may not be able to serve as a source of liquidity for us to the same extent as cash and cash equivalents;
- if we or our third-party service providers experience a security breach or cyberattack and unauthorized parties obtain access to our bitcoin, or if our private keys are lost or destroyed, or other similar circumstances or events occur, we may lose some or all of our bitcoin and our financial condition and results of operations could be materially adversely affected;
- regulatory change reclassifying bitcoin as a security could lead to our classification as an investment company under the Investment Company Act of 1940;
- we are not subject to legal and regulatory obligations that apply to investment companies such as mutual funds and exchange-traded funds, or to obligations applicable to investment advisers.
- our bitcoin strategy exposes us to risk of non-performance by counterparties;

*Risks Related to Our Enterprise Analytics Software Business Strategy*

- we derive revenue from a single software platform and related services as well as revenue from our installed customer base;
- as our customers increasingly shift from a product license model to a cloud subscription model, we could face higher future rates of attrition, and such a shift could continue to affect the timing of revenue recognition or reduce product licenses and product support revenues;
- our recognition of deferred revenue and advance payments is subject to future performance obligations and may not be representative of revenues for succeeding periods;
- integration of artificial intelligence into our enterprise analytics product offerings and our use of artificial intelligence in our operations could result in reputational or competitive harm, legal liability, and other adverse effects on our business;

*Risks Related to Our Technology and Intellectual Property*

- third parties may claim we infringe their intellectual property rights;
- the nature of our software makes it particularly susceptible to undetected errors, bugs, or security vulnerabilities, which could cause problems with how the software performs and, in turn, reduce demand for our software, reduce our revenue, and lead to litigation claims against us;

*Risks Related to Our Operations*

- business disruptions, including interruptions, delays, or failures of our systems, third-party data center hosting facility, or other third-party services, as a result of geopolitical tensions, acts of terrorism, natural disasters, pandemics (like the COVID-19 pandemic), and similar events, could materially adversely affect our operating results or result in a material weakness in our internal controls that could adversely affect the market price of our stock;
- we face a variety of risks in doing business with U.S. and foreign federal, state, and local governments and government agencies, including risks related to the procurement process, budget constraints and cycles, termination of contracts, and compliance with government contracting requirements;
- changes in laws or regulations relating to privacy or the collection, processing, disclosure, storage, localization, or transmission of personal data, or any actual or perceived failure by us or our third-party service providers to comply with such laws and regulations, contractual obligations, or applicable privacy policies, could materially adversely affect our business;



- if we or our third-party service providers experience a disruption due to a cybersecurity attack or security breach and unauthorized parties obtain access to our customers', prospects', vendors', or channel partners' data, our data, our networks or other systems, or the cloud environments we manage, our offerings may be perceived as not being secure, our reputation may be harmed, demand for our offerings may be reduced, our operations may be disrupted, we may incur significant legal and financial liabilities, and our business could be materially adversely affected;

*Risks Related to Our Class A Common Stock*

- the market price of our class A common stock has been and may continue to be volatile;
- because of the rights of our two classes of common stock and because Michael J. Saylor, who beneficially owns the majority of our class B common stock, controls a significant portion of our total voting power, Mr. Saylor has significant influence over matters that require approval of our stockholders and could impede a third party from acquiring us, or limit the ability of our other stockholders to influence corporate matters funds;
- future sales, or the perception of future sales, of our class A common stock, convertible debt instruments, convertible preferred stock, or other convertible securities could depress the price of our class A common stock;

*Risks Related to Our Outstanding and Potential Future Indebtedness*

- our level and terms of indebtedness could adversely affect our ability to raise additional capital to further execute on our bitcoin strategy, fund our enterprise analytics software operations, and take advantage of new business opportunities;
- we may be unable to service our indebtedness, which could cause us to default on our debt obligations and could force us into bankruptcy or liquidation;
- we may not have the ability to raise the funds necessary to settle conversions of the convertible notes in cash, to repurchase the convertible notes for cash upon a fundamental change or to repurchase the 0.625% Convertible Senior Notes due 2028 on September 15, 2027, the 0% Convertible Senior Notes due 2029 on June 1, 2028, the 0.625% Convertible Senior Notes due 2030 or the 0.875% Convertible Senior Notes due 2031 on September 15, 2028, or the 2.25% Convertible Senior Notes due 2032 on June 15, 2029, and any future debt may contain, limitations on our ability to engage in cash-settled conversions or repurchases of convertible notes;
- the conditional conversion feature of the outstanding convertible notes, if triggered, may adversely affect our financial condition and operating results; and

*Other Risks*

- the other risks detailed in the "Risk Factors" sections incorporated by reference in this prospectus or contained or incorporated by reference in any prospectus supplement.

We caution you that the foregoing list of important factors may not contain all of the material factors that are important to you. In addition, in light of these risks and uncertainties, the matters referred to in the forward-looking statements contained in this prospectus may not in fact occur. The forward-looking statements made in this prospectus relate only to events as of the date on which the statements were made. Except as may be required by law, we undertake no obligation to update our forward-looking statements to reflect events and circumstances after the date on which the statements were made or to reflect the occurrence of unanticipated events.

## **RISK FACTORS**

Investing in our securities involves significant risks. Before you make a decision to buy our securities, you should carefully review and consider the specific risks set forth under (i) the caption “Risk Factors” in any applicable prospectus supplement or free writing prospectus and (ii) under the caption “Risk Factors” in our filings with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, incorporated by reference herein and/or included in any prospectus supplement, as well as the risks and uncertainties discussed above under “Cautionary Note Regarding Forward-Looking Statements”. Additionally, the risks and uncertainties discussed in this prospectus or in any document incorporated by reference into this prospectus are not the only risks and uncertainties that we face, and our business, financial condition, cash flows, liquidity and results of operations and the market price of the securities we may sell could be materially adversely affected by other matters that are not known to us or that we currently do not consider to be material. The occurrence of any of these risks might cause you to lose all or part of your investment in the offered securities.

## MICROSTRATEGY INCORPORATED

### Business Overview

MicroStrategy® is the world's first and largest Bitcoin Treasury Company. We are a publicly traded company that has adopted bitcoin as our primary treasury reserve asset. By using proceeds from equity and debt financings, as well as cash flows from our operations, we strategically accumulate bitcoin and advocate for its role as digital capital. Our treasury strategy is designed to provide investors varying degrees of economic exposure to bitcoin by offering a range of securities, including equity and fixed income instruments.

In addition, we provide industry-leading AI-powered enterprise analytics software, advancing our vision of Intelligence Everywhere™. We leverage our development capabilities to explore innovation in Bitcoin applications, integrating analytics expertise with our commitment to digital asset growth. We believe our combination of operational excellence, strategic bitcoin reserve, and focus on technological innovation positions us as a leader in both the digital asset and enterprise analytics sectors, offering a unique opportunity for long-term value creation.

### Bitcoin Strategy

Our bitcoin strategy generally involves from time to time, subject to market conditions, (i) issuing debt or equity securities or engaging in other capital raising transactions with the objective of using the proceeds to purchase bitcoin and (ii) acquiring bitcoin with our liquid assets that exceed working capital requirements. We intend to fund further bitcoin acquisitions primarily through issuances of class A common stock and a variety of fixed-income instruments, including debt, convertible notes and preferred stock.

We view our bitcoin holdings as long-term holdings and expect to continue to accumulate bitcoin. We have not set any specific target for the amount of bitcoin we seek to hold, and we will continue to monitor market conditions in determining whether to engage in additional financings to purchase additional bitcoin. This overall strategy also contemplates that we may (i) periodically sell bitcoin for general corporate purposes or in connection with strategies that generate tax benefits in accordance with applicable law, (ii) enter into additional capital raising transactions that are collateralized by our bitcoin holdings, and (iii) consider pursuing strategies to create income streams or otherwise generate funds using our bitcoin holdings.

Additionally, we periodically engage in advocacy and educational activities regarding the continued acceptance and value of Bitcoin as an open, secure protocol for an internet-native digital capital asset, and we leverage our software development capabilities to explore innovation in Bitcoin applications.

### Enterprise Analytics Software Strategy

MicroStrategy is a pioneer in AI-powered business intelligence (BI), and a global leader in enterprise analytics solutions. We provide software and services designed to turn complex, chaotic data environments into rich, reliable, and convenient information feeds for our customers. Our vision is to make every worker a domain expert by delivering Intelligence Everywhere™.

Our cloud-native flagship, MicroStrategy ONE™, powers some of the largest analytics deployments in the world for customers spanning a wide range of industries, including retail, banking, technology, manufacturing, insurance, consulting, healthcare, telecommunications, and the public sector.

Integral to the MicroStrategy ONE platform are Generative AI capabilities that are designed to automate and accelerate the deployment of AI-enabled applications across our customers' enterprises. By making advanced analytics accessible through conversational AI, MicroStrategy ONE provides non-technical users with the ability to directly access novel and actionable insights for decision-making.

MicroStrategy ONE combines the flexibility and scalability afforded by a modern, cloud application with the reliability and security of our robust data governance model. It empowers users by making rich analytics easily accessible and personalized, while enabling organizations to harness the value of their data wherever it is needed.

### **Our Corporate Information**

Our principal executive offices are located at 1850 Towers Crescent Plaza, Tysons Corner, Virginia 22182, and our telephone number is (703) 848-8600. Our website address is [www.microstrategy.com](http://www.microstrategy.com). The information contained on, or accessible through, our website is not incorporated by reference into this prospectus and should not be considered to be a part of this prospectus. We have included our website address in this prospectus solely as an inactive textual reference.

MicroStrategy, MicroStrategy ONE, MicroStrategy Auto, MicroStrategy AI, Intelligence Everywhere, HyperIntelligence, MicroStrategy Consulting, MicroStrategy Education, Dossier, MicroStrategy Cloud, Enterprise Semantic Graph, MicroStrategy Services, Global Delivery Center, and Intelligent Enterprise are either trademarks or registered trademarks of MicroStrategy Incorporated in the United States and certain other countries. Other product and company names mentioned herein may be the trademarks of their respective owners.

## **USE OF PROCEEDS**

We intend to use the net proceeds from the sale of any securities offered under this prospectus to acquire additional bitcoin and for general corporate purposes, unless otherwise indicated in the applicable prospectus supplement. We have not determined the amount of net proceeds to be used specifically for any particular purpose. As a result, management will retain broad discretion over the allocation of the net proceeds of any offering.

## DESCRIPTION OF DEBT SECURITIES

The following description summarizes the general terms and provisions of the debt securities that MicroStrategy Incorporated may offer and sell from time to time. We will describe in a prospectus supplement the specific terms of the debt securities offered through that prospectus supplement, as well as any general terms and provisions described in this section that will not apply to those debt securities. As used in this “Description of Debt Securities,” the term “debt securities” means the senior and subordinated debt securities that we issue and the applicable trustee authenticates and delivers under the applicable indenture. When we refer to “the Company,” “we,” “our,” and “us” in this section, we mean MicroStrategy Incorporated excluding, unless the context otherwise requires or as otherwise expressly stated, its subsidiaries.

We may issue senior debt securities from time to time, in one or more series under a senior indenture to be entered into between us and a senior trustee to be named in a prospectus supplement, which we refer to as the “senior trustee.” We may issue subordinated debt securities from time to time, in one or more series under a subordinated indenture to be entered into between us and a subordinated trustee to be named in a prospectus supplement, which we refer to as the “subordinated trustee.” The forms of senior indenture and subordinated indenture are filed as exhibits to the registration statement of which this prospectus forms a part. The senior indenture and the subordinated indenture are referred to individually as an “indenture” and together as the “indentures” and the senior trustee and the subordinated trustee are referred to individually as a “trustee” and together as the “trustees.” This section summarizes some of the provisions of the indentures and is qualified in its entirety by the specific text of the indentures, including definitions of terms used in the indentures. Wherever we refer to particular sections of, or defined terms in, the indentures, those sections or defined terms are incorporated by reference in this prospectus or the applicable prospectus supplement. You should review the indentures that are filed as exhibits to the registration statement of which this prospectus forms a part for additional information.

Neither indenture will limit the amount of debt securities that we may issue. The applicable indenture will provide that debt securities may be issued up to an aggregate principal amount authorized from time to time by us and may be payable in any currency or currency unit designated by us or in amounts determined by reference to an index.

### General

The senior debt securities will constitute our unsecured and unsubordinated general obligations and will rank equally in right of payment with our other unsecured and unsubordinated obligations. The subordinated debt securities will constitute our unsecured and subordinated general obligations and will be junior in right of payment to our senior indebtedness (including senior debt securities), as described under the heading “—Certain Terms of the Subordinated Debt Securities—Subordination.” The debt securities will be structurally subordinated to all existing and future indebtedness and other liabilities of our subsidiaries. The debt securities will not be guaranteed by any of our subsidiaries.

The debt securities will be our unsecured obligations. Any secured debt or other secured obligations will be effectively senior to the debt securities to the extent of the value of the assets securing such debt or other obligations.

The applicable prospectus supplement and/or free writing prospectus will include any additional or different terms of the debt securities of any series being offered, including the following terms:

- the title and type of the debt securities;
- whether the debt securities will be senior or subordinated debt securities, and, with respect to any subordinated debt securities the terms on which they are subordinated;
- the initial aggregate principal amount of the debt securities;

- the price or prices at which we will sell the debt securities;
- the maturity date or dates of the debt securities and the right, if any, to extend such date or dates;
- the rate or rates, if any, at which the debt securities will bear interest, or the method of determining such rate or rates;
- the date or dates from which such interest will accrue, the interest payment dates on which such interest will be payable or the method of determination of such dates;
- the right, if any, to extend the interest payment periods and the duration of that extension;
- the manner of paying principal and interest and the place or places where principal and interest will be payable;
- the denominations of the debt securities if other than \$2,000 or multiples of \$1,000;
- provisions for a sinking fund, purchase fund or other analogous fund, if any;
- any redemption dates, prices, obligations and restrictions on the debt securities;
- the currency, currencies or currency units in which the debt securities will be denominated and the currency, currencies or currency units in which principal and interest, if any, on the debt securities may be payable;
- any conversion or exchange features of the debt securities;
- whether the debt securities will be subject to the defeasance provisions in the indenture;
- whether the debt securities will be issued in definitive or global form or in definitive form only upon satisfaction of certain conditions;
- any special tax implications of the debt securities;
- any events of defaults or covenants in addition to or in lieu of those set forth in the indenture; and
- any other material terms of the debt securities.

When we refer to “principal” in this section with reference to the debt securities, we are also referring to “premium, if any.”

We may from time to time, without notice to or the consent of the holders of any series of debt securities, create and issue further debt securities of any such series ranking equally with the debt securities of such series in all respects (or in all respects other than (1) the payment of interest accruing prior to the issue date of such further debt securities or (2) the first payment of interest following the issue date of such further debt securities). Such further debt securities may be consolidated and form a single series with the debt securities of such series and have the same terms as to status, redemption or otherwise as the debt securities of such series.

You may present debt securities for exchange and you may present debt securities for transfer in the manner, at the places and subject to the restrictions set forth in the debt securities and the applicable prospectus supplement. We will provide you those services without charge, although you may have to pay any tax or other governmental charge payable in connection with any exchange or transfer, as set forth in the indenture.

Debt securities may bear interest at a fixed rate or a floating rate. Debt securities bearing no interest or interest at a rate that at the time of issuance is below the prevailing market rate (original issue discount securities) may be sold at a discount below their stated principal amount. U.S. federal income tax considerations applicable to any such discounted debt securities or to certain debt securities issued at par which are treated as having been issued at a discount for U.S. federal income tax purposes will be described in the applicable prospectus supplement.

We may issue debt securities with the principal amount payable on any principal payment date, or the amount of interest payable on any interest payment date, to be determined by reference to one or more currency exchange rates, securities or baskets of securities, commodity prices or indices. You may receive a payment of principal on any principal payment date, or a payment of interest on any interest payment date, that is greater than or less than the amount of principal or interest otherwise payable on such dates, depending on the value on such dates of the applicable currency, security or basket of securities, commodity or index. Information as to the methods for determining the amount of principal or interest payable on any date, the currencies, securities or baskets of securities, commodities or indices to which the amount payable on such date is linked and certain related tax considerations will be set forth in the applicable prospectus supplement.

### **Certain Terms of the Senior Debt Securities**

*Covenants.* Unless we indicate otherwise in a prospectus supplement with respect to a particular series of senior debt securities, the senior debt securities will not contain any financial or restrictive covenants, including covenants restricting either us or any of our subsidiaries from incurring, issuing, assuming or guaranteeing any indebtedness secured by a lien on any of our or our subsidiaries' property or capital stock, or restricting either us or any of our subsidiaries from entering into sale and leaseback transactions.

*Consolidation, Merger and Sale of Assets.* Unless we indicate otherwise in a prospectus supplement with respect to a particular series of senior debt securities, we may not consolidate with or merge into any other person, in a transaction in which we are not the surviving corporation, or convey, transfer or lease our properties and assets substantially as an entirety to any person, in either case, unless:

- the successor entity, if any, is a U.S. corporation, limited liability company, partnership or trust;
- the successor entity assumes our obligations on the senior debt securities and under the senior indenture;
- immediately after giving effect to the transaction, no default or event of default shall have occurred and be continuing; and
- we have delivered to the senior trustee an officer's certificate and an opinion of counsel, each stating that the consolidation, merger, conveyance, transfer or lease and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture, comply with the senior indenture and all conditions precedent provided for in the senior indenture relating to such transaction have been complied with.

The restrictions described in the bullets above do not apply (1) to our consolidation with or merging into one of our affiliates, if our board of directors determines in good faith that the purpose of the consolidation or merger is principally to change our state of incorporation or our form of organization to another form or (2) if we merge with or into a single direct or indirect wholly-owned subsidiary of ours.

The surviving business entity will succeed to, and be substituted for, us under the senior indenture and the senior debt securities and, except in the case of a lease, we shall be released from all obligations under the senior indenture and the senior debt securities.

*No Protection in the Event of a Change in Control.* Unless we indicate otherwise in a prospectus supplement with respect to a particular series of senior debt securities, the senior debt securities will not contain any provisions that may afford holders of the senior debt securities protection in the event we have a change in control or in the event of a highly leveraged transaction (whether or not such transaction results in a change in control).



*Events of Default.* Unless we indicate otherwise in a prospectus supplement with respect to a particular series of senior debt securities, the following are events of default under the senior indenture with respect to senior debt securities of each series:

- failure to pay interest on any senior debt securities of such series when due and payable, if that default continues for a period of 30 days (or such other period as may be specified for such series);
- failure to pay principal on the senior debt securities of such series when due and payable whether at maturity, upon redemption, by declaration or otherwise (and, if specified for such series, the continuance of such failure for a specified period);
- default in the performance of or breach of any of our covenants or agreements in the senior indenture applicable to senior debt securities of such series, other than a covenant breach which is specifically dealt with elsewhere in the senior indenture, and that default or breach continues for a period of 90 days after we receive written notice from the trustee or from the holders of 25% or more in aggregate principal amount of the senior debt securities of such series;
- certain events of bankruptcy or insolvency, whether or not voluntary; and
- any other event of default provided for in such series of senior debt securities as may be specified in the applicable prospectus supplement.

Unless we indicate otherwise in a prospectus supplement with respect to a particular series of senior debt securities, the default by us under any other debt, including any other series of our debt securities, is not a default under the senior indenture.

If an event of default other than an event of default specified in the fourth bullet point above occurs with respect to a series of senior debt securities and is continuing under the senior indenture, then, and in each such case, either the trustee or the holders of not less than 25% in aggregate principal amount of such series then outstanding under the senior indenture (each such series voting as a separate class) by written notice to us and to the trustee, if such notice is given by the holders, may, and the trustee at the request of such holders shall, declare the principal amount of and accrued interest on such series of senior debt securities to be immediately due and payable, and upon this declaration, the same shall become immediately due and payable.

If an event of default specified in the fourth bullet point above occurs and is continuing, the entire principal amount of and accrued interest on each series of senior debt securities then outstanding shall automatically become immediately due and payable.

Unless otherwise specified in the prospectus supplement relating to a series of senior debt securities originally issued at a discount, the amount due upon acceleration shall include only the original issue price of the senior debt securities, the amount of original issue discount accrued to the date of acceleration and accrued interest, if any.

Upon certain conditions, declarations of acceleration may be rescinded and annulled and past defaults may be waived by the holders of a majority in aggregate principal amount of all the senior debt securities of such series affected by the default, each series voting as a separate class. Furthermore, subject to various provisions in the senior indenture, the holders of a majority in aggregate principal amount of a series of senior debt securities, by notice to the trustee, may waive a continuing default or event of default with respect to such senior debt securities and its consequences, except a default in the payment of principal of or interest on such senior debt securities (other than any such default in payment resulting solely from an acceleration of the senior debt securities) or in respect of a covenant or provision of the senior indenture which cannot be modified or amended without the consent of the holders of each such senior debt security. Upon any such waiver, such default shall cease to exist, and any event of default with respect to such senior debt securities shall be deemed to have been cured, for every purpose of the senior indenture; but no such waiver shall extend to any subsequent or other default or event of default or impair any right consequent thereto.

The holders of a majority in aggregate principal amount of a series of senior debt securities may direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee with respect to such senior debt securities. However, the trustee may refuse to follow any direction that conflicts with law or the senior indenture, that may involve the trustee in personal liability or that the trustee determines in good faith may be unduly prejudicial to the rights of holders of such series of senior debt securities not joining in the giving of such direction and may take any other action it deems proper that is not inconsistent with any such direction received from holders of such series of senior debt securities. A holder may not pursue any remedy with respect to the senior indenture or any series of senior debt securities unless:

- the holder gives the trustee written notice of a continuing event of default;
- the holders of at least 25% in aggregate principal amount of such series of senior debt securities make a written request to the trustee to pursue the remedy in respect of such event of default;
- the requesting holder or holders offer the trustee indemnity satisfactory to the trustee against any costs, liability or expense;
- the trustee does not comply with the request within 60 days after receipt of the request and the offer of indemnity; and
- during such 60-day period, the holders of a majority in aggregate principal amount of such series of senior debt securities do not give the trustee a direction that is inconsistent with the request.

These limitations, however, do not apply to the right of any holder of a senior debt security of any affected series to receive payment of the principal of and interest on such senior debt security in accordance with the terms of such debt security, or to bring suit for the enforcement of any such payment in accordance with the terms of such debt security, on or after the due date for the senior debt securities, which right shall not be impaired or affected without the consent of the holder.

The senior indenture requires certain of our officers to certify, on or before a fixed date in each year in which any senior debt security is outstanding, as to their knowledge of our compliance with all covenants, agreements and conditions under the senior indenture.

*Satisfaction and Discharge.* We can satisfy and discharge our obligations to holders of any series of debt securities if:

- we have paid or caused to be paid the principal of and interest on all senior debt securities of such series (with certain limited exceptions) when due and payable; or
- we deliver to the senior trustee for cancellation all senior debt securities of such series theretofore authenticated under the senior indenture (with certain limited exceptions); or
- all senior debt securities of such series have become due and payable or will become due and payable within one year (or are to be called for redemption within one year under arrangements satisfactory to the senior trustee) and we deposit in trust an amount of cash or a combination of cash and U.S. government or U.S. government agency obligations (or in the case of senior debt securities denominated in a foreign currency, foreign government securities or foreign government agency securities) sufficient to make interest, principal and any other payments on the debt securities of that series on their various due dates;

and if, in any such case, we also pay or cause to be paid all other sums payable under the senior indenture, as and when the same shall be due and payable and we deliver to the senior trustee an officer's certificate and an opinion of counsel, each stating that these conditions have been satisfied.

Under current U.S. federal income tax law, the deposit and our legal release from the debt securities would be treated as though we took back your debt securities and gave you your share of the cash and debt securities or

bonds deposited in trust. In that event, you could recognize gain or loss on the debt securities you give back to us. Purchasers of the debt securities should consult their own advisers with respect to the tax consequences to them of such deposit and discharge, including the applicability and effect of tax laws other than the U.S. federal income tax law.

*Defeasance.* Unless the applicable prospectus supplement provides otherwise, the following discussion of legal defeasance and covenant defeasance will apply to any series of debt securities issued under the indentures.

*Legal Defeasance.* We can legally release ourselves from any payment or other obligations on the debt securities of any series (called “legal defeasance”) if certain conditions are met, including the following:

- we deposit in trust for your benefit and the benefit of all other direct holders of the debt securities of the same series cash or a combination of cash and U.S. government or U.S. government agency obligations (or, in the case of senior debt securities denominated in a foreign currency, foreign government or foreign government agency obligations) that will generate enough cash to make interest, principal and any other payments on the debt securities of that series on their various due dates;
- there is a change in current U.S. federal income tax law or an IRS ruling that lets us make the above deposit without causing you to be taxed on the debt securities any differently than if we did not make the deposit and instead repaid the debt securities ourselves when due. Under current U.S. federal income tax law, the deposit and our legal release from the debt securities would be treated as though we took back your debt securities and gave you your share of the cash and debt securities or bonds deposited in trust. In that event, you could recognize gain or loss on the debt securities you give back to us; and
- we deliver to the trustee a legal opinion of our counsel confirming the tax law change or ruling described above.

If we accomplish legal defeasance, as described above, you would have to rely solely on the trust deposit for repayment of the debt securities. You could not look to us for repayment in the event of any shortfall.

*Covenant Defeasance.* Without any change in current U.S. federal tax law, we can make the same type of deposit described above and be released from some of the covenants in the debt securities (called “covenant defeasance”). In that event, you would lose the protection of those covenants but would gain the protection of having money and securities set aside in trust to repay the debt securities. In order to achieve covenant defeasance, we must do the following (among other things):

- deposit in trust for your benefit and the benefit of all other direct holders of the debt securities of the same series cash or a combination of cash and U.S. government or U.S. government agency obligations (or, in the case of senior debt securities denominated in a foreign currency, foreign government or foreign government agency obligations) that will generate enough cash to make interest, principal and any other payments on the debt securities of that series on their various due dates; and
- deliver to the trustee a legal opinion of our counsel confirming that under current U.S. federal income tax law we may make the above deposit without causing you to be taxed on the debt securities any differently than if we did not make the deposit and instead repaid the debt securities ourselves when due.

If we accomplish covenant defeasance, you could still look to us for repayment of the debt securities if there were a shortfall in the trust deposit. In fact, if one of the events of default occurred (such as our bankruptcy) and the debt securities become immediately due and payable, there may be such a shortfall. Depending on the events causing the default, you may not be able to obtain payment of the shortfall.

*Modification and Waiver.* We and the trustee may amend or supplement the senior indenture or the senior debt securities of any series without the consent of any holder:

- to convey, transfer, assign, mortgage or pledge any assets as security for the senior debt securities of one or more series;
- to evidence the succession of a corporation, limited liability company, partnership or trust to us, and the assumption by such successor of our covenants, agreements and obligations under the senior indenture or to otherwise comply with the covenant relating to mergers, consolidations and sales of assets;
- to comply with the requirements of the SEC in order to effect or maintain the qualification of the senior indenture under the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”);
- to add to our covenants such new covenants, restrictions, conditions or provisions for the protection of the holders, and to make the occurrence, or the occurrence and continuance, of a default in any such additional covenants, restrictions, conditions or provisions an event of default;
- to cure any ambiguity, defect or inconsistency in the senior indenture or in any supplemental indenture or to conform the senior indenture or the senior debt securities to the description of senior debt securities of such series set forth in this prospectus or any applicable prospectus supplement;
- to establish the form or forms or terms of the senior debt securities as permitted by the senior indenture;
- to evidence and provide for the acceptance of appointment under the senior indenture by a successor trustee, or to make such changes as shall be necessary to provide for or facilitate the administration of the trusts in the senior indenture by more than one trustee;
- to add to, change or eliminate any of the provisions of the senior indenture in respect of one or more series of senior debt securities, provided that any such addition, change or elimination shall (a) neither (1) apply to any senior debt security of any series created prior to the execution of such supplemental indenture and entitled to the benefit of such provision nor (2) modify the rights of the holder of any such senior debt security with respect to such provision or (b) become effective only when there is no senior debt security described in clause (a)(1) outstanding;
- to make any change to the senior debt securities of any series so long as no senior debt securities of such series are outstanding; or
- to make any change that does not adversely affect the rights of any holder in any material respect.

Other amendments and modifications of the senior indenture or the senior debt securities issued may be made, and our compliance with any provision of the senior indenture with respect to any series of senior debt securities may be waived, with the consent of the holders of a majority of the aggregate principal amount of the outstanding senior debt securities of each series affected by the amendment or modification (voting as separate series); provided, however, that each affected holder must consent to any modification, amendment or waiver that:

- extends the final maturity of any senior debt securities of such series;
- reduces the principal amount of any senior debt securities of such series;
- reduces the rate, or extends the time for payment of, interest on any senior debt securities of such series;
- reduces the amount payable upon the redemption of any senior debt securities of such series;
- changes the currency of payment of principal of or interest on any senior debt securities of such series;
- reduces the principal amount of original issue discount securities payable upon acceleration of maturity or the amount provable in bankruptcy;

- waives a continuing default in the payment of principal of or interest on the senior debt securities (other than any such default in payment resulting solely from an acceleration of the senior debt securities);
- changes the provisions relating to the waiver of past defaults or impairs the right of holders to receive payment or to institute suit for the enforcement of any payment or conversion of any senior debt securities of such series on or after the due date therefor;
- modifies any of the provisions of these restrictions on amendments and modifications, except to increase any required percentage or to provide that certain other provisions cannot be modified or waived without the consent of the holder of each senior debt security of such series affected by the modification;
- adversely affects the right to convert or exchange senior debt securities into class A common stock, other securities or property in accordance with the terms of the senior debt securities; or
- reduces the above-stated percentage of outstanding senior debt securities of such series whose holders must consent to a supplemental indenture or modifies or amends or waives certain provisions of or defaults under the senior indenture.

It shall not be necessary for the holders to approve the particular form of any proposed amendment, supplement or waiver, but it shall be sufficient if the holders' consent approves the substance thereof. After an amendment, supplement or waiver of the senior indenture in accordance with the provisions described in this section becomes effective, the trustee must give to the holders affected thereby certain notice briefly describing the amendment, supplement or waiver. Any failure by the trustee to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such amendment, supplemental indenture or waiver.

*Notice of Redemption.* Notice of any redemption of senior debt securities will be mailed at least 10 days but not more than 60 days before the redemption date to each holder of senior debt securities of a series to be redeemed. Any notice may, at our discretion, be subject to the satisfaction or waiver of one or more conditions precedent. In that case, such notice shall state the nature of such condition precedent. If we elect to redeem a portion but not all of such senior debt securities, the trustee will select the senior debt securities to be redeemed in a manner that complies with applicable legal and stock exchange requirements, if any. Interest on such debt securities or portions of senior debt securities will cease to accrue on and after the date fixed for redemption, unless we default in the payment of such redemption price and accrued interest with respect to any such senior debt security or portion thereof.

If any date of redemption of any senior debt security is not a business day, then payment of principal and interest may be made on the next succeeding business day with the same force and effect as if made on the nominal date of redemption and no interest will accrue for the period after such nominal date.

*Conversion Rights.* We will describe the terms upon which senior debt securities may be convertible into our class A common stock or other securities in a prospectus supplement. These terms will include the type of securities the senior debt securities are convertible into, the conversion price or manner of calculation thereof, the conversion period, provisions as to whether conversion will be at our option or the option of the holders, the events requiring an adjustment of the conversion price and provisions affecting conversion in the event of the redemption of the senior debt securities and any restrictions on conversion. They may also include provisions adjusting the number of shares of our class A common stock or other securities issuable upon conversion.

*No Personal Liability of Incorporators, Stockholders, Officers, or Directors.* The senior indenture provides that no recourse shall be had under any obligation, covenant or agreement of ours in the senior indenture or any supplemental indenture, or in any of the senior debt securities or because of the creation of any indebtedness represented thereby, against any of our incorporators, stockholders, officers or directors, past, present or future, or of any predecessor or successor entity thereof under any law, statute or constitutional provision or by the

enforcement of any assessment or by any legal or equitable proceeding or otherwise. Each holder, by accepting the senior debt securities, waives and releases all such liability.

*Concerning the Trustee.* The senior indenture provides that, except during the continuance of an event of default, the trustee will not be liable except for the performance of such duties as are specifically set forth in the senior indenture. If an event of default has occurred and is continuing, the trustee will exercise such rights and powers vested in it under the senior indenture and will use the same degree of care and skill in its exercise as a prudent person would exercise under the circumstances in the conduct of such person's own affairs.

The senior indenture and the provisions of the Trust Indenture Act incorporated by reference therein contain limitations on the rights of the trustee thereunder, should it become a creditor of ours or any of our subsidiaries, to obtain payment of claims in certain cases or to realize on certain property received by it in respect of any such claims, as security or otherwise. The trustee is permitted to engage in other transactions, provided that if it acquires any conflicting interest (as defined in the Trust Indenture Act), it must eliminate such conflict or resign.

We may have normal banking relationships with the senior trustee in the ordinary course of business.

*Unclaimed Funds.* All funds deposited with the trustee or any paying agent for the payment of principal, premium, interest or additional amounts in respect of the senior debt securities that remain unclaimed for two years after the date upon which such amounts became due and payable will be repaid to us. Thereafter, any right of any holder of senior debt securities to such funds shall be enforceable only against us, and the trustee and paying agents will have no liability therefor.

*Governing Law.* The senior indenture and the senior debt securities will be governed by, and construed in accordance with, the internal laws of the State of New York.

### **Certain Terms of the Subordinated Debt Securities**

Other than the terms of the subordinated indenture and subordinated debt securities relating to subordination or otherwise as described in the prospectus supplement relating to a particular series of subordinated debt securities, the terms of the subordinated indenture and subordinated debt securities are identical in all material respects to the terms of the senior indenture and senior debt securities.

Additional or different subordination terms may be specified in the prospectus supplement applicable to a particular series.

*Subordination.* The indebtedness evidenced by the subordinated debt securities is subordinate to the prior payment in full of all of our senior indebtedness, as defined in the subordinated indenture. During the continuance beyond any applicable grace period of any default in the payment of principal, premium, interest or any other payment due on any of our senior indebtedness, we may not make any payment of principal of or interest on the subordinated debt securities (except for certain sinking fund payments). In addition, upon any payment or distribution of our assets upon any dissolution, winding-up, liquidation or reorganization, the payment of the principal of and interest on the subordinated debt securities will be subordinated to the extent provided in the subordinated indenture in right of payment to the prior payment in full of all our senior indebtedness. Because of this subordination, if we dissolve or otherwise liquidate, holders of our subordinated debt securities may receive less, ratably, than holders of our senior indebtedness. The subordination provisions do not prevent the occurrence of an event of default under the subordinated indenture.

The term "senior indebtedness" of a person means with respect to such person the principal of, premium, if any, interest on, and any other payment due pursuant to any of the following, whether outstanding on the date of the subordinated indenture or incurred by that person in the future:

- all of the indebtedness of that person for money borrowed;

- all of the indebtedness of that person evidenced by notes, debentures, bonds or other securities sold by that person for money;
- all of the lease obligations that are capitalized on the books of that person in accordance with generally accepted accounting principles;
- all indebtedness of others of the kinds described in the first two bullet points above and all lease obligations of others of the kind described in the third bullet point above that the person, in any manner, assumes or guarantees or that the person in effect guarantees through an agreement to purchase, whether that agreement is contingent or otherwise; and
- all renewals, extensions or refundings of indebtedness of the kinds described in the first, second or fourth bullet point above and all renewals or extensions of leases of the kinds described in the third or fourth bullet point above;

unless, in the case of any particular indebtedness, renewal, extension or refunding, the instrument creating or evidencing it or the assumption or guarantee relating to it expressly provides that such indebtedness, renewal, extension or refunding is not superior in right of payment to the subordinated debt securities. Our senior debt securities constitute senior indebtedness for purposes of the subordinated indenture.

## DESCRIPTION OF CAPITAL STOCK

The following description of our capital stock is intended as a summary only and therefore is not a complete description of our capital stock. This description is based upon, and is qualified by reference to, our second restated certificate of incorporation (“Certificate”), our amended and restated bylaws (“Bylaws”) and applicable provisions of Delaware corporate law. You should read our Certificate and Bylaws, which are filed as exhibits to the registration statement of which this prospectus forms a part, for the provisions that are important to you.

Our authorized capital stock consists of 10,330,000,000 shares of class A common stock, par value \$0.001 per share (“class A common stock”), 165,000,000 shares of class B common stock, par value \$0.001 per share (“class B common stock”), and 1,005,000,000 shares of preferred stock, par value \$0.001 per share (“preferred stock”). As of January 23, 2025, 231,632,665 shares of class A common stock were outstanding, 19,640,250 shares of class B common stock were outstanding and no shares of preferred stock were outstanding.

### Common Stock

*Annual Meeting* Annual meetings of our stockholders are held on the date designated in accordance with our Bylaws. Written notice must be mailed to each stockholder entitled to vote not less than ten nor more than 60 days before the date of the meeting. The presence in person or by proxy of the holders of record of a majority voting power of the outstanding shares of stock entitled to vote at the meeting constitutes a quorum for the transaction of business at meetings of the stockholders. Special meetings of the stockholders may be called for any purpose by the board of directors, the chairman of the board of directors, or a committee of the board of directors which has been duly designated by the board of directors, and whose powers and authority, as expressly provided in a resolution of the board of directors, include the power to call such meetings.

*Voting Rights.* On all matters to be voted upon by stockholders, including the election of directors, each holder of (i) class A common stock is entitled to one vote for each share held of record and (ii) class B common stock is entitled to ten votes for each share held of record. Holders of class A common stock and class B common stock vote together as a single class on all matters presented to the stockholders for their vote or approval, except as may be required by Delaware law or as otherwise expressly specified in our Certificate. Our Certificate and Bylaws do not provide for cumulative voting rights. Except as otherwise provided by law, our Certificate or our Bylaws, in all matters other than the election of directors, the affirmative vote of a majority of the votes cast by stockholders entitled to vote on the subject matter, present in person or represented by proxy at a meeting at which a quorum is present, shall be the act of the stockholders. Directors shall be elected by a plurality of the votes cast by stockholders entitled to vote on the election of directors, present in person or represented by proxy at a meeting at which a quorum is present.

*Dividends.* Subject to the rights, powers and preferences of any outstanding preferred stock, and except as provided by law or in our Certificate, dividends may be declared and paid or set aside for payment on each class of common stock out of legally available assets or funds when and as declared by the board of directors. We may not make any dividend or distribution with respect to any class of our common stock unless at the same time we make a ratable dividend or distribution with respect to each outstanding share of our common stock, regardless of class. In the case of a stock dividend or other distribution payable in shares of a class of common stock, only shares of class A common stock may be distributed with respect to class A common stock and only shares of class B common stock may be distributed with respect to class B common stock, and the number of shares of common stock payable per share must be equal for each class. The payment of dividends is contingent upon our revenue and earnings, capital requirements, and general financial condition, as well as contractual restrictions and other considerations deemed to be relevant by our board of directors.

*Liquidation, Dissolution and Winding Up.* Subject to the rights, powers and preferences of any outstanding preferred stock, in the event of our liquidation, dissolution or winding up, our net assets will be distributed pro rata to the holders of each class of our common stock.



*Other Rights.* Holders of the class A common stock and class B common stock have no right to:

- have the stock redeemed;
- purchase additional stock; or
- maintain their proportionate ownership interest.

Holders of shares of the common stock are not required to make additional capital contributions.

Holders of shares of class A common stock and class B common stock are not required to make additional capital contributions. Shares of class A common stock are not convertible into any other shares of our capital stock. Each share of class B common stock is convertible into one share of class A common stock (i) at any time at the option of the holder and (ii) automatically upon the sale, assignment, gift or other transfer of such class B common stock share, except where such sale, assignment, gift or other transfer was (x) approved in advance by the holders of a majority of the class B common stock outstanding, voting separately as a class, or (y) effected as a result of the death of the transferor, in which case, such transfer may be approved by the holders of a majority of the class B common stock outstanding, voting separately as a class, within thirty (30) days of such transfer.

*Equal Status.* Except as expressly provided in our Certificate, shares of class A common stock and class B common stock have the same rights and privileges and rank equally, share ratably and are identical in all respects as to all matters. In the event of any merger, consolidation, or other business combination requiring the approval of our stockholders entitled to vote thereon (whether or not we are the surviving entity), the holders of shares of class A common stock shall have the right to receive, or the right to elect to receive, the same form of consideration as the holders of shares of class B common stock, and the holders of shares of class A common stock shall have the right to receive, or the right to elect to receive, at least the same amount of consideration on a per share basis as the holders of shares of class B common stock; provided, however, that in any transaction in which shares of capital stock are distributed to holders of common stock, the shares of capital stock distributed to holders of class A common stock and class B common stock may differ, but only to the extent that the class A common stock and the class B common stock differ in our Certificate.

*Transfer Agent and Registrar.* Equiniti Trust Company, LLC is the transfer agent and registrar for the class A common stock and the class B common stock.

*Listing.* Our class A common stock is listed on the Nasdaq Global Select Market under the symbol “MSTR.” Our class B common stock is not listed on any securities exchange or automated quotation system.

## **Preferred Stock**

We are authorized to issue “blank check” preferred stock, which may be issued in one or more series upon authorization of our board of directors. Our board of directors is authorized to fix the designations, powers, preferences and the relative, participating, optional or other special rights and any qualifications, limitations and restrictions of the shares of each series of preferred stock. The authorized shares of our preferred stock are available for issuance without further action by our stockholders, unless such action is required by applicable law or the rules of any stock exchange on which our securities may be listed. If the approval of our stockholders is not required for the issuance of shares of our preferred stock, our board may determine not to seek stockholder approval. The specific terms of any series of preferred stock offered pursuant to this prospectus will be described in the prospectus supplement relating to that series of preferred stock.

A series of our preferred stock could, depending on the terms of such series, impede the completion of a merger, tender offer or other takeover attempt. Our board of directors will make any determination to issue preferred shares based upon its judgment as to the best interests of our stockholders. Our directors, in so acting, could issue preferred stock having terms that could discourage an acquisition attempt through which an acquirer

may be able to change the composition of our board of directors, including a tender offer or other transaction that some, or a majority, of our stockholders might believe to be in their best interests or in which stockholders might receive a premium for their stock over the then-current market price of the stock.

The preferred stock has the terms described below unless otherwise provided in the prospectus supplement relating to a particular series of preferred stock. You should read the prospectus supplement relating to the particular series of preferred stock being offered for specific terms, including:

- the designation and stated value per share of the preferred stock and the number of shares offered;
- the amount of liquidation preference per share;
- the price at which the preferred stock will be issued;
- the dividend rate, or method of calculation of dividends, the dates on which dividends will be payable, whether dividends will be cumulative or noncumulative and, if cumulative, the dates from which dividends will commence to accumulate;
- any redemption or sinking fund provisions;
- if other than the currency of the United States, the currency or currencies including composite currencies in which the preferred stock is denominated and/or in which payments will or may be payable;
- any conversion provisions;
- whether we have elected to offer depositary shares as described under “Description of Depositary Shares;” and
- any other rights, preferences, privileges, limitations and restrictions on the preferred stock.

The preferred stock will, when issued, be fully paid and non-assessable. Unless otherwise specified in the prospectus supplement, each series of preferred stock will rank equally as to dividends and liquidation rights in all respects with each other series of preferred stock. The rights of holders of shares of each series of preferred stock will be subordinate to those of our general creditors.

As described under “Description of Depositary Shares,” we may, at our option, with respect to any series of preferred stock, elect to offer fractional interests in shares of preferred stock, and provide for the issuance of depositary receipts representing depositary shares, each of which will represent a fractional interest in a share of the series of preferred stock. The fractional interest will be specified in the prospectus supplement relating to a particular series of preferred stock.

*Rank.* Unless otherwise specified in the prospectus supplement, the preferred stock will, with respect to dividend rights and rights upon our liquidation, dissolution or winding up of our affairs, rank:

- senior to our common stock and to all equity securities ranking junior to such preferred stock with respect to dividend rights or rights upon our liquidation, dissolution or winding up of our affairs;
- on a parity with all equity securities issued by us, the terms of which specifically provide that such equity securities rank on a parity with the preferred stock with respect to dividend rights or rights upon our liquidation, dissolution or winding up of our affairs; and
- junior to all equity securities issued by us, the terms of which specifically provide that such equity securities rank senior to the preferred stock with respect to dividend rights or rights upon our liquidation, dissolution or winding up of our affairs.

The term “equity securities” does not include convertible debt securities.

*Dividends.* Holders of the preferred stock of each series will be entitled to receive, when, as and if declared by our board of directors, cash dividends at such rates and on such dates described in the prospectus supplement. Different series of preferred stock may be entitled to dividends at different rates or based on different methods of calculation. The dividend rate may be fixed or variable or both. The dividend rate may vary based on the price of bitcoin, the ratio of bitcoin we hold compared to our outstanding indebtedness or other reference metrics tied to the price of bitcoin or our holdings of bitcoin. Dividends will be payable to the holders of record as they appear on our stock books on record dates fixed by our board of directors, as specified in the applicable prospectus supplement.

Dividends on any series of preferred stock may be cumulative or noncumulative, as described in the applicable prospectus supplement. If our board of directors does not declare a dividend payable on a dividend payment date on any series of noncumulative preferred stock, then the holders of that noncumulative preferred stock will have no right to receive a dividend for that dividend payment date, and we will have no obligation to pay the dividend accrued for that period, whether or not dividends on that series are declared payable on any future dividend payment dates. Dividends on any series of cumulative preferred stock will accrue from the date we initially issue shares of such series or such other date specified in the applicable prospectus supplement.

No dividends may be declared or paid or funds set apart for the payment of any dividends on any parity securities unless full dividends have been paid or set apart for payment on the preferred stock. If full dividends are not paid, the preferred stock will share dividends pro rata with the parity securities.

No dividends may be declared or paid or funds set apart for the payment of dividends on any junior securities unless full dividends for all dividend periods terminating on or prior to the date of the declaration or payment will have been paid or declared and a sum sufficient for the payment set apart for payment on the preferred stock.

*Liquidation Preference.* Upon any voluntary or involuntary liquidation, dissolution or winding up of our affairs, then, before we make any distribution or payment to the holders of any common stock or any other class or series of our capital stock ranking junior to the preferred stock in the distribution of assets upon any liquidation, dissolution or winding up of our affairs, the holders of each series of preferred stock shall be entitled to receive out of assets legally available for distribution to stockholders, liquidating distributions in the amount of the liquidation preference per share set forth in the prospectus supplement, plus any accrued and unpaid dividends thereon. Such dividends will not include any accumulation in respect of unpaid noncumulative dividends for prior dividend periods. Unless otherwise specified in the prospectus supplement, after payment of the full amount of their liquidating distributions, the holders of preferred stock will have no right or claim to any of our remaining assets. Upon any such voluntary or involuntary liquidation, dissolution or winding up, if our available assets are insufficient to pay the amount of the liquidating distributions on all outstanding preferred stock and the corresponding amounts payable on all other classes or series of our capital stock ranking on parity with the preferred stock and all other such classes or series of shares of capital stock ranking on parity with the preferred stock in the distribution of assets, then the holders of the preferred stock and all other such classes or series of capital stock ranking on parity with the preferred stock will share ratably in any such distribution of assets in proportion to the full liquidating distributions to which they would otherwise be entitled.

Upon any such liquidation, dissolution or winding up and if we have made liquidating distributions in full to all holders of preferred stock, we will distribute our remaining assets among the holders of any other classes or series of capital stock ranking junior to the preferred stock according to their respective rights and preferences and, in each case, according to their respective number of shares. For such purposes, our consolidation or merger with or into any other corporation, trust or entity, or the sale, lease or conveyance of all or substantially all of our property or assets will not be deemed to constitute a liquidation, dissolution or winding up of our affairs.

*Redemption.* If so provided in the applicable prospectus supplement, the preferred stock will be subject to mandatory redemption or redemption at our option, as a whole or in part, in each case upon the terms, at the times and at the redemption prices set forth in such prospectus supplement.

The prospectus supplement relating to a series of preferred stock that is subject to mandatory redemption will specify the number of shares of preferred stock that shall be redeemed by us in each year commencing after a date to be specified, at a redemption price per share to be specified, together with an amount equal to all accrued and unpaid dividends thereon to the date of redemption. Unless the shares have a cumulative dividend, such accrued dividends will not include any accumulation in respect of unpaid dividends for prior dividend periods. We may pay the redemption price in cash or other property, as specified in the applicable prospectus supplement. If the redemption price for preferred stock of any series is payable only from the net proceeds of the issuance of shares of our capital stock, the terms of such preferred stock may provide that, if no such shares of our capital stock shall have been issued or to the extent the net proceeds from any issuance are insufficient to pay in full the aggregate redemption price then due, such preferred stock shall automatically and mandatorily be converted into the applicable shares of our capital stock pursuant to conversion provisions specified in the applicable prospectus supplement. Notwithstanding the foregoing, we will not redeem any preferred stock of a series unless:

- if that series of preferred stock has a cumulative dividend, we have declared and paid or contemporaneously declare and pay or set aside funds to pay full cumulative dividends on the preferred stock for all past dividend periods and the then current dividend period; or
- if such series of preferred stock does not have a cumulative dividend, we have declared and paid or contemporaneously declare and pay or set aside funds to pay full dividends for the then current dividend period.

In addition, we will not acquire any preferred stock of a series unless:

- if that series of preferred stock has a cumulative dividend, we have declared and paid or contemporaneously declare and pay or set aside funds to pay full cumulative dividends on all outstanding shares of such series of preferred stock for all past dividend periods and the then current dividend period; or
- if that series of preferred stock does not have a cumulative dividend, we have declared and paid or contemporaneously declare and pay or set aside funds to pay full dividends on the preferred stock of such series for the then current dividend period.

However, at any time we may purchase or acquire preferred stock of that series (1) pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding preferred stock of such series or (2) by conversion into or exchange for shares of our capital stock ranking junior to the preferred stock of such series as to dividends and upon liquidation.

If fewer than all of the outstanding shares of preferred stock of any series are to be redeemed, we will determine the number of shares that may be redeemed pro rata from the holders of record of such shares in proportion to the number of such shares held or for which redemption is requested by such holder or by any other equitable manner that we determine. Such determination will reflect adjustments to avoid redemption of fractional shares.

Unless otherwise specified in the prospectus supplement, we will mail notice of redemption at least 10 days but not more than 60 days before the redemption date to each holder of record of preferred stock to be redeemed at the address shown on our stock transfer books. Each notice shall state:

- the redemption date;
- the number of shares and series of preferred stock to be redeemed;
- the redemption price;
- the place or places where certificates for such preferred stock are to be surrendered for payment of the redemption price;

- that dividends on the shares to be redeemed will cease to accrue on such redemption date;
- the date on which the holder's conversion rights, if any, as to such shares shall terminate; and
- the specific number of shares to be redeemed from each such holder if fewer than all the shares of any series are to be redeemed.

If notice of redemption has been given and we have set aside the funds necessary for such redemption in trust for the benefit of the holders of any shares called for redemption, then from and after the redemption date, dividends will cease to accrue on such shares, and all rights of the holders of such shares will terminate, except the right to receive the redemption price.

*Voting Rights.* Holders of preferred stock will not have any voting rights, except as required by law or as indicated in the applicable prospectus supplement.

Unless otherwise provided for under the terms of any series of preferred stock, no consent or vote of the holders of shares of preferred stock or any series thereof shall be required for any amendment to our Certificate that would increase the number of authorized shares of preferred stock or the number of authorized shares of any series thereof or decrease the number of authorized shares of preferred stock or the number of authorized shares of any series thereof (but not below the number of authorized shares of preferred stock or such series, as the case may be, then outstanding).

*Conversion Rights.* The terms and conditions, if any, upon which any series of preferred stock is convertible into shares of our class A common stock will be set forth in the applicable prospectus supplement relating thereto. Such terms will include the number of shares of class A common stock into which the shares of preferred stock are convertible, the conversion price, rate or manner of calculation thereof, the conversion period, provisions as to whether conversion will be at our option or at the option of the holders of the preferred stock, the events requiring an adjustment of the conversion price and provisions affecting conversion in the event of the redemption.

*Transfer Agent and Registrar.* The transfer agent and registrar for the preferred stock will be set forth in the applicable prospectus supplement.

### **Provisions of Our Certificate of Incorporation and By-laws and Delaware Law That May Have Anti-Takeover Effects**

Certain provisions of our Certificate and Bylaws may have the effect of making it more difficult for a third party to acquire, or of discouraging a third party from attempting to acquire, control of us. Such provisions could limit the price that certain investors might be willing to pay in the future for shares of our class A common stock and may limit the ability of stockholders to remove current management or directors or approve transactions that stockholders may deem to be in their best interest and, therefore, could adversely affect the price of our class A common stock.

*Dual Class Stock.* Our Certificate provides for a dual class common stock structure, which provides Michael J. Saylor, our founder, chairman of the board of directors, and executive chairman, with the ability to significantly influence the outcome of matters requiring stockholder approval, even though he owns less than a majority of the shares of our outstanding common stock, including the election of directors and significant corporate transactions, such as a merger or other sale of our company or its assets. Our Certificate allows holders of class B common stock to transfer shares of class B common stock, subject to the approval of stockholders holding a majority of the outstanding class B common stock. Therefore, Mr. Saylor could transfer significant voting power of MicroStrategy to a third party without the approval of our board of directors or our other stockholders.

*No Cumulative Voting.* The Delaware General Corporation Law (“DGCL”) provides that stockholders are not entitled to the right to accumulate votes in the election of directors unless our Certificate provides otherwise. Our Certificate does not provide for cumulative voting.

*Board of Directors.* All of our directors are elected annually. The number of directors comprising our board of directors is fixed from time to time by the board of directors.

*Board Vacancies May Be Filled by Majority of Directors Then in Office.* Vacancies and newly created seats on our board of directors may be filled by a majority of the remaining members of our board of directors, although such majority is less than a quorum, by a sole remaining director or by stockholders. Furthermore, only our board of directors may determine the number of directors on our board. The inability of stockholders to determine the number of directors or to fill vacancies or newly created seats on the board of directors makes it more difficult to change the composition of our board of directors.

*Undesignated Preferred Stock.* As discussed above, our board of directors has the ability to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to change control of our company.

*Delaware Business Combination Statute.* We are subject to Section 203 of the DGCL (“Section 203”), which prohibits a Delaware corporation from engaging in business combinations with an interested stockholder. An interested stockholder is generally defined as an entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation or any entity or person affiliated with or controlling or controlled by such entity or person (“interested stockholder”). Section 203 provides that an interested stockholder may not engage in business combinations with the corporation for a period of three years after the date that such stockholder became an interested stockholder, with the following exceptions:

- before such date, the board of directors of the corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon completion of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction began, excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) those shares owned (i) by persons who are directors and also officers and (ii) employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or
- on or after such date, the business combination is approved by the board of directors and authorized at an annual or special meeting of the stockholders, and not by written consent, by the affirmative vote of at least 66 2/3% of the outstanding voting stock that is not owned by the interested stockholder.

In general, Section 203 defines business combinations to include the following:

- any merger or consolidation involving the corporation and the interested stockholder;
- any sale, lease, transfer, pledge or other disposition of 10% or more of the assets of the corporation to or with the interested stockholder;
- subject to certain exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;
- any transaction involving the corporation that has the effect of increasing the proportionate share of the stock or any class or series of the corporation beneficially owned by the interested stockholder; or
- the receipt by the interested stockholder of the benefit of any loss, advances, guarantees, pledges or other financial benefits by or through the corporation.

## DESCRIPTION OF DEPOSITARY SHARES

### General

We may, at our option, elect to offer fractional shares of preferred stock through the issuance of depositary shares, rather than full shares of preferred stock. If we do, we will issue to the public receipts, called “depositary receipts,” for depositary shares, each of which will represent a fraction, to be described in the applicable prospectus supplement, of a share of a particular series of preferred stock. Unless otherwise provided in the prospectus supplement, each owner of a depositary share will be entitled, in proportion to the applicable fractional interest in a share of preferred stock represented by the depositary share, to all the rights and preferences of the preferred stock represented by the depositary share. Those rights include dividend, voting, redemption, conversion and liquidation rights.

The shares of preferred stock underlying the depositary shares will be deposited with a bank or trust company selected by us to act as depositary under a deposit agreement between us, the depositary and the holders of the depositary receipts. The depositary will be the transfer agent, registrar and dividend disbursing agent for the depositary shares.

The depositary shares will be evidenced by depositary receipts issued pursuant to the deposit agreement. Holders of depositary receipts agree to be bound by the deposit agreement, which requires holders to take certain actions such as filing proof of residence with and paying certain charges to the depositary.

The summary of terms of the depositary shares contained in this prospectus is not a complete description of the terms of the depositary shares. You should refer to the form of the deposit agreement, our Certificate and the certificate of designation for the applicable series of preferred stock that are, or will be, filed with the SEC.

### Dividends and Other Distributions

The depositary will distribute all cash dividends or other cash distributions, if any, received in respect of the preferred stock underlying the depositary shares to the record holders of depositary shares in proportion to the numbers of depositary shares owned by those holders on the relevant record date. The relevant record date for depositary shares will be the same date as the record date for the underlying preferred stock. The depositary, however, will distribute only such amount as can be distributed without attributing to any depositary share a fraction of one cent, and any balance not so distributed will be added to and treated as part of the next sum received by the depositary for distribution to record holders of depositary receipts then outstanding.

If there is a distribution other than in cash, the depositary will distribute property (including securities) received by it to the record holders of depositary shares, unless the depositary determines that it is not feasible to make the distribution. If this occurs, the depositary may, with our approval, adopt another method for the distribution, including selling the property and distributing the net proceeds from the sale to the holders.

### Liquidation Preference

If a series of preferred stock underlying the depositary shares has a liquidation preference, in the event of the voluntary or involuntary liquidation, dissolution or winding up of us, holders of depositary shares will be entitled to receive the fraction of the liquidation preference accorded each share of the applicable series of preferred stock, as set forth in the applicable prospectus supplement.

### Withdrawal of Stock

Unless the related depositary shares have been previously called for redemption, upon surrender of the depositary receipts at the office of the depositary, the holder of the depositary shares will be entitled to delivery,

at the office of the depositary to or upon his or her order, of the number of whole shares of the preferred stock and any money or other property represented by the depositary shares. If the depositary receipts delivered by the holder evidence a number of depositary shares in excess of the number of depositary shares representing the number of whole shares of preferred stock to be withdrawn, the depositary will deliver to the holder at the same time a new depositary receipt evidencing the excess number of depositary shares. In no event will the depositary deliver fractional shares of preferred stock upon surrender of depositary receipts. Holders of preferred stock thus withdrawn may not thereafter deposit those shares under the deposit agreement or receive depositary receipts evidencing depositary shares therefor.

### **Redemption of Depositary Shares**

Whenever we redeem shares of preferred stock held by the depositary, the depositary will redeem as of the same redemption date the number of depositary shares representing shares of the preferred stock so redeemed, so long as we have paid in full to the depositary the redemption price of the preferred stock to be redeemed plus an amount equal to any accumulated and unpaid dividends on the preferred stock to the date fixed for redemption. The redemption price per depositary share will be equal to the redemption price and any other amounts per share payable on the preferred stock multiplied by the fraction of a share of preferred stock represented by one depositary share. If less than all the depositary shares are to be redeemed, the depositary shares to be redeemed will be selected by lot or pro rata or by any other equitable method as may be determined by the depositary.

After the date fixed for redemption, depositary shares called for redemption will no longer be deemed to be outstanding and all rights of the holders of depositary shares will cease, except the right to receive the monies payable upon redemption and any money or other property to which the holders of the depositary shares were entitled upon redemption upon surrender to the depositary of the depositary receipts evidencing the depositary shares.

### **Voting the Preferred Stock**

Upon receipt of notice of any meeting at which the holders of the preferred stock are entitled to vote, the depositary will mail the information contained in the notice of meeting to the record holders of the depositary receipts relating to that preferred stock. The record date for the depositary receipts relating to the preferred stock will be the same date as the record date for the preferred stock. Each record holder of the depositary shares on the record date will be entitled to instruct the depositary as to the exercise of the voting rights pertaining to the number of shares of preferred stock represented by that holder's depositary shares. The depositary will endeavor, insofar as practicable, to vote the number of shares of preferred stock represented by the depositary shares in accordance with those instructions, and we will agree to take all action that may be deemed necessary by the depositary in order to enable the depositary to do so. The depositary will not vote any shares of preferred stock except to the extent it receives specific instructions from the holders of depositary shares representing that number of shares of preferred stock.

### **Charges of Depositary**

We will pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. We will pay the charges due to the depositary in connection with the initial deposit of the preferred stock and any redemption of the preferred stock. Holders of depositary receipts will pay transfer, income and other taxes and governmental charges and such other charges (including those in connection with the receipt and distribution of dividends, the sale or exercise of rights, the withdrawal of the preferred stock and the transferring, splitting or grouping of depositary receipts) as are expressly provided in the deposit agreement to be for their accounts. If these charges have not been paid by the holders of depositary receipts, the depositary may refuse to transfer depositary shares, withhold dividends and distributions and sell the depositary shares evidenced by the depositary receipt.



### **Amendment and Termination of the Deposit Agreement**

The form of depositary receipt evidencing the depositary shares and any provision of the deposit agreement may be amended by agreement between us and the depositary. However, any amendment that materially and adversely alters the rights of the holders of depositary shares, other than fee changes, will not be effective unless the amendment has been approved by the holders of a majority of the outstanding depositary shares affected by the amendment. The deposit agreement may be terminated by the depositary or us only if:

- all outstanding depositary shares have been redeemed; or
- there has been a final distribution of the preferred stock in connection with our dissolution and such distribution has been made to all the holders of depositary shares.

### **Resignation and Removal of Depositary**

The depositary may resign at any time by delivering to us notice of its election to do so, and we may remove the depositary at any time. Any resignation or removal of the depositary will take effect upon our appointment of a successor depositary and its acceptance of such appointment. The successor depositary must be appointed within 60 days after delivery of the notice of resignation or removal and must be a bank or trust company having its principal office in the United States and having the requisite combined capital and surplus as set forth in the applicable agreement.

### **Notices**

The depositary will forward to holders of depositary receipts all notices, reports and other communications, including proxy solicitation materials received from us, that are delivered to the depositary and that we are required to furnish to the holders of the preferred stock. In addition, the depositary will make available for inspection by holders of depositary receipts at the principal office of the depositary, and at such other places as it may from time to time deem advisable, any reports and communications we deliver to the depositary as the holder of preferred stock.

### **Limitation of Liability**

Neither we nor the depositary will be liable if either we or it is prevented or delayed by law or any circumstance beyond its control in performing its obligations. Our obligations and those of the depositary will be limited to performance in good faith of our and their duties thereunder. We and the depositary will not be obligated to prosecute or defend any legal proceeding in respect of any depositary shares or preferred stock unless satisfactory indemnity is furnished. We and the depositary may rely upon written advice of counsel or accountants, on information provided by persons presenting preferred stock for deposit, holders of depositary receipts or other persons believed to be competent to give such information and on documents believed to be genuine and to have been signed or presented by the proper party or parties.

## DESCRIPTION OF WARRANTS

We may issue warrants to purchase debt securities, class A common stock, preferred stock or depositary shares. We may offer warrants separately or together with one or more additional debt securities, class A common stock, preferred stock, depositary shares or warrants, or any combination of those securities in the form of units, as described in the applicable prospectus supplement. If we issue warrants as part of a unit, the accompanying prospectus supplement will specify whether those warrants may be separated from the other securities in the unit prior to the expiration date of the warrants. The applicable prospectus supplement will also describe the following terms of any warrants:

- the specific designation and aggregate number of, and the offering price at which we will issue, the warrants;
- the currency or currency units in which the offering price, if any, and the exercise price are payable;
- the date on which the right to exercise the warrants will begin and the date on which that right will expire or, if you may not continuously exercise the warrants throughout that period, the specific date or dates on which you may exercise the warrants;
- whether the warrants are to be sold separately or with other securities as parts of units;
- whether the warrants will be issued in definitive or global form or in any combination of these forms, although, in any case, the form of a warrant included in a unit will correspond to the form of the unit and of any security included in that unit;
- any applicable material U.S. federal income tax consequences;
- the identity of the warrant agent for the warrants and of any other depositaries, execution or paying agents, transfer agents, registrars or other agents;
- the proposed listing, if any, of the warrants or any securities purchasable upon exercise of the warrants on any securities exchange;
- the designation and terms of any equity securities purchasable upon exercise of the warrants;
- the designation, aggregate principal amount, currency and terms of any debt securities that may be purchased upon exercise of the warrants;
- if applicable, the designation and terms of the preferred stock or depositary shares with which the warrants are issued and the number of warrants issued with each security;
- if applicable, the date from and after which any warrants issued as part of a unit and the related class A common stock, preferred stock, depositary shares or debt securities will be separately transferable;
- the number of shares of class A common stock, preferred stock, depositary shares or aggregate principal amount of debt securities purchasable upon exercise of a warrant and the price at which those shares may be purchased;
- if applicable, the minimum or maximum amount of the warrants that may be exercised at any one time;
- information with respect to book-entry procedures, if any;
- the anti-dilution provisions of, and other provisions for changes to or adjustment in the exercise price of, the warrants, if any;
- any redemption or call provisions; and
- any additional terms of the warrants, including terms, procedures and limitations relating to the exchange or exercise of the warrants.

## DESCRIPTION OF UNITS

We may issue units consisting of debt securities, class A common stock, preferred stock, depositary shares or warrants as described in this prospectus in any combination, as described in the applicable prospectus supplement. We may issue units in one or more series, which will be described in the applicable prospectus supplement. The applicable prospectus supplement will also describe the following terms of any units:

- the designation and the terms of the units and of the securities constituting the units, including whether and under what circumstances the securities comprising the units may be traded separately;
- the identity of any unit agent for the units, if applicable, and of any other depositaries, execution or paying agents, transfer agents, registrars or other agents;
- any additional terms of the governing unit agreement, if applicable;
- any additional provisions for the issuance, payment, settlement, transfer or exchange of the units or of the warrants, class A common stock, preferred stock, depositary shares or debt securities constituting the units; and
- any applicable material U.S. federal income tax consequences.

## FORMS OF SECURITIES

Each debt security, depositary share, subscription right, purchase contract, unit and warrant will be represented either by a certificate issued in definitive form to a particular investor or by one or more global securities representing the entire issuance of securities. Unless the applicable prospectus supplement provides otherwise, certificated securities in definitive form and global securities will be issued in registered form. Definitive securities name you or your nominee as the owner of the security, and in order to transfer or exchange these securities or to receive payments other than interest or other interim payments, you or your nominee must physically deliver the securities to the trustee, registrar, paying agent or other agent, as applicable. Global securities name a depositary or its nominee as the owner of the debt securities, depositary shares, subscription rights, purchase contracts, units or warrants represented by these global securities. The depositary maintains a computerized system that will reflect each investor's beneficial ownership of the securities through an account maintained by the investor with its broker/dealer, bank, trust company or other representative, as we explain more fully below.

### Global Securities

We may issue the debt securities of a particular series, depositary shares, units and warrants in the form of one or more fully registered global securities that will be deposited with a depositary or its nominee identified in the applicable prospectus supplement and registered in the name of that depositary or nominee. In those cases, one or more global securities will be issued in a denomination or aggregate denominations equal to the portion of the aggregate principal or face amount of the securities to be represented by global securities. Unless and until it is exchanged in whole for securities in definitive registered form, a global security may not be transferred except as a whole by and among the depositary for the global security, the nominees of the depositary or any successors of the depositary or those nominees.

If not described below, any specific terms of the depositary arrangement with respect to any securities to be represented by a global security will be described in the prospectus supplement relating to those securities. We anticipate that the following provisions will apply to all depositary arrangements.

Ownership of beneficial interests in a global security will be limited to persons, called "participants," that have accounts with the depositary or persons that may hold interests through participants. Upon the issuance of a global security, the depositary will credit, on its book-entry registration and transfer system, the participants' accounts with the respective principal or face amounts of the securities beneficially owned by the participants. Any dealers, underwriters or agents participating in the distribution of the securities will designate the accounts to be credited. Ownership of beneficial interests in a global security will be shown on, and the transfer of ownership interests will be effected only through, records maintained by the depositary, with respect to interests of participants, and on the records of participants, with respect to interests of persons holding through participants. The laws of some states may require that some purchasers of securities take physical delivery of these securities in definitive form. These laws may impair your ability to own, transfer or pledge beneficial interests in global securities.

So long as the depositary, or its nominee, is the registered owner of a global security, that depositary or its nominee, as the case may be, will be considered the sole owner or holder of the securities represented by the global security for all purposes under the applicable indenture, deposit agreement, warrant agreement or unit agreement. Except as described below, owners of beneficial interests in a global security will not be entitled to have the securities represented by the global security registered in their names, will not receive or be entitled to receive physical delivery of the securities in definitive form and will not be considered the owners or holders of the securities under the applicable indenture, deposit agreement, warrant agreement or unit agreement. Accordingly, each person owning a beneficial interest in a global security must rely on the procedures of the depositary for that global security and, if that person is not a participant, on the procedures of the participant through which the person owns its interest, to exercise any rights of a holder under the applicable indenture,

deposit agreement, warrant agreement or unit agreement. We understand that under existing industry practices, if we request any action of holders or if an owner of a beneficial interest in a global security desires to give or take any action that a holder is entitled to give or take under the applicable indenture, deposit agreement, warrant agreement or unit agreement, the depositary for the global security would authorize the participants holding the relevant beneficial interests to give or take that action, and the participants would authorize beneficial owners owning through them to give or take that action or would otherwise act upon the instructions of beneficial owners holding through them.

Principal, premium, if any, and interest payments on debt securities, and any payments to holders with respect to depositary shares, units or warrants, represented by a global security registered in the name of a depositary or its nominee will be made to the depositary or its nominee, as the case may be, as the registered owner of the global security. None of us, or any trustee, warrant agent, unit agent or other agent of ours, or any agent of any trustee, warrant agent or unit agent will have any responsibility or liability for any aspect of the records relating to payments made on account of beneficial ownership interests in the global security or for maintaining, supervising or reviewing any records relating to those beneficial ownership interests.

We expect that the depositary for any of the securities represented by a global security, upon receipt of any payment to holders of principal, premium, interest or other distribution of underlying securities or other property on that registered global security, will immediately credit participants' accounts in amounts proportionate to their respective beneficial interests in that global security as shown on the records of the depositary. We also expect that payments by participants to owners of beneficial interests in a global security held through participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers or registered in "street name," and will be the responsibility of those participants.

If the depositary for any of the securities represented by a global security is at any time unwilling or unable to continue as depositary or ceases to be a clearing agency registered under the Exchange Act, and a successor depositary registered as a clearing agency under the Exchange Act is not appointed by us within 90 days, we will issue securities in definitive form in exchange for the global security that had been held by the depositary. Any securities issued in definitive form in exchange for a global security will be registered in the name or names that the depositary gives to the relevant trustee, warrant agent, unit agent or other relevant agent of ours or theirs. It is expected that the depositary's instructions will be based upon directions received by the depositary from participants with respect to ownership of beneficial interests in the global security that had been held by the depositary.

## PLAN OF DISTRIBUTION

We may sell securities:

- through underwriters;
- through dealers;
- through agents;
- directly to purchasers; or
- through a combination of any of these methods of sale.

In addition, we may issue the securities as a dividend or distribution to our existing security holders. This prospectus may be used in connection with any offering of our securities through any of these methods or other methods described in the applicable prospectus supplement.

We may directly solicit offers to purchase securities, or agents may be designated to solicit such offers. We will, in the prospectus supplement relating to such offering, name any agent that could be viewed as an underwriter under the Securities Act, and describe any commissions that we must pay. Any such agent will be acting on a best efforts basis for the period of its appointment or, if indicated in the applicable prospectus supplement, on a firm commitment basis.

The distribution of the securities may be effected from time to time in one or more transactions:

- at a fixed price, or prices, which may be changed from time to time;
- at market prices prevailing at the time of sale;
- at prices related to such prevailing market prices; or
- at negotiated prices.

Each prospectus supplement will describe the method of distribution of the securities and any applicable restrictions.

The prospectus supplement with respect to the securities of a particular series will describe the terms of the offering of the securities, including the following:

- the name of the agent or any underwriters;
- the public offering or purchase price and the proceeds we will receive from the sale of the securities;
- any discounts and commissions to be allowed or re-allowed or paid to the agent or underwriters;
- all other items constituting underwriting compensation;
- any discounts and commissions to be allowed or re-allowed or paid to dealers; and
- any exchanges on which the securities will be listed.

If any underwriters or agents are utilized in the sale of the securities in respect of which this prospectus is delivered, we will enter into an underwriting agreement or other agreement with them at the time of sale to them, and we will set forth in the prospectus supplement relating to such offering the names of the underwriters or agents and the terms of the related agreement with them.

If a dealer is utilized in the sale of the securities in respect of which this prospectus is delivered, we will sell such securities to the dealer, as principal. The dealer may then resell such securities to the public at varying prices to be determined by such dealer at the time of resale.

Remarketing firms, agents, underwriters, dealers and other persons may be entitled under agreements which they may enter into with us to indemnification by us against certain civil liabilities, including liabilities under the Securities Act, and may be customers of, engage in transactions with or perform services for us in the ordinary course of business.

If so indicated in the applicable prospectus supplement, we will authorize underwriters or other persons acting as our agents to solicit offers by certain institutions to purchase securities from us pursuant to delayed delivery contracts providing for payment and delivery on the date stated in the prospectus supplement. Each contract will be for an amount not less than, and the aggregate amount of securities sold pursuant to such contracts shall not be less nor more than, the respective amounts stated in the prospectus supplement. Institutions with whom the contracts, when authorized, may be made include commercial and savings banks, insurance companies, pension funds, investment companies, educational and charitable institutions and other institutions, but shall in all cases be subject to our approval. Delayed delivery contracts will not be subject to any conditions except that:

- the purchase by an institution of the securities covered under that contract shall not at the time of delivery be prohibited under the laws of the jurisdiction to which that institution is subject; and
- if the securities are also being sold to underwriters acting as principals for their own account, the underwriters shall have purchased such securities not sold for delayed delivery. The underwriters and other persons acting as our agents will not have any responsibility in respect of the validity or performance of delayed delivery contracts.

Certain agents, underwriters and dealers, and their associates and affiliates may be customers of, have borrowing relationships with, engage in other transactions with, and/or perform services, including investment banking services, for us or one or more of our respective affiliates in the ordinary course of business.

In order to facilitate the offering of the securities, any underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the securities or any other securities the prices of which may be used to determine payments on such securities. Specifically, any underwriters may overallocate in connection with the offering, creating a short position for their own accounts. In addition, to cover overallocations or to stabilize the price of the securities or of any such other securities, the underwriters may bid for, and purchase, the securities or any such other securities in the open market. Finally, in any offering of the securities through a syndicate of underwriters, the underwriting syndicate may reclaim selling concessions allowed to an underwriter or a dealer for distributing the securities in the offering if the syndicate repurchases previously distributed securities in transactions to cover syndicate short positions, in stabilization transactions or otherwise. Any of these activities may stabilize or maintain the market price of the securities above independent market levels. Any such underwriters are not required to engage in these activities and may end any of these activities at any time.

Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in one business day. The applicable prospectus supplement may provide that the original issue date for your securities may be more than one scheduled business days after the trade date for your securities. Accordingly, in such a case, if you wish to trade securities on any date prior to the business day before the original issue date for your securities, you will be required, by virtue of the fact that your securities initially are expected to settle in more than one scheduled business days after the trade date for your securities, to make alternative settlement arrangements to prevent a failed settlement.

The securities may be new issues of securities and may have no established trading market. Any shares of class A common stock will be listed on The Nasdaq Global Select Market, but any other securities may or may not be listed on a national securities exchange. We can make no assurance as to the liquidity of or the existence of trading markets for any of the securities.

## **LEGAL MATTERS**

Unless the applicable prospectus supplement indicates otherwise, the validity of the securities in respect of which this prospectus is being delivered will be passed upon by Wilmer Cutler Pickering Hale and Dorr LLP. Additional legal matters may be passed upon for us or any underwriters, dealers or agents, by counsel that we will name in the applicable prospectus supplement.

## **EXPERTS**

The consolidated financial statements of MicroStrategy Incorporated as of December 31, 2023 and 2022, and for each of the years in the three-year period ended December 31, 2023, and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2023 have been incorporated by reference herein in reliance upon the reports of KPMG LLP, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.





**10.00% Series A Perpetual Strife Preferred Stock**

---

**PROSPECTUS SUPPLEMENT**

---

*Joint Book-Running Managers*

**Morgan Stanley      Barclays      Citigroup      Moelis & Company**  
**Cantor      Keefe, Bruyette & Woods      Mizuho      SOCIETE GENERALE**  
*A Stifel Company*

*Co-Managers*

**AmeriVet Securities      Bancroft Capital      BTIG      The Benchmark Company**

---

March 20, 2025

---

---

**Calculation of Filing Fee Tables**

**Form 424(b)(5)**  
(Form Type)

**MicroStrategy Incorporated**  
(Exact Name of Registrant as Specified in its Charter)

**Table 1: Newly Registered and Carry Forward Securities**

|                                    | Security Type | Security Class Title  | Fee Calculation or Carry Forward Rule | Amount Registered | Proposed Maximum Offering Price Per Unit | Maximum Aggregate Offering Price | Fee Rate   | Amount of Registration Fee  |
|------------------------------------|---------------|---|---------------------------------------|-------------------|--|----------------------------------|------------|-----------------------------|
| <b>Newly Registered Securities</b> |               |   |                                       |                   |  |                                  |            |                             |
| Fees to Be Paid                    | Equity        | 10.00% Series A Perpetual Strife Preferred Stock, \$0.001 par value per share | Rule 457(a)                           | 8,500,000 shares  | \$85.00                                  | \$722,500,000                    | 0.00015310 | \$110,614.75                |
|                                    |               | <b>Total Offering Amounts:</b>  |                                       |                   |  |                                  |            | \$722,500,000               |
|                                    |               | <b>Net Fee Due:</b>   |                                       |                   |  |                                  |            | \$110,614.75 <sup>(1)</sup> |

- (1) The fee payable in connection with the offering relating to this exhibit has been calculated pursuant to Rule 457(r) under the Securities Act and paid in accordance with Rule 456(b) under the Securities Act.

The prospectus supplement to which this exhibit is attached is a final prospectus supplement for the related offering of 10.00% Series A Perpetual Strife Preferred Stock. The maximum aggregate offering price of that offering is \$722,500,000.