

Supplemental Listing Document

If you are in any doubt as to any aspect of this document, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, accountant or other professional adviser.

Application has been made to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for permission to deal in and for quotation of the Certificates (as defined below). The SGX-ST assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of SG Issuer, Societe Generale, the Certificates, or the Company (as defined below).

**3,200,000 European Style Cash Settled Short Certificates relating to
the Class A Common Stock of Space Exploration Technologies Corp.
with a Daily Leverage of -3x**

issued by

SG Issuer

(Incorporated in Luxembourg with limited liability)

unconditionally and irrevocably guaranteed by

Societe Generale

Issue Price: S\$5.00 per Certificate

This document is published for the purpose of obtaining a listing of all the above certificates (the “**Certificates**”) to be issued by SG Issuer (the “**Issuer**”) unconditionally and irrevocably guaranteed by Societe Generale (the “**Guarantor**”), and is supplemental to and should be read in conjunction with a base listing document dated 12 June 2026 including such further base listing documents as may be issued from time to time (the “**Base Listing Document**”) for the purpose of giving information with regard to the Issuer, the Guarantor and the Certificates. Information relating to the Company (as defined below) is contained in this document.

This document does not constitute or form part of any offer, or invitation, to subscribe for or to sell, or solicitation of any offer to subscribe for or to purchase, Certificates or other securities of the Issuer, nor is it calculated to invite, nor does it permit the making of, offers by the public to subscribe for or purchase for cash or other consideration the Certificates or other securities of the Issuer.

Restrictions have been imposed on offers and sales of the Certificates and on distributions of documents relating thereto in Singapore, Hong Kong, the European Economic Area, the United Kingdom and the United States (see “Placing and Sale” contained herein).

The Certificates are complex products. You should exercise caution in relation to them. Investors are warned that the price of the Certificates may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. The price of the Certificates also depends on the supply and demand for the Certificates in the market and the price at which the Certificates is trading at any time may differ from the underlying valuation of the Certificates because of market inefficiencies. It is not possible to predict the secondary market for the Certificates. Although the Issuer, the Guarantor and/or any of their affiliates may from time to time purchase the Certificates or sell additional Certificates on the market, the Issuer, the Guarantor and/or any of their affiliates are not obliged to do so. Investors should also note that there are leveraged risks because the Certificates integrate an inverse leverage mechanism and the Certificates will amplify the movements in the increase, and in the decrease, of the value of the Underlying Stock (as defined below) and if the investment results in a loss, any such loss will be increased by the leverage factor of the Certificates. As such, investors could lose more than they would if they had invested directly in the Underlying Stock.

The Certificates are classified as capital markets products other than prescribed capital markets products¹ and Specified Investment Products (SIPs)², and may only be sold to retail investors with enhanced safeguards, including an assessment of such investors' investment knowledge or experience.

The Certificates constitute general unsecured obligations of the Issuer (in the case of any substitution of the Issuer in accordance with the Conditions of the Certificates, the Substituted Obligor as defined in the Conditions of the Certificates) and of no other person, and the guarantee dated 12 June 2026 (the "**Guarantee**") and entered into by the Guarantor constitutes direct unconditional unsecured senior preferred obligations of the Guarantor and of no other person, and if you purchase the Certificates, you are relying upon the creditworthiness of the Issuer and the Guarantor and have no rights under the Certificates against any other person.

Application has been made to the SGX-ST for permission to deal in and for quotation of the Certificates and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Certificates. It is expected that dealings in the Certificates will commence on or about 7 August 2026.

As of the date hereof, the Guarantor's long term credit rating by S&P Global Ratings is A, and by Moody's Investors Service, Inc. is A1.

The Issuer is regulated by the Luxembourg Commission de Surveillance du Secteur Financier on a consolidated basis and the Guarantor is regulated by, *inter alia*, the Autorité des Marchés Financiers, the Autorité de Contrôle Prudentiel et de Résolution and the European Central Bank.

6 August 2026

¹ As defined in the Securities and Futures (Capital Markets Products) Regulations 2018.

² As defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products.

Subject as set out below, the Issuer and the Guarantor accept full responsibility for the accuracy of the information contained in this document and the Base Listing Document in relation to themselves and the Certificates. To the best of the knowledge and belief of the Issuer and the Guarantor (each of which has taken all reasonable care to ensure that such is the case), the information contained in this document and the Base Listing Document for which they accept responsibility (subject as set out below in respect of the information contained herein with regard to the Company) is in accordance with the facts and does not omit anything likely to affect the import of such information. The information with regard to the Company as set out herein is extracted from publicly available information. The Issuer and the Guarantor accept responsibility only for the accurate reproduction of such information. No further or other responsibility or liability in respect of such information is accepted by the Issuer and the Guarantor.

No person has been authorised to give any information or to make any representation other than those contained in this document in connection with the offering of the Certificates, and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer or the Guarantor. Neither the delivery of this document nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer, the Guarantor or their respective subsidiaries and associates since the date hereof.

This document does not constitute an offer or invitation by or on behalf of the Issuer or the Guarantor to purchase or subscribe for any of the Certificates. The distribution of this document and the offering of the Certificates may, in certain jurisdictions, be restricted by law. The Issuer and the Guarantor require persons into whose possession this document comes to inform themselves of and observe all such restrictions. In particular, the Certificates and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended or any state securities law, and trading in the Certificates has not been approved by the United States Commodity Futures Trading Commission (the “**CFTC**”) under the United States Commodity Exchange Act of 1936, as amended and the Issuer has not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations thereunder. None of the Securities and Exchange Commission, any state securities commission or regulatory authority or any other United States, French or other regulatory authority has approved or disapproved of the Certificates or the Guarantee or passed upon the accuracy or adequacy of this document. Accordingly, Certificates, or interests therein, may not at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, nor may any U.S. person at any time trade, own, hold or maintain a position in the Certificates or any interests therein. In addition, in the absence of relief from the CFTC, offers, sales, re-sales, trades, pledges, exercises, redemptions, transfers or deliveries of Certificates, or interests therein, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, may constitute a violation of United States law governing commodities trading and commodity pools. Consequently, any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised. A further description of certain restrictions on offering and sale of the Certificates and distribution of this document is given in the section headed “Placing and Sale” contained herein.

The SGX-ST has made no assessment of, nor taken any responsibility for, the financial soundness of the Issuer or the Guarantor or the merits of investing in the Certificates, nor have they verified the accuracy or the truthfulness of statements made or opinions expressed in this document.

The Issuer, the Guarantor and/or any of their affiliates may repurchase Certificates at any time on or after the date of issue and any Certificates so repurchased may be offered from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market

prices or in negotiated transactions, at the discretion of the Issuer, the Guarantor and/or any of their affiliates. Investors should not therefore make any assumption as to the number of Certificates in issue at any time.

References in this document to the “**Conditions**” shall mean references to the Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities contained in the Base Listing Document. Terms not defined herein shall have the meanings ascribed thereto in the Conditions.

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RISK FACTORS

The following are risk factors relating to the Certificates:

- (a) in respect of certain corporate adjustment events on the Underlying Stock, trading in the Certificates may be suspended on the relevant ex-date of the Underlying Stock and trading in the Certificates will resume on the next immediate trading day on the SGX-ST. Please note that trading in the Certificates on the SGX-ST may be suspended for more than one trading day in certain circumstances;
- (b) circuit breakers are automatic mechanisms adopted in the U.S. stock market. Circuit breakers are invoked if the stock markets experience extreme broad-based declines or extreme volatility within a single stock, which are designed to slow the effects of extreme price movement through coordinated trading halts across securities markets in the U.S. stock market when severe price declines reach levels that may exhaust market liquidity.

Circuit breakers implemented by the Relevant Stock Exchange for the Underlying Stock may result in a temporary trading halt of the Underlying Stock on the Relevant Stock Exchange for the Underlying Stock, or under extreme circumstances, closure of the U.S. stock market (including all trading on the Relevant Stock Exchange for the Underlying Stock) before normal close of the trading session in the U.S. stock market.

Investors should be aware of the risk of potential high volatility in the trading prices of the Certificates upon commencement and throughout the trading hours of the SGX-ST on a trading day in Singapore in response to any overnight trigger of circuit breakers resulting in temporary trading halt of the Underlying Stock during the trading day of the Relevant Stock Exchange for the Underlying Stock immediately prior to such Singapore trading day;

- (c) investment in Certificates involves substantial risks including market risk, liquidity risk, and the risk that the Issuer and/or the Guarantor will be unable to satisfy its/their obligations under the Certificates. Investors should ensure that they understand the nature of all these risks before making a decision to invest in the Certificates. You should consider carefully whether Certificates are suitable for you in light of your experience, objectives, financial position and other relevant circumstances. Certificates are not suitable for inexperienced investors;
- (d) the Certificates constitute general unsecured obligations of the Issuer (in the case of any substitution of the Issuer in accordance with the Conditions of the Certificates, the Substituted Obligor as defined in the Conditions of the Certificates) and of no other person, and the Guarantee constitutes direct unconditional unsecured senior preferred obligations of the Guarantor and of no other person. In particular, it should be noted that the Issuer issues a large number of financial instruments, including Certificates, on a global basis and, at any given time, the financial instruments outstanding may be substantial. If you purchase the Certificates, you are relying upon the creditworthiness of the Issuer and the Guarantor and have no rights under the Certificates against any other person;
- (e) since the Certificates relate to the price of the Underlying Stock, certain events relating to the Underlying Stock may cause adverse movements in the value and the price of the Underlying Stock, as a result of which, the Certificate Holders (as defined in the Conditions of the Certificates) may, in extreme circumstances, sustain a significant loss of their investment if the price of the Underlying Stock has risen sharply;

- (f) in the event that the Company is subject to any sanction by governmental authorities, (i) such sanction may impact general investor interest in the Underlying Stock, which may in turn affect the liquidity and market price of the Underlying Stock, and (ii) investors should consult their own legal advisers to check whether and to what extent investing in the Certificates will be in violation of applicable laws and regulations;
- (g) in the event that the Company is controlled through weighted voting rights, certain individuals who own shares of a class which is being given more votes per share may have the ability to determine the outcome of most matters, and depending on the action taken by the Company, the market price of the Certificates could be adversely affected;
- (h) due to their nature, the Certificates can be volatile instruments and may be subject to considerable fluctuations in value. The price of the Certificates may fall in value as rapidly as it may rise due to, including but not limited to, variations in the frequency and magnitude of the changes in the price of the Underlying Stock, the time remaining to expiry, the currency exchange rates and the creditworthiness of the Issuer and the Guarantor;
- (i) if, whilst any of the Certificates remain unexercised, trading in the Underlying Stock is suspended or halted on the relevant stock exchange, trading in the Certificates may be suspended for a similar period.

The suspension may be lifted and trading in the Underlying Stock may resume outside or during the trading hours of the SGX-ST. If trading in the Underlying Stock resumes, trading in the Certificates will resume either in accordance with the scheduled trading resumption timing (if any) as specified in the announcement(s) to be published in respect of the resumption of trading in the Underlying Stock. Please note that the price of the Certificates may be highly volatile following the resumption of trading in the Certificates;

- (j) as indicated in the Conditions of the Certificates and herein, a Certificate Holder must tender a specified number of Certificates at any one time in order to exercise. Thus, Certificate Holders with fewer than the specified minimum number of Certificates in a particular series will either have to sell their Certificates or purchase additional Certificates, incurring transactions costs in each case, in order to realise their investment;
- (k) investors should note that in the event of there being a Market Disruption Event (as defined in the Conditions) determination or payment of the Cash Settlement Amount (as defined in the Conditions) may be delayed, all as more fully described in the Conditions;
- (l) certain events relating to the Underlying Stock require or, as the case may be, permit the Issuer to make certain adjustments or amendments to the Conditions. Investors may refer to the Conditions 4 and 6 on pages 32 to 37 and the examples and illustrations of adjustments set out in the "Information relating to the European Style Cash Settled Short Certificates on Single Equities" section of this document for more information;
- (m) the Certificates are only exercisable on the Expiry Date and may not be exercised by Certificate Holders prior to such Expiry Date. Accordingly, if on the Expiry Date the Cash Settlement Amount is zero, a Certificate Holder will lose the value of his investment;
- (n) the total return on an investment in any Certificate may be affected by the Hedging Fee Factor (as defined below), Management Fee (as defined below) and Gap Premium (as defined below);
- (o) investors holding their position beyond market close of the SGX-ST should note that they would be required to bear the annualised cost which consists of the Management Fee and Gap Premium, which are calculated daily and applied to the value of the Certificates, as well

as certain costs embedded within the Leverage Inverse Strategy (as described below) including the Stock Borrowing Cost (as defined below) and Rebalancing Cost (as defined below). Due to the difference in trading hours of the SGX-ST and the Relevant Stock Exchange for the Underlying Stock, unless investors exit their position within the same SGX-ST trading day, they would bear the annualised costs;

- (p) investors should note that there may be an exchange rate risk relating to the Certificates where the Cash Settlement Amount is converted from a foreign currency into Singapore dollars.

Exchange rates between currencies are determined by forces of supply and demand in the foreign exchange markets. These forces are, in turn, affected by factors such as international balances of payments and other economic and financial conditions, government intervention in currency markets and currency trading speculation. Fluctuations in foreign exchange rates, foreign political and economic developments, and the imposition of exchange controls or other foreign governmental laws or restrictions applicable to such investments may affect the foreign currency market price and the exchange rate-adjusted equivalent price of the Certificates. Fluctuations in the exchange rate of any one currency may be offset by fluctuations in the exchange rate of other relevant currencies;

- (q) investors should note that there are leveraged risks because the Certificates integrate an inverse leverage mechanism and the Certificates will amplify the movements in the increase, and in the decrease, of the value of the Underlying Stock and if the investment results in a loss, any such loss will be increased by the leverage factor of the Certificates. As such, investors could lose more than they would if they had invested directly in the Underlying Stock;
- (r) when held for longer than a day, the performance of the Certificates could be more or less than the leverage factor that is embedded within the Certificates. The performance of the Certificates each day is locked in, and any subsequent returns are based on what was achieved the previous trading day. This process, referred to as compounding, may lead to a performance difference from 3 times the inverse performance of the Underlying Stock over a period longer than one day. This difference may be amplified in a volatile market with a sideways trend, where market movements are not clear in direction, whereby investors may sustain substantial losses;
- (s) the Underlying Stock to which the Certificates relate are only quoted during US trading hours. This means that the Air Bag Mechanism (as defined below) can only be triggered when the SGX-ST is not open for trading. There is therefore a specific risk that overnight, investors in the Certificates incur a significant or even entire loss of the amounts invested in the Certificates, without being able to exit their investments in the Certificates;
- (t) investors should note that the Air Bag Mechanism reduces the impact on the Leverage Inverse Strategy if the Underlying Stock rises further, but will also maintain a reduced exposure to the Underlying Stock in the event the Underlying Stock starts to fall after the Air Bag Mechanism is triggered, thereby reducing its ability to recoup losses;
- (u) there is no assurance that the Air Bag Mechanism will prevent investors from losing the entire value of their investment, in the event of (i) an overnight increase in the Underlying Stock, where there is an approximately 33% or greater gap between the previous trading day closing price and the opening price of the Underlying Stock the following trading day, as the Air Bag Mechanism will only be triggered when market opens the following trading day or (ii) a sharp intraday increase in the price of the Underlying Stock of approximately 33% or

greater within the 15 minutes Observation Period compared to the reference price, being: (1) if air bag has not been previously triggered on the same day, the previous closing price of the Underlying Stock, or (2) if one or more air bag have been previously triggered on the same day, the latest New Observed Price. Investors should note that the Air Bag Mechanism may only be triggered during the trading of the Relevant Stock Exchange for the Underlying Stock. Investors may refer to pages 54 to 55 of this document for more information;

- (v) investors should note that the Certificates are issued over an Underlying Stock which is listed on an exchange with different trading hours from the SGX-ST. There may be a risk arising from the time difference between the trading hours of the Relevant Stock Exchange for the Underlying Stock (based on New York time) and the trading hours of the SGX-ST. As such, (i) the price of the Underlying Stock may not be available during the trading hours of the Certificates on SGX-ST; (ii) Air Bag Mechanism may be triggered during the trading hours of the Relevant Stock Exchange for the Underlying Stock, which would not be during SGX-ST trading hours; (iii) the trigger of an Air Bag Mechanism, when the Certificates are not open for trading, will lead to a different Leverage Inverse Strategy Closing Level, i.e. the value of the Certificates subsequently during the SGX-ST trading hours will be based on a different Leverage Inverse Strategy Closing Level reference for the purpose of the Leveraged Return calculation compared to a case where no Air Bag Mechanism would have been triggered; and (iv) given the Relevant Stock Exchange for the Underlying Stock is not open for trading during the SGX-ST trading hours, the market price of the Certificates may be affected by the derived spot price of the Underlying Stock on the Related Exchange during SGX-ST trading hours (which may deviate from the published price of the Underlying Stock), consequentially the market price of the Certificates during SGX-ST trading hours may deviate from the published price of the Underlying Stock during the US trading hours on the same day. There is therefore a specific risk that investors in the Certificates may incur a significant or even entire loss of the amounts invested in the Certificates, without being able to exit their investments in the Certificates.

In particular, please note that the trading price of the Underlying Stock may be volatile during a time in which the SGX-ST is not open for trading of the Certificates. Outside the trading hours of the SGX-ST, investors will not be able to sell or trade in the Certificates even if the trading price of the Underlying Stock is highly volatile.

Market news and/or corporate announcements relating to the Underlying Stock (including corporate event announcements or other price sensitive information) may be released outside the trading hours of the Relevant Stock Exchange for the Underlying Stock (based on New York time), but during the trading hours of the SGX-ST (based on Singapore time). The trading price of the Certificates may become highly volatile during the relevant trading hours of the SGX-ST in response to such market/corporate news pending opening of the Underlying Stock. The market and investors may not have sufficient time to digest fully, and/or assess the potential impact of, such corporate news on the Underlying Stock and hence the Certificates.

Investors may refer to pages 54 to 55 of this document for more information;

- (w) certain events may, pursuant to the terms and conditions of the Certificates, trigger (i) the implementation of methods of adjustment or (ii) the early termination of the Certificates. The Certificates may be terminated prior to its Expiry Date for the following reasons which are not exhaustive: Illegality and force majeure, occurrence of a Holding Limit Event (as defined in the Conditions of the Certificates) or Hedging Disruption (as defined in the Conditions of the

Certificates). For more detailed examples of when early termination may occur, please refer to the FAQ section under the “Education” tab on the website at dlc.socgen.com.

The Issuer will give the investors reasonable notice of any early termination. If the Issuer terminates the Certificates early, the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Certificate Holder in respect of each Certificate held by such holder equal to the fair market value of the Certificate less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. The performance of this commitment shall depend on (i) general market conditions and (ii) the liquidity conditions of the underlying instrument(s) and, as the case may be, of any other hedging transactions. Investors should note that the amount repaid by the Issuer may be substantially less than the amount initially invested, and at the worst case, be zero. Investors may refer to the Condition 13 on pages 40 to 42 of this document for more information;

- (x) there is no assurance that an active trading market for the Certificates will sustain throughout the life of the Certificates, or if it does sustain, it may be due to market making on the part of the Designated Market Maker. The Issuer acting through its Designated Market Maker may be the only market participant buying and selling the Certificates. Therefore, the secondary market for the Certificates may be limited and you may not be able to realise the value of the Certificates. Do note that the bid-ask spread increases with illiquidity;
- (y) in the ordinary course of their business, including without limitation, in connection with the Issuer or its appointed designated market maker's market making activities, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may effect transactions for their own account or for the account of their customers and hold long or short positions in the Underlying Stock. In addition, in connection with the offering of any Certificates, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may enter into one or more hedging transactions with respect to the Underlying Stock. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer, the Guarantor and any of their respective subsidiaries and affiliates, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may enter into transactions in the Underlying Stock which may affect the market price, liquidity or value of the Certificates and which may affect the interests of Certificate Holders;
- (z) various potential and actual conflicts of interest may arise from the overall activities of the Issuer, the Guarantor and/or any of their subsidiaries and affiliates.

The Issuer, the Guarantor and any of their subsidiaries and affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and investment and other activities for their own account or the account of others. In addition, the Issuer, the Guarantor and any of their subsidiaries and affiliates, in connection with their other business activities, may possess or acquire material information about the Underlying Stock. Such activities and information may involve or otherwise affect issuers of the Underlying Stock in a manner that may cause consequences adverse to the Certificate Holders or otherwise create conflicts of interests in connection with the issue of Certificates by the Issuer. Such actions and conflicts may include, without limitation, the exercise of voting power, the purchase and sale of securities, financial advisory relationships and exercise of creditor rights. The Issuer, the Guarantor and any of their subsidiaries and affiliates have no obligation to disclose such information about the Underlying Stock or such activities. The Issuer, the Guarantor and any of their subsidiaries and affiliates and their

officers and directors may engage in any such activities without regard to the issue of Certificates by the Issuer or the effect that such activities may directly or indirectly have on any Certificate;

- (aa) legal considerations which may restrict the possibility of certain investments:

Some investors' investment activities are subject to specific laws and regulations or laws and regulations currently being considered by various authorities. All potential investors must consult their own legal advisers to check whether and to what extent (i) they can legally purchase the Certificates (ii) the Certificates can be used as collateral security for various forms of borrowing (iii) if other restrictions apply to the purchase of Certificates or their use as collateral security. Financial institutions must consult their legal advisers or regulators to determine the appropriate treatment of the Certificates under any applicable risk-based capital or similar rules;

- (bb) the credit rating of the Guarantor is an assessment of its ability to pay obligations, including those on the Certificates. Consequently, actual or anticipated declines in the credit rating of the Guarantor may affect the market value of the Certificates;

- (cc) the Certificates are linked to the Underlying Stock and subject to the risk that the price of the Underlying Stock may rise. The following is a list of some of the significant risks associated with the Underlying Stock:

- Historical performance of the Underlying Stock does not give an indication of future performance of the Underlying Stock. It is impossible to predict whether the price of the Underlying Stock will fall or rise over the term of the Certificates; and
- The price of the Underlying Stock may be affected by the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) on which the Underlying Stock may be traded;

- (dd) the value of the Certificates depends on the Leverage Inverse Strategy performance built in the Certificate. The Calculation Agent will make the Leverage Inverse Strategy last closing level and a calculation tool available to the investors on a website;

- (ee) two or more risk factors may simultaneously have an effect on the value of a Certificate such that the effect of any individual risk factor may not be predicted. No assurance can be given as to the effect any combination of risk factors may have on the value of a Certificate;

- (ff) as the Certificates are represented by a global warrant certificate which will be deposited with The Central Depository (Pte) Limited ("CDP"):

- (i) investors should note that no definitive certificate will be issued in relation to the Certificates;
- (ii) there will be no register of Certificate Holders and each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Certificates by way of interest (to the extent of such number) in the global warrant certificate in respect of those Certificates represented thereby shall be treated as the holder of such number of Certificates;
- (iii) investors will need to rely on any statements received from their brokers/custodians as evidence of their interest in the Certificates; and

- (iv) notices to such Certificate Holders will be published on the web-site of the SGX-ST. Investors will need to check the web-site of the SGX-ST regularly and/or rely on their brokers/custodians to obtain such notices;

(gg) U.S. withholding tax

The Issuer has determined that these Certificates are not “delta-one” instruments for the purposes of IRS Notice 2024-44 and are therefore not Specified Warrants for purposes of the Section 871(m) Regulations as discussed in the accompanying Base Listing Document under “TAXATION—TAXATION IN THE UNITED STATES OF AMERICA—Section 871(m) of the U.S. Internal Revenue Code of 1986”. Investors are advised that the Issuer’s determination is binding on all Non-U.S. Holders of the Certificates, but it is not binding on the United States Internal Revenue Service (the “IRS”) and the IRS may therefore disagree with the Issuer’s determination. In addition, if any Holder of Certificates also holds an offsetting derivative position in the Underlying Stock that when combined with the Certificates provide “delta-one” exposure to the Underlying Stock, such Holder may have liability under Section 871(m). Certificate Holders should consult with their own tax advisers regarding the potential application of Section 871(m) to the Certificates, including with respect to any other positions the Certificate Holder holds in the Underlying Stock.

Potential investors are advised to consider the discussion in the accompanying Base Listing Document under “TAXATION—TAXATION IN THE UNITED STATES OF AMERICA—Section 871(m) of the U.S. Internal Revenue Code of 1986” and “TAXATION—TAXATION IN THE UNITED STATES OF AMERICA—Foreign Account Tax Compliance Act Withholding” and to consult their own tax adviser on the tax impacts of the acquisition, holding, disposal and redemption of the Certificates. The requirement to pay such taxes may reduce the effective yield on the Certificates and may also have an adverse impact on their value;

(hh) risks arising from the taxation of securities

Tax law and practice are subject to change, possibly with retroactive effect. This may have a negative impact on the value of the Certificates and/or the market price of the Certificates. For example, the specific tax assessment of the Certificates may change compared to its assessment at the time of purchase of the Certificates. This is especially true with regard to derivative Certificates and their tax treatment. Holders of Certificates therefore bear the risk that they may misjudge the taxation of the income from the purchase of the Certificates. However, there is also the possibility that the taxation of the income from the purchase of the Certificates will change to the detriment of the holders.

Holders of the Certificates bear the risk that the specific tax assessment of the Certificates will change. This can have a negative impact on the value of the Certificates and the investor may incur a corresponding loss. The stronger this negative effect, the greater the loss may be; and

(ii) risk factors relating to the BRRD

French and Luxembourg law and European legislation regarding the resolution of financial institutions may require the write-down or conversion to equity of the Certificates or other resolution measures if the Issuer or the Guarantor is deemed to meet the conditions for resolution.

Directive 2014/59/EU of the European Parliament and of the Council of the European Union dated 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (the “**BRRD**”) entered into force on 2 July 2014. The BRRD, as amended, has been implemented into Luxembourg law by, among others, the Luxembourg act dated 18 December 2015 on the failure of credit institutions and certain investment firms, as amended (the “**BRR Act 2015**”). Under the BRR Act 2015, the competent authority is the Luxembourg financial sector supervisory authority (*Commission de surveillance du secteur financier*, the CSSF) and the resolution authority is the CSSF acting as resolution council (*conseil de résolution*).

In April 2023, the EU Commission released a proposal to amend, in particular, the BRRD according to which senior preferred debt instruments would no longer rank *pari passu* with any non covered non preferred deposits of the Issuer; instead, senior preferred debt instruments would rank junior in right of payment to the claims of all depositors.

This proposal is still subject to further discussions and as a result its precise legal application date is unknown. As such, there may be an increased risk of an investor in senior preferred debt instruments losing all or some of their investment in the context of the exercise of the Bail-in Power.

Moreover, Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism (“**SRM**”) and a Single Resolution Framework (the “**SRM Regulation**”) has established a centralised power of resolution entrusted to a Single Resolution Board (the “**SRB**”) in cooperation with the national resolution authorities.

Since November 2014, the European Central Bank (“**ECB**”) has taken over the prudential supervision of significant credit institutions in the member states of the Eurozone under the Single Supervisory Mechanism (“**SSM**”). In addition, the SRM has been put in place to ensure that the resolution of credit institutions and certain investment firms across the Eurozone is harmonised. As mentioned above, the SRM is managed by the SRB. Under Article 5(1) of the SRM Regulation, the SRM has been granted those responsibilities and powers granted to the EU Member States’ resolution authorities under the BRRD for those credit institutions and certain investment firms subject to direct supervision by the ECB. The ability of the SRB to exercise these powers came into force at the beginning of 2016.

Societe Generale has been, and continues to be, designated as a significant supervised entity for the purposes of Article 49(1) of Regulation (EU) No 468/2014 of the ECB of 16 April 2014 establishing the framework for cooperation within the SSM between the ECB and national competent authorities and with national designated authorities (the “**SSM Regulation**”) and is consequently subject to the direct supervision of the ECB in the context of the SSM. This means that Societe Generale and SG Issuer (being covered by the consolidated prudential supervision of Societe Generale) are also subject to the SRM which came into force in 2015. The SRM Regulation mirrors the BRRD and, to a large part, refers to the BRRD so that the SRB is able to apply the same powers that would otherwise be available to the relevant national resolution authority.

The stated aim of the BRRD and the SRM Regulation is to provide for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and certain investment firms. The regime provided for by the BRRD is, among other things, stated to be needed to provide the resolution authority designated by each EU Member State (the “**Resolution Authority**”) with a credible set of tools to intervene sufficiently early and quickly

in an unsound or failing institution so as to ensure the continuity of the institution's critical financial and economic functions while minimising the impact of an institution's failure on the economy and financial system (including taxpayers' exposure to losses).

In accordance with the provisions of the SRM Regulation, when applicable, the SRB, has replaced the national resolution authorities designated under the BRRD with respect to all aspects relating to the decision-making process and the national resolution authorities designated under the BRRD continue to carry out activities relating to the implementation of resolution schemes adopted by the SRB. The provisions relating to the cooperation between the SRB and the national resolution authorities for the preparation of the institutions' resolution plans have applied since 1 January 2015 and the SRM has been fully operational since 1 January 2016.

The SRB is the Resolution Authority for the Issuer and the Guarantor.

The powers provided to the Resolution Authority in the BRRD and the SRM Regulation include write-down/conversion powers to ensure that capital instruments (including subordinated debt instruments) and eligible liabilities (including senior debt instruments if junior instruments prove insufficient to absorb all losses) absorb losses of the issuing institution that is subject to resolution in accordance with a set order of priority (the **"Bail-in Power"**). The conditions for resolution under the SRM Regulation are deemed to be met when: (i) the Resolution Authority determines that the institution is failing or is likely to fail, (ii) there is no reasonable prospect that any measure other than a resolution measure would prevent the failure within a reasonable timeframe, and (iii) a resolution measure is necessary for the achievement of the resolution objectives (in particular, ensuring the continuity of critical functions, avoiding a significant adverse effect on the financial system, protecting public funds by minimizing reliance on extraordinary public financial support, and protecting client funds and assets) and winding up of the institution under normal insolvency proceedings would not meet those resolution objectives to the same extent.

The Resolution Authority could also, independently of a resolution measure or in combination with a resolution measure, fully or partially write-down or convert capital instruments (including subordinated debt instruments) into equity when it determines that the institution or its group will no longer be viable unless such write-down or conversion power is exercised or when the institution requires extraordinary public financial support (except when extraordinary public financial support is provided in Article 10 of the SRM Regulation). The terms and conditions of the Certificates contain provisions giving effect to the Bail-in Power in the context of resolution and write-down or conversion of capital instruments at the point of non-viability.

The Bail-in Power could result in the full (i.e., to zero) or partial write-down or conversion of the Certificates into ordinary shares or other instruments of ownership, or the variation of the terms of the Certificates (for example, the maturity and/or interest payable may be altered and/or a temporary suspension of payments may be ordered). Extraordinary public financial support should only be used as a last resort after having assessed and applied, to the maximum extent practicable, the resolution measures. No support will be available until a minimum amount of contribution to loss absorption and recapitalization of 8% of total liabilities including own funds has been made by shareholders, holders of capital instruments and other eligible liabilities through write-down, conversion or otherwise.

In addition to the Bail-in Power, the BRRD and the SRM Regulation provide the Resolution Authority with broader powers to implement other resolution measures with respect to institutions that meet the conditions for resolution, which may include (without limitation) the

sale of the institution's business, the creation of a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), removing management, appointing an interim administrator, and discontinuing the listing and admission to trading of financial instruments.

Before taking a resolution measure, including implementing the Bail-in Power, or exercising the power to write down or convert relevant capital instruments, the Resolution Authority must ensure that a fair, prudent and realistic valuation of the assets and liabilities of the institution is carried out by a person independent from any public authority.

The BRRD, the BRR Act 2015 and the SRM Regulation however also state that, under exceptional circumstances, if the bail-in instrument is applied, the SRB, in cooperation with the CSSF, may completely or partially exclude certain liabilities from the application of the impairment or conversion powers under certain conditions.

Since 1 January 2016, EU credit institutions (such as Societe Generale) and certain investment firms have to meet, at all times, a minimum requirement for own funds and eligible liabilities ("**MREL**") pursuant to Article 12 of the SRM Regulation. The MREL, which is expressed as a percentage of the total liabilities and own funds of the institution, aims at preventing institutions from structuring their liabilities in a manner that impedes the effectiveness of the Bail-in Power in order to facilitate resolution.

The regime has evolved as a result of the changes adopted by the EU legislators. On 7 June 2019, as part of the contemplated amendments to the so-called "EU Banking Package", the following legislative texts were published in the Official Journal of the EU 14 May 2019:

- Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the BRRD as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms ("**BRRD II**"); and
- Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending the SRM Regulation as regards the loss-absorbing and recapitalisation capacity ("**TLAC**") of credit institutions and investment firms (the "**SRM II Regulation**" and, together with the BRRD II, the "**EU Banking Package Reforms**").

The EU Banking Package Reforms introduced, among other things, the TLAC standard as implemented by the Financial Stability Board's TLAC Term Sheet ("**FSB TLAC Term Sheet**"), by adapting, among other things, the existing regime relating to the specific MREL with the aim of reducing risks in the banking sector and further reinforcing institutions' ability to withstand potential shocks will strengthen the banking union and reduce risks in the financial system.

The TLAC has been implemented in accordance with the FSB TLAC Term Sheet, which imposes a level of "Minimum TLAC" that will be determined individually for each global systemically important bank ("**G-SIB**"), such as Societe Generale, in an amount at least equal to (i) 16%, plus applicable buffers, of risk weight assets since January 1, 2022 and 18%, plus applicable buffers, thereafter and (ii) 6% of the Basel III leverage ratio denominator since January 1, 2022 and 6.75% thereafter (each of which could be extended by additional firm-specific requirements).

Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (the “CRR”), as amended notably by Regulation (EU) 2019/876 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements (the “CRR II”) and Regulation (EU) 2022/2036 of the European Parliament and of the Council of 19 October 2022 amending Regulation (EU) No 575/2013 and Directive 2014/59/EU as regards the prudential treatment of global systemically important institutions with a multiple-point-of-entry resolution strategy and methods for the indirect subscription of instruments eligible for meeting the minimum requirement for own funds and eligible liabilities, EU G-SIBs, such as Societe Generale, have to comply with TLAC requirements, on top of the MREL requirements, since the entry into force of the CRR II. As such, G-SIBs, such as Societe Generale have to comply with both the TLAC and MREL requirements.

Consequently, the criteria for MREL-eligible liabilities have been closely aligned with the criteria for TLAC-eligible liabilities under CRR II, but subject to the complementary adjustments and requirements introduced in the BRRD II. In particular, certain debt instruments with an embedded derivative component, such as certain structured notes, will be eligible, subject to certain conditions, to meet MREL requirements to the extent that they have a fixed or increasing principal amount repayable at maturity that is known in advance with only an additional return permitted to be linked to that derivative component and dependent on the performance of a reference asset.

The level of capital and eligible liabilities required under MREL is set by the SRB for Societe Generale on an individual and/or consolidated basis based on certain criteria including systemic importance and may also be set for SG Issuer. Eligible liabilities may be senior or subordinated, provided, among other requirements, that they have a remaining term of at least one year and, they recognise contractually the Resolution Authority's power to write down or convert the liabilities governed by non-EU law.

The scope of liabilities used to meet MREL includes, in principle, all liabilities resulting from claims arising from ordinary unsecured creditors (non-subordinated liabilities) unless they do not meet specific eligibility criteria set out in BRRD, as amended notably by BRRD II. To enhance the resolvability of institutions and entities through an effective use of the bail-in tool, the SRB should be able to require that MREL be met with own funds and other subordinated liabilities, in particular where there are clear indications that bailed-in creditors are likely to bear losses in resolution that would exceed the losses that they would incur under normal insolvency proceedings. Moreover the SRB should assess the need to require institutions and entities to meet the MREL with own funds and other subordinated liabilities where the amount of liabilities excluded from the application of the bail-in tool reaches a certain threshold within a class of liabilities that includes MREL-eligible liabilities. Any subordination of debt instruments requested by the SRB for the MREL shall be without prejudice to the possibility to partly meet the TLAC requirements with non-subordinated debt instruments in accordance with the CRR, as amended by the CRR II, as permitted by the TLAC standard. Specific requirements apply to resolution groups with assets above EUR 100 billion (top-tier banks, including Societe Generale).

TERMS AND CONDITIONS OF THE CERTIFICATES

The following are the terms and conditions of the Certificates and should be read in conjunction with, and are qualified by reference to, the other information set out in this document and the Base Listing Document.

The Conditions are set out in the section headed “Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities” in the Base Listing Document. For the purposes of the Conditions, the following terms shall have the following meanings:

Certificates:	3,200,000 European Style Cash Settled Short Certificates relating to the Class A Common Stock of Space Exploration Technologies Corp. (the “ Underlying Stock ”)
ISIN:	LU2088914648
Company:	Space Exploration Technologies Corp. (RIC: SPCX.OQ)
Underlying Price and Source:	The closing price of the Underlying Stock on 6 August 2026 (Reuters)
Calculation Agent:	Societe Generale
Strike Level:	Zero
Daily Leverage:	-3x (within the Leverage Inverse Strategy as described below)
Notional Amount per Certificate:	SGD 5.00
Management Fee (p.a.) ³ :	0.40%
Gap Premium (p.a.) ⁴ :	25.00%, is a hedging cost against extreme market movements beyond US market close on the same trading day.
Stock Borrowing Cost ⁵ :	The annualised costs for borrowing stocks in order to take an inverse exposure on the Underlying Stock.
Rebalancing Cost ⁵ :	The transaction costs (if applicable), computed as a function of leverage and daily inverse performance of the Underlying Stock.
Launch Date:	31 July 2026
Closing Date:	6 August 2026
Expected Listing Date:	7 August 2026

³ Please note that the Management Fee is calculated on a 360-day basis and may be increased up to a maximum of 3% p.a. on giving one month's notice to investors. Any increase in the Management Fee will be announced on the SGXNET. Please refer to “Fees and Charges” below for further details of the fees and charges payable and the maximum of such fees as well as other ongoing expenses that may be borne by the Certificates.

⁴ Please note that the Gap Premium is calculated on a 360-day basis.

⁵ These costs are embedded within the Leverage Inverse Strategy. Please note that the Stock Borrowing Cost may be changed on giving 5 Business Days' notice to investors. Any change in the Stock Borrowing Cost will be announced on the SGXNET.

Last Trading Date:	The date falling 5 Business Days immediately preceding the Expiry Date, currently being 19 July 2028
Expiry Date:	The Business Day immediately following the Valuation Date, currently being 26 July 2028
Board Lot:	100 Certificates
Valuation Date:	25 July 2028 or if such day is not an Underlying Stock Business Day, the immediately following Underlying Stock Business Day and subject to the Market Disruption Event provisions.
Settlement Date:	No later than five Settlement Business Days following the Expiry Date, currently being 2 August 2028.
Exercise:	The Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in a Board Lot or integral multiples thereof. Certificate Holders shall not be required to deliver an exercise notice. Exercise of Certificates shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) of the Conditions. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.
Cash Settlement Amount:	In respect of each Certificate, shall be an amount payable in the Settlement Currency equal to: Closing Level multiplied by the Notional Amount per Certificate Please refer to the “Information relating to the European Style Cash Settled Short Certificates on Single Equities” section on pages 46 to 60 of this document for examples and illustrations of the calculation of the Cash Settlement Amount.
Hedging Fee Factor:	In respect of each Certificate, shall be an amount calculated as: Product (for t from 2 to Valuation Date) of $(1 - \text{Management Fee} \times (\text{ACT}(t-1;t) \div 360)) \times (1 - \text{Gap Premium}(t-1) \times (\text{ACT}(t-1;t) \div 360))$ Where: “t” refers to “Observation Date” which means each Underlying Stock Business Day (subject to Market Disruption Event) from (and

including) the Underlying Stock Business Day immediately preceding the Expected Listing Date to the Valuation Date; and

ACT (t-1;t) means the number of calendar days between the Underlying Stock Business Day immediately preceding the Observation Date (such Underlying Stock Business Day being noted “t-1”) (included) and the Observation Date “t” (excluded).

If the Issuer determines, in its sole discretion, that on any Observation Date a Market Disruption Event has occurred, then that Observation Date shall be postponed until the first succeeding Underlying Stock Business Day on which there is no Market Disruption Event, unless there is a Market Disruption Event on each of the five Underlying Stock Business Days immediately following the original date that, but for the Market Disruption Event, would have been an Observation Date. In that case, that fifth Underlying Stock Business Day shall be deemed to be the Observation Date notwithstanding the Market Disruption Event and the Issuer shall determine, its good faith estimate of the level of the Leverage Inverse Strategy and the value of the Certificate on that fifth Underlying Stock Business Day in accordance with the formula for and method of calculation last in effect prior to the occurrence of the first Market Disruption Event taking into account, inter alia, the exchange traded or quoted price of the Underlying Stock and the potential increased cost of hedging by the Issuer as a result of the occurrence of the Market Disruption Event.

Please refer to the “Information relating to the European Style Cash Settled Short Certificates on Single Equities” section on pages 46 to 60 of this document for examples and illustrations of the calculation of the Hedging Fee Factor.

Closing Level: In respect of each Certificate, shall be an amount payable in the Settlement Currency equal to:

$$\left(\frac{\text{Final Reference Level} \times \text{Final Exchange Rate}}{\text{Initial Reference Level} \times \text{Initial Exchange Rate}} - \text{Strike Level} \right) \times \text{Hedging Fee Factor}$$

Initial Reference Level: 1,000

Final Reference Level: The closing level of the Leverage Inverse Strategy (as described below) on the Valuation Date

The calculation of the closing level of the Leverage Inverse Strategy is set out in the “Specific Definitions relating to the Leverage Inverse Strategy” section on pages 22 to 26 below.

Initial Exchange Rate: 1.2819

Final Exchange Rate:	The rate for the conversion of United States Dollar to Singapore Dollar as at 5:00pm (Singapore Time) on the Valuation Date as shown on Reuters, provided that if the Reuters service ceases to display such information, as determined by the Issuer by reference to such source(s) as the Issuer may reasonably determine to be appropriate at such a time.
Air Bag Mechanism:	The “Air Bag Mechanism” refers to the mechanism built in the Leverage Inverse Strategy and which is designed to reduce the Leverage Inverse Strategy exposure to the Underlying Stock during extreme market conditions. If the Underlying Stock rises by 20% or more (“Air Bag Trigger Price”) during the trading day of the Relevant Stock Exchange for the Underlying Stock (which represents an approximately 60% loss after a 3 times inverse leverage), the Air Bag Mechanism is triggered and the Leverage Inverse Strategy is adjusted intra-day during the trading hours of the Relevant Stock Exchange for the Underlying Stock. The Air Bag Mechanism reduces the impact on the Leverage Inverse Strategy if the Underlying Stock rises further, but will also maintain a reduced exposure to the Underlying Stock in the event the Underlying Stock starts to fall after the Air Bag Mechanism is triggered, thereby reducing its ability to recoup losses. The Leverage Inverse Strategy is floored at 0 and the Certificates cannot be valued below zero. Please refer to the “Extraordinary Strategy Adjustment for Performance Reasons (“Air Bag Mechanism”)” section on pages 25 to 26 below and the “Description of Air Bag Mechanism” section on pages 52 to 53 of this document for further information of the Air Bag Mechanism.
Adjustments and Extraordinary Events:	The Issuer has the right to make adjustments to the terms of the Certificates if certain events, including any capitalisation issue, rights issue, extraordinary distributions, merger, delisting, insolvency (as more specifically set out in the terms and conditions of the Certificates) occur in respect of the Underlying Stock. For the avoidance of doubt, no notice will be given if the Issuer determines that adjustments will not be made.
Underlying Stock Currency:	United States Dollar (“ USD ”)
Settlement Currency:	Singapore Dollar (“ SGD ”)
Exercise Expenses:	Certificate Holders will be required to pay all charges which are incurred in respect of the exercise of the Certificates.
Relevant Stock Exchange for the Certificates:	The Singapore Exchange Securities Trading Limited (“ SGX-ST ”)

Relevant Stock Exchange for the Underlying Stock: NASDAQ

Related Exchange: Each exchange or quotation system, or alternative trading system, where trading has a material effect (as determined by the Calculation Agent) on the overall market for the Underlying Stock when the Relevant Stock Exchange for the Underlying Stock is not open for trading

Underlying Stock Business Day, Business Day or Settlement Business Day: An “**Underlying Stock Business Day**” means a day on which NASDAQ is open for dealings in the United States during its normal trading hours and banks are open for business in the United States.

A “Business Day” or a “Settlement Business Day” is a day on which the SGX-ST is open for dealings in Singapore during its normal trading hours and banks are open for business in Singapore.

Warrant Agent: The Central Depository (Pte) Limited (“**CDP**”)

Clearing System: CDP

Fees and Charges: Normal transaction and brokerage fees shall apply to the trading of the Certificates on the SGX-ST. Investors should note that they may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Certificates are transferred. Investors who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

Investors holding position beyond market close of the SGX-ST would also be required to bear the Management Fee and Gap Premium, which are calculated daily and applied to the value of the Certificates, as well as certain costs embedded within the Leverage Inverse Strategy including the Stock Borrowing Cost and Rebalancing Cost. The Management Fee may be increased up to a maximum of 3% p.a. on giving one month’s notice to investors in accordance with the terms and conditions of the Certificates. Any increase in the Management Fee will be announced on the SGXNET. Due to the difference in trading hours of the SGX-ST and the Relevant Stock Exchange for the Underlying Stock, unless investors exit their position within the same SGX-ST trading day, they would bear such annualised costs.

Further Information: Please refer to the website at dlc.socgen.com for more information on the theoretical closing price of the Certificates on the previous trading day, the closing price of the Underlying Stock on the previous trading day, the Air Bag Trigger Price for each trading day and the Management Fee and Gap Premium.

Specific Definitions relating to the Leverage Inverse Strategy

Description of the Leverage Inverse Strategy

The Leverage Inverse Strategy is designed to track a 3 times daily leveraged inverse exposure to the Underlying Stock.

At the end of each trading day of the Underlying Stock, the exposure of the Leverage Inverse Strategy to the Underlying Stock is reset within the Leverage Inverse Strategy in order to retain a daily leverage of 3 times the inverse performance of the Underlying Stock (excluding costs) regardless of the performance of the Underlying Stock on the preceding day. This mechanism is referred to as the Daily Reset.

The Leverage Inverse Strategy incorporates an air bag mechanism which is designed to reduce exposure to the Underlying Stock during extreme market conditions, as further described below.

Leverage Inverse Strategy Formula

LSL_t means, for any Observation Date(t), the Leverage Inverse Strategy Closing Level as of such day (t).

Subject to the occurrence of an Intraday Restrike Event, the **Leverage Inverse Strategy Closing Level** as of such Observation Date(t) is calculated in accordance with the following formulae:

On Observation Date(1):

$$LSL_1 = 1000$$

On each subsequent Observation Date(t):

$$LSL_t = \text{Max}[LSL_{t-1} \times (1 + LR_{t-1,t} - FC_{t-1,t} - SB_{t-1,t} - RC_{t-1,t}), 0]$$

LR_{t-1,t} means the Leveraged Return of the Underlying Stock between Observation Date(t-1) and Observation Date(t) closing prices, calculated as follows:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times R_{factor_t}} - 1 \right)$$

FC_{t-1,t} means, the Funding Cost between Observation Date(t-1) (included) and Observation Date(t) (excluded) calculated as follows:

$$FC_{t-1,t} = (\text{Leverage} - 1) \times \frac{\text{Rate}_{t-1} \times \text{ACT}(t-1, t)}{\text{DayCountBasisRate}}$$

SB_{t-1,t} means the Stock Borrowing Cost between Observation Date(t-1) (included) and Observation Date(t) (excluded) calculated as follows:

$$SB_{t-1,t} = -\text{Leverage} \times \frac{\text{CB} \times \text{ACT}(t-1, t)}{\text{DayCountBasisRate}}$$

CB means the Cost of Borrowing applicable that is equal to 5.00%.

RC_{t-1,t} means the Rebalancing Cost of the Leverage Inverse Strategy on Observation Date (t), calculated as follows:

$$RC_{t-1,t} = \text{Leverage} \times (\text{Leverage} - 1) \times \left(\left| \frac{S_t}{S_{t-1} \times R_{factor_t}} - 1 \right| \right) \times \text{TC}$$

TC	means the Transaction Costs applicable (including brokerage fees and any other applicable taxes, levies and costs which may be levied on the stock transactions on the Relevant Stock Exchange for the Underlying Stock by the applicable regulatory authorities from time to time) that are currently equal to: 0.20%
Leverage	-3
S_t	means, in respect of each Observation Date(t), the Closing Price of the Underlying Stock as of such Observation Date(t), subject to the adjustments and provisions of the Conditions.
Rate_t	means, in respect of each Observation Date(t), the US SOFR Secured Overnight Financing Rate, as published on Bloomberg Screen SOFRRATE Index page or any successor page, being the rate as of such Observation Date (t), provided that if any of such rates is not available, then that rate shall be determined by reference to the latest available rate that was published on the relevant Bloomberg page.
Rfactor_t	means, in the event Observation Date (t) is an ex-dividend date of the Underlying Stock, an amount determined by the Calculation Agent, subject to the adjustments and provisions of the Conditions, according to the following formula: $Rfactor_t = 1 - \frac{Div_t}{S_{t-1}}$ where <i>Div_t</i> is the dividend to be paid out in respect of the Underlying Stock and the relevant ex-dividend date which shall be considered gross of any applicable withholding taxes.
ACT(t-1,t)	ACT (t-1;t) means the number of calendar days between the Underlying Stock Business Day immediately preceding the Observation Date (such Underlying Stock Business Day being noted “t-1”) (included) and the Observation Date “t” (excluded).
DayCountBasis Rate	365
Benchmark Fallback	upon the occurrence or likely occurrence, as determined by the Calculation Agent, of a Reference Rate Event, the Calculation Agent may make adjustments as it may determine appropriate to account for the relevant event or circumstance, including but not limited to using any alternative rates from such date, with or without retroactive effect as the Calculation Agent may in its sole and absolute discretion determine.
Reference Rate Event	means, in respect of the Reference Rate any of the following has occurred or will occur: (i) a Reference Rate Cessation; (ii) an Administrator/Benchmark Event; or (iii) a Reference Rate is, with respect to over-the-counter derivatives transactions which reference such Reference Rate, the subject of any market-wide

development formally agreed upon by the International Swaps and Derivative Association (ISDA) or the Asia Securities Industry & Financial Markets Association (ASIFMA), pursuant to which such Reference Rate is, on a specified date, replaced with a risk-free rate (or near risk-free rate) established in order to comply with the recommendations in the Financial Stability Board's paper titled "Reforming Major Interest Rate Benchmarks" dated 22 July 2014.

**Reference Rate
Cessation**

means, for a Reference Rate, the occurrence of one or more of the following events:

(i) a public statement or publication of information by or on behalf of the administrator of the Reference Rate announcing that it has ceased or will cease to provide the Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Reference Rate;

(ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Reference Rate, the central bank for the currency of the Reference Rate, an insolvency official with jurisdiction over the administrator for the Reference Rate, a resolution authority with jurisdiction over the administrator for the Reference Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the Reference Rate, which states that the administrator of the Reference Rate has ceased or will cease to provide the Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Reference Rate; or

(iii) in respect of a Reference Rate, a public statement or publication of information by the regulatory supervisor for the administrator of such Reference Rate announcing that (a) the regulatory supervisor has determined that such Reference Rate is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Reference Rate is intended to measure and that representativeness will not be restored and (b) it is being made in the awareness that the statement or publication will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such supervisor (howsoever described) in contracts;

**Administrator/
Benchmark
Event**

means, for a Reference Rate, any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Reference Rate or the administrator or sponsor of the Benchmark has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that either the Issuer, the Calculation Agent or any other entity is not, or will not be, permitted under any applicable law or regulation to use the Reference Rate to perform its or their respective obligations under the Certificates.

**Reference
Rate(s)**

means the rate(s) used in the Leverage Inverse Strategy Formula, for example SORA, SOFR and US Federal Funds Effective Rate.

Extraordinary Strategy Adjustment for Performance Reasons (“Air Bag Mechanism”)

Extraordinary Strategy Adjustment for Performance Reasons

If the Calculation Agent determines that an Intraday Restrike Event has occurred during an Observation Date(t) (the **Intraday Restrike Date**, noted hereafter **IRD**), an adjustment (an **Extraordinary Strategy Adjustment for Performance Reasons**) shall take place during such Observation Date(t) in accordance with the following provisions.

(1) Provided the last Intraday Restrike Observation Period as of such Intraday Restrike Date does not end on the TimeReferenceClosing, the Leverage Inverse Strategy Closing Level on the Intraday Restrike Date (LSL_{IRD}) should be computed as follows:

$$LSL_{IRD} = \text{Max}[ILSL_{IR(n)} \times (1 + ILR_{IR(n),IR(C)} - IRC_{IR(n),IR(C)}), 0]$$

(2) If the last Intraday Restrike Event Observation Period on the relevant Intraday Restrike Date ends on the TimeReferenceClosing:

$$LSL_{IRD} = \text{Max}[ILSL_{IR(n)}, 0]$$

$ILSL_{IR(k)}$

means, in respect of $IR(k)$, the Intraday Leverage Inverse Strategy Level in accordance with the following provisions:

(1) for $k = 1$:

$$ILSL_{IR(1)} = \text{Max}[LSL_{IRD-1} \times (1 + ILR_{IR(0),IR(1)} - FC_{IRD-1,IRD} - SB_{IRD-1,IRD} - IRC_{IR(0),IR(1)}), 0]$$

(2) for $k > 1$:

$$ILSL_{IR(k)} = \text{Max}[ILSL_{IR(k-1)} \times (1 + ILR_{IR(k-1),IR(k)} - IRC_{IR(k-1),IR(k)}), 0]$$

$ILR_{IR(k-1),IR(k)}$

means the Intraday Leveraged Return between $IR(k-1)$ and $IR(k)$, calculated as follows:

$$ILR_{IR(k-1),IR(k)} = \text{Leverage} \times \left(\frac{IS_{IR(k)}}{IS_{IR(k-1)}} - 1 \right)$$

$IRC_{IR(k-1),IR(k)}$

means the Intraday Rebalancing Cost of the Leverage Inverse Strategy in respect of $IR(k)$ on a given Intraday Restrike Date, calculated as follows:

$$IRC_{IR(k-1),IR(k)} = \text{Leverage} \times (\text{Leverage} - 1) \times \left(\left| \frac{IS_{IR(k)}}{IS_{IR(k-1)}} - 1 \right| \right) \times TC$$

$IS_{IR(k)}$

means the Underlying Stock Price in respect of $IR(k)$ computed as follows:

(1) for $k=0$

$$IS_{IR(0)} = S_{IRD-1} \times R_{\text{factor}_{IRD}}$$

(2) for $k=1$ to n

means in respect of $IR(k)$, the highest price of the Underlying Stock during the respective Intraday Restrike Observation Period

(3) with respect to $IR(C)$

$$IS_{IR(C)} = S_{IRD}$$

In each case, subject to the adjustments and provisions of the Conditions.

IR(k)	For k=0, means the scheduled close for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto) on the Observation Date immediately preceding the relevant Intraday Restrike Date; For k=1 to n, means the kth Intraday Restrike Event on the relevant Intraday Restrike Date.
IR(C)	means the scheduled close for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto) on the relevant Intraday Restrike Date.
n	means the number of Intraday Restrike Events that occurred on the relevant Intraday Restrike Date.
Intraday Restrike Event	means in respect of an Observation Date(t): (1) provided no Intraday Restrike Event has previously occurred on such Observation Date (t), the increase at any Calculation Time of the Underlying Stock price by 20% or more compared with the relevant Underlying Stock Price $IS_{IR(0)}$ as of such Calculation Time. (2) if k Intraday Restrike Events have occurred on the relevant Intraday Restrike Date, the increase at any Calculation Time of the Underlying Stock price by 20% or more compared with the relevant Underlying Stock Price $IS_{IR(k)}$ as of such Calculation Time.
Calculation Time	means any time between the TimeReferenceOpening and the TimeReferenceClosing, provided that the relevant data is available to enable the Calculation Agent to determine the Leverage Inverse Strategy Level.
TimeReferenceOpening	means the scheduled opening time for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto).
TimeReferenceClosing	means the scheduled closing time for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto).
Intraday Restrike Event Observation Period	means in respect of an Intraday Restrike Event, the period starting on and excluding the Intraday Restrike Event Time and finishing on and including the sooner between (1) the time falling 15 minutes of continuous trading after the Intraday Restrike Event Time and (2) the TimeReferenceClosing. Where, during such period, the Calculation Agent determines that (1) the trading in the Underlying Stock is disrupted or subject to suspension or limitation or (2) the Relevant Stock Exchange for the Underlying Stock is not open for continuous trading, the Intraday Restrike Event Observation Period will be extended to the extent necessary until (1) the trading in the Underlying Stock is no longer disrupted, suspended or limited and (2) the Relevant Stock Exchange for the Underlying Stock is open for continuous trading.
Intraday Restrike Event Time	means in respect of an Intraday Restrike Event, the Calculation Time on which such event occurs.

The Conditions set out in the section headed “Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities” in the Base Listing Document are set out below. This section is qualified in its entirety by reference to the detailed information appearing elsewhere in this document which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions set out below, replace or modify the relevant Conditions for the purpose of the Certificates.

TERMS AND CONDITIONS OF

THE EUROPEAN STYLE CASH SETTLED LONG/SHORT CERTIFICATES ON SINGLE EQUITIES

1. Form, Status and Guarantee, Transfer and Title

- (a) *Form.* The Certificates (which expression shall, unless the context otherwise requires, include any further certificates issued pursuant to Condition 11) are issued subject to and with the benefit of: -
- (i) a master instrument by way of deed poll (the “**Master Instrument**”) dated 12 June 2026, made by SG Issuer (the “**Issuer**”) and Societe Generale (the “**Guarantor**”); and
 - (ii) a warrant agent agreement (the “**Master Warrant Agent Agreement**” or “**Warrant Agent Agreement**”) dated any time before or on the Closing Date, made between the Issuer and the Warrant Agent for the Certificates.

Copies of the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement are available for inspection at the specified office of the Warrant Agent.

The holders of the Certificates (the “**Certificate Holders**”) are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement.

- (b) *Status and Guarantee.* The Certificates constitute direct, general and unsecured obligations of the Issuer and rank, and will rank, equally among themselves and *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer (save for statutorily preferred exceptions). The Certificates provide for cash settlement on exercise. The Certificates do not entitle Certificate Holders to the delivery of any Underlying Stock, are not secured by the Underlying Stock and do not entitle Certificate Holders to any interest in any Underlying Stock.

The due and punctual payment of any amounts due by the Issuer in respect of the Certificates issued by the Issuer is unconditionally and irrevocably guaranteed by the Guarantor as provided in the Guarantee (each such amount payable under the Guarantee, a “**Guarantee Obligation**”).

The Guarantee Obligations will constitute direct, unconditional, unsecured and unsubordinated obligations of the Guarantor ranking as senior preferred obligations as provided for in Article L. 613-30-3 I 3° of the French Code *Monétaire et Financier* (the “**Code**”).

Such Guarantee Obligations rank and will rank equally and rateably without any preference or priority among themselves and:

- (i) *pari passu* with all other direct, unconditional, unsecured and unsubordinated obligations of the Guarantor outstanding as of the date of the entry into force of the law no. 2016-1691 (the “**Law**”) on 11 December 2016;
- (ii) *pari passu* with all other present or future direct, unconditional, unsecured and senior preferred obligations (as provided for in Article L. 613-30-3 I 3° of the Code) of the Guarantor issued after the date of the entry into force of the Law on 11 December 2016;
- (iii) junior to all present or future claims of the Guarantor benefiting from the statutorily preferred exceptions; and
- (iv) senior to all present and future senior non-preferred obligations (as provided for in Article L.613-30-3 I 4° of the Code) of the Guarantor.

In the event of the failure of the Issuer to promptly perform its obligations to any Certificate Holder under the terms of the Certificates, such Certificate Holder may, but is not obliged to, give written notice to the Guarantor at Societe Generale, Tour Societe Generale, 75886 Paris Cedex 18, France marked for the attention of SEGL/JUR/OMF - Market Transactions & Financing.

- (c) **Transfer.** The Certificates are represented by a global warrant certificate (“**Global Warrant**”) which will be deposited with The Central Depository (Pte) Limited (“**CDP**”). Certificates in definitive form will not be issued. Transfers of Certificates may be effected only in Board Lots or integral multiples thereof. All transactions in (including transfers of) Certificates, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records maintained by CDP.
- (d) **Title.** Each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Certificates shall be treated by the Issuer, the Guarantor and the Warrant Agent as the holder and absolute owner of such number of Certificates, notwithstanding any notice to the contrary. The expression “**Certificate Holder**” shall be construed accordingly.
- (e) **Bail-In.** By the acquisition of Certificates, each Certificate Holder (which, for the purposes of this Condition, includes any current or future holder of a beneficial interest in the Certificates) acknowledges, accepts, consents and agrees:
 - (i) to be bound by the effect of the exercise of the Bail-In Power (as defined below) by the Relevant Resolution Authority (as defined below) on the Issuer’s liabilities under the Certificates, which may include and result in any of the following, or some combination thereof:
 - (A) the reduction of all, or a portion, of the Amounts Due (as defined below), on a permanent basis;
 - (B) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or the Guarantor or another person (and the issue to the Certificate Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the Conditions of the Certificates, in which case the Certificate Holder agrees to accept in lieu of its rights under the Certificates any such shares, other

securities or other obligations of the Issuer or the Guarantor or another person;

- (C) the cancellation of the Certificates; and/or
- (D) the amendment or alteration of the expiration of the Certificates or amendment of the amounts payable on the Certificates, or the date on which the amounts become payable, including by suspending payment for a temporary period; and

that terms of the Certificates are subject to, and may be varied, if necessary, to give effect to the exercise of the Bail-In Power by the Relevant Resolution Authority or the regulator,

(the “**Statutory Bail-In**”);

- (ii) if the Relevant Resolution Authority exercises its Bail-In Power on liabilities of the Guarantor, pursuant to Article L.613-30-3-I-3 of the French Monetary and Financial Code (the “**Code**”):

- (A) ranking:
 - (1) junior to liabilities of the Guarantor benefitting from statutorily preferred exceptions pursuant to Article L.613-30-3-I 1° and 2 of the Code;
 - (2) *pari passu* with liabilities of the Guarantor as defined in Article L.613-30-3-I-3 of the Code; and
 - (3) senior to liabilities of the Guarantor as defined in Article L.613-30-3-I-4 of the Code; and
- (B) which are not *titres non structurés* as defined under Article R.613-28 of the Code, and
- (C) which are not or are no longer eligible to be taken into account for the purposes of the MREL (as defined below) ratio of the Guarantor

and such exercise of the Bail-In Power results in the write-down or cancellation of all, or a portion of, the principal amount of, or the outstanding amount payable in respect of, and/or interest on, such liabilities, and/or the conversion of all, or a portion, of the principal amount of, or the outstanding amount payable in respect of, or interest on, such liabilities into shares or other securities or other obligations of the Guarantor or another person, including by means of variation to their terms and conditions in order to give effect to such exercise of Bail-In Power, then the Issuer's obligations under the Certificates will be limited to (i) payment of the amount as reduced or cancelled that would be recoverable by the Certificate Holders and/or (ii) the delivery or the payment of value of the shares or other securities or other obligations of the Guarantor or another person that would be paid or delivered to the Certificate Holders as if, in either case, the Certificates had been directly issued by the Guarantor itself and any Amount Due under the Certificates had accordingly been directly subject to the exercise of the Bail-In Power (the “**Contractual Bail-in**”).

No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Statutory Bail-In with respect to the Issuer or the Guarantor unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer or the Guarantor under the applicable laws and regulations in effect in France or Luxembourg and the European Union applicable to the Issuer or the Guarantor or other members of its group.

No repayment or payment of the Amounts Due will become due and payable or be paid under the Certificates issued by SG Issuer after implementation of the Contractual Bail-in.

Upon the exercise of the Statutory Bail-in or upon implementation of the Contractual Bail-in with respect to the Certificates, the Issuer or the Guarantor will provide a written notice to the Certificate Holders in accordance with Condition 9 as soon as practicable regarding such exercise of the Statutory Bail-in or implementation of the Contractual Bail-in. Any delay or failure by the Issuer or the Guarantor to give notice shall not affect the validity and enforceability of the Statutory Bail-in or Contractual Bail-in nor the effects on the Certificates described above.

Neither a cancellation of the Certificates, a reduction, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or the Guarantor or another person, as a result of the exercise of the Statutory Bail-in or the implementation of the Contractual Bail-in with respect to the Certificates will be an event of default or otherwise constitute non-performance of a contractual obligation, or entitle the Certificate Holder to any remedies (including equitable remedies) which are hereby expressly waived.

The matters set forth in this Condition shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer, the Guarantor and each Certificate Holder. No expenses necessary for the procedures under this Condition, including, but not limited to, those incurred by the Issuer and the Guarantor, shall be borne by any Certificate Holder.

For the purposes of this Condition:

“Amounts Due” means any amounts due by the Issuer under the Certificates.

“Bail-In Power” means any statutory cancellation, write-down and/or conversion power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of banks, banking group companies, credit institutions and/or investment firms, including but not limited to any such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of a European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms, or any other applicable laws or regulations, as amended, or otherwise, pursuant to which obligations of a bank, banking group company, credit institution or investment firm or any of its affiliates can be reduced, cancelled, varied or otherwise modified in any way and/or converted into shares or other securities or obligations of the obligor or any other person.

“MREL” means the Minimum Requirement for own funds and Eligible Liabilities as defined in Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time).

“Relevant Resolution Authority” means any authority with the ability to exercise the Bail-in Power on Societe Generale or SG Issuer as the case may be.

2. Certificate Rights and Exercise Expenses

- (a) *Certificate Rights.* Every Certificate entitles each Certificate Holder, upon due exercise and on compliance with Condition 4, to payment by the Issuer of the Cash Settlement Amount (as defined below) (if any) in the manner set out in Condition 4.

The “**Cash Settlement Amount**”, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to the Closing Level multiplied by the Notional Amount per Certificate.

The “**Closing Level**”, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to:

$$\left(\frac{\text{Final Reference Level} \times \text{Final Exchange Rate}}{\text{Initial Reference Level} \times \text{Initial Exchange Rate}} - \text{Strike Level} \right) \times \text{Hedging Fee Factor}$$

If the Issuer determines, in its sole discretion, that on the Valuation Date or any Observation Date a Market Disruption Event has occurred, then that Valuation Date or Observation Date shall be postponed until the first succeeding Exchange Business Day or Underlying Stock Business Day, as the case may be, on which there is no Market Disruption Event, unless there is a Market Disruption Event on each of the five Exchange Business Days or Underlying Stock Business Days, as the case may be, immediately following the original date that, but for the Market Disruption Event, would have been a Valuation Date or an Observation Date. In that case: -

- (i) that fifth Exchange Business Day or Underlying Stock Business Day, as the case may be, shall be deemed to be the Valuation Date or the Observation Date notwithstanding the Market Disruption Event; and
- (ii) the Issuer shall determine the Final Reference Level or the relevant closing level on the basis of its good faith estimate of the Final Reference Level or the relevant closing level that would have prevailed on that fifth Exchange Business Day or Underlying Stock Business Day, as the case may be, but for the Market Disruption Event.

“**Market Disruption Event**” means the occurrence or existence of (i) any suspension of trading on the Relevant Stock Exchange of the Underlying Stock requested by the Company if that suspension is, in the determination of the Issuer, material, (ii) any suspension of or limitation imposed on trading (including but not limited to unforeseen circumstances such as by reason of movements in price exceeding limits permitted by the Relevant Stock Exchange or any act of God, war, riot, public disorder, explosion, terrorism or otherwise) on the Relevant Stock Exchange in the Underlying Stock if that suspension or limitation is, in the determination of the Issuer, material, or (iii) the closing of the Relevant Stock Exchange or a disruption to trading on the Relevant Stock Exchange if that disruption is, in the determination of the Issuer, material as a result of the occurrence of any act of God, war, riot, public disorder, explosion or terrorism.

- (b) *Exercise Expenses.* Certificate Holders will be required to pay all charges which are incurred in respect of the exercise of the Certificates (the “**Exercise Expenses**”). An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount in accordance with Condition 4. Notwithstanding the foregoing, the Certificate Holders shall account to the Issuer on demand for any Exercise Expenses to the extent that they were not or could not be deducted from the Cash Settlement Amount prior to the date of payment of the Cash Settlement Amount to the Certificate Holders in accordance with Condition 4.
- (c) *No Rights.* The purchase of Certificates does not confer on the Certificate Holders any right (whether in respect of voting, dividend or other distributions in respect of the Underlying Stock or otherwise) which the holder of an Underlying Stock may have.

3. Expiry Date

Unless automatically exercised in accordance with Condition 4(b), the Certificates shall be deemed to expire at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day (as defined below), the immediately preceding Business Day.

4. Exercise of Certificates

- (a) *Exercise.* Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in accordance with Condition 4(b).
- (b) *Automatic Exercise.* Certificate Holders shall not be required to deliver an exercise notice. Exercise of Certificates shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) below. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.
- (c) *Settlement.* In respect of Certificates which are automatically exercised in accordance with Condition 4(b), the Issuer will pay to the relevant Certificate Holder the Cash Settlement Amount (if any) in the Settlement Currency. The aggregate Cash Settlement Amount (less any Exercise Expenses) shall be despatched as soon as practicable and no later than five Settlement Business Days (as defined in the relevant Supplemental Listing Document and subject to extension upon the occurrence of a Settlement Disruption Event (as defined below)) following the Expiry Date by way of crossed cheque or other payment in immediately available funds drawn in favour of the Certificate Holder only (or, in the case of joint Certificate Holders, the first-named Certificate Holder) appearing in the records maintained by CDP. Any payment made pursuant to this Condition 4(c) shall be delivered at the risk and expense of the Certificate Holder and posted to the Certificate Holder's address appearing in the records maintained by CDP (or, in the case of joint Certificate Holders, to the address of the first-named Certificate Holder appearing in the records

maintained by CDP). If the Cash Settlement Amount is equal to or less than the determined Exercise Expenses, no amount is payable.

If the Issuer determines, in its sole discretion, that on any Settlement Business Day during the period of five Settlement Business Days following the Expiry Date a Settlement Disruption Event has occurred, such Settlement Business Day shall be postponed to the next Settlement Business Day on which the Issuer determines that the Settlement Disruption Event is no longer subsisting and such period shall be extended accordingly, provided that the Issuer and/or the Guarantor shall make their best endeavours to implement remedies as soon as reasonably practicable to eliminate the impact of the Settlement Disruption Event on its/their payment obligations under the Certificates and/or the Guarantee.

“Settlement Disruption Event” means the occurrence or existence of any malicious action or attempt initiated to steal, expose, alter, disable or destroy information through unauthorised access to, or maintenance or use of, the Computer Systems of the Issuer, the Guarantor, the Calculation Agent, their respective affiliates (the “SG Group”), their IT service providers, by (and without limitation) the use of malware, ransomware, phishing, denial or disruption of service or cryptojacking or any unauthorized entry, removal, reproduction, transmission, deletion, disclosure or modification preventing the Issuer, the Guarantor and/or the Calculation Agent to perform their obligations under the Certificates, and notwithstanding the implementation of processes, required, as the case may be, by the laws and regulations applicable to the Issuer, the Guarantor, the Calculation Agent and their affiliates, or their IT service providers to improve their resilience to these actions and attempts.

“Computer System” means all the computer resources including, in particular: hardware, software packages, software, databases and peripherals, equipment, networks, electronic installations for storing computer data, including Data. The Computer System shall be understood to be that which (i) belongs to the SG Group and/or (ii) is rented, operated or legally held by the SG Group under a contract with the holder of the rights to the said system and/or (iii) is operated on behalf of the SG Group by a third party within the scope of a contractual relationship and/or (iv) is made available to the SG Group under a contract within the framework of a shared system (in particular cloud computing).

“Data” means any digital information, stored or used by the Computer System, including confidential data.

- (d) *CDP not liable.* CDP shall not be liable to any Certificate Holder with respect to any action taken or omitted to be taken by the Issuer or the Warrant Agent in connection with the exercise of the Certificates or otherwise pursuant to or in connection with these Conditions.
- (e) *Business Day.* In these Conditions, a **“Business Day”** shall be a day on which the SGX-ST is open for dealings in Singapore during its normal trading hours and banks are open for business in Singapore.

5. Warrant Agent

- (a) *Warrant Agent.* The Issuer reserves the right, subject to the appointment of a successor, at any time to vary or terminate the appointment of the Warrant Agent and to appoint another Warrant Agent provided that it will at all times maintain a Warrant

Agent which, so long as the Certificates are listed on the SGX-ST, shall be in Singapore. Notice of any such termination or appointment and of any change in the specified office of the Warrant Agent will be given to the Certificate Holders in accordance with Condition 9.

- (b) *Agent of Issuer.* The Warrant Agent will be acting as agent of the Issuer and will not assume any obligation or duty to or any relationship of agency or trust for the Certificate Holders. All determinations and calculations by the Warrant Agent under these Conditions shall (save in the case of manifest error) be final and binding on the Issuer and the Certificate Holders.

6. Adjustments

- (a) *Potential Adjustment Event.* Following the declaration by a Company of the terms of any Potential Adjustment Event (as defined below), the Issuer will determine whether such Potential Adjustment Event has a dilutive or concentrative or other effect on the theoretical value of the Underlying Stock and, if so, will (i) make the corresponding adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate to account for that dilutive or concentrative or other effect, and (ii) determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an exchange on which options or futures contracts on the Underlying Stock are traded.
- (b) *Definitions.* “**Potential Adjustment Event**” means any of the following:
 - (i) a subdivision, consolidation, reclassification or other restructuring of the Underlying Stock (excluding a Merger Event) or a free distribution or dividend of any such Underlying Stock to existing holders by way of bonus, capitalisation or similar issue;
 - (ii) a distribution or dividend to existing holders of the Underlying Stock of (1) such Underlying Stock, or (2) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company equally or proportionately with such payments to holders of such Underlying Stock, or (3) share capital or other securities of another issuer acquired by the Company as a result of a “spin-off” or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Issuer;
 - (iii) an extraordinary dividend;
 - (iv) a call by the Company in respect of the Underlying Stock that is not fully paid;
 - (v) a repurchase by the Company of the Underlying Stock whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
 - (vi) with respect to a Company an event that results in any shareholder rights pursuant to a shareholder rights agreement or other plan or arrangement of the type commonly referred to as a “poison pill” being distributed, or becoming separated from shares of common stock or other shares of the capital stock of such Company (provided that any adjustment effected as a

result of such an event shall be readjusted upon any redemption of such rights); or

- (vii) any other event that may have, in the opinion of the Issuer, a dilutive or concentrative or other effect on the theoretical value of the Underlying Stock.
- (c) *Merger Event, Tender Offer, Nationalisation and Insolvency.* If a Merger Event, Tender Offer, Nationalisation or Insolvency occurs in relation to the Underlying Stock, the Issuer may take any action described below:
- (i) determine the appropriate adjustment, if any, to be made to any one or more of the Conditions to account for the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, and determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, Nationalisation or Insolvency made by an options exchange to options on the Underlying Stock traded on that options exchange;
 - (ii) cancel the Certificates by giving notice to the Certificate Holders in accordance with Condition 9. If the Certificates are so cancelled, the Issuer will pay an amount to each Certificate Holder in respect of each Certificate held by such Certificate Holder which amount shall be the fair market value of a Certificate taking into account the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, less the cost to the Issuer and/or any of its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Certificate Holders in accordance with Condition 9; or
 - (iii) following any adjustment to the settlement terms of options on the Underlying Stock on such exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select (the “**Option Reference Source**”) make a corresponding adjustment to any one or more of the Conditions, which adjustment will be effective as of the date determined by the Issuer to be the effective date of the corresponding adjustment made by the Option Reference Source. If options on the Underlying Stock are not traded on the Option Reference Source, the Issuer will make such adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate, with reference to the rules and precedents (if any) set by the Option Reference Source, to account for the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, that in the determination of the Issuer would have given rise to an adjustment by the Option Reference Source if such options were so traded.

Once the Issuer determines that its proposed course of action in connection with a Merger Event, Tender Offer, Nationalisation or Insolvency, it shall give notice to the Certificate Holders in accordance with Condition 9 stating the occurrence of the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. Certificate Holders should be aware that due to the nature of such events, the Issuer will not make an immediate determination of its proposed course of action or

adjustment upon the announcement or occurrence of a Merger Event, Tender Offer, Nationalisation or Insolvency.

- (d) *Definitions.* “**Insolvency**” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Company (i) all the Underlying Stock of that Company is required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Underlying Stock of that Company become legally prohibited from transferring them. “**Merger Date**” means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer. “**Merger Event**” means, in respect of the Underlying Stock, any (i) reclassification or change of such Underlying Stock that results in a transfer of or an irrevocable commitment to transfer all of such Underlying Stock outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Company is the continuing entity and which does not result in reclassification or change of all of such Underlying Stock outstanding), (iii) takeover offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Underlying Stock of the Company that results in a transfer of or an irrevocable commitment to transfer all such Underlying Stock (other than such Underlying Stock owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Company or its subsidiaries with or into another entity in which the Company is the continuing entity and which does not result in a reclassification or change of all such Underlying Stock outstanding but results in the outstanding Underlying Stock (other than Underlying Stock owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Underlying Stock immediately following such event, in each case if the Merger Date is on or before the Valuation Date. “**Nationalisation**” means that all the Underlying Stock or all or substantially all of the assets of a Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof. “**Tender Offer**” means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Company, as determined by the Issuer, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Issuer deems relevant.
- (e) *Subdivision or Consolidation of the Certificates.* The Issuer reserves the right to subdivide or consolidate the Certificates, provided that such adjustment is considered by the Issuer not to be materially prejudicial to the Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such adjustment or amendment in any particular jurisdiction) and subject to the approval of the SGX-ST.

- (f) *Other Adjustments.* Except as provided in this Condition 6 and Conditions 10 and 12, adjustments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer's sole discretion and without any obligation whatsoever) to make such adjustments and amendments as it believes appropriate in circumstances where an event or events occur which it believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Certificates and the obligations of the Issuer, give rise to such adjustment or, as the case may be, amendment provided that such adjustment or, as the case may be, amendment is considered by the Issuer not to be materially prejudicial to the Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such adjustment or amendment in any particular jurisdiction).
- (g) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Certificate Holders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 9. For the avoidance of doubt, no notice will be given if the Issuer determines that adjustments will not be made.

6A. US withholding tax implications on the Payment

Notwithstanding any other provision of these Conditions, in no event will the Issuer or the Guarantor be required to pay any additional amounts in respect of the Certificates for, or on account of, any withholding or deduction (i) required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**US Code**"), or otherwise imposed pursuant to Sections 1471 through 1474 of the US Code, any regulations or agreements thereunder, or any official interpretations thereof, or any law implementing an intergovernmental approach thereto, (ii) imposed pursuant to the Section 871(m) Regulations ("**Section 871(m) Withholding**") or (iii) imposed by any other law of the United States. In addition, in determining the amount of Section 871(m) Withholding imposed on any payments on the Certificates, the Issuer shall be entitled to withhold on any "dividend equivalent" (as defined for purposes of Section 871(m) of the US Code) at the highest rate applicable to such payments regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law.

With respect to Specified Warrants that provide for net dividend reinvestment in respect of either an underlying U.S. security (i.e. a security that pays U.S. source dividends) or an index that includes U.S. securities, all payments on Certificates that reference such U.S. securities or an index that includes U.S. securities may be calculated by reference to dividends on such U.S. securities that are reinvested at a rate of 70%. In such case, in calculating the relevant payment amount, the holder will be deemed to receive, and the Issuer or the Guarantor will be deemed to withhold, 30% of any dividend equivalent payments (as defined in Section 871(m) of the Code) in respect of the relevant U.S. securities. The Issuer or the Guarantor will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

For the purpose of this Condition:

"**Section 871(m) Regulations**" means the U.S. Treasury regulations issued under Section 871(m) of the Code.

“**Specified Warrants**” means, subject to special rules from 2017 through 2026 set out in Notice 2024-44 (the Notice), Warrants issued on or after 1 January 2017 that substantially replicate the economic performance of one or more U.S. underlying equities as determined by the Issuer on the date for such Warrants as of which the expected delta of the product is determined by the Issuer, based on tests set out in the applicable Section 871(m) Regulations, such that the Warrants are subject to withholding under the Section 871(m) Regulations.

7. Purchases

The Issuer, the Guarantor or any of their respective subsidiaries may at any time purchase Certificates at any price in the open market or by tender or by private treaty. Any Certificates so purchased may be held or resold or surrendered for cancellation.

8. Meetings of Certificate Holders; Modification

- (a) *Meetings of Certificate Holders.* The Master Warrant Agent Agreement or Warrant Agent Agreement contains provisions for convening meetings of the Certificate Holders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Master Warrant Agent Agreement or Warrant Agent Agreement) of a modification of the provisions of the Certificates or of the Master Warrant Agent Agreement or Warrant Agent Agreement.

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is held) specifying the date, time and place of the meeting shall be given to the Certificate Holders.

Such a meeting may be convened by the Issuer or by Certificate Holders holding not less than ten per cent. of the Certificates for the time being remaining unexercised. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 25 per cent. of the Certificates for the time being remaining unexercised, or at any adjourned meeting, two or more persons being or representing Certificate Holders whatever the number of Certificates so held or represented.

A resolution will be an Extraordinary Resolution when it has been passed at a duly convened meeting by not less than three-quarters of the votes cast by such Certificate Holders who, being entitled to do so, vote in person or by proxy.

An Extraordinary Resolution passed at any meeting of the Certificate Holders shall be binding on all the Certificate Holders whether or not they are present at the meeting. Resolutions can be passed in writing if passed unanimously.

- (b) *Modification.* The Issuer may, without the consent of the Certificate Holders, effect (i) any modification of the provisions of the Certificates or the Master Instrument which is not materially prejudicial to the interests of the Certificate Holders or (ii) any modification of the provisions of the Certificates or the Master Instrument which is of a formal, minor or technical nature, which is made to correct an obvious error or which is necessary in order to comply with mandatory provisions of Singapore law. Any such modification shall be binding on the Certificate Holders and shall be notified to them by the Warrant Agent before the date such modification becomes effective or as soon as practicable thereafter in accordance with Condition 9.

9. Notices

- (a) *Documents.* All cheques and other documents required or permitted by these Conditions to be sent to a Certificate Holder or to which a Certificate Holder is entitled or which the Issuer shall have agreed to deliver to a Certificate Holder may be delivered by hand or sent by post addressed to the Certificate Holder at his address

appearing in the records maintained by CDP or, in the case of joint Certificate Holders, addressed to the joint holder first named at his address appearing in the records maintained by CDP, and airmail post shall be used if that address is not in Singapore. All documents delivered or sent in accordance with this paragraph shall be delivered or sent at the risk of the relevant Certificate Holder.

- (b) *Notices.* All notices to Certificate Holders will be validly given if published in English on the web-site of the SGX-ST. Such notices shall be deemed to have been given on the date of the first such publication. If publication on the web-site of the SGX-ST is not practicable, notice will be given in such other manner as the Issuer may determine. The Issuer shall, at least one month prior to the expiry of any Certificate, give notice of the date of expiry of such Certificate in the manner prescribed above.

10. Liquidation

In the event of a liquidation or dissolution of the Company or the appointment of a liquidator (including a provisional liquidator) or receiver or judicial manager or trustee or administrator or analogous person under Singapore or other applicable law in respect of the whole or substantially the whole of its undertaking, property or assets, all unexercised Certificates will lapse and shall cease to be valid for any purpose, in the case of voluntary liquidation, on the effective date of the relevant resolution and, in the case of an involuntary liquidation or dissolution, on the date of the relevant court order or, in the case of the appointment of a liquidator (including a provisional liquidator) or receiver or judicial manager or trustee or administrator or analogous person under Singapore or other applicable law in respect of the whole or substantially the whole of its undertaking, property or assets, on the date when such appointment is effective but subject (in any such case) to any contrary mandatory requirement of law. In the event of the voluntary liquidation of the Company, the Issuer shall make such adjustments or amendments as it reasonably believes are appropriate in the circumstances.

11. Further Issues

The Issuer shall be at liberty from time to time, without the consent of the Certificate Holders, to create and issue further certificates so as to form a single series with the Certificates, subject to the approval of the SGX-ST.

12. Delisting

- (a) *Delisting.* If at any time, the Underlying Stock ceases to be listed on the Relevant Stock Exchange, the Issuer shall give effect to these Conditions in such manner and make such adjustments and amendments to the rights attaching to the Certificates as it shall, in its absolute discretion, consider appropriate to ensure, so far as it is reasonably able to do so, that the interests of the Certificate Holders generally are not materially prejudiced as a consequence of such delisting (without considering the individual circumstances of any Certificate Holder or the tax or other consequences that may result in any particular jurisdiction).
- (b) *Issuer's Determination.* The Issuer shall determine, in its absolute discretion, any adjustment or amendment and its determination shall be conclusive and binding on the Certificate Holders save in the case of manifest error. Notice of any adjustments or amendments shall be given to the Certificate Holders in accordance with Condition 9 as soon as practicable after they are determined.

13. Early Termination

- (a) *Early Termination for Illegality and Force Majeure, etc.* If the Issuer determines that a Regulatory Event (as defined below) has occurred and, for reasons beyond its control, the performance of its obligations under the Certificates has become illegal or impractical in whole or in part for any reason, or the Issuer determines that, for reasons beyond its control, it is no longer legal or practical for it to maintain its hedging arrangements with respect to the Certificates for any reason, the Issuer may in its discretion and without obligation terminate the Certificates early in accordance with Condition 13(e).

Should any one or more of the provisions contained in the Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

For the purposes of this Condition:

“Regulatory Event” means, following the occurrence of a Change in Law (as defined below) with respect to the Issuer and/or Societe Generale as Guarantor or in any other capacity (including without limitation as hedging counterparty of the Issuer, market maker of the Certificates or direct or indirect shareholder or sponsor of the Issuer) or any of its affiliates involved in the issuer of the Certificates (hereafter the **“Relevant Affiliates”** and each of the Issuer, Societe Generale and the Relevant Affiliates, a **“Relevant Entity”**) that, after the Certificates have been issued, (i) any Relevant Entity would incur a materially increased (as compared with circumstances existing prior to such event) amount of tax, duty, liability, penalty, expense, fee, cost or regulatory capital charge however defined or collateral requirements for performing its obligations under the Certificates or hedging the Issuer’s obligations under the Certificates, including, without limitation, due to clearing requirements of, or the absence of, clearing of the transactions entered into in connection with the issue of, or hedging the Issuer’s obligation under, the Certificates, (ii) it is or will become for any Relevant Entity impracticable, impossible (in each case, after using commercially reasonable efforts), unlawful, illegal or otherwise prohibited or contrary, in whole or in part, under any law, regulation, rule, judgement, order or directive of any governmental, administrative or judicial authority, or power, applicable to such Relevant Entity (a) to hold, acquire, issue, reissue, substitute, maintain, settle, or as the case may be, guarantee, the Certificates, (b) to acquire, hold, sponsor or dispose of any asset(s) (or any interest thereof) of any other transaction(s) such Relevant Entity may use in connection with the issue of the Certificates or to hedge the Issuer’s obligations under the Certificates, (c) to perform obligations in connection with, the Certificates or any contractual arrangement entered into between the Issuer and Societe Generale or any Relevant Affiliate (including without limitation to hedge the Issuer’s obligations under the Certificates) or (d) to hold, acquire, maintain, increase, substitute or redeem all or a substantial part of its direct or indirect shareholding in the Issuer’s capital or the capital of any Relevant Affiliate or to directly or indirectly sponsor the Issuer or any Relevant Affiliate, or (iii) there is or may be a material adverse effect on a Relevant Entity in connection with the issue of the Certificates.

“Change in law” means (i) the adoption, enactment, promulgation, execution or ratification of any applicable new law, regulation or rule (including, without limitation, any applicable tax law, regulation or rule) after the Certificates have been issued, (ii) the implementation or application of any applicable law, regulation or rule (including,

without limitation, any applicable tax law, regulation or rule) already in force when the Certificates have been issued but in respect of which the manner of its implementation or application was not known or unclear at the time, or (iii) the change of any applicable law, regulation or rule existing when the Certificates are issued, or the change in the interpretation or application or practice relating thereto, existing when the Certificates are issued of any applicable law, regulation or rule, by any competent court, tribunal, regulatory authority or any other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any additional or alternative court, tribunal, authority or entity, to that existing when the Certificates are issued).

- (b) *Early Termination for Holding Limit Event.* The Issuer may in its discretion and without obligation terminate the Certificates early in accordance with Condition 13(e) where a Holding Limit Event (as defined below) occurs.

For the purposes of this Condition:

"Holding Limit Event" means, assuming the investor is the Issuer and/or any of its affiliates, the Issuer together with its affiliates, in aggregate hold, an interest in the Underlying Stock, constituting or likely to constitute (directly or indirectly) ownership, control or the power to vote a percentage of any class of voting securities of the Underlying Stock, of the Underlying Stock in excess of a percentage permitted or advisable, as determined by the Issuer, for the purpose of its compliance with the Bank Holding Company Act of 1956 as amended by Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Volcker Rule), including any requests, regulations, rules, guidelines or directives made by the relevant governmental authority under, or issued by the relevant governmental authority in connection with, such statutes.

- (c) *Early Termination for Hedging Disruption.* If the Issuer or any of its affiliates is, following commercially reasonable efforts, not in the position (i) to enter, re-enter, replace, maintain, liquidate, acquire or dispose of any Hedge Positions (as defined below) or (ii) to freely realize, recover, receive, repatriate, remit, regain or transfer the proceeds of any Hedge Position (where either (i) or (ii) shall constitute a **"Hedging Disruption"**), the Issuer may terminate the Certificates early in accordance with Condition 13(e) provided that the intrinsic value on the previous trading day of the relevant Certificate is at or above the Issue Price. The Issuer's decision on whether a Hedging Disruption has occurred is final and conclusive. For the avoidance of doubt, Hedging Disruptions shall include the scenario where any Hedge Position cannot be maintained up to the amount necessary to cover all of the Issuer's obligations under the Certificates.

For the purposes hereof, **"Hedge Positions"** means any one or more commercially reasonable (i) positions (including long or short positions) or contracts in, or relating to, securities, options, futures, other derivatives contracts or foreign exchange, (ii) stock loan or borrowing transactions or (iii) other instruments, contracts, transactions or arrangements (howsoever described) that the Issuer or any of its affiliates determines necessary to hedge, individually or on a portfolio basis, any risk (including, without limitation, market risk, price risk, foreign exchange risk and interest rate risk) in relation to the assumption and fulfilment of the Issuer's obligations under the Certificates.

- (d) *Early Termination for other reasons.* The Issuer reserves the right (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to terminate the Certificates in accordance with Condition 13(e) where an event or events occur which it believes in its sole discretion should, in the context of the issue of the Certificates and the obligations of the Issuer, give rise to such termination provided that such termination (i) is considered by the Issuer not to be materially prejudicial to the interests of Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such termination in any particular jurisdiction); or (ii) is otherwise considered by the Issuer to be appropriate and such termination is approved by the SGX-ST.
- (e) *Termination.* If the Issuer terminates the Certificates early, the Issuer will give notice to the Certificate Holders in accordance with Condition 9. The Issuer will, if and to the extent permitted by applicable law, pay an amount to each Certificate Holder in respect of each Certificate held by such holder equal to the fair market value of a Certificate notwithstanding such illegality, impracticality or the relevant event less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. The determination of the fair market value may deviate from the determination of the Cash Settlement Amount under different scenarios, including but not limited to, where (i) the Daily Reset (as defined in the relevant Supplemental Listing Document) mechanism is suspended and/or (ii) the Final Reference Level is determined based on the closing price of the Underlying Stock on multiple Underlying Stock Business Days or Exchange Business Days, as the case may be. Payment will be made in such manner as shall be notified to the Certificate Holders in accordance with Condition 9.

14. Substitution of the Issuer

The Issuer may be replaced by the Guarantor or any subsidiary of the Guarantor as principal obligor in respect of the Certificates without the consent of the relevant Certificate Holders. If the Issuer determines that it shall be replaced by the Guarantor or any subsidiary of the Guarantor (the "**Substituted Obligor**"), it shall give at least 90 days' notice (exclusive of the day on which the notice is given and of the day on which the substitution is effected) specifying the date of the substitution, in accordance with Condition 9, to the Certificate Holders of such event and, immediately on the expiry of such notice, the Substituted Obligor shall become the principal obligor in place of the Issuer and the Certificate Holders shall thereupon cease to have any rights or claims whatsoever against the Issuer.

Upon any such substitution, all references to the Issuer in the Conditions and all agreements relating to the Certificates will be to the Substituted Obligor and the Certificates will be modified as required, and the Certificate Holders will be notified of the modified terms and conditions of such Certificates in accordance with Condition 9.

For the purposes of this Condition, it is expressly agreed that by subscribing to, acquiring or otherwise purchasing or holding the Certificates, the Certificate Holders are expressly deemed to have consented to the substitution of the Issuer by the Substituted Obligor and to the release of the Issuer from any and all obligations in respect of the Certificates and all agreements relating thereto and are expressly deemed to have accepted such substitution and the consequences thereof.

15. Governing Law

The Certificates, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement will be governed by and construed in accordance with Singapore law. The Issuer and the Guarantor and each Certificate Holder (by its purchase of the Certificates) shall be deemed to have submitted for all purposes in connection with the Certificates, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement to the non-exclusive jurisdiction of the courts of Singapore. The Guarantee shall be governed by and construed in accordance with Singapore law.

16. Prescription

Claims against the Issuer for payment of any amount in respect of the Certificates will become void unless made within six years of the Expiry Date and, thereafter, any sums payable in respect of such Certificates shall be forfeited and shall revert to the Issuer.

17. Contracts (Rights of Third Parties) Act 2001 of Singapore

Unless otherwise provided in the Global Warrant, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement, a person who is not a party to any contracts made pursuant to the Global Warrant, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce any terms of such contracts. Except as expressly provided herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts.

SUMMARY OF THE ISSUE

The following is a summary of the issue and should be read in conjunction with, and is qualified by reference to, the other information set out in this document and the Base Listing Document. Terms used in this Summary are defined in the Conditions.

Issuer:	SG Issuer
Company:	Space Exploration Technologies Corp.
The Certificates:	European Style Cash Settled Short Certificates relating to the Underlying Stock
Number:	3,200,000 Certificates
Form:	The Certificates will be issued subject to, and with the benefit of, a master instrument by way of deed poll dated 12 June 2026 (the “ Master Instrument ”) and executed by the Issuer and the Guarantor and a master warrant agent agreement dated 29 May 2017 (the “ Master Warrant Agent Agreement ”) and made between the Issuer, the Guarantor and the Warrant Agent (as amended and/or supplemented from time to time).
Cash Settlement Amount:	In respect of each Certificate, is the amount (if positive) equal to: Notional Amount per Certificate x Closing Level
Denominations:	Certificates are represented by a global warrant in respect of all the Certificates.
Exercise:	The Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in a Board Lot or integral multiples thereof. Certificate Holders will not be required to deliver an exercise notice. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates will be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) of the Conditions. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.
Exercise and Trading Currency:	SGD
Board Lot:	100 Certificates

Transfers of Certificates:	Certificates may only be transferred in Board Lots (or integral multiples thereof). All transfers in Certificates, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records of CDP.
Listing:	Application has been made to the SGX-ST for permission to deal in and for quotation of the Certificates and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Certificates. Issue of the Certificates is conditional on such listing being granted. It is expected that dealings in the Certificates on the SGX-ST will commence on or about 7 August 2026.
Governing Law:	The laws of Singapore
Warrant Agent:	The Central Depository (Pte) Limited 4 Shenton Way #02-01 SGX Centre 2 Singapore 068807
Further Issues:	Further issues which will form a single series with the Certificates will be permitted, subject to the approval of the SGX-ST.

The above summary is qualified in its entirety by reference to the detailed information appearing elsewhere in this document and the Base Listing Document.

INFORMATION RELATING TO THE EUROPEAN STYLE CASH SETTLED SHORT CERTIFICATES ON SINGLE EQUITIES

What are European Style Cash Settled Short Certificates on Single Equities?

European style cash settled short certificates on single equities (the “**Certificates**”) are structured products relating to the Underlying Stock and the return on a Certificate is linked to the performance of the Leverage Inverse Strategy.

A) Cash Settlement Amount Payable upon the Exercise of the Certificates at Expiry

Upon the exercise of the Certificates at expiry, the Certificate Holders would be paid a Cash Settlement Amount in respect of each Certificate.

The Cash Settlement Amount, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to the Closing Level multiplied by the Notional Amount per Certificate.

The Closing Level, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to (1) divided by (2) less (3) subject to any adjustments such as (4), where:

(1) is the Final Reference Level multiplied by the Final Exchange Rate;

(2) is the Initial Reference Level multiplied by the Initial Exchange Rate;

(3) is the Strike Level; and

(4) is the Hedging Fee Factor.

If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised and investors will receive a Cash Settlement Amount. If the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired. Please refer to the section headed “Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities” for further details on the calculation of the Cash Settlement Amount.

The Certificates are only suitable for investors who believe that the price of the Underlying Stock will fall and are seeking short-term leveraged inverse exposure to the Underlying Stock.

B) Trading the Certificates before Expiry

If the Certificate Holders want to cash out their investments in the Certificates before the expiry of the Certificates, they may sell the Certificates in the secondary market during the life of the Certificates, and would be subject to the following fees and charges:

- (i) For Certificate Holders who trade the Certificates intraday: shall pay normal transaction and brokerage fees for the trading of the Certificates on the SGX-ST, and may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Certificates are transferred; and
- (ii) For Certificate Holders who hold the Certificates beyond market close of the SGX-ST: in addition to the normal transaction and brokerage fees and applicable stamp taxes, would also be required to bear the Management Fee and Gap Premium as well as certain costs embedded within the Leverage Inverse Strategy including the Stock Borrowing Cost and Rebalancing Cost. Due to the difference in trading hours of the SGX-ST and the Relevant Stock Exchange for the Underlying Stock, unless investors exit their position within the same SGX-ST trading day, they would bear the annualised costs.

Illustration of the Calculation of Hedging Fee Factor

Hedging Fee Factor	=	Product of the Daily Fees
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Daily Fees	=	Daily Management Fee Adjustment	
		1 – Management Fee x ACT (t-1;t) / 360	
		x	
		Daily Gap Premium Adjustment	
		1 – Gap Premium (t-1) x ACT (t-1;t) / 360	

Illustration of the Calculation of Cash Settlement Amount

Cash Settlement Amount = Final Value of Certificates – Strike Level (zero)

Value of Certificates	=	$t^6=0$	x	$t=1$	x	$t=2$	x ...	$t=i$
		Notional Amount		Leverage Inverse Strategy daily performance ⁷ x Daily Fees		Leverage Inverse Strategy daily performance x Daily Fees		Leverage Inverse Strategy Daily performance x Daily Fees

Value of Certificates	=	$t=0$	x	Product of the daily Leverage Inverse Strategy Performance Leverage Inverse Strategy daily performance x Leverage Inverse Strategy daily performance	x	Product of the Daily Fees (Hedging Fee Factor) Daily Fees x Daily Fees
		Notional Amount				

Final Value of Certificates	=	$t=0$	x	Final Reference Level x Final Exchange Rate ÷ Initial Reference Level x Initial Exchange Rate	x	Hedging Fee Factor
		Notional Amount				

Illustration of the applicable fees and charges for an intraday trading scenario

Hedging Fee is implemented overnight in the price of the Certificate. As a consequence, when trading intraday within SGX-ST trading hours, investors will not bear any Hedging Fee.

Investors will only support bid/ask costs, which are the difference between the price at which the Designated Market Maker purchases (bid) and sells (ask) the Certificate at any point of time.

⁶ "t" refers to "Observation Date" which means each Underlying Stock Business Day (subject to Market Disruption Event) from (and including) the Underlying Stock Business Day immediately preceding the Expected Listing Date to the Valuation Date on which no Market Disruption Event occurs.

⁷ Leverage Inverse Strategy daily performance is computed as the Leverage Inverse Strategy Closing Level on Business Day (t) divided by the Leverage Inverse Strategy Closing Level on Business Day (t-1).

Example of Calculation of Hedging Fee Factor and Cash Settlement Amount

The example is purely hypothetical. We include the example to illustrate how the Certificates work, and you MUST NOT rely on them as any indication of the actual return or what the payout on the Certificates might actually be. The example also assumes a product which expires 16 days after listing date, to illustrate the daily calculation of price, costs and fees from listing date to expiry date.

Assuming an investor purchases the following Certificates at the Issue Price:

Underlying Stock:	Class A Common Stock of Space Exploration Technologies Corp.
Expected Listing Date:	03/07/2018
Expiry Date:	18/07/2018
Initial Reference Level:	1,000
Initial Exchange Rate:	1
Final Reference Level:	1,200
Final Exchange Rate:	1
Issue Price:	5.00 SGD
Notional Amount per Certificate:	5.00 SGD
Management Fee (p.a.):	0.40%
Gap Premium (p.a.):	25.00%
Strike Level:	Zero

Hedging Fee Factor

Hedging Fee Factor on the n^{th} Underlying Stock Business Day after issuance of Certificate ("HFF (n)") is calculated as follows:

$$\text{HFF}(0) = 100\%$$

On Next Calendar Day (assuming it is an Underlying Stock Business Day):

$$\text{HFF}(1) = \text{HFF}(0) \times \left(1 - \text{Management Fee} \times \frac{\text{ACT}(t-1; t)}{360}\right) \times \left(1 - \text{Gap Premium} \times \frac{\text{ACT}(t-1; t)}{360}\right)$$

$$\text{HFF}(1) = 100\% \times \left(1 - 0.40\% \times \frac{1}{360}\right) \times \left(1 - 25.00\% \times \frac{1}{360}\right)$$

$$\text{HFF}(1) = 100\% \times 99.9989\% \times 99.9306\% \approx 99.9294\%$$

Assuming 2nd Underlying Stock Business Day falls 3 Calendar Days after 1st Underlying Stock Business Day:

$$\text{HFF (2)} = \text{HFF (1)} \times \left(1 - \text{Management Fee} \times \frac{\text{ACT (t-1; t)}}{360}\right) \times \left(1 - \text{Gap Premium} \times \frac{\text{ACT (t-1; t)}}{360}\right)$$

$$\text{HFF (2)} = 99.9294\% \times \left(1 - 0.40\% \times \frac{3}{360}\right) \times \left(1 - 25.00\% \times \frac{3}{360}\right)$$

$$\text{HFF (2)} = 99.9294\% \times 99.9967\% \times 99.7917\% \approx 99.7179\%$$

The same principle applies to the following Underlying Stock Business Days:

$$\text{HFF (n)} = \text{HFF (n-1)} \times \left(1 - \text{Management Fee} \times \frac{\text{ACT (t-1; t)}}{360}\right) \times \left(1 - \text{Gap Premium} \times \frac{\text{ACT (t-1; t)}}{360}\right)$$

In this example, the Hedging Fee Factor as of the Valuation Date would be equal to 98.9466% as illustrated below:

Date	HFF
03/07/2018	100.0000%
04/07/2018	99.9294%
05/07/2018	99.8589%
06/07/2018	99.7885%
09/07/2018	99.5773%
10/07/2018	99.5070%
11/07/2018	99.4368%
12/07/2018	99.3667%
13/07/2018	99.2965%
16/07/2018	99.0864%
17/07/2018	99.0165%
18/07/2018	98.9466%

Cash Settlement Amount

In this example, the Closing Level and the Cash Settlement Amount would be computed as follows:

$$\begin{aligned} \text{Closing Level} &= [(\text{Final Reference Level} \times \text{Final Exchange Rate}) / (\text{Initial Reference Level} \times \text{Initial Exchange Rate}) - \text{Strike Level}] \times \text{Hedging Fee Factor} \\ &= [(1200 \times 1) / (1000 \times 1) - 0] \times 98.9466\% \\ &= 118.74\% \end{aligned}$$

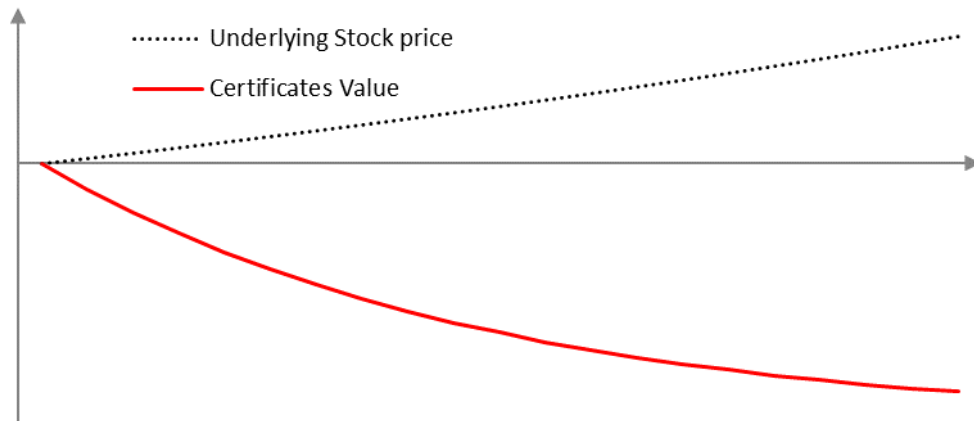
$$\begin{aligned} \text{Cash Settlement Amount} &= \text{Closing Level} \times \text{Notional Amount per Certificate} \\ &= 118.74\% \times 5.00 \text{ SGD} \\ &= \mathbf{5.937 \text{ SGD}} \end{aligned}$$

Illustration on how returns and losses can occur under different scenarios

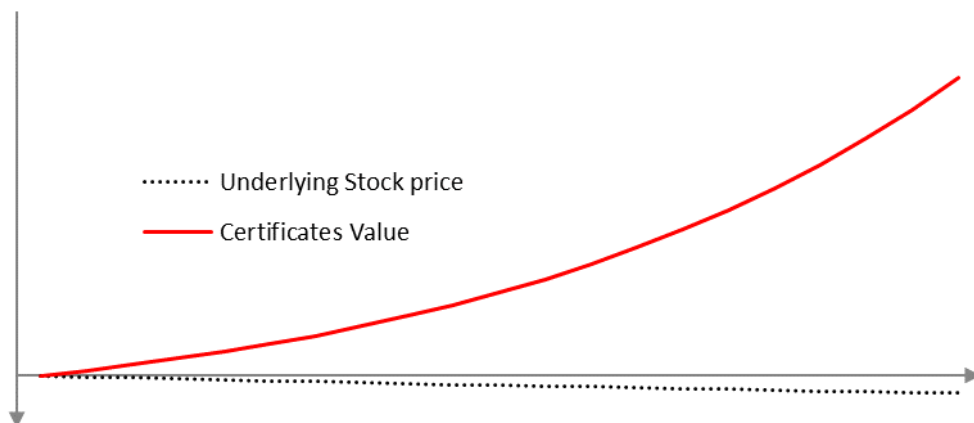
The examples are purely hypothetical and do not take fees and charges payable by investors into consideration. The examples highlight the effect of the Underlying Stock performance on the value of the Certificates and do not take into account the possible influence of fees or any other market parameters.

1. Illustrative examples

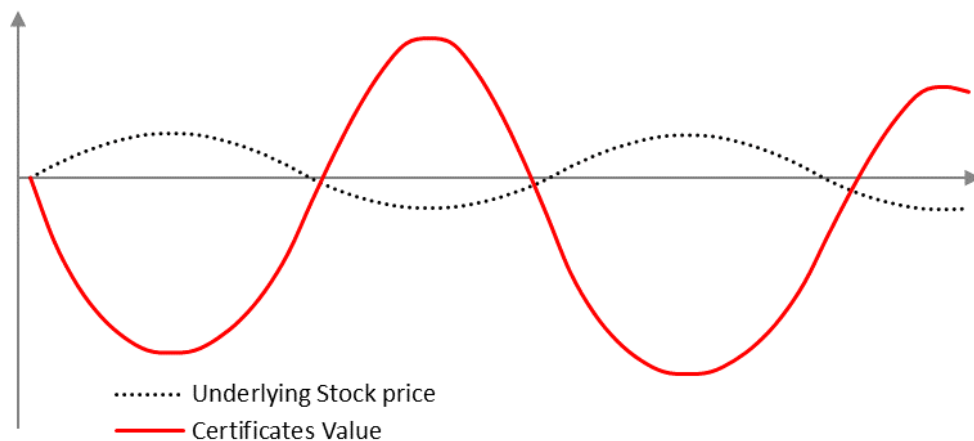
Scenario 1 – Upward Trend (during US trading hours)



Scenario 2 – Downward Trend (during US trading hours)



Scenario 3 – Volatile Market (during US trading hours)



2. Numerical Examples

Scenario 1 – Upward Trend

Underlying Stock						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		2.0%	2.0%	2.0%	2.0%	2.0%
Value at end of US trading day	10,000.0	10,200.0	10,404.0	10,612.1	10,824.3	11,040.8
Accumulated Return	0.00%	2.00%	4.04%	6.12%	8.24%	10.41%

Value of the Certificates						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		-6.0%	-6.0%	-6.0%	-6.0%	-6.0%
Value at end of US trading day	5.00	4.70	4.42	4.15	3.90	3.67
Accumulated Return	0.00%	-6.00%	-11.64%	-16.94%	-21.93%	-26.61%

Scenario 2 – Downward Trend

Underlying Stock						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		-2.0%	-2.0%	-2.0%	-2.0%	-2.0%
Value at end of US trading day	10,000.0	9,800.0	9,604.0	9,411.9	9,223.7	9,039.2
Accumulated Return	0.00%	-2.00%	-3.96%	-5.88%	-7.76%	-9.61%

Value of the Certificates						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		6.0%	6.0%	6.0%	6.0%	6.0%
Value at end of US trading day	5.00	5.30	5.62	5.96	6.31	6.69
Accumulated Return	0.00%	6.00%	12.36%	19.10%	26.25%	33.82%

Scenario 3 – Volatile Market

Underlying Stock						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		2.0%	-2.0%	2.0%	-2.0%	2.0%
Value at end of US trading day	10,000.0	10,200.0	9,996.0	10,195.9	9,992.0	10,191.8
Accumulated Return	0.00%	2.00%	-0.04%	1.96%	-0.08%	1.92%

Value of the Certificates						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		-6.0%	6.0%	-6.0%	6.0%	-6.0%
Value at end of US trading day	5.00	4.70	4.98	4.68	4.96	4.67
Accumulated Return	0.00%	-6.00%	-0.36%	-6.34%	-0.72%	-6.68%

Description of Air Bag Mechanism

The Certificates integrate an “Air Bag Mechanism” which is designed to reduce exposure to the Underlying Stock during extreme market conditions.

When the Air Bag triggers, the following events occur:

- **Observation Period:** the price of the Underlying Stock is observed and its maximum price is recorded (i) during 15 minutes of continuous trading after the Air Bag is triggered, or (ii) until Market Close if there is less than 15 minutes of continuous trading until Market Close when the Air Bag Mechanism is triggered; and thereafter
- **Reset Period:** the Leverage Inverse Strategy is reset using the maximum price of the Underlying Stock during the Observation Period as the New Observed Price. The New Observed Price replaces the last closing price of the Underlying Stock in order to compute the performance of the Leverage Inverse Strategy after the reset.

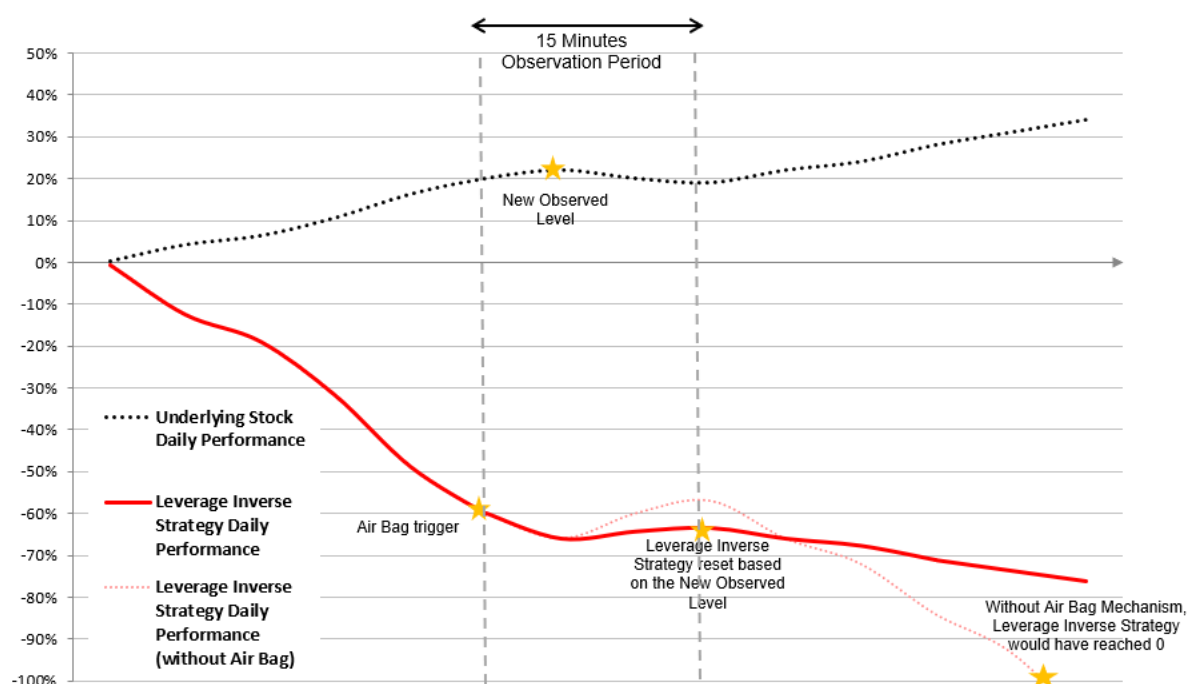
With **Market Close** defined as:

- the Underlying Stock closing time with respect to the Observation Period

The performance of the Leverage Inverse Strategy will be the inverse of the Underlying Stock.

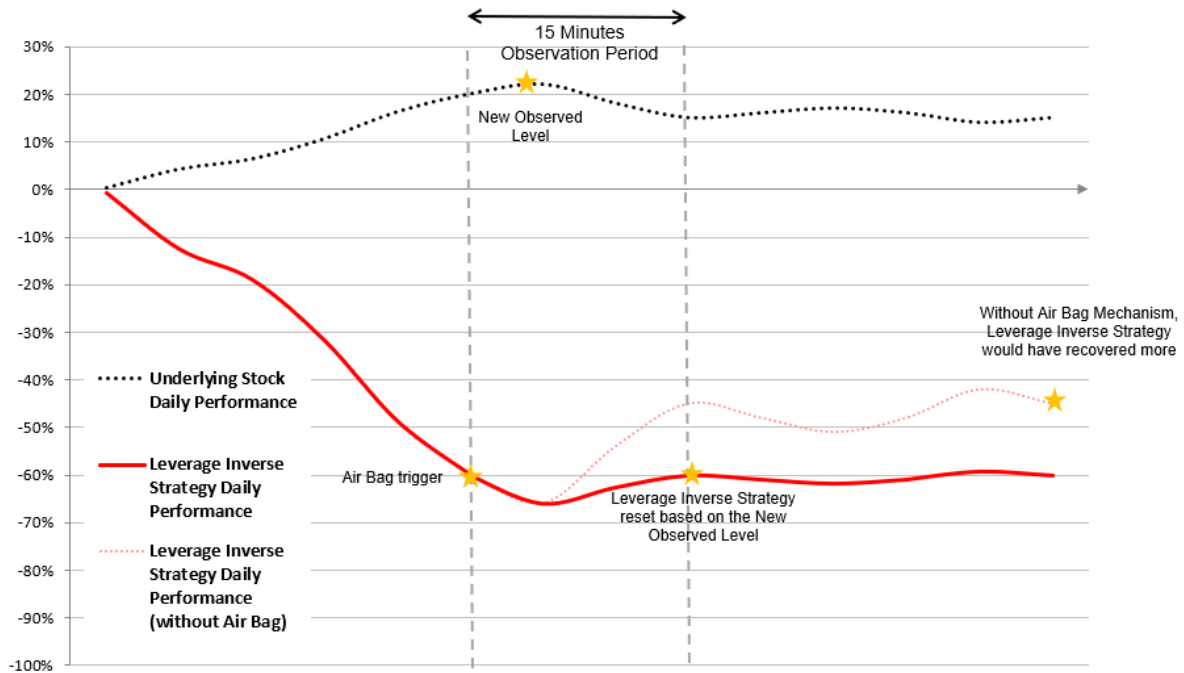
Illustrative examples of the Air Bag Mechanism⁸

Scenario 1 – Upward Trend after Air Bag trigger (during US trading hours)

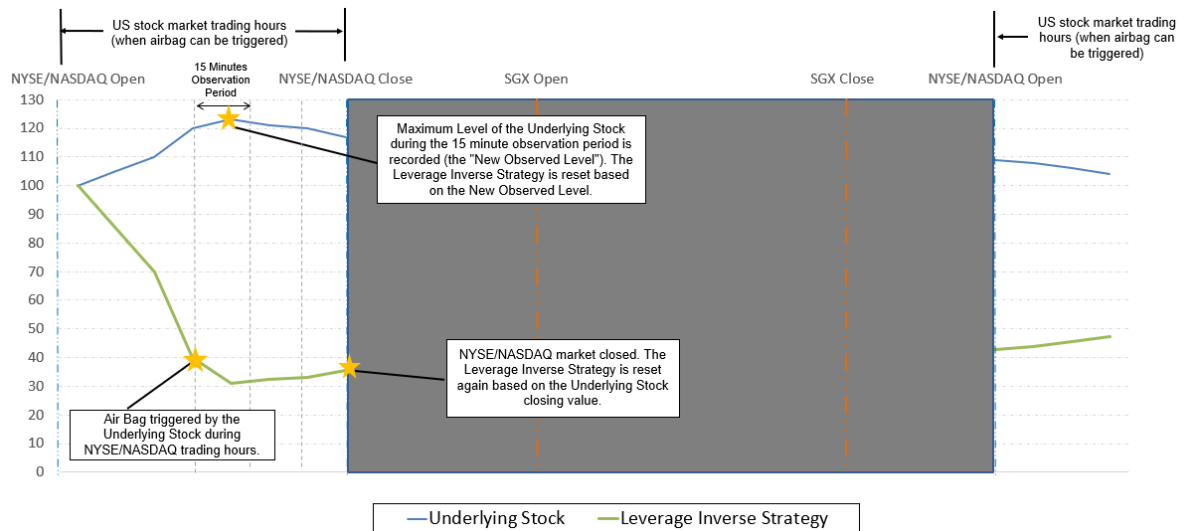


⁸ The illustrative examples are not exhaustive. The illustrative examples above are designed to illustrate the impact of the Air Bag Mechanism on the assumption that there will be a residual value in the Certificates following the Air Bag triggers. Please refer to “Scenarios where the investor may lose the entire value of the investment” on pages 54 to 55 on hypothetical scenarios when investors may lose their entire value of the investment.

Scenario 2 – Downward Trend after Air Bag trigger (during US trading hours)



- The Air Bag Mechanism can only be triggered during trading hours of the Relevant Stock Exchange for the Underlying Stock

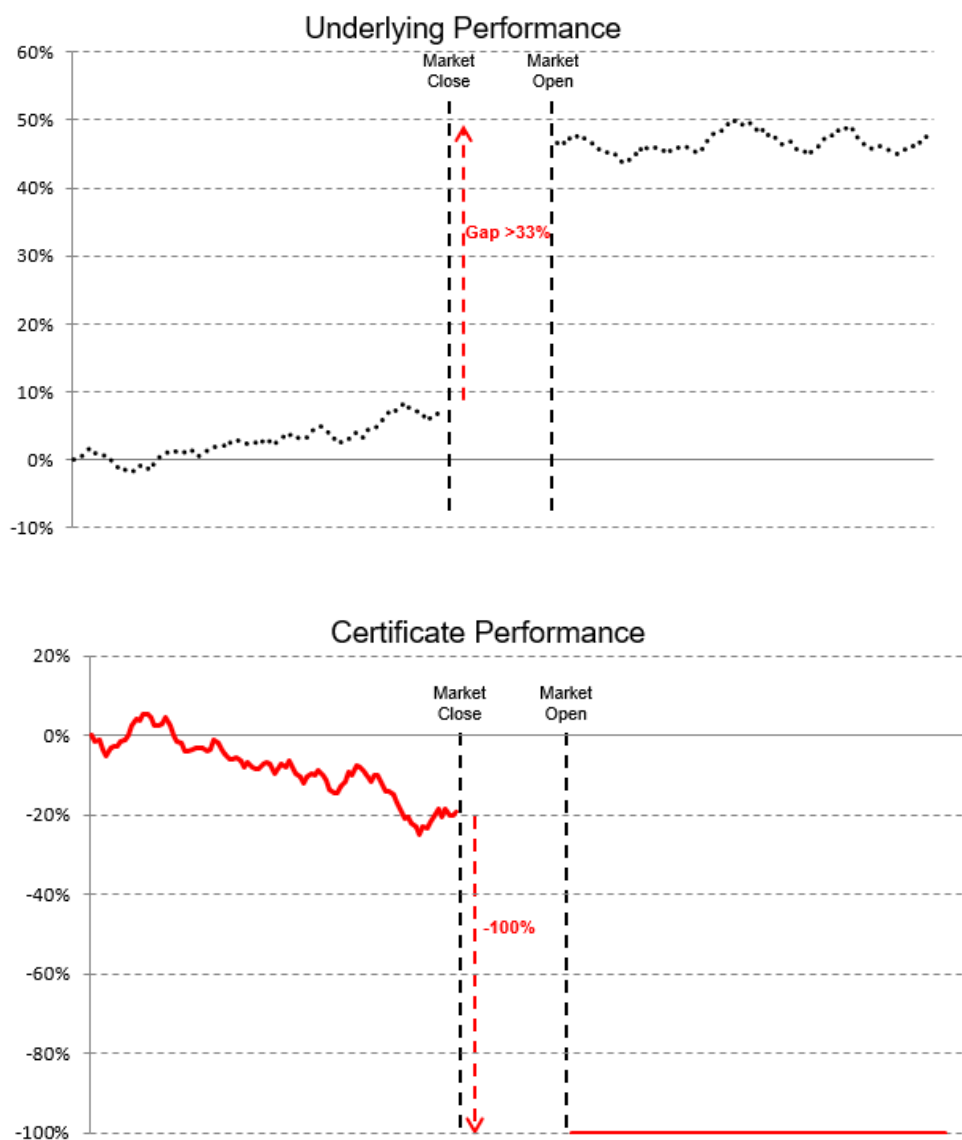


Scenarios where the investor may lose the entire value of the investment

The scenarios below are purely hypothetical and do not take fees and charges payable by investors into consideration. The scenarios highlight cases where the Certificates may lose 100% of their value.

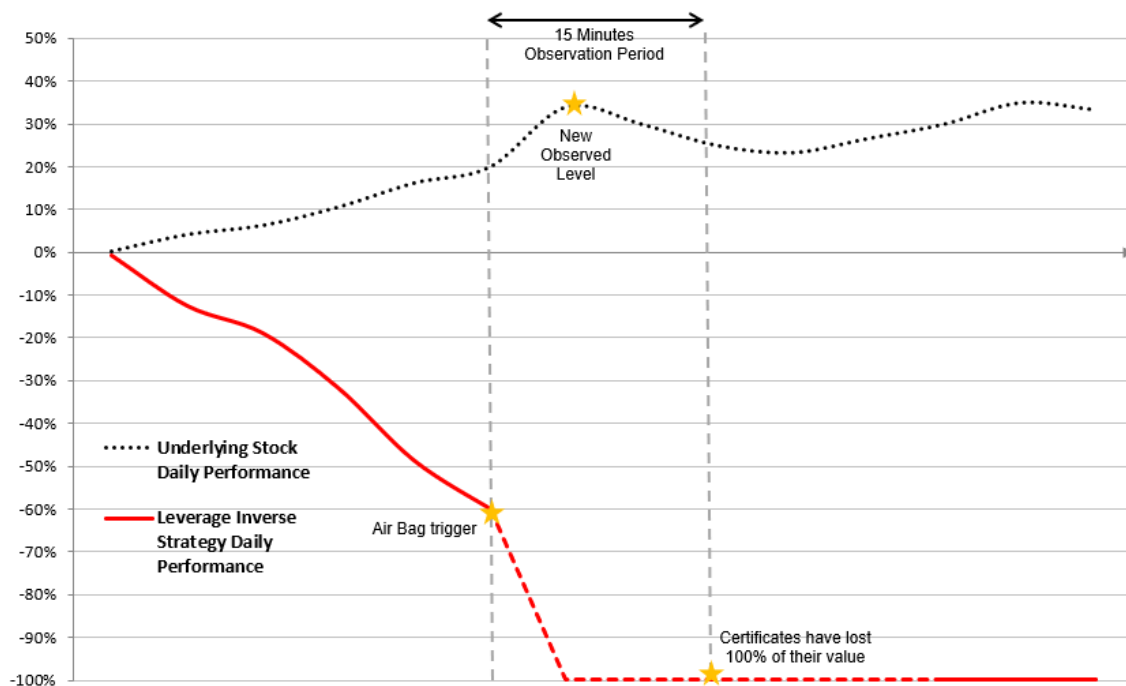
Scenario 1 – Rise of the Underlying Stock outside of US trading hours

On any Underlying Stock Business Day, the opening price of the Underlying Stock may be higher or lower than the closing price on the previous trading day of the Relevant Stock Exchange for the Underlying Stock. The difference between the previous closing price and the opening price of the Underlying Stock is termed a “gap”. If the opening price of the Underlying Stock is approximately 33% or more above the closing price on the previous trading day of the Relevant Stock Exchange for the Underlying Stock, the Air Bag Mechanism may only be triggered during the trading hours of the Relevant Stock Exchange for the Underlying Stock, and the Certificates would lose their entire value in such event. In such case, as the Certificates became valueless during the US trading hours, at subsequent SGX-ST open, the DMM may not provide any quotation on the Certificates and the Issuer may apply to suspend trading of the Certificates.



Scenario 2 – Sharp intraday rise of the Underlying Stock during US trading hours

Although the Air Bag Mechanism is designed to reduce the exposure to the Underlying Stock during extreme market conditions, the Certificates can lose 100% of their value in the event the price of the Underlying Stock rises by approximately 33% or more within the 15 minutes Observation Period compared to the reference price, being: (i) if air bag has not been previously triggered on the same day, the previous closing price of the Underlying Stock, or (ii) if one or more air bag have been previously triggered on the same day, the latest New Observed Price. The Certificates would lose their entire value in such event. In such case, as the Certificates became valueless during the US trading hours, at subsequent SGX-ST open, the DMM may not provide any quotation on the Certificates and the Issuer may apply to suspend trading of the Certificates.



Examples and illustrations of adjustments due to certain corporate actions

The examples are purely hypothetical and do not take fees and charges payable by investors into consideration. The examples highlight the effect of corporate actions on the value of the Certificates and do not take into account the possible influence of fees, exchange rates, or any other market parameters.

In the case of any corporate action on the Underlying Stock, the Calculation Agent will, as soon as reasonably practical after it becomes aware of such event, determine whether such corporate action has a dilutive or concentrative effect on the theoretical value of the Underlying Stock, and if so, will (a) calculate the corresponding adjustment, if any, to be made to the elements relating to the Underlying Stock which are used to determine any settlement or payment terms under the Certificates and/or adjust at its discretion any other terms of the Certificates as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Certificates and (b) determine the effective date of such adjustment.

Notwithstanding the foregoing, in the event Observation Date (t) is an ex-date with respect to a corporate action related to the Underlying Stock, the Calculation Agent may, in its sole and absolute discretion, replace the $Rfactor_t$ with respect to such Observation Date (t) by an amount computed according to the following generic formula:

$$Rfactor_t = \left[1 - \frac{Div_t + DivExc_t - M \times R}{S_{t-1}} \right] \times \frac{1}{1 + M}$$

This formula is provided for indicative purposes and the Calculation Agent may determine that this formula is not appropriate for certain corporate actions and may apply a different formula instead.

Such adjustment of $Rfactor_t$ would affect the Leveraged Return, the Rebalancing Cost, and the Underlying Reference Price used to determine the Intraday Restrike Event. The Air Bag Mechanism would not be triggered if the stock price rises by 20% exclusively because of the dilutive effect of a corporate action.

Where:

$DivExc_t$ is the amount received as an Extraordinary Dividend by a holder of existing Shares for each Share held prior to the Extraordinary Dividend, net of any applicable withholding taxes.

M is the number of new Share(s) (whether a whole or a fraction) per existing Share each holder thereof is entitled to subscribe or to receive (positive amount) or the number of existing Shares redeemed or canceled per existing Share (negative amount), as the case may be, resulting from the corporate action.

R is the subscription price per Share (positive amount) or the redemption price per Share (negative amount) including any dividends or other benefits forgone to be subscribe to or to receive (as applicable), or to redeem a Share.

1. Stock split

Assuming the Underlying Stock is subject to a 1 to 2 stock split (i.e. 1 new Share for every 1 existing share):

$$S_{t-1} = \$100$$

$$S_t = \$51$$

$$Div_t = \$0$$

$$DivExc_t = \$0$$

M = 1 (i.e. 1 new Shares for 1 existing Share)

R = \$0 (no subscription price / redemption price)

$$Rfactor_t = \left[1 - \frac{0 + 0 - 2 \times 0}{100} \right] \times \frac{1}{1 + 1} = 50\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = -3 \times \left(\frac{51}{100 \times 50\%} - 1 \right) = -6\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	50	51	2%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
5.00	4.70	-6%

In such case an Intraday Restrike Event would occur if the Underlying Stock price rises to \$60, which is 20% above \$50, the Underlying Stock Reference Price.

2. Share Consolidation

Assuming the Underlying Stock is subject to a 2 to 1 share consolidation (i.e. 1 Share canceled for every 2 existing Shares):

$$S_{t-1} = \$100$$

$$S_t = \$202$$

$$\text{Div}_t = \$0$$

$$\text{DivExc}_t = \$0$$

M = -0.5 (i.e. 0.5 Shares canceled for each 1 existing Share)

R = \$0 (no subscription price / redemption price)

$$Rfactor_t = \left[1 - \frac{0 + 0 - (-0.5) \times 0}{100} \right] \times \frac{1}{1 + (-0.5)} = 200\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = -3 \times \left(\frac{202}{100 \times 200\%} - 1 \right) = -3\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	200	202	1%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
5.00	4.85	-3%

In such case an Intraday Restrike Event would occur if the Underlying Stock price rises to \$240, which is 20% above \$200, the Underlying Stock Reference Price.

3. Rights Issues

Assuming there is a rights issue with respect to the Underlying Stock, with a right to receive 1 new Share for every 2 existing Shares, for a subscription price of \$40.

$$S_{t-1} = \$100$$

$$S_t = \$84$$

$$Div_t = \$0$$

$$DivExc_t = \$0$$

$$R = \$40 \text{ (i.e. subscription price of \$40)}$$

$$M = 0.5 \text{ (i.e. 1 new share for every 2 existing shares)}$$

$$Rfactor_t = \left[1 - \frac{0 + 0 - 0.5 \times 40}{100} \right] \times \frac{1}{1 + 0.5} = 80\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = -3 \times \left(\frac{84}{100 \times 80\%} - 1 \right) = -15\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	80	84	5%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
5.00	4.25	-15%

In such case an Intraday Restrike Event would occur if the Underlying Stock price rises to \$96, which is 20% above \$80, the Underlying Stock Reference Price.

4. Bonus Issues

Assuming there is a bonus issue with respect to the Underlying Stock, where shareholders receive 1 bonus share for 5 existing shares:

$$S_{t-1} = \$100$$

$$S_t = \$85$$

$$\text{Div}_t = \$0$$

$$\text{DivExc}_t = \$0$$

$$R = \$0$$

$$M = 0.2 \text{ (i.e. 1 new share for 5 existing shares)}$$

$$Rfactor_t = \left[1 - \frac{0 + 0 - 0.2 \times 0}{100} \right] \times \frac{1}{1 + 0.2} = 83.33\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = -3 \times \left(\frac{85}{100 \times 83.33\%} - 1 \right) = -6\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	83.33	85	2%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
5.00	4.70	-6%

In such case an Intraday Restrike Event would occur if the Underlying Stock price rises to \$100, which is 20% above \$83.33, the Underlying Stock Reference Price.

5. Extraordinary Dividend

Assuming there is an extraordinary dividend of \$20 (net of taxes) paid in respect of each stock.

$$S_{t-1} = \$100$$

$$S_t = \$84$$

$$\text{Div}_t = \$0$$

$$\text{DivExc}_t = \$20$$

$$R = \$0$$

$$M = 0$$

$$Rfactor_t = \left[1 - \frac{0 + 20 - 0 \times 0}{100} \right] \times \frac{1}{1 + 0} = 80\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = -3 \times \left(\frac{84}{100 \times 80\%} - 1 \right) = -15\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	80	84	5%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
5.00	4.25	-15%

In such case an Intraday Restrike Event would occur if the Underlying Stock price rises to \$96, which is 20% above \$80, the Underlying Stock Reference Price.

INFORMATION RELATING TO THE COMPANY

All information contained in this document regarding the Company, including, without limitation, its financial information, is derived from publicly available information which appears on the web-site of NASDAQ at www.nasdaq.com and/or the Company's web-site at <https://www.spacex.com/>. The Issuer has not independently verified any of such information.

Space Exploration Technologies Corp. (the “**Company**”), founded in 2002, is the only company building the integrated hardware and software infrastructure of the future across space, connectivity, and AI. The Company designs, manufactures, launches, and operates products and services built on cutting-edge technologies, including the world's most advanced rockets and spacecraft.

The information set out in the Appendix to this document relates to the quarterly report of the Company and its subsidiaries for the period ended 30 June 2026 and has been extracted and reproduced from an announcement by the Company dated 4 August 2026 in relation to the same. Further information relating to the Company may be located on the web-site of NASDAQ at www.nasdaq.com.

INFORMATION RELATING TO THE DESIGNATED MARKET MAKER

Societe Generale has been appointed the designated market maker ("**DMM**") for the Certificates. The DMM will provide competitive buy and sell quotes for the Certificates continuously during the trading hours of the SGX-ST on the following basis:

- (a) Maximum bid and offer spread : (i) when the best bid price of the Certificate is S\$10 and below: 10 ticks or S\$0.20 whichever is greater; and
(ii) when the best bid price of the Certificate is above S\$10: 5% of the best bid price of the Certificate.
- (b) Minimum quantity subject to bid and offer spread : 10,000 Certificates
- (c) Last Trading Day for Market Making : The date falling 5 Business Days immediately preceding the Expiry Date

In addition, the DMM may not provide quotations in the following circumstances:

- (i) during the pre-market opening and five minutes following the opening of the SGX-ST on any trading day;
- (ii) if the Certificates are valueless (where the Issuer's bid price is below the minimum bid size for such securities as prescribed by the SGX-ST);
- (iii) when trading in the Underlying Stock is suspended or limited in a material way for any reason (including price quote limits activated by the Relevant Stock Exchange for the Underlying Stock or otherwise⁹), for the avoidance of doubt, the DMM is not obliged to provide quotation for the Certificate at any time when the Underlying Stock is not negotiated/traded for any reason during the last trading session of the Relevant Stock Exchange for the Underlying Stock;
- (iv) when trading of the Underlying Stock on any Related Exchange, or access to pricing information of the Underlying Stock on any Related Exchange is suspended, not available, or limited in a material way for any reason (including price quote limits activated by the Related Exchange on such Underlying Stock or otherwise);
- (v) where the Certificates are suspended from trading for any reason including, but without limitation, as a result of trading in the Underlying Stock on any Related Exchange being suspended, or trading generally on any Related Exchange being suspended;

⁹ Price quote limits activated by the Relevant Stock Exchange for the Underlying Stock are not applicable to the market making of the Certificates (as defined herein).

- (vi) market disruption events, including, without limitation, any suspension of or limitation imposed on trading (including but not limited to unforeseen circumstances such as by reason of movements in price exceeding limits permitted by the SGX-ST or the Relevant Stock Exchange for the Underlying Stock⁹ or any Related Exchange for the Underlying Stock, or any act of God, war, riot, public disorder, explosion, terrorism or otherwise) in the Underlying Stock, or in trading of the Underlying Stock on any Related Exchange;
- (vii) where the Issuer or the DMM faces technical problems affecting the ability of the DMM to provide bids and offer quotations;
- (viii) where the ability of the Issuer to source a hedge or unwind an existing hedge, as determined by the Issuer in good faith, is materially affected by the prevailing market conditions, and the Issuer informs the SGX-ST of its inability to do so as soon as practicable;
- (ix) in cases where the Issuer has no Certificates to sell, then the DMM will only provide bid quotations. The DMM may provide intermittent offer quotations when it has inventory of the Certificates;
- (x) if the SGX-ST, the Relevant Stock Exchange for the Underlying Stock or any Related Exchange experiences exceptional price movement and volatility;
- (xi) when any Related Exchange(s) relating to the trading of the Underlying Stock and the Relevant Stock Exchange for the Underlying Stock are not open for dealings concurrently;
- (xii) when it is a public holiday in Singapore and the SGX-ST is not open for dealings; and
- (xiii) during trading hours of the SGX-ST on any Business Day when it is a public holiday in the United States and the Relevant Stock Exchange for the Underlying Stock is not open for dealings.

The last trading day on which the DMM will provide competitive quotations for the Certificates would be the fifth Business Day immediately preceding the Expiry Date.

SUPPLEMENTAL INFORMATION RELATING TO THE GUARANTOR

On 23 July 2026, the share capital of Societe Generale changed to EUR 938,625,838.75, divided into 750,900,671 shares with a nominal value of EUR 1.25 each.

For the Guarantor's unaudited consolidated financial results for the 6-month period ending 30 June 2026, please refer to the weblink at <https://www.societegenerale.com/sites/default/files/resultats-publication/en/2026-07/q2-2026-financial-statements-en.pdf>.

SUPPLEMENTAL GENERAL INFORMATION

The information set out herein is supplemental to, and should be read in conjunction with the information set out in the Base Listing Document.

1. Save as disclosed in this document and the Base Listing Document, neither the Issuer nor the Guarantor is involved in any legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer or the Guarantor is aware) which may have or have had in the previous 12 months a significant effect on the financial position of the Issuer or the Guarantor in the context of the issuance of the Certificates.
2. Settlement of trades done on a normal “ready basis” on the SGX-ST generally take place on the second Business Day following the transaction. Dealing in the Certificates will take place in Board Lots in Singapore Dollar. For further details on the transfer of Certificates and their exercise, please refer to the section headed “Summary of the Issue” above.
3. It is not the current intention of the Issuer to apply for a listing of the Certificates on any stock exchange other than the SGX-ST.
4. Save as disclosed in the Base Listing Document and herein, there has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2025 or the Guarantor since 30 June 2026, in the context of the issuance of Certificates hereunder.
5. The following contracts, relating to the issue of the Certificates, have been or will be entered into by the Issuer and/or the Guarantor and may be material to the issue of the Certificates:
 - (a) the Guarantee;
 - (b) the Master Instrument; and
 - (c) the Master Warrant Agent Agreement.

None of the directors of the Issuer and the Guarantor has any direct or indirect interest in any of the above contracts.

6. The reports of the Auditors of the Issuer and the Guarantor were not prepared exclusively for incorporation into this document.

The Auditors of the Issuer and the Guarantor have no shareholding in the Issuer or the Guarantor or any of its subsidiaries, nor do they have the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities of the Issuer or the Guarantor or any of its subsidiaries.
7. The Certificates are not fully covered by the Underlying Stock held by Issuer or a trustee for and on behalf of the Issuer. The Issuer has appropriate risk management capabilities to manage the issue of the Certificates.
8. Societe Generale, Singapore Branch, currently of 8 Marina Boulevard, #12-01 Marina Bay Financial Centre Tower 1, Singapore 018981, has been authorised to accept, on behalf of the Issuer and the Guarantor, service of process and any other notices required to be served on the Issuer or the Guarantor. Any notices required to be served on the Issuer or the Guarantor should be sent to Societe Generale at the above address for the attention of Societe Generale Legal Department.
9. Copies of the following documents may be inspected during usual business hours on any weekday (Saturdays, Sundays and holidays excepted) at the offices of Societe Generale,

Singapore Branch at 8 Marina Boulevard, #12-01 Marina Bay Financial Centre Tower 1, Singapore 018981, during the period of 14 days from the date of this document:

- (a) the Memorandum and Articles of Association of the Issuer and the Constitutional Documents of the Guarantor;
- (b) the latest financial reports (including the notes thereto) of the Issuer;
- (c) the latest financial reports (including the notes thereto) of the Guarantor;
- (d) the Base Listing Document (which can also be viewed at: <https://www.sgx.com/securities/prospectus-circulars-offer-documents>);
- (e) this document; and
- (f) the Guarantee.

PLACING AND SALE

General

No action has been or will be taken by the Issuer that would permit a public offering of the Certificates or possession or distribution of any offering material in relation to the Certificates in any jurisdiction where action for that purpose is required. No offers, sales or deliveries of any Certificates, or distribution of any offering material relating to the Certificates may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws or regulations and will not impose any obligation on the Issuer. In the event that the Issuer contemplates a placing, placing fees may be payable in connection with the issue and the Issuer may at its discretion allow discounts to placees.

Each Certificate Holder undertakes that it will inform any subsequent purchaser of the terms and conditions of the Certificates and all such subsequent purchasers as may purchase such securities from time to time shall be deemed to be a Certificate Holder for the purposes of the Certificates and shall be bound by the terms and conditions of the Certificates.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Certificates may not be circulated or distributed, nor may Certificates be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than pursuant to, and in accordance with the conditions of, any applicable provision of the Securities and Futures Act 2001 of Singapore.

Hong Kong

Each dealer has represented and agreed, and each further dealer appointed in respect of the Certificates and each other purchaser will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Certificates (except for Certificates which are a "structured product" as defined in the Securities and Futures Ordinance (Cap.571) of Hong Kong ("**SFO**")) other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or (ii) 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 ("**CWUMPO**") or which do not constitute an offer to the public within the meaning of the CWUMPO; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Certificates, 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 Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

European Economic Area

Each dealer represents and agrees, and each further dealer appointed in respect of the Certificates will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell, or otherwise make available any Certificates which are the subject of the offering as contemplated by this document to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the Insurance Distribution Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended and superseded, the Prospectus Regulation); and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates.

United Kingdom

Each dealer represents and agrees, and each further dealer appointed in respect of the Certificates will be required to represent and agree, that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Certificates which are the subject of the offering as contemplated by this document to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is either one (or both) of the following:
 - (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or
 - (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024; and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to buy or subscribe for the Certificates.

Each dealer further represents and agrees, and each further dealer appointed in respect of the Certificates will be required to further represent and agree, that:

- (a) in respect to Certificates having a maturity of less than one year: (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and (ii) it has not offered or sold and will not offer or sell any Certificates other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Certificates would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Certificates in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Certificates in, from or otherwise involving the United Kingdom.

United States

The Certificates and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or any state securities law, and trading in the Certificates has not been approved by the United States Commodity Futures Trading Commission (the “**CFTC**”) under the United States Commodity Exchange Act of 1936, as amended (the “**Commodity Exchange Act**”) and the Issuer has not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations thereunder. None of the Securities and Exchange Commission, any state securities commission or regulatory authority or any other United States, French or other regulatory authority has approved or disapproved of the Certificates or the Guarantee or passed upon the accuracy or adequacy of this document. Accordingly, Certificates, or interests therein, may not at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, nor may any U.S. person at any time trade, own, hold or maintain a position in the Certificates or any interests therein. In addition, in the absence of relief from the CFTC, offers, sales, re-sales, trades, pledges, exercises, redemptions, transfers or deliveries of Certificates, or interests therein, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, may constitute a violation of United States law governing commodities trading and commodity pools. Consequently, any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised.

Each dealer has represented and agreed, and each further dealer will be required to represent and agree, that it has not and will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, Certificates in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade, pledge, exercise, redeem, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any such U.S. person. Any person purchasing Certificates of any tranches must agree with the relevant dealer or the seller of such Certificates that (i) it is not a U.S. Person, (ii) it will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, any Certificates in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person, and (iii) it is not purchasing any Certificates, directly or indirectly, in the United States or for the account or benefit of any U.S. person.

Exercise or other redemption of Certificates will be conditional upon certification that each person exercising or otherwise redeeming a Certificate is not a U.S. person or in the United States and that the Certificate is not being exercised or otherwise redeemed on behalf of a U.S. person. No payment will be made to accounts of holders of the Certificates located in the United States.

As used in the preceding paragraphs, the term “**United States**” includes the territories, the possessions and all other areas subject to the jurisdiction of the United States of America, and the term “**U.S. person**” means any person who is (i) a U.S. person as defined under Regulation S under the Securities Act, (ii) a U.S. person as defined in paragraph 7701(a)(30) of the Internal Revenue Code of 1986, (iii) a person who comes within any definition of U.S. person for the purposes of the United States Commodity Exchange Act of 1936, as amended (the “**CEA**”) or any rules thereunder of the CFTC (the “**CFTC Rules**”), guidance or order proposed or issued under the CEA (for the avoidance of doubt, any person who is not a “Non-United States person” defined under CFTC Rule 4.7(a)(1)(iv), but excluding, for purposes of subsection (D) thereof, the exception for qualified eligible persons who are not “Non-United States persons”, shall be considered a U.S. person), or (iv) a U.S. Person for purposes of the final rules implementing the credit risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended.

APPENDIX

REPRODUCTION OF THE QUARTERLY REPORT FOR THE PERIOD ENDED 30 JUNE 2026 OF SPACE EXPLORATION TECHNOLOGIES CORP. AND ITS SUBSIDIARIES

The information set out below is a reproduction of the quarterly report of the Company and its subsidiaries for the period ended 30 June 2026 and has been extracted and reproduced from an announcement by the Company dated 4 August 2026 in relation to the same.

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2026

OR

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

For the transition period to

Commission file number: 001-43344

Space Exploration Technologies Corp.

(Exact name of registrant as specified in its charter)

Texas

(State or other jurisdiction of
incorporation or organization)

01-0627671

(I.R.S. Employer
Identification Number)

1 Rocket Road

Starbase, Texas

78521

(Address of Principal Executive Offices)

(Zip Code)

(310) 363-6000

(Registrant’s telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, \$0.001 par value	SPCX	The Nasdaq Stock Market LLC Nasdaq Texas, LLC

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

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

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

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

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

As of July 28, 2026, the registrant had 7,696,293,669 shares of Class A common stock and 5,485,486,276 shares of Class B common stock outstanding.

Space Exploration Technologies Corp.
Form 10-Q for the Quarter Ended June 30, 2026

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Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on assumptions with respect to management’s future and current expectations, involve certain risks and uncertainties, are not guarantees and apply only as of the date of this Quarterly Report on Form 10-Q, unless an earlier date is specified. These forward-looking statements include, but are not limited to, statements concerning the development and deployment of Starship, the size and growth of our various existing and future markets, demand for our products and services, our target launch cadence and expansion of our manufacturing and operational capacity, our ability to execute our growth strategy and scale our operations efficiently, our ability to solve novel issues and navigate and monetize technologies and environments that have never been accessed or economized before, our ability to design, develop and successfully commercialize new and innovative technologies, products, and services, our ability to scale and monetize our AI products, services and compute infrastructure, the amount, nature, and timing of our capital expenditures, the amount and timing of our annualized revenue run-rate, our ability to obtain sufficient power, GPUs, and other critical components and manage our supply chain to support our operations and growth, our ability to identify, realize benefits and manage risks of acquisitions and strategic partnerships, our ability to obtain and maintain required regulatory approvals, licenses and spectrum authorizations, the competitive landscape in the industries in which we operate, the implementation, interpretation, and impact of applicable current or future regulations, our ability to realize benefits and manage risks of being a public company, volatility in the capital markets and the trading price of our Class A common stock, and general economic conditions. The words “anticipates,” “believes,” “could,” “estimates,” “expects,” “intends,” “may,” “plans,” “projects,” “will,” “would,” “predicts” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words, or similar expressions that are predictions of or indicate future events or trends that do not relate to historical matters. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. These forward-looking statements involve risks and uncertainties that could cause our actual results or outcomes to differ materially from those described or implied, including, without limitation, significant business, economic, competitive, regulatory, technological, environmental, political, and other risks, contingencies and uncertainties, which are described in the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of this Quarterly Report on Form 10-Q and under the section titled “Risk Factors” in our final prospectus filed with the SEC pursuant to Rule 424(b)(4) under the Securities Act of 1933, as amended, as well as other risks, contingencies, or uncertainties that are otherwise described or updated from time to time in our other filings with the Securities and Exchange Commission. The discussion of such risks is not an indication that any such risks have occurred at the time of this filing. In addition, new risks emerge from time to time, some risks are inherently unknown to us, and it is not possible for our management to predict all such risks. Except as required by law, we disclaim any intent to update or revise any forward-looking statements to reflect subsequent events or circumstances.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

Space Exploration Technologies Corp.
Consolidated Balance Sheets
(in millions, except per share data)
(unaudited)

	June 30, 2026	December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	\$ 93,522	\$ 24,747
Marketable securities	6,487	—
Accounts receivable, net of allowance for credit losses of \$50 and \$39 at June 30, 2026 and December 31, 2025, respectively	3,596	1,579
Inventory	2,718	2,416
Prepaid expenses and other current assets	1,724	2,210
Total current assets	108,047	30,952
Property, plant, and equipment, net ^(a)	65,736	42,602
Finance lease right-of-use assets	1,118	1,260
Intangible assets, net	1,318	1,548
Digital assets	1,098	1,637
Goodwill	11,645	11,809
Deferred tax assets	354	141
Other assets	3,454	2,130
Total assets	\$ 192,770	\$ 92,079
Liabilities, Redeemable Convertible Preferred Stock, and Shareholders' Equity		
Current liabilities		
Accounts payable	8,243	11,792
Deferred revenue, current	7,977	6,111
Debt and finance leases, current (related party of \$2,039 and \$455 at June 30, 2026 and December 31, 2025, respectively)	2,525	928
Accrued expenses and other current liabilities	2,377	2,569
Total current liabilities	21,122	21,400
Long-term liabilities		
Deferred revenue, net of current	6,309	6,005
Debt and finance leases, net of current (related party of \$11,290 and \$4,052 at June 30, 2026 and December 31, 2025, respectively)	36,839	21,968
Other liabilities	1,276	1,381
Total liabilities	65,546	50,754
Commitments and contingencies (Note 16)		
Redeemable convertible preferred stock		
Redeemable convertible preferred stock, par value \$0.001; — and 2,351 shares issued; — and 2,046 shares outstanding as of June 30, 2026 and December 31, 2025, respectively	—	38,752
Shareholders' equity		
Preferred stock, par value \$0.001; no shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	—	—
Class A common stock, par value 0.001; 7,607 and 2,036 shares issued; 7,607 and 1,952 shares outstanding as of June 30, 2026 and December 31, 2025, respectively	7	3
Class B common stock, par value \$0.001; 5,569 and 644 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	6	1
Class C common stock, par value \$0.001; — and 482 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	—	0
Additional paid-in capital	167,344	37,706
Accumulated deficit	(41,852)	(37,035)
Accumulated other comprehensive income	1,719	1,898
Total shareholders' equity	127,224	2,573
Total liabilities, redeemable convertible preferred stock, and shareholders' equity	\$ 192,770	\$ 92,079

(a) Refer to Note 17, Related Party Transactions for additional details on related party arrangements.

The accompanying notes are an integral part of these consolidated financial statements.

Space Exploration Technologies Corp.
Consolidated Statements of Operations
(in millions, except per share data)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenue	\$ 7,814	\$ 4,071	\$ 12,508	\$ 8,138
Costs and expenses				
Cost of revenue	3,495	2,282	5,883	4,244
Research and development	3,548	1,958	7,062	3,515
Selling, general, and administrative	912	606	1,658	1,099
Restructuring charges (credits)	2	190	(9)	194
Impairment	—	5	—	29
Total costs and expenses	7,957	5,041	14,594	9,081
Loss from operations	(143)	(970)	(2,086)	(943)
Interest expense (related party of \$327 and \$— for the three months ended June 30, 2026 and 2025, respectively, and \$513 and \$— for the six months ended June 30, 2026 and 2025, respectively)	(629)	(411)	(1,293)	(858)
Interest income	340	98	553	215
Other income (expense), net	(86)	413	(1,962)	202
Loss before income taxes	(518)	(870)	(4,788)	(1,384)
Provision for income taxes	23	138	29	152
Net loss	\$ (541)	\$ (1,008)	\$ (4,817)	\$ (1,536)
Net loss attributable to shareholders - basic and diluted	\$ (541)	\$ (1,008)	\$ (5,488)	\$ (1,536)
Net loss per share of common stock attributable to common shareholders				
Basic and Diluted	\$ (0.09)	\$ (0.34)	\$ (1.12)	\$ (0.53)
Weighted average shares used in computing net loss per share of common stock				
Basic and Diluted	5,864	2,929	4,879	2,902

The accompanying notes are an integral part of these consolidated financial statements.

Space Exploration Technologies Corp.
Consolidated Statements of Comprehensive Loss
(in millions)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net loss	\$ (541)	\$ (1,008)	\$ (4,817)	\$ (1,536)
Other comprehensive income (loss)				
Change in foreign currency translation adjustments, net of tax	(38)	538	(178)	795
Unrealized gains (losses) on marketable securities, net of tax	2	(2)	(1)	—
Other comprehensive income (loss)	(36)	536	(179)	795
Comprehensive loss	<u>\$ (577)</u>	<u>\$ (472)</u>	<u>\$ (4,996)</u>	<u>\$ (741)</u>

The accompanying notes are an integral part of these consolidated financial statements.

Space Exploration Technologies Corp.
Consolidated Statements of Redeemable Convertible Preferred Stock and Shareholders' Equity
(in millions)
(unaudited)

	Redeemable Convertible Preferred Stock		Common Stock				Accumulated Other Comprehensive Income	Total Shareholders' Equity
	Shares	Amount	Shares	Amount	Additional Paid-in Capital	Accumulated Deficit		
Three Months Ended June 30, 2026								
Balances at March 31, 2026	135	\$ 7,049	5,798	\$ 6	\$ 74,083	\$ (41,311)	\$ 1,755	\$ 34,533
Share-based compensation	—	—	—	—	877	—	—	877
Issuance of common stock in connection with IPO, net of underwriting commissions and offering costs	—	—	639	1	85,674	—	—	85,675
Common stock issued, net of tax withholding	—	—	26	—	(253)	—	—	(253)
Conversion of redeemable convertible preferred stock to common stock	(135)	(7,049)	6,723	6	7,043	—	—	7,049
Repurchase of common stock	—	—	(10)	—	(80)	—	—	(80)
Net loss	—	—	—	—	—	(541)	—	(541)
Other comprehensive loss	—	—	—	—	—	—	(36)	(36)
Balances at June 30, 2026	—	\$ —	13,176	\$ 13	\$ 167,344	\$ (41,852)	\$ 1,719	\$ 127,224

	Redeemable Convertible Preferred Stock		Common Stock				Accumulated Other Comprehensive Income	Total Shareholders' Equity
	Shares	Amount	Shares	Amount	Additional Paid-in Capital	Accumulated Deficit		
Six Months Ended June 30, 2026								
Balances at December 31, 2025	2,046	\$ 38,752	3,079	\$ 4	\$ 37,706	\$ (37,035)	\$ 1,898	\$ 2,573
Share-based compensation	—	—	—	—	1,570	—	—	1,570
Issuance of common stock in connection with IPO, net of underwriting commissions and offering costs	—	—	639	1	85,674	—	—	85,675
Issuance of redeemable convertible preferred stock	78	5,869	—	—	—	—	—	—
Common stock issued, net of tax withholding	—	—	1,372	1	2,207	—	—	2,208
Conversion of redeemable convertible preferred stock pursuant to xAI Merger	(1,987)	(37,476)	1,424	1	37,474	—	—	37,475
Repurchase of common stock pursuant to xAI Merger	—	—	(25)	—	(2,413)	—	—	(2,413)
Conversion of redeemable convertible preferred stock to common stock	(135)	(7,076)	6,728	6	7,070	—	—	7,076
Repurchase of common and redeemable convertible preferred stock	(2)	(69)	(41)	—	(1,944)	—	—	(1,944)
Net loss	—	—	—	—	—	(4,817)	—	(4,817)
Other comprehensive loss	—	—	—	—	—	—	(179)	(179)
Balances at June 30, 2026	—	\$ —	13,176	\$ 13	\$ 167,344	\$ (41,852)	\$ 1,719	\$ 127,224

	Redeemable Convertible Preferred Stock		Common Stock					
	Shares	Amount	Shares	Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total Shareholders' Equity
Three Months Ended June 30, 2025								
Balances at March 31, 2025	1,748	\$ 20,940	3,024	\$ 3	\$ 36,590	\$ (32,626)	\$ 1,352	\$ 5,319
Share-based compensation	—	—	—	—	506	—	—	506
Issuance of redeemable convertible preferred stock	145	4,146	—	—	—	—	—	—
Common stock issued, net of tax withholding	—	—	25	1	(125)	—	—	(124)
Repurchase of common stock	—	—	(1)	—	(12)	—	—	(12)
Net loss	—	—	—	—	—	(1,008)	—	(1,008)
Other comprehensive income	—	—	—	—	—	—	536	536
Balances at June 30, 2025	1,893	\$ 25,086	3,048	\$ 4	\$ 36,959	\$ (33,634)	\$ 1,888	\$ 5,217

	Redeemable Convertible Preferred Stock		Common Stock					
	Shares	Amount	Shares	Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total Shareholders' Equity
Six Months Ended June 30, 2025								
Balances at December 31, 2024	1,748	\$ 20,941	3,023	\$ 3	\$ 35,865	\$ (32,098)	\$ 1,093	\$ 4,863
Share-based compensation	—	—	—	—	768	—	—	768
Issuance of redeemable convertible preferred stock	145	4,146	—	—	—	—	—	—
Common stock issued, net of tax withholding	—	—	51	1	806	—	—	807
Conversion of redeemable convertible preferred stock to common stock	0	(1)	2	0	1	—	—	1
Repurchase of common stock	—	—	(29)	0	(520)	—	—	(520)
Transfer of equity in business combination	—	—	1	0	39	—	—	39
Net loss	—	—	—	—	—	(1,536)	—	(1,536)
Other comprehensive income	—	—	—	—	—	—	795	795
Balances at June 30, 2025	1,893	\$ 25,086	3,048	\$ 4	\$ 36,959	\$ (33,634)	\$ 1,888	\$ 5,217

The accompanying notes are an integral part of these consolidated financial statements.

Space Exploration Technologies Corp.
Consolidated Statements of Cash Flows
(in millions)
(unaudited)

	Six Months Ended June 30,	
	2026	2025
Cash flows from operating activities		
Net loss	\$ (4,817)	\$ (1,536)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	5,290	2,970
Share-based compensation	1,470	694
Deferred income taxes	(9)	120
Unrealized (gain) loss on digital assets	539	(252)
Impairment and loss on disposal of fixed assets, net	40	54
Loss on debt extinguishment	1,545	—
Other	(72)	126
Changes in operating assets and liabilities		
Accounts receivable	(2,003)	(470)
Inventory	(827)	(360)
Prepaid expenses and other assets	102	(2,125)
Accounts payable	(88)	309
Deferred revenue	2,169	680
Other liabilities	127	141
Net cash provided by operating activities	\$ 3,466	\$ 351
Cash flows from investing activities		
Purchases of property, plant, and equipment (related party of \$329 and \$101 for June 30, 2026 and 2025, respectively)	(28,476)	(6,965)
Capitalized interest	(20)	(22)
Proceeds from product rebates	1,195	—
Purchases of marketable securities	(13,630)	(601)
Maturities of marketable securities	7,248	543
Proceeds from sales of marketable securities	—	1,173
Investments in unconsolidated affiliates	—	(86)
Payments for intangible assets	(856)	—
Other investing activities, net	52	(74)
Net cash used in investing activities	\$ (34,487)	\$ (6,032)
Cash flows from financing activities		
Principal repayments on finance leases	(173)	(137)
Proceeds from debt and other financing obligations	51,812	10,943
Payment of debt issuance costs	(124)	(61)
Repayments on debt and other financing obligations	(39,396)	(5,990)
Payment of debt extinguishment premium	(1,153)	—
Proceeds from issuance of capital stock, net of issuance costs	8,319	5,047
Proceeds from employee equity award plans	316	155
Payments for repurchase of common and redeemable convertible preferred stock	(4,426)	(520)
Taxes paid related to net share settlement of equity awards	(559)	(238)
Proceeds from IPO, net of underwriting commissions and offering costs	85,675	—
Net cash provided by financing activities	\$ 100,291	\$ 9,199
Effect of exchange rate changes on cash and cash equivalents	(42)	75
Net change in cash and cash equivalents and restricted cash	69,228	3,593
Cash and cash equivalents and restricted cash, beginning of the period	25,124	11,501
Cash and cash equivalents and restricted cash, end of the period	\$ 94,352	\$ 15,094

	Six Months Ended June 30,	
	2026	2025
Supplemental disclosures of cash flow information		
Cash paid for the following:		
Interest, net of interest capitalized	\$ 1,667	\$ 603
Income taxes, net	\$ 35	\$ 30
Supplemental schedule of noncash investing and financing activities		
Share-based compensation capitalized in property, plant, and equipment, net	\$ 110	\$ 77
Purchases of property, plant, and equipment included in accrued expenses and accounts payable	\$ 5,513	\$ 4,260
Purchases of property, plant, and equipment financed by other financings	\$ 3,921	\$ —

The accompanying notes are an integral part of these consolidated financial statements.

SPACE EXPLORATION TECHNOLOGIES CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(tables in millions, except per share data)
(unaudited)

Note 1 - Nature of Business***Description of Business***

Space Exploration Technologies Corp. and its wholly owned subsidiaries, collectively referred to as the “Company” or “SpaceX,” operate three segments – (i) the Space segment designs, manufactures, and launches reusable rockets to provide high cadence, reliable, and affordable access to space at unprecedented scale, (ii) the Connectivity segment operates a worldwide high-speed, low-latency broadband network powered by thousands of Starlink satellites in Low-Earth Orbit, delivering connectivity to millions of consumer, enterprise, and government customers through our Starlink offering, and (iii) the AI segment operates a vertically integrated AI platform spanning a frontier LLM Grok, AI solutions for consumer and enterprise customers, X — a real-time information, entertainment, and free speech platform — and AI computational infrastructure.

Initial Public Offering

In June 2026, the Company completed its initial public offering (“IPO”), in which the Company issued and sold 638.9 million shares of its Class A common stock at a public offering price of \$135.00 per share, including the full exercise of the underwriters’ over-allotment option, which resulted in net proceeds of \$85,675 million after deducting the underwriting commissions and offering costs of \$575 million. The underwriting commissions and offering costs are presented in shareholders’ equity as a reduction of the net proceeds received from the IPO.

In connection with the IPO, all outstanding shares of the Company’s redeemable convertible preferred stock automatically converted into shares of the Company’s Class A and Class B common stock. Refer to Note 12, Redeemable Convertible Preferred Stock and Shareholders’ Equity for additional information.

Stock Split

In May 2026, the Company effected a five-for-one forward stock split of its authorized, issued, and outstanding shares of Class A, Class B, and Class C common stock (“2026 Stock Split”). The conversion rate of the Company’s redeemable convertible preferred stock was proportionately adjusted to factor in the 2026 Stock Split. All share and per share information that relates to dates prior to the 2026 Stock Split has been retroactively adjusted to reflect the 2026 Stock Split for all periods presented.

Common Control Mergers

On February 2, 2026 (“xAI Merger Date”), the Company completed its acquisition of X.AI Holdings Corp. (“xAI”), pursuant to which xAI became a wholly-owned subsidiary of the Company (“xAI Merger”). Prior to the xAI Merger, on March 28, 2025, xAI completed its acquisition of X Holdings Corp. (“X”) and X.AI Corp., in which X and X.AI Corp. became wholly-owned subsidiaries of xAI (“X Merger”, and collectively with xAI Merger, “Mergers”). X.AI Corp began operations in March 2023 and Twitter, Inc. (“Twitter”) was acquired by Mr. Elon Musk in October 2022. The Mergers were each effected through a share exchange. Refer to Note 12, Redeemable Convertible Preferred Stock and Shareholders’ Equity for additional details.

Note 2 - Summary of Significant Accounting Policies***Unaudited Interim Financial Statements***

The consolidated financial statements, including the consolidated balance sheet as of June 30, 2026, the consolidated statements of operations, the consolidated statements of comprehensive loss, the consolidated statements of redeemable convertible preferred stock and shareholders’ equity for the three and six months ended June 30, 2026 and 2025, and the consolidated statements of cash flows for the six months ended June 30, 2026 and 2025, as well as other information disclosed in the accompanying notes, are unaudited. The consolidated balance sheet as of December 31, 2025 was derived from the audited consolidated financial statements as of that date. The interim consolidated financial statements and the accompanying notes should be read in conjunction with the annual consolidated financial statements and the accompanying notes.

The interim consolidated financial statements and the accompanying notes have been prepared on the same basis as the annual consolidated financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary for a fair statement of the results of operations for the periods presented. The consolidated results of operations

for any interim period are not necessarily indicative of the results to be expected for the full year or for any other future years or interim periods.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Amounts which are subject to significant judgment and use of estimates include revenues recognized over time using the cost-to-cost input method, the determination of valuation allowances associated with deferred tax assets and estimates of tax liabilities, reserves for excess and obsolete inventory, the fair value of assets acquired and liabilities assumed in business combinations, fair value of indefinite-lived intangible assets and goodwill, useful lives of property, plant, and equipment, the determination of incremental borrowing rate for lease liabilities, litigation and settlement costs, and the valuation and assumptions underlying share-based compensation. On an ongoing basis, the Company evaluates its estimates compared to historical experience and current trends, which forms the basis for making judgments about the carrying value of assets and liabilities. In addition, the Company engages valuation specialists to assist in the valuation of equity instruments and of assets acquired and liabilities assumed in business combinations.

Cash and Cash Equivalents and Restricted Cash

The Company's total cash and cash equivalents and restricted cash, as presented in the consolidated statements of cash flows, are as follows:

	June 30, 2026	December 31, 2025
Cash and cash equivalents	\$ 93,522	\$ 24,747
Restricted cash included in prepaid expenses and other current assets	210	182
Restricted cash included in other assets	620	195
Total as presented in the consolidated statements of cash flows	\$ 94,352	\$ 25,124

Significant Accounting Policies

There have been no material changes to the Company's significant accounting policies from the annual consolidated financial statements for the year ended December 31, 2025 included in the Company's final prospectus filed with the SEC pursuant to Rule 424(b)(4) under the Securities Act of 1933, as amended, on June 12, 2026 in connection with the IPO, except as discussed below.

Cloud Services Arrangements

During 2026, the Company's AI segment entered into revenue arrangements to provide cloud services to customers. The Company accounts for its cloud services arrangements as service contracts with a single performance obligation consisting of a stand-ready promise to provide continuous access to reserved compute capacity, with the transaction price consisting of fixed monthly fees. Revenue is recognized over time as the customer simultaneously receives and consumes the benefits, using a pattern that aligns with phased capacity availability during any ramp period and straight-line recognition for steady-state fees thereafter.

Business Combinations

When the Company acquires a business, the purchase price is allocated to the assets acquired and liabilities assumed based on their estimated fair values. The excess of the purchase price over the fair values of identifiable assets and liabilities is recorded as goodwill and is assigned to reporting units based on the expected benefit from the business combination. During the measurement period, which may be up to one year from the acquisition date, adjustments to the fair value of these tangible and intangible assets acquired and liabilities assumed may be recorded, with the corresponding offset to goodwill. Upon the conclusion of the measurement period, any subsequent adjustments are recorded in the Company's consolidated statements of operations. The results of operations of the business acquired are included in the Company's consolidated statements of operations as of the acquisition date. Acquisition-related expenses are recognized separately from the business combination and are expensed as incurred in Selling, general, and administrative expenses.

Recent Accounting Pronouncements

In December 2025, the FASB issued ASU No. 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*. The ASU improves the guidance in Topic 270 by improving the navigability of the required interim disclosures and clarifying when that guidance is applicable. The amendments also provide additional guidance on what disclosures should be provided in interim reporting

periods. The amendments add to Topic 270 a principle that requires entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. The ASU is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027. Adoption of this ASU can either be applied prospectively or retrospectively to any or all prior periods presented in the financial statements, and early adoption is permitted. The Company is currently evaluating the provisions of this ASU and does not expect this ASU to have a material impact on the consolidated financial statements.

Recently adopted accounting pronouncements

In July 2025, the FASB issued ASU No. 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. The amendments in this update provide a practical expedient permitting an entity to assume that conditions at the balance sheet date remain unchanged over the life of the asset when estimating expected credit losses for current classified accounts receivable and contract assets. The Company adopted this ASU on a prospective basis effective January 1, 2026. While this ASU was adopted, the Company did not elect the practical expedient permitted under this ASU. Therefore, the adoption has no impact on the consolidated financial statements.

Note 3 - Revenue

Revenue disaggregated by products and services is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Products	\$ 461	\$ 403	\$ 841	\$ 755
Services	7,353	3,668	11,667	7,383
Total revenues	\$ 7,814	\$ 4,071	\$ 12,508	\$ 8,138

All of products revenue is attributable to the Connectivity segment.

Revenue disaggregated by type and segment is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Launch Services	\$ 648	\$ 490	\$ 978	\$ 1,056
Launch & Development	314	256	603	555
Space	962	746	1,581	1,611
Consumer	2,485	1,721	4,633	3,213
Enterprise & Government ⁽¹⁾	1,806	867	2,915	1,849
Connectivity	4,291	2,588	7,548	5,062
Advertising	367	426	710	870
AI Solutions & Infrastructure	2,194	311	2,669	595
AI	2,561	737	3,379	1,465
Total revenues	\$ 7,814	\$ 4,071	\$ 12,508	\$ 8,138

(1) Enterprise & Government revenue includes revenue from Starlink Mobile service offerings.

Deferred revenue

Deferred revenue is recorded when cash payments are received or due, in advance of the Company's performance. Deferred revenue primarily relates to Space agreements and Connectivity enterprise and government contracts. Total deferred revenue as of December 31, 2025 was \$12,116 million, of which \$1,315 million and \$2,480 million was recognized as revenue during the three and six months ended June 30, 2026, respectively. Total deferred revenue as of June 30, 2026 was \$14,286 million.

Backlog

The Company's backlog represents the transaction price of performance obligations to customers for which work remains to be performed. The amount of backlog increases with new contracts or additions to existing contracts and decreases as revenue is recognized on existing contracts. Contracts are included in backlog when an enforceable agreement has been reached. Backlog does not include amounts related to performance obligations that are billed and recognized as they are delivered, optional purchases that do not represent material rights and any estimated amounts of variable consideration that are subject to constraint. Backlog totaled

\$47,461 million as of June 30, 2026, of which \$14,286 million was recognized as deferred revenue at June 30, 2026. Approximately 56% is expected to be recognized within one year, and approximately 34% is expected to be recognized between one and three years, with the remaining 10% to be recognized thereafter.

Concentration of risk

Consolidated revenue from significant customers is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Customer A	18.3 %	16.7 %	17.9 %	19.9 %
Customer B	19.5 %	*	12.2 %	*

* Customer did not represent more than 10% of consolidated revenue for the period.

Revenue from Customer A relates to all three segments and revenue from Customer B relates to the AI segment. No other customers represented more than 10% of consolidated revenue during the three and six months ended June 30, 2026 and 2025.

Note 4 - Inventory

Inventory consists of the following:

	June 30, 2026	December 31, 2025
Raw materials	\$ 1,122	\$ 1,030
Work-in-progress	875	803
Finished goods	721	583
Inventory	\$ 2,718	\$ 2,416

Note 5 - Property, Plant, and Equipment, Net

Property, plant, and equipment, net consist of the following:

	June 30, 2026	December 31, 2025
Servers and networking equipment	\$ 34,771	\$ 22,694
Satellites	13,788	11,949
Machinery and equipment	9,453	6,343
Data center infrastructure	3,991	2,960
Launch sites	3,118	2,404
Land, buildings, and improvements ⁽¹⁾	2,958	1,876
Flight vehicle hardware	1,557	1,689
Leasehold improvements	881	784
Construction-in-progress	12,554	4,604
Property, plant, and equipment	83,071	55,303
Less: Accumulated depreciation	(17,335)	(12,701)
Property, plant, and equipment, net	\$ 65,736	\$ 42,602

(1) Land is not a depreciable asset.

Construction in progress is primarily comprised of ongoing construction and expansion of the facilities and equipment as well as AI infrastructure that has not yet been placed in service.

Depreciation expense for the three and six months ended June 30, 2026 was \$2,735 million and \$5,064 million, respectively. Depreciation expense for the three and six months ended June 30, 2025 was \$1,310 million and \$2,547 million, respectively.

Interest is capitalized during the construction period for significant long term construction projects, such as the AI infrastructure data centers and launch facilities. For the three and six months ended June 30, 2026, the Company capitalized \$13 million and \$20 million, respectively, of interest, which is included in Construction-in-progress amounts above. \$22 million and \$22 million of interest was capitalized during the three and six months ended June 30, 2025, respectively.

Note 6 - Intangible Assets and Goodwill

Intangible Assets

Finite-lived intangible assets consist of the following:

June 30, 2026				
	Weighted-Average Useful Life (years)	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Brand	5.0	\$ 733	\$ (403)	\$ 330
User base	9.0	1,273	(519)	754
Existing technology	3.0	27	(19)	8
Advertising customer relationships	5.0	742	(545)	197
Acquired workforce	2.0	12	(4)	8
Total		\$ 2,787	\$ (1,490)	\$ 1,297

December 31, 2025				
	Weighted-Average Useful Life (in years)	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Brand	5.0	\$ 743	\$ (335)	\$ 408
User base	9.0	1,291	(456)	835
Existing technology	3.2	27	(16)	11
Advertising customer relationships	5.0	752	(478)	274
Acquired workforce	2.0	9	—	9
Total		\$ 2,822	\$ (1,285)	\$ 1,537

Amortization expense associated with finite-lived intangible assets was \$113 million and \$226 million in the three and six months ended June 30, 2026, respectively, and \$216 million and \$423 million in the three and six months ended June 30, 2025, respectively.

The Company also has indefinite-lived intangible assets of \$21 million and \$11 million as of June 30, 2026 and December 31, 2025, respectively. Indefinite-lived intangible assets primarily consist of trade names and domain names, which are expected to provide long-term branding and marketing benefits.

Spectrum Transactions

On September 7, 2025, the Company entered into a License Purchase Agreement (the “Spectrum License Purchase Agreement”) with Spectrum Business Trust 2025-1, a Nevada Business Trust (“Trust”) and EchoStar Corporation (“EchoStar”) for the purchase of EchoStar’s licenses related to 50 MHz of spectrum (the “AWS-4 and H-Block Licenses” and the transactions contemplated thereby, “Spectrum Transaction”). On November 5, 2025, the parties amended and restated the Spectrum License Purchase Agreement to include EchoStar’s licenses for up to 15 MHz of additional unpaired AWS-3 spectrum (together with the AWS-4 and H-Block Licenses, the “Spectrum Licenses”). The Spectrum License Purchase Agreement provides that the transfer of the Spectrum Licenses occurs in two steps: first, the transfer of the Spectrum Licenses by EchoStar to the Trust (the “Spectrum Transfer Closing”), and second, the transfer of the Spectrum Licenses by the Trust to the Company (the “Spectrum Acquisition Closing”). In connection with the Spectrum License Purchase Agreement, the Company and the Trust entered into a credit agreement (the “Spectrum Credit Agreement”), pursuant to which the Company has agreed upon the Spectrum Transfer Closing, to make payments to the Trust (via loans which are contemplated to be forgiven at six-month intervals), for the Trust to make payments on EchoStar’s debt (interest only) through at least November 30, 2027, but in no event later than November 30, 2028. Although these payments are structured as loans from the Company, as a lender, to the Trust, as a creditor, there is no expectation of repayment as the loan payments are forgiven and are accounted for as additional consideration for the acquisition of the Spectrum Licenses.

The Spectrum Transaction was approved by the FCC on May 12, 2026, and the Spectrum Transfer Closing occurred on May 22, 2026. On that date, the Spectrum Licenses were transferred to the Trust, where they will remain until the Spectrum Acquisition Closing. Concurrently, the Company has made contractual payments under the Spectrum Credit Agreement to the Trust of \$856 million, which is recognized as prepaid assets in Other assets until the Spectrum Acquisition Closing, at which point they will be recognized as intangible assets. Only contractual amounts paid to the Trust are recognized as prepaid assets, which represent the Company’s present right to an economic benefit for the portion of the Spectrum Licenses for which cash is transferred.

Goodwill

The activity for goodwill is as follows:

Balance at December 31, 2025	\$ 11,809
Business combination	3
Cumulative translation adjustments	(167)
Balance at June 30, 2026	\$ 11,645

As of June 30, 2026 and December 31, 2025, goodwill attributable to the Connectivity segment was \$515 million and \$513 million, respectively, and goodwill attributable to the AI segment was \$11,130 million and \$11,296 million, respectively.

Note 7 - Financial Instruments

The Company's assets that are measured at fair value on a recurring basis consist of the following:

	Level	Cost	June 30, 2026		Fair Value
			Unrealized Gain	Unrealized Loss	
Cash and cash equivalents					
Cash	I	\$ 23,886	\$ —	\$ —	\$ 23,886
Money market funds	I	65,625	—	—	65,625
Government securities	I	4,011	—	—	4,011
Marketable securities					
Government securities	II	6,487	—	—	6,487
Prepaid expenses and other current assets					
Restricted cash	I	210	—	—	210
Other assets					
Restricted cash	I	475	—	—	475
Restricted cash in money market funds	I	145	—	—	145
Total		\$ 100,839	\$ —	\$ —	\$ 100,839

	Level	Cost	December 31, 2025		Fair Value
			Unrealized Gain	Unrealized Loss	
Cash and cash equivalents					
Cash	I	\$ 3,408	\$ —	\$ —	\$ 3,408
Money market funds	I	21,339	—	—	21,339
Prepaid expenses and other current assets					
Restricted cash	I	30	—	—	30
Money market funds	I	152	—	—	152
Other assets					
Restricted cash	I	182	—	—	182
Restricted cash in money market funds	I	13	—	—	13
Total		\$ 25,124	\$ —	\$ —	\$ 25,124

As of June 30, 2026 and December 31, 2025, the Company also held 18,712 units of Bitcoin with a cost basis of \$661 million and fair value of \$1,098 million and \$1,637 million, respectively. The fair value of these digital assets is determined using Level I in the fair value hierarchy.

Note 8 - Investments in Unconsolidated Affiliates

Equity investments without readily determinable fair value

As of June 30, 2026 and December 31, 2025, the Company held investments in unconsolidated affiliates which are accounted for as equity investments without readily determinable fair values of \$237 million and \$157 million, respectively. The Company recorded a gain from observable price changes of \$70 million on these investments during the three months ended June 30, 2026.

Note 9 - Debt

	June 30, 2026		
	Principal	Unamortized Deferred Financing Costs	Net
SpaceX Notes	\$ 25,000	\$ 148	\$ 24,852
X 2027 and X 2030 Notes	27	—	27
Other financings ⁽¹⁾	13,406	—	13,406
Total debt	38,433	148	38,285
Finance lease liability	1,079	—	1,079
Total debt and finance leases	39,512	148	39,364
Less: Short-term portion	2,525	—	2,525
Total debt and finance leases, net of current	\$ 36,987	\$ 148	\$ 36,839

	December 31, 2025		
	Principal	Unamortized Deferred Financing Costs	Net
X 2027 and X 2030 Notes	\$ 27	\$ —	\$ 27
X B-1 Term Loan	6,504	280	6,224
X B-3 Term Loan	5,966	54	5,912
xAI Fixed Rate Term Loan	995	4	991
xAI Floating Rate Term Loan	995	40	955
xAI 12.5% Secured Senior Notes	3,000	12	2,988
Other financings ⁽¹⁾	4,562	—	4,562
Total debt	22,049	390	21,659
Finance lease liability	1,237	—	1,237
Total debt and finance leases	23,286	390	22,896
Less: Short-term portion	928	—	928
Total debt and finance leases, net of current	\$ 22,358	\$ 390	\$ 21,968

(1) Includes obligations related to certain AI infrastructure assets recorded as failed sale-leaseback transactions. Refer to Other Financings below for additional details.

SpaceX Notes

General. In June 2026, SpaceX issued senior unsecured notes in an aggregate principal amount of \$25,000 million (“SpaceX Notes”). The SpaceX Notes have five tranches maturing on July 15, 2031, July 15, 2033, July 15, 2036, July 15, 2046, and July 15, 2056 with a weighted average maturity of 11.7 years. SpaceX Notes are unsecured obligations of the Company and rank equally in right of payment with all existing and future unsubordinated indebtedness, liabilities, and other obligations of the Company.

Proceeds. The proceeds of the SpaceX Notes were used to repay the SpaceX Bridge Loan (as defined and described below) in full and to pay related fees and expenses. The remaining proceeds were used for general corporate purposes.

Interest Rates. The SpaceX Notes bear annual interest rates between 5.350% and 6.650% with a weighted average interest rate of 5.855%. Interest is payable semi-annually in arrears on January 15 and July 15 of each year, beginning on January 15, 2027. The effective interest rate on the SpaceX Notes was 6.030% as of June 30, 2026.

Principal Repayments. SpaceX Notes are redeemable, in whole or in part, at the Company’s option at any time and from time to time prior to the applicable Par Call Date, which is defined as a date ranging from one to six months prior to maturity for each tranche. The redemption price of each tranche is equal to the greater of (i) (a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date (assuming the respective tranche matured on the applicable Par Call Date) on a semi-annual basis at the Treasury Rate plus the applicable spread between 20 and 30 basis points for such tranche less (b) interest accrued and unpaid thereon to the date of redemption, and (ii) 100% of the principal amount of the SpaceX Notes to be redeemed, plus accrued and unpaid interest, if any, thereon to, but excluding, the redemption date. On or after the applicable Par Call

Date, SpaceX Notes are redeemable, in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the respective SpaceX Notes being redeemed plus accrued and unpaid interest.

Covenants. The SpaceX Notes contain customary events of default and affirmative and negative covenants, including restrictions on additional liens in excess of 7.5% of the Company's consolidated total assets and fundamental changes (which is limited to a merger where the Company is not the surviving entity outside certain jurisdictions). The Company was in compliance with the covenants as of June 30, 2026.

Accounting Treatment. The Company accounted for the repayment of the SpaceX Bridge Loan as an extinguishment of debt, resulting in a loss on extinguishment of \$18 million, recorded in Other income (expense), net.

SpaceX Bridge Loan

General. In March 2026, SpaceX entered into a bridge loan credit agreement (the "SpaceX Bridge Loan") with a syndicate of lenders, providing for an unsecured bridge term loan facility in an aggregate principal amount of \$20,000 million. The SpaceX Bridge Loan was scheduled to mature on September 2, 2027, with two three-month extensions at the Company's option, subject to the absence of a continuing default and the payment of an extension fee of 0.25% of the aggregate outstanding principal per extension, resulting in a final extended maturity date in March 2028. The SpaceX Bridge Loan was repaid in full in June 2026 using proceeds from the SpaceX Notes.

Proceeds. The proceeds of the SpaceX Bridge Loan were used to repay the X B-1 Term Loan, the X B-3 Term Loan, the xAI Fixed Rate Loan, the xAI Floating Rate Loan, and the xAI 12.5% Senior Secured Notes (as defined and described below). The remaining proceeds were used for general corporate purposes.

Interest Rates. The SpaceX Bridge Loan bore interest, at the Company's election, at a rate per annum equal to (i) Term SOFR plus an applicable margin ranging from 0.75%-1.75% (depending on the Company's debt rating), or (ii) a base rate equal to the highest of (a) the Federal Funds Rate plus 0.5%, (b) the Prime Rate, (c) Term SOFR plus 1.00% and (d) 1.00%, plus an applicable margin ranging from 0.00% to 0.75% (depending on the Company's debt rating). In addition, the Company was obligated to pay duration fees equal to 0.125% of outstanding principal on the first anniversary of closing and 0.25% of outstanding principal on the fifteen-month anniversary of closing.

Principal Repayments. In June 2026, the Company repaid the full outstanding principal balance and accrued interest, resulting in the extinguishment of the SpaceX Bridge Loan. The SpaceX Bridge Loan could be prepaid at any time, in whole or in part, without premium or penalty. The Company was required to use the net proceeds of certain debt financings to repay amounts outstanding under the SpaceX Bridge Loan and to apply the net proceeds of a qualified IPO to repay such amounts within six months following receipt.

Guarantors and Collateral. The obligations of the Company under the SpaceX Bridge Loan were guaranteed on a joint and several basis by X Corp., X.AI LLC, and CTC Property, LLC (each a subsidiary of the Company).

Accounting Treatment. The Company accounted for the repayment of the X B-1 Term Loan, the X B-3 Term Loan, the xAI Fixed Rate Loan, the xAI Floating Rate Loan and the xAI 12.5% Senior Secured Notes as an extinguishment of debt, resulting in a loss on extinguishment of \$1,526 million, recorded in Other income (expense), net.

SpaceX Credit Facility

General. In February 2025, the Company entered into a five-year senior unsecured revolving credit agreement ("SpaceX Credit Facility") with a syndicate of banks, under which the Company may draw up to \$1,500 million, subject to a customary financial covenant and other reporting requirements. The SpaceX Credit Facility terminates, and all outstanding loans become due and payable, on February 7, 2030, unless the parties agree to an extension. No amounts were borrowed under the SpaceX Credit Facility during the three and six months ended June 30, 2026.

Amendment. In March 2026, the Company entered into a First Amendment to Credit Agreement and Waiver (the "First Amendment") with its lenders, in connection with the Company's entry into the SpaceX Bridge Loan (as defined above). The First Amendment, among other things, (i) waived certain specified defaults and (ii) amended certain definitions and covenants under the SpaceX Credit Facility to conform to the terms of the SpaceX Bridge Loan. In May 2026, SpaceX amended the SpaceX Credit Facility to increase the borrowing capacity up to \$5,000 million ("Amended SpaceX Credit Facility"). As part of the Amended SpaceX Credit Facility, the sublimit for performance letters of credit was increased to \$2,000 million. The Amended SpaceX Credit Facility terminates, and all

outstanding loans become due and payable, on May 19, 2031, unless the parties agree to an extension in accordance with the terms of the Amended SpaceX Credit Facility. All other terms were consistent with the terms of the SpaceX Credit Facility.

Interest Rates. Under the SpaceX Credit Facility, borrowings bear interest at the Company's option, at a rate per annum of (i) between 0.75%-1.25%, depending on the Company's current debt rating, plus the relevant Term SOFR or (ii) between 0.0%-0.25% depending on the Company's current debt rating plus the greater of (a) the Federal Funds Rate plus 0.5%, (b) the Prime Rate, (c) Term SOFR plus 1.0% and (d) 1.0%. The Company may also borrow in various alternative currencies at various alternative rates, including rates based on SONIA for Pound Sterling loans and EURIBOR for Euro loans plus an applicable margin. The fee for undrawn amounts is between 0.07%-0.11% per annum, depending on the Company's current debt rating. Interest is payable either monthly or quarterly, depending on the interest loan option.

Covenants. The Company was in compliance with the covenants as of June 30, 2026; however, the Company had a technical default when the Company acquired xAI on February 2, 2026 due to the amount of debt assumed as part of the acquisition at the subsidiary level. On March 2, 2026, the Company obtained a waiver from the syndicate of banks and amended the SpaceX Credit Facility allowing for the debt refinance completed on March 2, 2026, resulting in the Company being in compliance with all covenants.

X 2027 and 2030 Notes

General. In 2019, a subsidiary of X, an indirect subsidiary of the Company, issued \$700 million aggregate principal amount of 3.875% senior notes due 2027 (the "X 2027 Notes") in a private placement. The X 2027 Notes mature on December 15, 2027. In 2022, a subsidiary of X issued \$1,000 million aggregate principal amount of 5.000% senior notes due 2030 (the "X 2030 Notes") in a private placement. The X 2030 Notes mature on March 1, 2030. The X 2027 and X 2030 Notes represent senior unsecured obligations of the Company.

Interest Rates. For the X 2027 Notes, the interest rate is fixed at 3.875% per annum and interest is payable semi-annually in arrears on June 15 and December 15 of each year. For the X 2030 Notes, the interest rate is fixed at 5.000% per annum and interest is payable semi-annually in arrears on March 1 and September 1 of each year.

Principal Repayments. In November 2022, the Company purchased approximately \$675 million aggregate principal amount of X 2027 Notes and \$998 million aggregate principal amount of the X 2030 Notes in settlement of the change in control of Twitter. The X 2027 Notes and X 2030 Notes that remain outstanding may be redeemed at the option of the Company, in whole or in part, at any time prior to September 15, 2027 and December 1, 2029, respectively, at a price equal to 100.0% of the principal amounts plus a "make-whole" premium and accrued and unpaid interest, if any, up to, but excluding, the redemption date.

Covenants. The Company was in compliance with the covenants as of June 30, 2026.

X First Lien Senior Credit Facilities

General. In 2022, X Corp., an indirect subsidiary of the Company, entered into the First Lien Credit Agreement which provided for a new term loan commitment of \$6,705 million ("X B-1 Term Loan") and a \$500 million Secured First Lien Revolving Credit Facility (including a letter of credit subfacility with an aggregate face value of up to \$100 million) (together referred to as "X First Lien Senior Credit Facilities"). The Secured First Lien Revolving Credit Facility matures on October 27, 2027 and the X B-1 Term Loan matures on October 27, 2029.

Amendments. In February 2025, X Corp., an indirect subsidiary of the Company, amended the X First Lien Senior Credit Facilities and entered into a new term loan commitment for \$4,741 million with a maturity date of October 27, 2029 ("X B-3 Term Loan") and reduced the Secured First Lien Revolving Credit Facility commitment to \$0. As part of the issuance of the X B-3 Term Loan, the Company is required to pay an arrangement fee of \$51 million, which is due and payable on February 19, 2027. In April 2025, the Company entered into an amendment to the X B-3 Term Loan for an additional commitment of \$1,225 million with the same terms and conditions, increasing the total X B-3 Term Loan borrowings to \$5,966 million.

Interest Rates. The X B-1 Term Loan bore interest at a rate per annum of, initially, adjusted Term SOFR plus 6.50%. The Secured First Lien Revolving Credit Facility bore interest at a rate per annum of, initially, an adjusted Term SOFR plus 4.50%, with leverage-based step-downs. Undrawn commitments under the Secured First Lien Revolving Credit Facility were subject to an unused commitment fee of 0.50% per annum, subject to quarterly leverage based step-downs. The X B-3 Term Loan had a fixed interest rate of 9.50% per annum. Interest on the X B-1 Term Loan and X B-3 Term Loan was payable monthly, quarterly, or bi-annually at the option of the Company.

Principal Repayments. On March 2, 2026, the Company repaid the full outstanding principal balance and accrued interest, including a prepayment penalty of \$425 million, resulting in the extinguishment of the X B-1 Term Loan and X B-3 Term Loan. The X B-1 Term Loan was repayable at any time, in whole or in part, without premium or penalty, subject to mandatory quarterly prepayments of

principal beginning on the last day of the fiscal quarter ended March 31, 2023, in amounts equal to 0.25% of the original principal amount of borrowings thereunder, with the unpaid balance being payable on the final maturity date thereof. The X B-1 Term Loan was also subject to additional customary mandatory prepayment provisions from the proceeds of certain debt issuances and asset sales, as well as sweeps of a portion of excess cash flow, subject to certain leverage-based step-downs and exceptions. The X B-3 Term Loan had prepayment penalties of 107.13% of the outstanding principal before October 27, 2026, 104.75% of the outstanding principal before October 27, 2027, and 102.38% of the outstanding principal before October 27, 2028.

Guarantors and Collateral. Obligations under the First Lien Senior Credit Facilities were guaranteed by X, and were collateralized by a first priority lien on substantially all of the assets of X and its subsidiaries (subject to customary exceptions).

xAI First Lien Credit Agreement

General. In June 2025, X.AI Corp. and X.AI LLC, indirect subsidiaries of the Company, entered into the First Lien Credit Agreement to provide borrowings up to \$2,000 million. The Company executed a \$1,000 million Fixed Rate Term Loan maturing on June 30, 2030 (“xAI Fixed Rate Term Loan”); and a \$1,000 million Floating Rate Term Loan maturing on June 30, 2030 (“xAI Floating Rate Term Loan”).

Interest Rates. The xAI Fixed Rate Term Loan had a fixed interest rate of 12.50% per annum and the xAI Floating Rate Term Loan had a floating interest rate per annum of Term SOFR plus 7.25% or ABR plus 6.25%. Interest on the xAI Fixed Rate Term Loan was payable bi-annually on January 31 and July 31, commencing on January 31, 2026. Interest on the xAI Floating Rate Term loan was payable monthly, quarterly, or bi-annually at the option of the Company.

Principal Repayments. On March 2, 2026, the Company repaid the full outstanding principal balance and accrued interest, including a prepayment penalty of \$221 million, resulting in the extinguishment of the xAI Fixed Rate Term Loan and xAI Floating Rate Term Loan. The xAI Fixed Rate Term Loan and the xAI Floating Rate Term Loan had prepayment penalties of 103% on the principal outstanding balance prior to June 30, 2027 and 101% on the principal outstanding balance prior to June 30, 2028.

Guarantors. Obligations under the xAI Fixed Rate Term Loan and xAI Floating Rate Term Loan were guaranteed each jointly and severally by X.AI Corp. and certain of its subsidiaries.

xAI 12.5% Secured Senior Notes

General. In June 2025, X.AI LLC and X.AI Co Issuer Corp, indirect subsidiaries of the Company, issued \$3,000 million aggregate principal amount of 12.5% interest Senior Secured Notes due in 2030 (“xAI 12.5% Senior Secured Notes”). The Senior Secured Notes were issued at 100% of the principal amount and the entire principal amount will be due on June 30, 2030.

Interest Rates. The xAI 12.5% Senior Secured Notes had a fixed interest rate of 12.50% per annum. Interest was payable bi-annually on January 15 and July 15, commencing on January 15, 2026.

Principal Repayments. On March 5, 2026, the Company repaid the full outstanding principal balance and accrued interest, including a prepayment penalty of \$518 million, resulting in the extinguishment of the xAI 12.5% Senior Secured Notes. The xAI 12.5% Senior Secured Notes had prepayment penalties of 106.25% on the principal outstanding balance prior to July 15, 2027 and 103.13% on the principal outstanding balance prior to July 15, 2028.

Guarantors. Obligations under the xAI 12.5% Senior Secured Notes were guaranteed each jointly and severally by xAI and certain of its subsidiaries.

xAI Revolving Line of Credit

General. In April 2024 and amended through March 2026, a subsidiary of xAI, an indirect subsidiary of the Company, entered into a revolving line of credit up to borrowing capacity of \$250 million. The Company had no borrowings under the line of credit during the three and six months ended June 30, 2026.

Interest Rates. Interest on any borrowings is calculated based on the 30-day average SOFR plus the International Swaps and Derivatives Association spread adjustment plus a spread of 40 basis points.

Guarantors and Collateral. The agreement permits borrowings up to the value of the pledged collateral held in custody, less any outstanding loan balances, accrued interest, and fees. The pledged collateral consisted of securities held in xAI’s custodial account.

Other Financings

The Company has entered into various other financing arrangements, generally collateralized by specific machinery and equipment. These arrangements have an average fixed interest rate of 5.9% and 5.5% per annum as of June 30, 2026 and December 31, 2025, respectively, with principal and interest payments due monthly, and in certain instances, a lump sum payment at the end of term.

In April 2026, CTC Property, LLC (“CTC”) entered into an additional sale-leaseback transaction for its AI infrastructure assets which would have been deemed finance leases resulting in failed sale-leaseback transactions. As a result, the Company recorded the related debt of \$2,039 million and \$11,290 million within Debt and finance leases, current and Debt and finance leases, net of current, respectively, in the Company’s consolidated balance sheets as of June 30, 2026 for three failed sale-leaseback transactions. Refer to Note 17, Related Party Transactions for additional details.

The future scheduled principal maturities of debt as of June 30, 2026 are as follows:

2026 (remaining six months)	\$	944
2027		2,402
2028		2,867
2029		3,422
2030		3,597
Thereafter		25,201
Total	\$	38,433

The Company measures the fair value of its long-term fixed-rate debt for disclosure purposes. The fair value estimates for these debts were determined based on the quoted prices, if available, or based on a discounted cash flow approach using yields calibrated from recent issuances of the securities, resulting in Level II measurement.

The carrying amounts and fair values of the long-term fixed-rate debt included in the consolidated balance sheets are as follows:

	As of June 30, 2026		As of December 31, 2025	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
SpaceX Notes	\$ 24,852	\$ 24,697	\$ —	\$ —
X B-3 Term Loan	\$ —	\$ —	\$ 5,912	\$ 6,190
xAI Fixed Rate Term Loan	\$ —	\$ —	\$ 991	\$ 1,057
xAI 12.5% Secured Senior Notes	\$ —	\$ —	\$ 2,988	\$ 3,173

Note 10 - Leases

The components of lease expense are as follows within the consolidated statements of operations:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Operating lease expense:				
Operating lease expense	\$ 126	\$ 134	\$ 233	\$ 254
Short-term lease cost	147	46	260	75
Variable lease cost	24	23	55	46
Total operating lease expense	\$ 297	\$ 203	\$ 548	\$ 375
Finance lease expense:				
Amortization of leased assets	\$ 79	\$ 85	\$ 158	\$ 169
Interest on lease liabilities	64	82	132	167
Total finance lease expense	143	167	290	336
Total lease expense	\$ 440	\$ 370	\$ 838	\$ 711

During the six months ended June 30, 2026, there were no material changes in the Company’s lease portfolio since December 31, 2025.

Note 11 - Balance Sheet Components

Certain financial statement details are as follows:

	June 30, 2026	December 31, 2025
Prepaid expenses and other current assets		
Tax related assets	\$ 561	\$ 618
Unbilled receivables	192	223
Rebates and credits	178	597
Restricted cash and deposits	210	182
Other current assets	583	590
Prepaid expenses and other current assets	\$ 1,724	\$ 2,210
Accrued expenses and other current liabilities		
Tax related liabilities	\$ 529	\$ 563
Payroll & employee benefit accruals	452	322
Operating lease liabilities, current	344	422
Restructuring liabilities	177	339
Accrued interest	20	416
Other current liabilities	855	507
Accrued expenses and other current liabilities	\$ 2,377	\$ 2,569

Note 12 - Redeemable Convertible Preferred Stock and Shareholders' Equity

SpaceX Preferred and Common Stock

Upon completion of the IPO, the Company's capital stock consists of common stock and preferred stock. The common stock is divided into three classes: Class A common stock ("Class A"), Class B common stock ("Class B"), and Class C common stock ("Class C") (collectively, "SpaceX Common Stock"). The Company also has one class of preferred stock ("SpaceX Preferred Stock").

As of June 30, 2026, the total number of shares of SpaceX Common Stock the Company is authorized to issue is 52,257 million shares, each with a par value of \$0.001 per share: 36,132 million shares are Class A, 6,125 million shares are Class B, and 10,000 million shares are Class C. The Company is also authorized to issue 2,400 million shares of SpaceX Preferred Stock.

In May 2026, the Board approved the 2026 Stock Split, pursuant to which each share of the Class A, Class B, and Class C SpaceX Common Stock issued and outstanding was split into five shares of the same class of SpaceX Common Stock.

In connection with the IPO, the Company effected the following equity structure changes:

Conversion of Preferred Stock. All shares of SpaceX Redeemable Convertible Preferred Stock outstanding prior to the IPO were converted into a number of shares of Class A or Class B common stock.

Reclassification of Class C Common Stock. All shares of Class C common stock outstanding prior to the IPO were reclassified into Class A common stock.

Elimination of Class D Common Stock. The Company's Class D common stock was eliminated.

Amended and Restated Certificate of Formation. An amendment to the Company's amended and restated certificate of formation, which became effective immediately prior to completion of the IPO, reduced the authorized number of shares of SpaceX Preferred Stock to 2,400 million. SpaceX Preferred Stock has a par value of \$0.001 per share with rights and preferences, including voting rights, designated from time to time by the Company's board of directors.

Effect of the xAI Merger

xAI Redeemable Convertible Preferred Stock

On xAI Merger Date, all outstanding shares of xAI Redeemable Convertible Preferred Stock converted into shares of SpaceX Common Stock, based on the share-for-share exchange mechanics specified in the Merger Agreement. Upon conversion, all shares of xAI Redeemable Convertible Preferred Stock were canceled and retired, and former xAI Redeemable Convertible Preferred Stock

shareholders received the applicable shares of SpaceX Common Stock. Any shares of xAI Redeemable Convertible Preferred Stock previously held by the Company were canceled and retired and did not receive any consideration.

Redeemable Convertible Preferred Stock

Each series of SpaceX and xAI Redeemable Convertible Preferred Stock (collectively, the “Combined Redeemable Convertible Preferred Stock”) as of December 31, 2025 consisted of the following (no shares of Combined Redeemable Convertible Preferred Stock were issued and outstanding as of June 30, 2026):

	Outstanding ⁽¹⁾
	December 31, 2025
SpaceX Redeemable Convertible Preferred Stock	
Series A	60.4
Series A-1	0.2
Series B	5.1
Series B-1	0.1
Series C	9.7
Series D	5.2
Series E	10.2
Series F	6.7
Series G	12.6
Series H	3.2
Series I	3.0
Series J	2.5
Series K	2.5
Series L	1.4
Series M	2.7
Series N	9.3
Total SpaceX Redeemable Convertible Preferred Stock	134.7
xAI Redeemable Convertible Preferred Stock	
Series A	750.0
Series A-1	—
Series B	584.9
Series C	277.1
Series D	120.1
Series E	179.2
Total xAI Redeemable Convertible Preferred Stock	1,911.3
Total Combined Redeemable Convertible Preferred Stock	2,046.0

(1) The number of issued redeemable convertible preferred stock is equal to the number of outstanding redeemable convertible preferred stock, with the exception of xAI Series A and xAI Series D, of which the number of issued shares is 1,000.0 million and 175.0 million as of December 31, 2025, respectively, due to redeemable convertible preferred stock held by X and SpaceX, respectively.

Common Stock

The following describes all of the activity that occurred within each class of SpaceX Common Stock during the three and six months ended June 30, 2026 and 2025, incorporating all activity that occurred within the class of xAI Common Stock on an as-converted basis to the class of SpaceX Common Stock it was converted into per the xAI Merger and X Merger.

	Class A Common Stock		Class B Common Stock		Class C Common Stock		Class D Common Stock	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Three Months Ended June 30, 2026								
Balances at March 31, 2026	2,884	\$ 3	2,418	\$ 3	497	\$ 0	—	\$ —
Issuance of common stock in connection with IPO, net of underwriting commissions and offering costs	639	1	—	—	—	—	—	—
Common stock issued, net of tax withholding	25	0	1	0	—	—	—	—
Conversion of redeemable convertible preferred stock to common stock	3,448	3	3,274	3	—	—	—	—
Conversion between classes of common stock	612	0	(115)	0	(497)	0	—	—
Repurchase of common stock	(1)	0	(9)	0	—	—	—	—
Balances at June 30, 2026	<u>7,607</u>	<u>\$ 7</u>	<u>5,569</u>	<u>\$ 6</u>	<u>—</u>	<u>\$ —</u>	<u>—</u>	<u>\$ —</u>

	Class A Common Stock		Class B Common Stock		Class C Common Stock		Class D Common Stock	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Six Months Ended June 30, 2026								
Balances at December 31, 2025	1,952	\$ 3	643	\$ 1	484	\$ 0	—	\$ —
Issuance of common stock in connection with IPO, net of underwriting commissions and offering costs	639	1	—	—	—	—	—	—
Common stock issued, net of tax withholding	53	0	1,306	1	13	0	—	—
Conversion of redeemable convertible preferred stock pursuant to the xAI Merger	886	0	537	1	—	—	—	—
Repurchase of common stock pursuant to xAI Merger	(3)	0	(20)	0	—	—	—	—
Conversion of redeemable convertible preferred stock to common stock	3,453	3	3,274	3	—	—	—	—
Conversion between classes of common stock	637	0	(140)	0	(497)	0	—	—
Repurchase of common stock	(10)	0	(31)	0	—	—	—	—
Balances at June 30, 2026	<u>7,607</u>	<u>\$ 7</u>	<u>5,569</u>	<u>\$ 6</u>	<u>—</u>	<u>\$ —</u>	<u>—</u>	<u>\$ —</u>

	Class A Common Stock		Class B Common Stock		Class C Common Stock		Class D Common Stock	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Three Months Ended June 30, 2025								
Balances at March 31, 2025	1,862	\$ 2	731	\$ 1	431	\$ 0	—	\$ —
Common stock issued, net of tax withholding	3	1	—	—	22	0	—	—
Conversion between classes of common stock	2	0	(2)	0	—	—	—	—
Repurchase of common stock	—	—	(1)	0	—	—	—	—
Balances at June 30, 2025	<u>1,867</u>	<u>\$ 3</u>	<u>728</u>	<u>\$ 1</u>	<u>453</u>	<u>\$ 0</u>	<u>—</u>	<u>\$ —</u>

	Class A Common Stock		Class B Common Stock		Class C Common Stock		Class D Common Stock	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Six Months Ended June 30, 2025								
Balances at December 31, 2024	1,832	\$ 2	768	\$ 1	423	\$ 0	—	\$ —
Common stock issued, net of tax withholding	21	1	1	0	29	0	—	—
Conversion of redeemable convertible preferred stock to common stock	1	0	—	—	1	0	—	—
Conversion between classes of common stock	26	0	(26)	0	—	—	—	—
Repurchase of common stock	(14)	0	(15)	0	—	—	—	—
Transfer of equity in business combination	1	0	—	—	—	—	—	—
Balances at June 30, 2025	<u>1,867</u>	<u>\$ 3</u>	<u>728</u>	<u>\$ 1</u>	<u>453</u>	<u>\$ 0</u>	<u>—</u>	<u>\$ —</u>

The following describes the various rights and preferences of the SpaceX Common Stock:

Dividend Provisions

Subject to the prior rights of holders of all classes and series of stock at the time outstanding having prior rights as to dividends, holders of SpaceX Common Stock shall be entitled to receive, when, as and if declared by the Board of Directors, out of any funds legally available, such dividends as may be declared from time to time by the Board of Directors. For the period from inception through June 30, 2026, no dividends were declared on SpaceX Common Stock.

Conversion Rights

Each share of Class B is convertible at the option of the holder, at any time, into one share of Class A. Each share of Class B will automatically convert into one share of Class A upon a transfer, other than a Permitted Transfer (as defined in the charter), of such share of Class B.

Voting Rights

Each holder of Class A is entitled to one vote for each share held. Each holder of Class B is entitled to ten votes for each share held. The holders of Class C have no voting rights, except as required by law.

Reserve for Unissued Shares of Common Stock

The Company is required to reserve and keep available out of its authorized but unissued shares of SpaceX Common Stock such number of shares sufficient to effect the conversion of all outstanding shares of Class B to Class A, and shares granted and available for grant under the Company's share plans.

The amount of such shares of the SpaceX Common Stock reserved for these purposes at June 30, 2026 is as follows:

	Number of Shares		
	Class A	Class B	Class C
Outstanding Class B	5,569	—	—
Outstanding stock options	120	352	—
Outstanding RSUs	122	—	—
Future grants under share-based compensation	324	—	—
	<u>6,135</u>	<u>352</u>	<u>—</u>

Share Repurchases

During the three and six months ended June 30, 2026, the Company also repurchased a total of \$80 million and \$2,013 million, respectively, of SpaceX Common Stock (10.5 million and 41.0 million shares, respectively) and Redeemable Convertible Preferred Stock (— and 2.1 million shares, respectively) in a number of unrelated transactions with existing shareholders at their then-current fair market value. During the six months ended June 30, 2026, the Company repurchased \$2,413 million (or 25.0 million shares) of SpaceX Common Stock from eligible current and former xAI employees as part of the xAI Merger.

Similarly, the Company repurchased \$12 million (or 0.3 million shares) and \$520 million (or 28.2 million shares) of SpaceX Common Stock from eligible current and former employees and existing shareholders during the three and six months ended June 30, 2025,

respectively. The Company only repurchased shares held by eligible participants for more than six months at a purchase price per share equal to the then current fair market value.

All SpaceX shares repurchased to date have been retired.

Note 13 - Earnings per Share

The following table presents the reconciliation of net loss attributable to common shareholders to net loss used in computing basic and diluted net loss per share of common stock:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Numerator:				
Net loss	\$ (541)	\$ (1,008)	\$ (4,817)	\$ (1,536)
Less: Deemed dividend ⁽¹⁾	—	—	671	—
Net loss attributable to common shareholders - basic and diluted	<u>\$ (541)</u>	<u>\$ (1,008)</u>	<u>\$ (5,488)</u>	<u>\$ (1,536)</u>
Denominator:				
Weighted average shares of common stock outstanding - basic and diluted	5,864	2,929	4,879	2,902
Net loss per share attributable to common shareholders				
Basic and Diluted	\$ (0.09)	\$ (0.34)	\$ (1.12)	\$ (0.53)

(1) The excess of fair market value over the consideration transferred for the repurchase of SpaceX Redeemable Convertible Preferred Stock was treated as a deemed dividend and resulted in an increase to net loss attributable to common shareholders in the calculation of net loss per share.

The following potentially dilutive securities on an as-converted basis are excluded from the calculation of diluted net loss per share attributable to common shareholders for the periods presented because the impact of including them would be anti-dilutive:

	As of June 30,	
	2026	2025
xAI Redeemable Convertible Preferred Stock	—	1,220
SpaceX Redeemable Convertible Preferred Stock	—	6,760
Share-based compensation	564	669

The table above excludes 1,331 million and 13.5 million share-based compensation awards outstanding as of June 30, 2026 and 2025, respectively, as these awards are subject to performance and market conditions that were not met as of those dates.

Note 14 - Share-based Compensation

General

The Company grants RSUs, RSAs, and non-statutory options to eligible employees, key executives, and certain non-employee service providers with service and/or performance conditions (collectively, the “Plans”). The Company offers an ESPP, under which eligible employees can purchase the Company’s Common Stock at a discounted price. The Company also offers a Non-Qualified Employee Stock Purchase Plan (“NQ ESPP”), under which employees can purchase the Company’s Common Stock at the fair market value. In April 2026, the Company cancelled the NQ ESPP.

Summary of Share-Based Compensation Information

The following table summarizes the Company's share-based compensation expense by line item in the consolidated statements of operations:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Cost of revenue	\$ 117	\$ 65	\$ 193	\$ 104
Research and development	369	193	731	268
Selling, general, and administrative	345	205	546	322
Total	\$ 831	\$ 463	\$ 1,470	\$ 694

During the three and six months ended June 30, 2026, share-based compensation expense capitalized to the consolidated balance sheets was \$50 million and \$110 million, respectively. During the three and six months ended June 30, 2025, share-based compensation expense capitalized to the consolidated balance sheets was \$46 million and \$77 million, respectively.

Note 15 - Income Taxes

The Company's effective tax rate was (4.4)% and (0.6)% for the three and six months ended June 30, 2026, respectively, compared to (15.9)% and (11.0)% for three and six months ended June 30, 2025, respectively. The change in the Company's effective tax rate was primarily due to the changes in the mix of its jurisdictional earnings and changes in the valuation allowance.

The Company's effective tax rates for the six months ended June 30, 2026 and 2025 as compared to the U.S. federal statutory rate of 21.0% were primarily impacted by the mix of its jurisdictional earnings subject to different tax rates and the valuation allowances on its deferred tax assets.

In assessing the realizability of deferred tax assets, the Company considered whether it is more likely than not that some or all of its net deferred tax assets will not be realizable based on the relevant weight of all positive and negative evidence. As of June 30, 2026, the Company continues to maintain a full valuation allowance against its deferred tax assets in the United States, with the exception of certain state deferred tax assets and transferrable investment tax credits that are expected to be realizable. The Company has also recorded valuation allowances in certain foreign jurisdictions where it concluded that it is more likely than not that the deferred tax assets will not be realized. The Company will continue to assess the realizability of its deferred tax assets in future periods and will adjust the valuation allowance as necessary based on changes in facts and circumstances.

Note 16 - Commitments and Contingencies

Unconditional Obligations

The Company's unconditional obligations are non-cancelable contractual commitments primarily related to the Company's investments in AI infrastructure and third-party cloud capacity arrangements and other service arrangements. It also includes the Company's commitments under the Spectrum Transaction, which are payable in cash and in the Company's Class A common stock. Refer to Note 6 - Intangible Assets and Goodwill for additional details. The following table summarizes the Company's non-cancelable contractual commitments as of June 30, 2026:

2026 (remaining six months)	\$ 2,728
2027	22,244
2028	2,172
2029	809
2030	2
Thereafter	—
Total	\$ 27,955

Letters of Credit and Surety Bonds

The Company had outstanding letters of credit of \$645 million at June 30, 2026 related to various customer contracts, insurance agreements, and facility lease agreements. All of the outstanding letters of credit were collateralized by restricted cash. The Company also had surety bonds of \$465 million for self-insured workers' compensation programs and other governmental licenses at June 30, 2026.

Legal Proceedings

In the normal course of its business, the Company is involved from time to time in various arbitrations, class actions, commercial litigation, investigations and other legal, regulatory or governmental actions, including the significant matters described below that could have a material impact on our results of operations. The Company assesses, in conjunction with its legal counsel, the need to record a liability for litigation and contingencies. With respect to the cases, actions, and inquiries described below, the Company evaluates the associated developments on a regular basis and will accrue a liability when it believes a loss is probable and the amount can be reasonably estimated. In addition, the Company believes there is a reasonable possibility that it may incur a loss in some of these matters and the loss may be material or exceed its estimated ranges of possible loss.

The outcomes of the matters described in this section, such as whether the likelihood of loss is remote, reasonably possible, or probable, or if and when the reasonably possible range of loss is estimable, are inherently uncertain, and unless specified otherwise, possible losses are not reasonably estimable at this time. If one or more of these matters were resolved against the Company for amounts above management's estimates, the Company's financial condition and results of operations, including in a particular reporting period in which any such outcome becomes probable and estimable, could be materially adversely affected.

In November 2022, the European Union's Digital Services Act ("DSA") came into force as a result of which X has to comply with extensive content moderation and other duties. The Company published its first Transparency Report under the DSA in November 2023. In December 2023, the European Commission ("EC") opened a formal investigation into X and its Irish subsidiary, Twitter International Unlimited Company ("TIUC"), which was later renamed to X Internet Unlimited Company (XIUC). On July 12, 2024, in relation to alleged breaches of Articles 25(1), 39 and 40(12) of the DSA, the EC issued preliminary findings that X's blue checkmark is deceptive, its advertisement repository does not meet DSA requirements, and it grants inadequate access to data to third-party researchers. On September 26, 2024, XIUC and X submitted their observations challenging the EC's preliminary findings. On December 5, 2025, the EC delivered a final decision in which it upheld its preliminary findings and imposed a fine of EUR 120 million on XIUC, X., x.AI, and Elon Musk (together, the "parties"). On February 16, 2026, the parties challenged the EC's decision in the General Court of the European Union. This challenge remains pending.

In March 2016, non-practicing entity Youtoo Technologies filed suit against Twitter, Inc. in the United States District Court for the Northern District of Texas alleging its Vine and Periscope products infringe Youtoo's video-sharing patents (the '304, '506, and '997 patents). On Twitter's motion, the district court dismissed the '304 and '506 patents as invalid. Twitter filed petitions for Inter Partes Review before the Patent Trial and Appeals Board (PTAB) challenging all three patents-in-suit. The PTAB upheld the '304 and '506 Patents and invalidated the '997 Patent; the Federal Circuit affirmed. On March 16, 2020, Plaintiff (now Vidstream LLC, which allegedly acquired the patents from Youtoo Technologies in a bankruptcy proceeding), moved the Court to reconsider its earlier ruling invalidating the '304 and '506 patents. On April 1, 2022, the Court reversed its original ruling on the '304 and '506 patents. On September 27, 2024, Vidstream filed a motion for partial summary judgment, which the Court granted in part. The case went to a jury trial, and on April 16, 2025, the jury rendered a verdict finding (i) that Twitter did not infringe any claim of the '506 patent and two out of three claims of the '304 patent and that each of those patent claims was invalid, but (ii) that Twitter willfully infringed one claim of the '304 patent. The jury awarded Plaintiff \$105 million in damages. In November 2025, the district court affirmed the jury's award and awarded an additional \$67 million in prejudgment interest. Twitter has appealed and Vidstream has cross-appealed. Both appeals remain pending before the Federal Circuit.

In June 2023, music publishing companies that are members of the National Music Publishers' Association (the "NMPA") filed a complaint against X in the U.S. District Court for the Middle District of Tennessee, claiming direct, contributory, and vicarious copyright infringement based on Twitter's alleged failure to expeditiously take down infringing music posted by users after the music publishers allegedly gave Twitter notice of those infringements. The music publishers also allege that Twitter did not suspend the accounts of "repeat infringers," so that Twitter is not entitled to a "safe harbor" from liability under the DMCA. In March 2024, the Court dismissed plaintiffs' direct infringement and vicarious infringement claims, and part of plaintiffs' claim for contributory infringement. Following the Supreme Court's decision in *Cox Comm's, Inc. v. Sony Music Entm't.*, the Court granted the parties' joint motion for a stay to allow X to file a renewed motion to dismiss. On July 16, 2026, the parties stipulated to the dismissal of all the NMPA's claims, and the matter is now closed.

In September 2023, Dutch foundation Stichting Data Bescherming Nederland ("SDBN") filed a putative class action lawsuit in the District Court of Amsterdam in the Netherlands against TIUC, Twitter, Inc., X Corp., and Twitter Netherlands b.v. related to Twitter's operation of the MoPub platform. SDBN primarily claims that MoPub's real-time bidding ad exchange violated the GDPR. SDBN claims to represent 11 million Dutch internet users who downloaded and used third-party mobile apps containing the MoPub software development kit during the period 2013-2022 and it seeks a monetary award in the range of €250 to €2,500 per person. On February 4, 2026, the Court declined to allow the case to proceed as a class action and indicated that it is considering staying the proceedings until the Court of Justice of the European Union has ruled in a separate case concerning the applicability of Dutch class action requirements to GDPR claims. The Twitter parties filed a brief in support of the proposed stay, which the plaintiffs opposed, on March 4, 2026.

In August 2024, Dutch foundation Stichting Onderzoek Marktinformatie (SOMI) initiated a collective action in the District Court of Amsterdam in the Netherlands on behalf of approximately 7.8 million Dutch X users. Among other things, SOMI seeks damages against TIUC, X Corp. and Twitter Netherlands B.V. (collectively, the “X entities”) for: (1) alleged data breaches and insufficient security measures; (2) alleged unauthorized microtargeting and lack of transparency; and (3) the alleged failure to moderate hate speech and the obstruction of research, all in violation of the GDPR and/or DSA. The alleged data breaches relate to a Twitter API bug that came to light in 2022 and that had allowed persons who knew the email address or phone number of a user to determine the user’s Twitter ID. SOMI has requested compensation (to be assessed at a later stage) for each member of the class, including symbolic damages of EUR 1 for each member of the class that is allegedly affected by hate speech on the X platform. The X entities filed a procedural defense on March 12, 2025. On May 27, 2026, the court determined that SOMI satisfies most admissibility requirements but held that it was unable to establish that SOMI meets the financial safeguard requirements under Dutch law. SOMI provided the court with further information about its financing arrangements on June 24, 2026. The X entities responded to SOMI’s submission on July 29, 2026. The parties are now awaiting the court’s decision on whether SOMI meets the financial safeguard requirements under Dutch law.

In September 2025, non-practicing entity Search and Share Technologies, LLC (“SaS”) filed a patent complaint against X Corp. in the Federal District Court for the Western District of Texas. SaS alleges that X Corp. infringed on U.S. Patent Nos. 10,180,952 and 11,106,744, through features in its mobile app and website enabling users to interact with content through dedicated interfaces that directly share what other users see in ranked feeds and search results. SaS filed an Amended Complaint on January 5, 2026. On January 20, 2026, X Corp. moved to dismiss SaS’s willful infringement and induced infringement claims. On February 3, 2026, SaS responded to, but did not oppose, X Corp.’s partial motion to dismiss. On February 10, 2026, X Corp. filed its reply. On February 4, 2026, X Corp. filed an IPR petition challenging the ‘744 Patent and on February 18, 2026, filed an IPR petition challenging the ‘952 Patent. On July 14, 2026, the Director instituted both IPRs against the SaS patents.

Beginning in January 2026, the Company and certain subsidiaries have been named as defendants in multiple lawsuits arising from Grok’s image-generation and editing features. The complaints generally allege that Grok’s image-generation and editing features enabled the creation and dissemination of nonconsensual explicit images and/or content representing women and/or children in sexualized contexts. The actions include Jane Doe v. X.AI Corp. and X.AI LLC, instituted in the U.S. District Court for the Northern District of California on January 23, 2026, and Jane Doe 1 et al. v. X.AI Corp. and X.AI LLC (the “Jane Doe 1 Case”) instituted in the U.S. District Court for the Northern District of California on March 16, 2026. These cases are putative class actions, asserting claims including, among other things, claims of strict liability, negligence, nuisance, rights of privacy or publicity, and, in the Jane Doe 1 Case, certain federal statutory claims. Plaintiffs in these two cases seek, among other things, compensatory, statutory and punitive damages, restitution, disgorgement and injunctive relief. In addition, a case, Mayor and City Council of Baltimore ex rel. Ebony M. Thompson v. X Corp., X.AI Corp., X.AI LLC, and Space Exploration Technologies Corp, was instituted in the Baltimore City Circuit Court on March 24, 2026 (the “Baltimore Case”). The plaintiff in the Baltimore Case, the Mayor and City Council of Baltimore, asserts similar claims to those in the two cases discussed above under Baltimore’s Consumer Protection Ordinances. The plaintiff in the Baltimore Case seeks statutory penalties and/or injunctive relief. The Company intends to defend itself vigorously in these actions.

On April 14, 2026, the National Association for the Advancement of Colored People and the NAACP Mississippi State Conference (together, the “NAACP”) filed suit against X.AI Corp. and MZX Tech, LLC (the “Defendants”) alleging that the mobile gas turbines powering the COLOSSUS II data center with the permission of the Mississippi Department of Environmental Quality are in violation of the Clean Air Act because they allegedly constitute stationary sources without the proper permits. On May 6, 2026, the NAACP filed a preliminary injunction motion seeking to enjoin the operation of the turbines, which the Defendants opposed. The United States has moved to intervene to dismiss the action, and the State of Mississippi has filed an amicus brief opposing the NAACP’s preliminary injunction motion.

On May 14, 2026, X.AI LLC was named in a putative class action filed in the U.S. District Court for the Northern District of California alleging that Grok.com utilized certain tracking technologies owned by Google, Meta, and TikTok in violation of the Electronic Communications Privacy Act, California’s Invasion of Privacy Act, the California Constitution, and common law. The complaint seeks certification as a class, injunctive relief, unspecified damages, attorneys’ fees, costs, and interest. The Company intends to defend itself vigorously in this action.

The Company has recorded an accrual of \$354 million for litigation losses that are probable and reasonably estimable in Accrued expenses and other current liabilities and Other liabilities on the consolidated balance sheet as of June 30, 2026. For other matters, the Company is not currently able to estimate the reasonably possible loss or range of loss.

Note 17 - Related Party Transactions

The Company periodically does business with certain entities with which its CEO and directors are affiliated.

During the three and six months ended June 30, 2026, the Company purchased \$295 million and \$329 million, respectively, of Megapack products from Tesla, Inc. (“Tesla”) recorded in Property, plant, and equipment, net in the consolidated balance sheets. As of December 31, 2025, the Company purchased \$506 million of Megapack products and \$131 million of Cybertrucks at manufacturer’s suggested retail price from Tesla, recorded in Property, plant, and equipment, net in the consolidated balance sheets.

In April 2026, CTC entered into an equipment lease agreement with Valor Equity Partners (“Valor”) for certain AI infrastructure hardware (“Valor Transaction”). The founder, CEO and Chief Investment Officer of Valor, Antonio Gracias, serves as one of the directors of the Company. The Valor Transaction was deemed to be a failed sale-leaseback transaction. The Company has previously entered into similar agreements with Valor for other AI infrastructure hardware. As of June 30, 2026, the Company recorded debt of \$2,039 million and \$11,290 million within Debt and finance leases, current and Debt and finance leases, net of current, respectively, in the Company’s consolidated balance sheet, and \$327 million and \$513 million in Interest expense for the three and six months ended June 30, 2026 in the Company’s consolidated statement of operations related to equipment lease agreements with Valor. As of December 31, 2025, the Company recorded debt of \$455 million and \$4,052 million within Debt and finance leases, current and Debt and finance leases, net of current, respectively, in the Company’s consolidated balance sheet related to equipment lease agreements with Valor. Refer to Note 9, Debt for additional details. The related asset is recorded within Property, plant, and equipment, net in the Company’s consolidated balance sheets.

Other transactions with Tesla and other related parties during the six months ended June 30, 2026 and 2025 were immaterial.

Note 18 - Segments

The Company’s Chief Executive Officer, as the Chief Operating Decision Maker (“CODM”), organizes the Company, manages resource allocations, and measures performance among three operating and reportable segments: (i) Space, (ii) Connectivity, and (iii) AI. The Company’s CODM assesses performance and allocates resources to operating segments based on segment income (loss) from operations by comparing actual income (loss) from operations to historical results and previously forecasted financial information. The Company’s CODM does not evaluate operating and reportable segments using asset or liability information.

The following tables present information as to revenues, significant segment expenses, and income (loss) from operations by the Company’s reportable segments:

	Three Months Ended June 30,			
	2026			
	Space	Connectivity	AI	Total Reportable Segments
Revenue	\$ 962	\$ 4,291	\$ 2,561	\$ 7,814
Costs and expenses				
Cost of revenue	329	2,060	1,106	3,495
Research and development	1,076	294	2,178	3,548
Selling, general, and administrative	99	281	532	912
Restructuring charges	—	—	2	2
Total costs and expenses	1,504	2,635	3,818	7,957
Income (loss) from operations	(542)	1,656	(1,257)	(143)
Interest expense				(629)
Interest income				340
Other expense, net				(86)
Loss before income taxes				\$ (518)
Supplemental segment information				
Depreciation and amortization	\$ 158	\$ 805	\$ 1,885	\$ 2,848
Share-based compensation	\$ 179	\$ 136	\$ 516	\$ 831
Capital expenditures	\$ 1,174	\$ 1,367	\$ 15,828	\$ 18,369

	Six Months Ended June 30,			
	2026			
	Space	Connectivity	AI	Total Reportable Segments
Revenue	\$ 1,581	\$ 7,548	\$ 3,379	\$ 12,508
Costs and expenses				
Cost of revenue	610	3,711	1,562	5,883
Research and development	2,006	499	4,557	7,062
Selling, general, and administrative	169	494	995	1,658
Restructuring charges	—	—	(9)	(9)
Total costs and expenses	2,785	4,704	7,105	14,594
Income (loss) from operations	(1,204)	2,844	(3,726)	(2,086)
Interest expense				(1,293)
Interest income				553
Other expense, net				(1,962)
Loss before income taxes				\$ (4,788)
Supplemental segment information				
Depreciation and amortization	\$ 324	\$ 1,588	\$ 3,378	\$ 5,290
Share-based compensation	\$ 324	\$ 252	\$ 894	\$ 1,470
Capital expenditures	\$ 2,226	\$ 2,699	\$ 23,551	\$ 28,476

	Three Months Ended June 30,			
	2025			
	Space	Connectivity	AI	Total Reportable Segments
Revenue	\$ 746	\$ 2,588	\$ 737	\$ 4,071
Costs and expenses				
Cost of revenue	330	1,401	551	2,282
Research and development	693	143	1,122	1,958
Selling, general, and administrative	87	121	398	606
Restructuring charges	—	—	190	190
Impairment	5	—	—	5
Total costs and expenses	1,115	1,665	2,261	5,041
Income (loss) from operations	(369)	923	(1,524)	(970)
Interest expense				(411)
Interest income				98
Other income, net				413
Loss before income taxes				\$ (870)
Supplemental segment information				
Depreciation and amortization	\$ 146	\$ 569	\$ 811	\$ 1,526
Share-based compensation	\$ 125	\$ 91	\$ 247	\$ 463
Impairment	\$ 5	\$ —	\$ —	\$ 5
Capital expenditures	\$ 946	\$ 1,130	\$ 749	\$ 2,825

	Six Months Ended June 30,			
	2025			
	Space	Connectivity	AI	Total Reportable Segments
Revenue	\$ 1,611	\$ 5,062	\$ 1,465	\$ 8,138
Costs and expenses				
Cost of revenue	627	2,615	1,002	4,244
Research and development	1,219	266	2,030	3,515
Selling, general, and administrative	175	225	699	1,099
Restructuring charges	—	—	194	194
Impairment	29	—	—	29
Total costs and expenses	2,050	3,106	3,925	9,081
Income (loss) from operations	(439)	1,956	(2,460)	(943)
Interest expense				(858)
Interest income				215
Other income, net				202
Loss before income taxes				<u>\$ (1,384)</u>
Supplemental segment information				
Depreciation and amortization	\$ 308	\$ 1,078	\$ 1,584	\$ 2,970
Share-based compensation	\$ 233	\$ 166	\$ 295	\$ 694
Impairment	\$ 29	\$ —	\$ —	\$ 29
Capital expenditures	\$ 1,705	\$ 1,944	\$ 3,316	\$ 6,965

Note 19 - Restructuring

In 2022, X, an indirect subsidiary of the Company (through the X Merger and subsequently, xAI Merger), initiated global employee workforce reductions, the effects of which continued into 2026. The charges and credits associated with the workforce reduction include cash severance expense and other termination benefits. Total charges (credits) of \$2 million and \$(9) million associated with the workforce reduction were recorded in Restructuring charges (credits) in the consolidated statements of operations for the three and six months ended June 30, 2026, respectively, and \$190 million and \$194 million for the three and six months ended June 30, 2025, respectively.

The following table is a summary of the changes in the restructuring liabilities for each period presented, included within Accrued expenses and other current liabilities and Other liabilities on the consolidated balance sheets:

Restructuring liabilities as of December 31, 2025	\$ 443
Severance and other personnel costs	(9)
Cash payments	(168)
Other adjustments	2
Restructuring liabilities as of June 30, 2026	<u>\$ 268</u>

Note 20 - Acquisitions

Cursor Merger

In April 2026, the Company entered into an option agreement (“Cursor Option Agreement”) providing the right, but not the obligation, to acquire Anysphere, Inc., a San Francisco-based private software company doing business as Cursor (“Cursor”). The Cursor Option Agreement generally provides that the Company may exercise the call option at any time during the 30-day period following the earlier of (i) seven trading days following the completion of the Company’s IPO and (ii) September 30, 2026. Exercise of the call option is in the Company’s sole discretion and subject to further approval by the board of directors. Cursor is also subject to certain exclusivity obligations under the option agreement. The consideration for the acquisition of Cursor would consist of shares of Class A common stock based on an implied equity value of Cursor of \$60 billion, and the price of Class A common stock that equals the volume-weighted average closing price thereof over the seven consecutive trading days immediately preceding the closing of the

acquisition. The call option to acquire Cursor was considered an equity instrument without readily determinable fair value and was determined to have an initial fair value of zero.

In June 2026, the Company exercised the call option and entered into an Agreement and Plan of Merger (the “Cursor Merger Agreement”) with Cursor to acquire Cursor (the “Cursor Merger”). The consummation of the Cursor Merger is subject to the satisfaction or waiver of the closing conditions set forth in the Cursor Merger Agreement, including, but not limited to, receipt of requisite regulatory approvals. The Company currently expects the Cursor Merger to close during the third quarter of 2026.

Concurrently with the Cursor Option Agreement, the Company entered into a compute agreement (“Cursor Compute Agreement”) where the Company would provide Cursor with certain GPU cluster compute capacity and the parties would collaborate to improve existing models, including Grok, and to jointly develop AI models and related model-specific deliverables or products. The net amount attributable to this collaboration arrangement for the three months ended June 30, 2026 was not material.

Mesh Optical Merger

In May 2026, the Company entered into an Agreement and Plan of Merger (the “Mesh Optical Merger Agreement”) with Mesh Optical Technologies Corporation (“Mesh Optical”) to acquire Mesh Optical (the “Mesh Optical Merger”). Mesh Optical designs and manufactures advanced optical devices, such as optical transceivers, to transmit data at high speeds across data centers. Pursuant to the Mesh Optical Merger Agreement, the consideration payable in the Mesh Optical Merger is approximately 3.8 million shares of the Company’s Class A common stock. Additionally, holders of Mesh Optical’s Class B common stock have the option to receive cash consideration of up to \$2.5 million each in lieu of the Company’s common stock. The Mesh Optical Merger closed on July 6, 2026. The Company expects to finalize the valuation and complete the purchase price allocation for the business combination as soon as practicable, but no later than one year from the acquisition date.

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

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and the related notes and other financial information included elsewhere in this Quarterly Report on Form 10-Q and our final prospectus filed with the Securities and Exchange Commission (the “SEC”) pursuant to Rule 424(b)(4) under the Securities Act of 1933 (the “Prospectus”) on June 12, 2026 in connection with our initial public offering, and “Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Prospectus. In addition to historical consolidated financial information, the following discussion contains forward-looking statements that reflect our plans, estimates, and beliefs. Our actual results or outcomes could differ materially from those discussed in the forward-looking statements. You should review the section titled “Forward-Looking Statements” and “Risk Factors” in this Quarterly Report on Form 10-Q, as well as the section titled “Risk Factors” in the Prospectus for a discussion of factors that could cause actual results or outcomes to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis and elsewhere in this Quarterly Report on Form 10-Q.

Overview

We design, manufacture, launch, and operate products and services built on cutting-edge technologies, including the world’s most advanced rockets and spacecraft. We safely and reliably transport astronauts, satellites, and other payloads on missions that benefit life on Earth.

We have three reportable segments in our vertically integrated innovation engine: Space, Connectivity, and AI. In our Space segment, we design, manufacture, and launch reusable rockets to provide high cadence, reliable, and affordable access to space at scale. In our Connectivity segment, we operate a worldwide high-speed, low-latency broadband data and communications network powered by over 10,200 Starlink broadband and mobile satellites in Low-Earth Orbit, delivering connectivity to millions of consumer, enterprise, and government customers across 167 countries, territories, and other markets. In our AI segment, we operate a highly vertically integrated AI platform spanning our truth-seeking frontier model Grok, AI solutions for consumer and enterprise customers, X—our real-time information, entertainment, and free speech platform—and AI computational infrastructure.

Initial Public Offering

In June 2026, the Company completed its initial public offering (“IPO”), in which the Company issued and sold 638.9 million shares of its Class A common stock at a public offering price of \$135.00 per share, including the full exercise of the underwriters’ over-allotment option, which resulted in net proceeds of \$85,675 million after deducting the underwriting commissions and offering costs of \$575 million. The underwriting commissions and offering costs are presented in shareholders’ equity as a reduction of the net proceeds received from the IPO.

Cursor Merger

In April 2026, the Company entered into an option agreement (“Cursor Option Agreement”) providing for the right, but not the obligation, to acquire Anysphere, Inc., a San Francisco-based private software company doing business as Cursor (“Cursor”). The Cursor Option Agreement generally provided that the Company may exercise the call option at any time during the 30-day period following the earlier of (i) seven trading days following the completion of the Company’s IPO and (ii) September 30, 2026. Exercise of the call option was in the Company’s sole discretion and subject to further approval by the board of directors. Cursor was also subject to certain exclusivity obligations under the option agreement. The consideration for the acquisition of Cursor would consist of shares of Class A common stock based on an implied equity value of Cursor of \$60 billion, and the price of Class A common stock that equals the volume-weighted average closing price thereof over the seven consecutive trading days immediately preceding the closing of the acquisition.

In June 2026, the Company exercised the call option and entered into an Agreement and Plan of Merger (the “Cursor Merger Agreement”) with Cursor to acquire Cursor (the “Cursor Merger”). The consummation of the Cursor Merger is subject to the satisfaction or waiver of the closing conditions set forth in the Cursor Merger Agreement, including, but not limited to, receipt of requisite regulatory approvals. The Company currently expects the Cursor Merger to close during the third quarter of 2026.

Key Business Metrics

We use the following key business metrics to evaluate our business, measure our performance, identify trends, formulate business plans, and make strategic decisions.

Space

In our Space segment, we use mass to orbit and launches as key business metrics to measure our scale and throughput. Mass to orbit and launches generally grow more rapidly than Space segment revenue because these metrics include our internal constellation deployments from which we do not recognize inter-segment revenue.

Mass to Orbit: Mass to orbit is the total kilograms of payload that we deploy to orbit in a given period, and is a key indicator of SpaceX's capacity and scalability that supports Space revenue and drives expansion across our Connectivity and AI segments. We calculate this metric by summing verified mass, including Starlink satellites, customer payloads, and development cargo, from all successful orbital and flight tests. This measure excludes failed or scrubbed attempts.

(in metric tons)	Three Months Ended		Six Months Ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Mass to orbit⁽¹⁾	485	652	1,041	1,102
of which, attributable to customer payloads	87	88	132	163
of which, attributable to internal payloads	397	563	908	938

(1) Amounts presented may not add up to the corresponding totals due to rounding.

Launches: Launches are a key measure of our operational scale, which in turn supports our revenue growth and mission to expand humanity's presence in space. Launches in a period represent the sum of all successful orbital and flight tests across our rockets, including internal Starlink deployments, development tests, and launches for our third-party customers, and excluding any cancellations or scrubs that occurred in that period. We allocate a significant amount of launch capacity to our Connectivity segment, and expect to allocate a significant amount to our AI segment in the future. Our Space segment revenue only reflects our customer launches and customer activities.

(number)	Three Months Ended		Six Months Ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Falcon launches⁽¹⁾	37	45	77	81
of which, customer launches	10	9	17	21
of which, internal launches	27	36	60	60
Starship launches⁽¹⁾	1	1	1	3

(1) We designate a launch as a "customer launch" if an external customer payload constitutes the primary payload (i.e., where the principal objective is to deliver the customer payload) and the mission parameters (e.g., launch window, orbital parameters, mission profile) are designed around the primary payload's requirements. To date, all Starship launches have been classified as internal.

Connectivity

In our Connectivity segment, we view Starlink subscribers and Starlink Subscriber ARPU as key business metrics to evaluate our growth and monetization.

Starlink Subscribers: We define a Starlink subscriber as a unique service line that is directly assigned to a Starlink.com account registered to a person or entity that does not have a direct, negotiated agreement with the Starlink sales team. A service line is an individual instance of Starlink broadband internet service provisioned under a subscription plan, generally associated with a specific Starlink terminal or group of terminals, and billed according to Starlink's service plans and terms of service. The number of service lines is distinct from the number of unique devices, account holders, end users or physical persons. An individual, household, or business may share a single service line among multiple end-users. Likewise, an individual, household, or business may maintain multiple service lines (e.g., both a residential service line and a separate roam service line, which would be defined as two separate service lines and therefore two Starlink subscribers).

We use this measure to assess the adoption of Starlink as we expand within and across geographies and business segments. Starlink subscribers includes both personal (e.g., residential and roam) and business (e.g., local priority and global priority) subscription plans, but does not include managed enterprise and government customers with contracts in domains including aviation, maritime, land

mobility, fixed sites, and government entities. We calculate Starlink subscribers for a period as the number of unique service lines at the end of the period.

(in millions)	As of	
	June 30, 2026	June 30, 2025
Starlink subscribers	12.0	6.0

Starlink Subscriber ARPU: We calculate ARPU as service revenue generated from Starlink subscribers during the period divided by (i) the average number of Starlink subscribers during the period and by (ii) the number of months in the period.

(dollars per month)	Three Months Ended		Six Months Ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Starlink ARPU	\$66	\$85	\$66	\$85

AI

Nameplate Compute Draw: We calculate nameplate compute draw for a period as the number of GPUs installed in our data centers at the end of the period multiplied by their respective all-in power draw. Nameplate compute draw reflects installed capacity and does not represent actual power consumption or utilization. It does not include power we install and use for our supporting infrastructure such as cooling systems, power distribution losses, lighting, security systems, or facility-level overhead. We use this metric to assess our ability to deploy, scale, and monetize compute capacity.

(in gigawatts)	As of	
	June 30, 2026	June 30, 2025
Nameplate compute draw	1.4	0.4

Components of Results of Operations

Description of Our Segments

Space

Revenue - Space

Space segment generates revenue primarily through (i) Launch Services for the deployment of payloads to their intended orbits for both commercial and government customers utilizing Falcon 9 and Falcon Heavy, and (ii) Launch and Development for the development of spacecraft and provision of launch and mission services for government agency space programs utilizing Falcon 9, Falcon Heavy, Starship, and Dragon. Launch Services revenue is derived from fixed-price contracts that range from one to five years. Launch and Development revenue is derived from fixed-price contracts that can range from one to fourteen years.

The Company recognizes Launch Services revenue at a point in time, due to the interchangeability of flight hardware and minimal unique engineering costs. Revenue and costs are deferred and not recognized until upon the launch or deployment of the customer's payload to their intended orbit.

The Company recognizes Launch and Development revenue over time as the Company's performance on the contract creates an asset with no alternative use and the Company has an enforceable right to payment for performance to date. The Company measures progress on these contracts using the cost-to-cost input method, which the Company believes represents the most appropriate measure towards satisfaction of its performance obligation.

For launches of our Starlink satellites, the Company does not recognize any inter-segment revenue, rather those launch costs are capitalized in satellites in Property, plant, and equipment, net. We allocate a significant amount of launch capacity to our Connectivity segment, and expect to allocate a significant amount to our AI segment in the future. Our Space segment revenue only reflects our customer launches and customer activities.

Revenue from Launch Services recognized at point in time and revenue from Launch and Development recognized over time as a percentage of total Space segment revenue are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Launch Services	67.4 %	65.7 %	61.9 %	65.5 %
Launch & Development	32.6 %	34.3 %	38.1 %	34.5 %
Space	100.0 %	100.0 %	100.0 %	100.0 %

Expenses - Space

Cost of Revenue

Space segment's cost of revenue includes second stages flown related to the Company's Falcon 9 and Falcon Heavy launches, launch operations and overhead, depreciation (inclusive of booster, Merlin engine, and fairing depreciation), employee compensation costs (including salaries, benefits, and share-based compensation) for our operations teams, launch testing and overhead, engineering costs, inventory excess and obsolescence, shared costs incurred in the production of launch hardware, and ongoing product support.

Research and Development

Space segment's research and development ("R&D") expenses mainly relate to the development, build, and testing of Starship. Starship costs consist of test flight hardware, Raptor engines, employee compensation costs (including salaries, benefits, and share-based compensation), tooling and equipment expenses, depreciation for R&D equipment, and allocated overhead. R&D also includes certain expenses related to the development of features and modules created through engineering services for the Company's Falcon vehicles, where the Company retains the associated intellectual property.

Selling, General, and Administrative

Space segment's selling, general, and administrative ("SG&A") expenses include allocated employee compensation costs (including salaries, benefits, and share-based compensation) for our sales, facilities, legal, finance, information technology, human resources, and other administrative employees, depreciation, and corporate aircraft costs.

Impairment

Space impairment includes impairment losses on fixed assets due to anomalies on the Company's flight vehicles and launch sites, which occur outside our normal business operations.

Connectivity

Revenue - Connectivity

Connectivity segment generates revenue from (i) the broadband and mobile connectivity services provided through Starlink and (ii) the sale of the Starlink Kits (inclusive of the terminal). The Company provides connectivity services and Starlink Kits to consumers as well as enterprise and government customers.

The Company recognizes revenue from broadband and mobile connectivity services over time as the customer simultaneously receives and consumes the benefits provided. The Company generates service revenue from (i) fixed-price services that require advance or recurring monthly payments by the customer or (ii) variable-priced services based on actual data consumption. The amounts received from customers for advanced payments for broadband and mobile connectivity services are recognized either ratably over the subscription term or based on actual data consumption. The Company's broadband contracts are generally month-to-month and the revenue recognized for these recurring consumer customers is equal to the amount billed in that month. The Company's mobile connectivity agreements are generally multi-year contractual obligations that range from one to five years, although the customer can generally terminate at any time.

The Company recognizes revenue over time for certain contracts related to our Starshield business that are multi-year in nature. For revenue that is recognized over time, we use the cost-to-cost input method. The Company records revenue based upon costs (such as materials and labor hours) incurred to date relative to the total estimated cost at completion.

The Company records revenue for the Starlink Kit upon delivery to the customer, or in the instance of certain enterprise customers, when it is installed. Starlink Kit revenue is reported net of sales returns, credits, and chargebacks.

Expenses - Connectivity

Cost of Revenue

Connectivity segment's cost of revenue includes depreciation (inclusive of launch, satellite, and ground infrastructure costs), Starlink Kit costs, shipping and handling costs, ground operating expenses, employee compensation costs (including salaries, benefits, and share-based compensation) for our engineering and operations teams, payment processor fees, warranty expense, inventory excess and obsolescence, and customs and duties.

Research and Development

Connectivity segment's R&D expenses mainly relate to the development, build, and testing of our next-generation satellites, Starlink Kits, and ground infrastructure. These costs include employee compensation costs (including salaries, benefits, and share-based compensation), contractor compensation expenses, equipment lease expenses, depreciation for R&D equipment, and allocated overhead.

Selling, General, and Administrative

Connectivity segment's SG&A expenses include allocated employee compensation costs (including salaries, benefits, and share-based compensation) for our sales, facilities, legal, finance, information technology, human resources, and other administrative employees, licensing and regulatory fees, marketing expenses, depreciation, and bad debt expense.

AI

Revenue - AI

AI segment generates revenue from (i) the sale of ad products displayed on its X platform, and (ii) providing AI solutions and infrastructure, which includes subscription-related offerings, data licensing arrangements, and API access to Grok models, as well as the sale of cloud services. Both services are offered to consumer and enterprise customers.

Revenue for advertising services is recognized in the period when advertising is delivered as evidenced by a person engaging with an ad on the Company's platforms in a manner satisfying the types of engagement selected by the advertisers. The Company's contract terms for advertising services are typically cancellable short-term arrangements. We experience seasonality in our advertising revenues. Overall advertising spend tends to be highest in the fourth quarter of each year due in large part to end-of-year advertiser spending and lowest in the first quarter of each year.

Revenue for AI solutions and infrastructure includes: (i) premium subscriptions on X and Grok which is recognized ratably over the period of the subscription term (ranging from month-to-month to one year), (ii) data licensing revenue which is generally recognized ratably over the period (from month-to-month to two years) in which the Company provides data as the customer consumes and benefits from the use of the licensed data, (iii) revenue from providing API access to Grok models recognized ratably over the contract term (typically month-to-month or up to one year) for stand-ready access or as services are consumed for usage based arrangements, and (iv) revenue from cloud services based on fixed monthly services fee which is recognized ratably over the contract term.

Expenses - AI

Cost of Revenue

AI segment's cost of revenue includes infrastructure costs, revenue share expenses, payment processor fees, payments to creators, amortization of acquired intangible assets, and allocated labor and overhead costs. Infrastructure costs consist primarily of costs related to data center facilities, including lease and hosting costs, related support, maintenance, energy, and bandwidth costs, depreciation of servers and networking equipment, public cloud hosting costs, and employee compensation costs (including salaries, benefits, and share-based compensation) for our operations teams.

Research and Development

AI segment's R&D expenses mainly relate to the training of Grok, our leading frontier model, development, build, and testing of our next-generation AI-enabled products and data center costs to train AI-enabled products. These costs include cloud computing expenses, employee compensation expenses (including salaries, benefits, and share-based compensation), power generation costs, and depreciation of data center assets, including processors, equipment lease expenses, and networking equipment.

Selling, General, and Administrative

AI segment's SG&A expenses consist primarily of employee compensation expenses (including salaries, benefits, and share-based compensation) for our sales, sales support, marketing, finance, legal, information technology, human resources and other administrative employees. In addition, SG&A expenses include fees and costs for professional services, including consulting, content moderation, third-party legal and accounting services and facilities costs and other supporting overhead costs that are not allocated to other departments.

Restructuring Charges

AI restructuring charges are the result of the acquisition of Twitter in October 2022 by X Holdings. The charges include workforce restructuring for former Twitter employees, as well as impairment and early termination penalties as a result of consolidation of Twitter's various office leases.

Other Corporate Expenses

Interest Expense

Interest expense includes interest expense related to our borrowings, amortization of associated debt discount and issuance costs, undrawn fees, and finance leases. Interest expense is reflected net of capitalized interest.

Interest Income

Interest income includes interest income earned on cash and cash equivalents and marketable securities, and dividend income from our investments in mutual funds.

Other Income (Expense), Net

Other income (expense), net consists of gain or loss on digital assets, gain or loss on foreign currency transactions, and loss on extinguishment of debt.

Provision for (Benefit from) Income Taxes

The provision for (benefit from) income taxes consists primarily of income taxes in certain federal, state, local and foreign jurisdictions in which we conduct business. Foreign jurisdictions typically have different statutory tax rates from those in the United States. Accordingly, our effective tax rates may vary depending on the relative proportion of foreign income to domestic income, generation of tax credits, changes in the valuation allowance of our net deferred tax assets, and changes in tax laws.

Comparison of the Three and Six Months Ended June 30, 2026 and June 30, 2025

Consolidated Results of Operations

The following table sets forth our consolidated financial statements data for the periods indicated:

(in millions)	Three Months Ended June 30,		2026 vs. 2025 Change		Six Months Ended June 30,		2026 vs. 2025 Change	
	2026	2025	\$ Change	% Change	2026	2025	\$ Change	% Change
Revenue	\$ 7,814	\$ 4,071	\$ 3,743	91.9 %	\$ 12,508	\$ 8,138	\$ 4,370	53.7 %
Costs and expenses								
Cost of revenue	3,495	2,282	1,213	53.2 %	5,883	4,244	1,639	38.6 %
Research and development	3,548	1,958	1,590	81.2 %	7,062	3,515	3,547	100.9 %
Selling, general, and administrative	912	606	306	50.5 %	1,658	1,099	559	50.9 %
Restructuring charges (credits)	2	190	(188)	(98.9)%	(9)	194	(203)	NM
Impairment	—	5	(5)	NM	—	29	(29)	NM
Total costs and expenses	7,957	5,041	2,916	57.8 %	14,594	9,081	5,513	60.7 %
Loss from operations	(143)	(970)	827	(85.3)%	(2,086)	(943)	(1,143)	121.2 %
Interest expense	(629)	(411)	(218)	53.0 %	(1,293)	(858)	(435)	50.7 %
Interest income	340	98	242	246.9 %	553	215	338	157.2 %
Other income (expense), net	(86)	413	(499)	NM	(1,962)	202	(2,164)	NM
Loss before income taxes	(518)	(870)	352	(40.5)%	(4,788)	(1,384)	(3,404)	246.0 %
Provision for income taxes	23	138	(115)	(83.3)%	29	152	(123)	(80.9)%
Net loss	\$ (541)	\$ (1,008)	\$ 467	(46.3)%	\$ (4,817)	\$ (1,536)	\$ (3,281)	213.6 %

NM — Absolute percentage comparisons from positive to negative values or to zero values are considered not meaningful.

Revenue

Revenue for the three months ended June 30, 2026 increased by \$3,743 million, or 91.9%, compared to the three months ended June 30, 2025. This increase was due to an increase in revenue from our AI segment of \$1,824 million primarily from new AI infrastructure contracts, an increase in revenue from our Connectivity segment of \$1,703 million as our Starlink consumer subscribers and enterprise and government customer base continued to grow, as well as an increase in revenue from our Space segment of \$216 million primarily driven by customer mix and an additional customer launch.

Revenue for the six months ended June 30, 2026 increased by \$4,370 million, or 53.7%, compared to the six months ended June 30, 2025. The increase was driven by an increase in revenue from our Connectivity segment of \$2,486 million as our Starlink consumer subscribers and enterprise and government customer base continued to grow as well as an increase in revenue from our AI segment of \$1,914 million primarily from new AI infrastructure contracts.

Cost of Revenue

Cost of revenue for the three months ended June 30, 2026 increased by \$1,213 million, or 53.2%, compared to the three months ended June 30, 2025. This increase was due to an increase in costs in our Connectivity segment of \$659 million driven primarily by an increase in depreciation related to the number of satellites placed into orbit and an increase in Starlink Kit production spend as our Connectivity revenue grew, and a \$555 million increase in costs in our AI segment primarily due to an increase in infrastructure costs allocated to cost of revenue due to new AI infrastructure revenue contracts.

Cost of revenue for the six months ended June 30, 2026 increased by \$1,639 million, or 38.6%, compared to the six months ended June 30, 2025. This increase was driven by an increase in costs in our Connectivity segment of \$1,096 million driven primarily by an increase in depreciation related to the number of satellites placed into orbit and an increase in Starlink Kit production spend as our Connectivity revenue grew, and a \$560 million increase in costs in our AI segment primarily due to an increase in infrastructure costs allocated to cost of revenue due to new AI infrastructure revenue contracts, partially offset by a decrease in our Space segment of \$17 million due to fewer customer launches.

Research and Development

Research and development expense for the three months ended June 30, 2026 increased by \$1,590 million, or 81.2%, compared to the three months ended June 30, 2025. This increase was primarily due to higher costs in our AI segment of \$1,056 million driven by higher infrastructure and cloud computing costs as a result of our AI data center expansions, and higher costs from our Space segment of \$383 million driven by increased investment in our Starship vehicle and related facilities.

Research and development expense for six months ended June 30, 2026 increased by \$3,547 million, or 100.9%, compared to the six months ended June 30, 2025. This increase was primarily due to higher costs in our AI segment of \$2,527 million driven by higher infrastructure and cloud computing costs as a result of our AI data center expansions, and higher costs from our Space segment of \$787 million driven by increased investment in our Starship vehicle and related facilities.

Selling, General, and Administrative

Selling, general, and administrative expense for the three months ended June 30, 2026 increased by \$306 million, or 50.5%, compared to the three months ended June 30, 2025. This increase was due to higher costs for our AI segment of \$134 million primarily driven by an increase in employee compensation expenses (including salaries, benefits, and share-based compensation) as our AI business grew rapidly, and an increase in costs for our Connectivity segment of \$160 million primarily driven by an increase in marketing and international expansion costs.

Selling, general, and administrative expense for the six months ended June 30, 2026 increased by \$559 million, or 50.9%, compared to the six months ended June 30, 2025. This increase was due to higher costs for our AI segment of \$296 million primarily driven by an increase in employee compensation expenses (including salaries, benefits, and share-based compensation) as our AI business grew rapidly, and higher costs of \$269 million in our Connectivity segment primarily driven by marketing and international expansion.

Restructuring Charges (Credits)

Restructuring charges (credits) for the three and six months ended June 30, 2026 decreased by \$188 million and \$203 million, respectively, compared to the corresponding prior year periods primarily due to a change in estimated settlement amounts in 2025 for former Twitter employees as part of the workforce reduction program implemented in 2022.

Loss from Operations

Loss from operations for the three months ended June 30, 2026 decreased by \$827 million, or 85.3%, compared to the three months ended June 30, 2025, and loss from operations for the six months ended June 30, 2026 increased by \$1,143 million, or 121.2%, compared to the six months ended June 30, 2025 driven by the factors described above.

Interest Expense

Interest expense for the three months ended June 30, 2026 increased by \$218 million, or 53.0%, compared to the three months ended June 30, 2025. This increase was primarily due to additional debt raised by the Company and other financing arrangements entered into during the three months ended June 30, 2026 by our AI segment.

Interest expense for the six months ended June 30, 2026 increased by \$435 million, or 50.7%, compared to the six months ended June 30, 2025. This increase was primarily due to additional debt raised by the Company and by xAI prior to its merger with the Company, and other financing arrangements entered into during the six months ended June 30, 2026 by our AI segment.

Interest Income

Interest income for the three and six months ended June 30, 2026 increased by \$242 million, or 246.9%, and \$338 million, or 157.2%, respectively, compared to the prior periods primarily due to an increase in interest income earned from cash equivalents and marketable securities following the deployment of proceeds from the IPO and the SpaceX Notes issuance.

Other Income (Expense), Net

Other income (expense), net for the three months ended June 30, 2026 decreased by \$499 million compared to the three months ended June 30, 2025. This decrease was primarily due to unrealized loss on digital assets, partially offset by gain on foreign currency exchange rates.

Other income (expense), net for the six months ended June 30, 2026 decreased by \$2,164 million compared to the six months ended June 30, 2025. This decrease was primarily due to the loss on extinguishment of debt and unrealized loss on digital assets.

Provision for Income Taxes

Provision for income taxes for the three and six months ended June 30, 2026 decreased by \$115 million, or 83.3%, and \$123 million, or 80.9%, respectively, compared to the prior periods primarily due to a change in the valuation allowance on U.S. R&D credits during 2025.

Net Loss

Net loss for the three months ended June 30, 2026 decreased by \$467 million, or 46.3%, compared to the three months ended June 30, 2025, and net loss for the six months ended June 30, 2026 increased by \$3,281 million, or 213.6%, compared to the six months ended June 30, 2025 driven by the factors described above.

Segment Results

Space

(in millions)	Three Months Ended June 30,		2026 vs. 2025 Change		Six Months Ended June 30,		2026 vs. 2025 Change	
	2026	2025	\$ Change	% Change	2026	2025	\$ Change	% Change
Revenue	\$ 962	\$ 746	\$ 216	29.0 %	\$ 1,581	\$ 1,611	\$ (30)	(1.9)%
Costs and expenses								
Cost of revenue	329	330	(1)	(0.3)%	610	627	(17)	(2.7)%
Research and development	1,076	693	383	55.3 %	2,006	1,219	787	64.6 %
Selling, general, and administrative	99	87	12	13.8 %	169	175	(6)	(3.4)%
Impairment	—	5	(5)	NM	—	29	(29)	NM
Total costs and expenses	\$ 1,504	\$ 1,115	\$ 389	34.9 %	\$ 2,785	\$ 2,050	\$ 735	35.9 %
Loss from operations	<u>\$ (542)</u>	<u>\$ (369)</u>	<u>\$ (173)</u>	<u>46.9 %</u>	<u>\$ (1,204)</u>	<u>\$ (439)</u>	<u>\$ (765)</u>	<u>174.3 %</u>

NM — Absolute percentage comparisons from positive to negative values or to zero values are considered not meaningful.

Revenue

Revenue for the three months ended June 30, 2026 increased \$216 million, or 29.0%, compared to the three months ended June 30, 2025. This increase was primarily driven by an increase in Launch Services revenue of \$158 million and an increase in Launch and Development revenue of \$58 million due to an increase in customer launches period over period from 9 for the three months ended June 30, 2025 to 10 for the three months ended June 30, 2026, and a favorable customer mix shift.

Revenue for the six months ended June 30, 2026 decreased by \$30 million, or 1.9%, compared to the six months ended June 30, 2025. This decrease was primarily driven by a decrease in customer launches period over period from 21 for the six months ended June 30, 2025 to 17 for the six months ended June 30, 2026. Launch Services revenue decreased by \$78 million, partially offset by an increase in Launch and Development revenue of \$48 million primarily due to timing of work performed on government contracts.

Cost of Revenue

Cost of revenue for the three months ended June 30, 2026 was flat compared to the three months ended June 30, 2025. This was primarily driven by higher customer and launch overhead costs of \$42 million, offset by a decrease in production related costs of \$43 million.

Cost of revenue for the six months ended June 30, 2026 decreased by \$17 million, or 2.7%, compared to the six months ended June 30, 2025. This decrease was primarily due to a decrease in customer launches and timing of work on government contracts of \$21 million.

Research and Development

Research and development for the three months ended June 30, 2026 increased by \$383 million, or 55.3%, compared to the three months ended June 30, 2025. This increase was primarily driven by higher production and engineering costs of \$311 million and higher launch and test costs of \$73 million to support continued development of the Starship vehicle.

Research and development for the six months ended June 30, 2026 increased by \$787 million, or 64.6%, compared to the six months ended June 30, 2025. This increase was primarily driven by higher production and engineering costs of \$653 million and higher launch and test costs of \$134 million to support continued development of the Starship vehicle.

Selling, General, and Administrative

Selling, general, and administrative for the three months ended June 30, 2026 increased by \$12 million, or 13.8%, compared to the three months ended June 30, 2025. This increase was primarily due to higher general corporate and travel expenses.

Selling, general, and administrative for the six months ended June 30, 2026 decreased by \$6 million, or 3.4%, compared to the six months ended June 30, 2025. This decrease was primarily due to lower allocated general and administrative overhead of \$30 million, partially offset by an increase in our general corporate and travel expenses of \$16 million.

Loss from Operations

Space loss from operations for the three and six months ended June 30, 2026 increased by \$173 million, or 46.9%, and \$765 million, or 174.3%, respectively, compared to the prior periods driven by the factors described above.

Connectivity

(in millions)	Three Months Ended June 30,		2026 vs. 2025 Change		Six Months Ended June 30,		2026 vs. 2025 Change	
	2026	2025	\$ Change	% Change	2026	2025	\$ Change	% Change
Revenue	\$ 4,291	\$ 2,588	\$ 1,703	65.8 %	\$ 7,548	\$ 5,062	\$ 2,486	49.1 %
Costs and expenses								
Cost of revenue	2,060	1,401	659	47.0 %	3,711	2,615	1,096	41.9 %
Research and development	294	143	151	105.6 %	499	266	233	87.6 %
Selling, general, and administrative	281	121	160	132.2 %	494	225	269	119.6 %
Total costs and expenses	\$ 2,635	\$ 1,665	\$ 970	58.3 %	\$ 4,704	\$ 3,106	\$ 1,598	51.4 %
Income from operations	<u>\$ 1,656</u>	<u>\$ 923</u>	<u>\$ 733</u>	79.4 %	<u>\$ 2,844</u>	<u>\$ 1,956</u>	<u>\$ 888</u>	45.4 %

Revenue

Revenue for the three months ended June 30, 2026 increased by \$1,703 million, or 65.8%, compared to the three months ended June 30, 2025. This increase was primarily driven by an increase of \$764 million in revenue from our consumer subscribers, composed of 101.2% growth in Starlink subscribers, offset by a 22.4% decline in Starlink subscriber ARPU, primarily due to international expansion and the addition of lower priced service plans, as well as an increase of \$939 million in our government, aviation, maritime, and other enterprise businesses.

Revenue for the six months ended June 30, 2026 increased by \$2,486 million, or 49.1%, compared to the six months ended June 30, 2025. This increase was primarily driven by an increase of \$1,420 million in revenue from our consumer subscribers, composed of 101.2% growth in Starlink subscribers, offset by a 22.6% decline in Starlink subscriber ARPU, primarily due to international expansion and the addition of lower priced service plans, as well as an increase of \$1,066 million in our government, aviation, maritime, and other enterprise businesses.

Cost of Revenue

Cost of revenue for the three months ended June 30, 2026 increased by \$659 million, or 47.0%, compared to the three months ended June 30, 2025. This increase was due to (i) higher depreciation of \$226 million primarily from capitalized launch and satellite costs, (ii) higher operating expenses of \$158 million mainly driven by customer support and installation costs of \$50 million, ground operating costs of \$44 million, and payment processor fees of \$17 million, and (iii) an increase in Starlink Kit production spend of \$148 million to support our Connectivity revenue growth.

Cost of revenue for the six months ended June 30, 2026 increased by \$1,096 million, or 41.9%, compared to the six months ended June 30, 2025. This increase was due to (i) higher depreciation of \$503 million primarily from capitalized launch and satellite costs, (ii) higher operating expenses of \$295 million mainly driven by customer support and installation costs of \$89 million, ground operating costs of \$88 million, payment processor fees of \$35 million and engineering costs of \$30 million, and (iii) an increase in Starlink Kit production spend of \$219 million to support our Connectivity revenue growth.

Research and Development

Research and development for the three months ended June 30, 2026 increased by \$151 million, or 105.6%, compared to the three months ended June 30, 2025. This increase was primarily due to increased spend on our next-generation development of satellites of \$90 million, ground equipment of \$28 million, and Starlink Kits of \$18 million.

Research and development for the six months ended June 30, 2026 increased by \$233 million, or 87.6%, compared to the six months ended June 30, 2025. This increase was primarily due to increased spend on our next-generation development of satellites of \$152 million, ground equipment of \$42 million, and Starlink Kits of \$25 million.

Selling, General, and Administrative

Selling, general, and administrative for the three months ended June 30, 2026 increased by \$160 million, or 132.2%, compared to the three months ended June 30, 2025. This increase was primarily driven by higher marketing costs of \$111 million, higher international expansion costs of \$16 million, and higher sales and property taxes of \$15 million, partially offset by lower bad debt expense of \$13 million.

Selling, general, and administrative for the six months ended June 30, 2026 increased by \$269 million, or 119.6%, compared to the six months ended June 30, 2025. This increase was primarily driven by higher marketing costs of \$191 million, higher international expansion costs of \$27 million, and higher sales and property taxes of \$21 million, partially offset by lower bad debt expense of \$21 million.

Income from Operations

Connectivity income from operations for the three and six months ended June 30, 2026 increased by \$733 million, or 79.4%, and \$888 million, or 45.4%, respectively, compared to the prior periods driven by the factors described above.

AI

(in millions)	Three Months Ended June 30,		2026 vs. 2025 Change		Six Months Ended June 30,		2026 vs. 2025 Change	
	2026	2025	\$ Change	% Change	2026	2025	\$ Change	% Change
Revenue	\$ 2,561	\$ 737	\$ 1,824	247.5 %	\$ 3,379	\$ 1,465	\$ 1,914	130.6 %
Costs and expenses								
Cost of revenue	1,106	551	555	100.7 %	1,562	1,002	560	55.9 %
Research and development	2,178	1,122	1,056	94.1 %	4,557	2,030	2,527	124.5 %
Selling, general, and administrative	532	398	134	33.7 %	995	699	296	42.3 %
Restructuring charges	2	190	(188)	(98.9)%	(9)	194	(203)	NM
Total costs and expenses	\$ 3,818	\$ 2,261	\$ 1,557	68.9 %	\$ 7,105	\$ 3,925	\$ 3,180	81.0 %
Loss from operations	\$ (1,257)	\$ (1,524)	\$ 267	(17.5)%	\$ (3,726)	\$ (2,460)	\$ (1,266)	51.5 %

NM — Absolute percentage comparisons from positive to negative values or to zero values are considered not meaningful.

Revenue

Revenue for the three months ended June 30, 2026 increased by \$1,824 million, or 247.5%, compared to the three months ended June 30, 2025 due to the increase in AI solutions and infrastructure revenue of \$1,883 million, partially offset by decrease in advertising revenue of \$59 million. The increase in AI solutions and infrastructure was primarily due to an increase in AI infrastructure revenue of \$1,600 million as we began to offer cloud services to customers and an increase in Grok and X subscription revenue of \$258 million. The decrease in advertising revenue was due to the Company's transition to a new advertising platform which impacted ad sales for a short period of time.

Revenue for the six months ended June 30, 2026 increased by \$1,914 million, or 130.6%, compared to the six months ended June 30, 2025 due to the increase in AI solutions and infrastructure revenue of \$2,074 million, partially offset by decrease in advertising revenue of \$160 million. The increase in AI solutions and infrastructure was primarily due to an increase in AI infrastructure revenue of \$1,600 million and an increase in Grok and X subscription revenue of \$449 million. The decrease in advertising revenue was due to the Company's transition to a new advertising platform which impacted ad sales for a short period of time.

Cost of Revenue

Cost of revenue for the three months ended June 30, 2026 increased by \$555 million, or 100.7%, compared to the three months ended June 30, 2025. This increase was primarily driven by an increase in infrastructure and cloud computing costs of \$470 million due to more compute costs being allocated to cost of revenue as our AI infrastructure revenue increased, an increase in payment processor fees of \$39 million, and an increase in revenue share and content creator fees of \$35 million, partially offset by a decrease in employee compensation expenses (including salaries, benefits, and share-based compensation) of \$19 million.

Cost of revenue for the six months ended June 30, 2026 increased by \$560 million, or 55.9%, compared to the six months ended June 30, 2025. This increase was primarily driven by an increase in infrastructure and cloud computing costs of \$386 million due to more costs being allocated to cost of revenue as our AI infrastructure revenue increased, an increase in revenue share and content creator fees of \$105 million, and an increase in payment processor fees of \$55 million, partially offset by a decrease in employee compensation expenses (including salaries, benefits, and share-based compensation) of \$13 million.

Research and Development

Research and development for the three months ended June 30, 2026 increased by \$1,056 million, or 94.1%, compared to the three months ended June 30, 2025. This increase was primarily due to higher infrastructure and cloud computing costs of \$726 million and higher employee compensation expenses (including salaries, benefits, and share-based compensation) of \$180 million associated with the continued build out of our compute infrastructure.

Research and development for the six months ended June 30, 2026 increased by \$2,527 million, or 124.5%, compared to the six months ended June 30, 2025. This increase was primarily due to higher infrastructure and cloud computing costs of \$1,742 million and higher employee compensation expenses (including salaries, benefits, and share-based compensation) of \$449 million associated with the continued build out of our compute infrastructure.

Selling, General, and Administrative

Selling, general, and administrative for the three months ended June 30, 2026 increased by \$134 million, or 33.7%, compared to the three months ended June 30, 2025. This increase was primarily due to higher employee compensation expenses (including salaries, benefits, and share-based compensation) of \$177 million as we continue to expand our AI business, partially offset by a decrease in legal expenses of \$64 million due to a dismissal of litigation against the Company.

Selling, general, and administrative for the six months ended June 30, 2026 increased by \$296 million, or 42.3%, compared to the six months ended June 30, 2025. This increase was primarily due to higher employee compensation expenses (including salaries, benefits, and share-based compensation) of \$325 million as we continue to expand our AI business, partially offset by a decrease in legal expenses of \$64 million due to a dismissal of litigation against the Company.

Restructuring Charges (Credits)

Restructuring charges (credits) for the three and six months ended June 30, 2026 decreased by \$188 million and \$203 million, respectively, compared to the prior periods. This decrease was primarily due to a change in estimated settlement amounts in 2025 for former Twitter employees as part of the workforce reduction program implemented in 2022.

Loss from Operations

AI loss from operations for the three months ended June 30, 2026 decreased by \$267 million, or 17.5%, compared to the three months ended June 30, 2025 driven by the factors described above.

AI loss from operations for the six months ended June 30, 2026 increased by \$1,266 million, or 51.5%, compared to the six months ended June 30, 2025 driven by the factors described above.

Non-GAAP Financial Measures

Management believes that certain financial measures that are not presented in accordance with GAAP provide management and investors with useful supplemental information that provides a meaningful view of our financial condition and results of operations across periods by removing the impact of items that management believes do not directly reflect our ongoing operating performance. Adjusted EBITDA and Segment Adjusted EBITDA are supplemental measures that are not required by or presented in accordance with GAAP. In evaluating our performance as measured by Adjusted EBITDA and Segment Adjusted EBITDA, management recognizes and considers the limitations of these measures. Other companies in our industry may calculate Adjusted EBITDA and Segment Adjusted EBITDA differently than we do or may not calculate them at all, limiting their usefulness as comparative measures. Because of these limitations, Adjusted EBITDA and Segment Adjusted EBITDA should not be considered in isolation or as a substitute for net income (loss), income (loss) from operations, or any other measure calculated in accordance with GAAP, and should be considered together with our GAAP financial measures and the reconciliations to the corresponding most directly comparable GAAP financial measures set forth in this Quarterly Report on Form 10-Q.

Adjusted EBITDA is defined as net income (loss) excluding (i) depreciation and amortization, (ii) share-based compensation, (iii) restructuring charges, (iv) impairments, (v) interest expense, (vi) interest income, (vii) other income (expense), net and (viii) provision for (benefit from) income taxes. Segment Adjusted EBITDA is defined as segment income (loss) from operations excluding (i) depreciation and amortization, (ii) share-based compensation, (iii) restructuring charges, and (iv) impairments. Adjusted EBITDA and Segment Adjusted EBITDA are key performance measures that our management uses to assess our financial performance as well as for internal planning and forecasting purposes. We consider Adjusted EBITDA and Segment Adjusted EBITDA to be meaningful performance measures for investors to evaluate our operating performance and to compare the financial results between periods.

The following table sets forth a reconciliation of Net loss, the most directly comparable GAAP measure, to Adjusted EBITDA:

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net loss	\$ (541)	\$ (1,008)	\$ (4,817)	\$ (1,536)
Add (deduct):				
Depreciation and amortization	2,848	1,526	5,290	2,970
Share-based compensation	831	463	1,470	694
Restructuring charges	2	190	(9)	194
Impairments	—	5	—	29
Interest expense	629	411	1,293	858
Interest income	(340)	(98)	(553)	(215)
Other income (expense), net	86	(413)	1,962	(202)
Provision for income taxes	23	138	29	152
Adjusted EBITDA	<u>\$ 3,538</u>	<u>\$ 1,214</u>	<u>\$ 4,665</u>	<u>\$ 2,944</u>

The following table sets forth a reconciliation of Income (loss) from operations for each segment, the most directly comparable GAAP measure, to Segment Adjusted EBITDA:

(in millions)	Three Months Ended June 30,			
	2026			
	Space	Connectivity	AI	Total Reportable Segments
Income (loss) from operations	\$ (542)	\$ 1,656	\$ (1,257)	\$ (143)
Add:				
Depreciation and amortization	158	805	1,885	2,848
Share-based compensation	179	136	516	831
Restructuring charges	—	—	2	2
Segment Adjusted EBITDA	<u>\$ (205)</u>	<u>\$ 2,597</u>	<u>\$ 1,146</u>	<u>\$ 3,538</u>

(in millions)	Six Months Ended June 30,			
	2026			
	Space	Connectivity	AI	Total Reportable Segments
Income (loss) from operations	\$ (1,204)	\$ 2,844	\$ (3,726)	\$ (2,086)
Add:				
Depreciation and amortization	324	1,588	3,378	5,290
Share-based compensation	324	252	894	1,470
Restructuring charges	—	—	(9)	(9)
Segment Adjusted EBITDA	\$ (556)	\$ 4,684	\$ 537	\$ 4,665

(in millions)	Three Months Ended June 30,			
	2025			
	Space	Connectivity	AI	Total Reportable Segments
Income (loss) from operations	\$ (369)	\$ 923	\$ (1,524)	\$ (970)
Add:				
Depreciation and amortization	146	569	811	1,526
Share-based compensation	125	91	247	463
Restructuring charges	—	—	190	190
Impairment	5	—	—	5
Segment Adjusted EBITDA	\$ (93)	\$ 1,583	\$ (276)	\$ 1,214

(in millions)	Six Months Ended June 30,			
	2025			
	Space	Connectivity	AI	Total Reportable Segments
Income (loss) from operations	\$ (439)	\$ 1,956	\$ (2,460)	\$ (943)
Add:				
Depreciation and amortization	308	1,078	1,584	2,970
Share-based compensation	233	166	295	694
Restructuring charges	—	—	194	194
Impairment	29	—	—	29
Segment Adjusted EBITDA	\$ 131	\$ 3,200	\$ (387)	\$ 2,944

Liquidity and Capital Resources

Our primary sources of liquidity are cash flows generated from operations, our total cash and cash equivalents of \$93,522 million as of June 30, 2026, short-term marketable securities of \$6,487 million as of June 30, 2026, and borrowings under our credit facilities. As of June 30, 2026, we have \$5,000 million available to borrow under the SpaceX Credit Facility. In June 2026, the Company completed its initial public offering (“IPO”), in which the Company issued and sold 638.9 million shares of its Class A common stock at a public offering price of \$135.00 per share, including the full exercise of the underwriters’ over-allotment option, which resulted in net proceeds of \$85,675 million after deducting the underwriting commissions and offering costs. In June 2026, the Company also raised \$25,000 million in the SpaceX Notes, which was partially used to repay the SpaceX Bridge Loan in full.

In addition, because we expect a significant portion of our future expenditures to fund growth initiatives, we retain flexibility to adjust spending across segments. For example, if our near-term data center needs decrease in scale or ramp more slowly than expected, including due to global economic, tax, trade or business conditions, we may reduce future capital expenditures in this segment and reallocate those expenditures to other segments based on business priorities and growth opportunities. We may also from time to time determine that it is in our best interests to voluntarily repay certain indebtedness early.

Accordingly, we believe we have sufficient sources of funding to meet our business requirements for at least the next twelve months.

Debt Agreements

As of June 30, 2026, we and our subsidiaries had outstanding \$38,433 million in aggregate principal amount of indebtedness and no material debt principal payments are due until July 15, 2031 under SpaceX Notes. For details regarding our indebtedness, refer to Note 9, Debt of our consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

SpaceX Notes

In June 2026, SpaceX issued senior unsecured notes with The Bank of New York Mellon Trust Company, N.A, as trustee, in an aggregate principal amount of \$25,000 million (“SpaceX Notes”). The SpaceX Notes have five tranches maturing on July 15, 2031, July 15, 2033, July 15, 2036, July 15, 2046, and July 15, 2056 with a weighted average maturity of 11.7 years. SpaceX Notes are unsecured obligations of the Company and rank equally in right of payment with all existing and future unsubordinated indebtedness, liabilities and other obligations of the Company. The proceeds of the SpaceX Notes were used to repay the SpaceX Bridge Loan (as defined and described in Note 9, Debt of our consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q) in full and to pay related fees and expenses. The remaining proceeds were used for general corporate purposes.

The SpaceX Notes bear annual coupon interests between 5.350% and 6.650% with a weighted average coupon interest rate of 5.855%. Interest is payable semi-annually in arrears on January 15 and July 15 of each year, beginning on January 15, 2027.

SpaceX Notes are redeemable, in whole or in part, at the Company’s option at any time and from time to time prior to the applicable Par Call Date, which is defined as a date ranging from one to six months prior to maturity for each tranche. The redemption price of each tranche is equal to the greater of (i) (a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date (assuming the respective tranche matured on the applicable Par Call Date) on a semi-annual basis at the Treasury Rate plus the applicable spread between 0.002 and 0.003 basis points for such tranche less (b) interest accrued and unpaid thereon to the date of redemption, and (ii) 100% of the principal amount of the SpaceX Notes to be redeemed, plus accrued and unpaid interest, if any, thereon to, but excluding, the redemption date. On or after the applicable Par Call Date, SpaceX Notes are redeemable, in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the respective SpaceX Notes being redeemed plus accrued and unpaid interest.

The SpaceX Notes contain customary events of default and affirmative and negative covenants, including restrictions on additional liens in excess of 7.5% of the Company’s consolidated total assets and fundamental changes (which is limited to a merger where the Company is not the surviving entity outside certain jurisdictions).

SpaceX Credit Facility

In February 2025, SpaceX entered into a five-year senior unsecured revolving credit agreement with a syndicate of banks, under which the Company may borrow up to \$1,500 million (“SpaceX Credit Facility”). The SpaceX Credit Facility is subject to certain customary representations, warranties, covenants, and events of default, including a maximum financial covenant requiring the Company to maintain a Consolidated Leverage Ratio (as defined in the SpaceX Credit Facility) of no greater than 3.75 to 1.0 as of the end of each fiscal quarter (subject to temporary increases to 4.25 to 1.0 following certain qualified acquisitions) and other customary reporting requirements. The SpaceX Credit Facility also includes sublimits of up to \$150 million for financial letters of credit and up to \$1,000 million for performance letters of credit. The SpaceX Credit Facility terminates, and all outstanding loans become due and payable, on February 7, 2030, unless the parties agree to an extension in accordance with the terms of the SpaceX Credit Facility. As of June 30, 2026, no amounts were outstanding under the SpaceX Credit Facility.

Borrowings under the SpaceX Credit Facility bear interest, at the Company’s option, at a rate per annum equal to (i) a forward-looking term rate based on SOFR (“Term SOFR”) plus an applicable margin ranging from 0.75% and 1.25% (depending on the Company’s debt rating), or (ii) a base rate equal to the highest of (a) Federal Funds Rate plus 0.5%, (b) the Prime Rate, (c) Term SOFR plus 1.00%, and (d) 1.00% plus an applicable margin ranging from 0.0% and 0.25% (depending on the Company’s debt rating). The Company may also borrow in various alternative currencies, with interest calculated at rates based on SONIA for Pound Sterling-denominated loans and EURIBOR for Euro-denominated loans, plus an applicable margin. In addition, the Company pays a commitment fee on the unused portion of the SpaceX Credit Facility, which ranges from 0.07% (amended to 0.06% under the Amended SpaceX Credit Facility described below) to 0.11% per annum based on the Company’s debt rating. As of June 30, 2026, the Company was in compliance with all covenants under the SpaceX Credit Facility.

In March 2026, the Company entered into a First Amendment to Credit Agreement and Waiver (the “First Amendment”) with its lenders, in connection with the Company’s entry into the SpaceX Bridge Loan (as defined below). The First Amendment, among other things, (i) waived certain specified defaults and (ii) amended certain definitions and covenants under the SpaceX Credit Facility to conform to the terms of the SpaceX Bridge Loan.

In May 2026, SpaceX amended the SpaceX Credit Facility to increase the borrowing capacity up to \$5,000 million (“Amended SpaceX Credit Facility”). As part of the Amended SpaceX Credit Facility, the sublimit for performance letters of credit was increased to \$2,000 million. The Amended SpaceX Credit Facility terminates, and all outstanding loans become due and payable, on May 19, 2031, unless the parties agree to an extension in accordance with the terms of the Amended SpaceX Credit Facility. All other terms were consistent with the terms of the SpaceX Credit Facility.

Material Cash Commitments

From time to time in the ordinary course of business, we enter into agreements with suppliers for the purchase of parts and raw materials to manufacture our products. However, due to contractual terms, variability in the precise growth curves of our development and production ramps, and opportunities to renegotiate pricing, these contracts generally do not have long-term binding and enforceable purchase orders, and the timing and magnitude of purchase orders beyond the short term is difficult to accurately project. Because we do not have long-term purchase orders for these parts and raw materials, future purchases may result in material cash commitments.

We did not have any material changes in our material cash commitments during the three months ended June 30, 2026 other than activities in the ordinary course of business and as noted below. For additional information about our material cash commitments, refer to “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources – Material Cash Commitments” in our Prospectus and Note 16 - Commitments and Contingencies of our consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Spectrum Transaction

On September 7, 2025, the Company entered into a License Purchase Agreement (the “Spectrum License Purchase Agreement”) with Spectrum Business Trust 2025-1, a Nevada Business Trust (“Trust”) and EchoStar Corporation (“EchoStar”) for the purchase of EchoStar’s licenses related to 50 MHz of spectrum (the “AWS-4 and H-Block Licenses” and the transactions contemplated thereby, “Spectrum Transaction”). On November 5, 2025 the parties amended and restated the Spectrum License Purchase Agreement to include EchoStar’s licenses for up to 15 MHz of additional unpaired AWS-3 spectrum (together with the AWS-4 and H-Block Licenses, the “Spectrum Licenses”).

The total consideration for the acquisition of the Spectrum Licenses is approximately \$19.6 billion, consisting of (i) approximately \$11.1 billion in equity, payable through the issuance of approximately 261.8 million shares of the Company’s Class A common stock at a fixed value of \$42.40 per share, and (ii) up to \$8.5 billion related to the payoff of designated EchoStar debt, with any shortfall below \$8.5 billion to be paid in cash. The allocation of cash and equity consideration is subject to certain adjustments based on the amount of EchoStar debt satisfied at or prior to closing. The Spectrum License Purchase Agreement provides that the transfer of the Spectrum Licenses occurs in two steps: first, the transfer of the Spectrum Licenses by EchoStar to the Trust (the “Spectrum Transfer Closing”), and second, the Spectrum Licenses will be transferred by the Trust to the Company (the “Spectrum Acquisition Closing”). The Foreign Assets will be transferred directly to the Company at the Spectrum Acquisition Closing, to the extent the required regulatory approvals have been obtained by such date; provided, however, that the failure to obtain such approvals will not delay or prevent the Spectrum Acquisition Closing.

In connection with the Spectrum License Purchase Agreement, the Company and the Trust entered into a credit agreement (the “Spectrum Credit Agreement”), pursuant to which the Company has agreed upon the Spectrum Transfer Closing, to make payments to the Trust (via loans which are contemplated to be forgiven at six-month intervals), for the Trust to make payments on EchoStar’s debt (interest only) through at least November 30, 2027, but in no event later than November 30, 2028. Although these payments are structured as loans from the Company to the Trust, there is no expectation of repayment as the loan payments are forgiven and are accounted for as additional consideration for the acquisition of the Spectrum Licenses. Accordingly, the payments are recognized as prepaid assets until the Spectrum Acquisition Closing at which point they will be recognized as intangible assets. Total payments expected to be made under the Spectrum Credit Agreement are \$1,241 million in 2026, of which \$856 million was paid as of June 30, 2026, and \$828 million in 2027, assuming an expected closing date of November 30, 2027. The Company may need to make additional payments totaling \$827 million if the Spectrum Acquisition Closing occurs at November 30, 2028.

The Spectrum Transaction was approved by the FCC on May 12, 2026, and the Spectrum Transfer Closing occurred on May 22, 2026. On that date, the Spectrum Licenses were transferred to the Trust, where they will remain until the Spectrum Acquisition Closing. Upon closing, the Company intends to either use cash and cash equivalents on hand or seek alternative financing sources to fund the cash payment to EchoStar. The \$11.1 billion equity consideration will be issued at the Spectrum Acquisition Closing.

Summary of Cash flows

The following table summarizes our cash flows for the periods indicated:

(in millions)	Six Months Ended June 30,	
	2026	2025
Net cash provided by (used in)		
Operating activities	\$ 3,466	\$ 351
Investing activities	\$ (34,487)	\$ (6,032)
Financing activities	\$ 100,291	\$ 9,199

Operating Activities

Net cash provided by operating activities increased by \$3,115 million from \$351 million during the six months ended June 30, 2025 to \$3,466 million during the six months ended June 30, 2026. This increase was primarily driven by lower net loss exclusive of non-cash items, an increase in working capital for deferred revenue of \$1,489 million from upfront payments from our Space and Connectivity customers, partially offset by an increase in working capital for accounts receivable of \$1,533 million and a decrease in accounts payable of \$397 million.

Investing Activities

Net cash used in investing activities increased by \$28,455 million from \$6,032 million during the six months ended June 30, 2025 to \$34,487 million during the six months ended June 30, 2026. This increase was primarily driven by an increase in capital expenditures of \$21,511 million related to the build out of data centers and related infrastructure, and space launch facilities and related infrastructure, an increase in purchases of marketable securities of \$13,029 million from cash proceeds received from the IPO and the SpaceX Notes, and an increase in payments to EchoStar for the Spectrum Licenses of \$856 million. This increase was partially offset by an increase in cash received from matured marketable securities of \$6,705 million.

Financing Activities

Net cash provided by financing activities increased by \$91,092 million from \$9,199 million during the six months ended June 30, 2025 to \$100,291 million during the six months ended June 30, 2026. This increase was primarily driven by an increase in proceeds from our IPO of \$85,675 million and increase in proceeds from the SpaceX Notes and other financing arrangements of \$40,869 million, partially offset by increase in the repayment of debt and other existing debt obligations of \$33,406 million from the repayment of the SpaceX Bridge Loan, and increase in payments for repurchase of our common and redeemable convertible preferred stock of \$3,906 million.

Critical Accounting Estimates

For a description of our critical accounting policies and estimates, refer to the section “Critical Accounting Estimates” in our Prospectus. There have been no material changes to our critical accounting policies and estimates as described in our Prospectus.

Recent Accounting Pronouncements

Refer to Note 2, Summary of Significant Accounting Policies, to the consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk*Interest Rate Risk*

In the six months ended June 30, 2026, we issued the new SpaceX Notes and repaid the SpaceX Bridge Loan. The effective interest rate on the SpaceX Notes was 6.03% as of June 30, 2026. As of June 30, 2026, we had no variable rate debt outstanding.

Except as described above, there have been no material changes to our market risk exposures during the three months ended June 30, 2026. For more information about our market risk, please see the section “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Quantitative and Qualitative Disclosures About Market Risk” in our Prospectus.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), as of June 30, 2026 (the end of the period covered by this Quarterly Report on Form 10-Q). Disclosure controls and procedures are designed to ensure that information required to be disclosed by us in our Exchange Act reports is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of June 30, 2026, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended June 30, 2026, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls

Our management, including the Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

We are involved in the legal proceedings described in Note 16 - Commitments and Contingencies, and we are subject to other claims and litigation arising in the ordinary course of business. The outcome of any litigation is inherently uncertain, and if decided adversely to us, or if we determine that settlement of particular litigation is appropriate, we may be subject to liability that could have a material adverse effect on our business.

Item 1A. Risk Factors

The risk factor set forth below supplements the risk factors disclosed under the section titled "Risk Factors" in our Prospectus. Except as set forth below, there have been no material changes from the risk factors previously disclosed in our Prospectus which could materially and adversely affect our business, financial condition and results of operations.

Risks related to our AI infrastructure and data center operations could adversely affect our AI segment's business and financial results.

We generate an increasing portion of our consolidated revenue from our AI segment. This growth is primarily driven by our AI Infrastructure business, which depends on continued AI adoption and scaling. If AI development does not progress as anticipated, if advancements in model efficiency or alternative architectures reduce demand for our infrastructure, if we fail to adapt to evolving customer requirements or technological changes, or if we cannot compete effectively, our business and results of operations could be adversely affected. In addition, a significant portion of our AI infrastructure revenue is concentrated in a small number of customers. Our cloud services agreements generally provide for monthly fees and, after an initial period inclusive of capacity ramp (generally, a number of months), may be terminated by either party upon 90 days' notice. Accordingly, the loss of a significant customer, the termination or non-renewal of one or more of these agreements, our inability to replace lost business on comparable terms, reduced spending, shifts to internally developed infrastructure, migration to competing platforms or changes in these customer relationships could materially adversely affect our AI segment and consolidated revenue, results of operations, and cash flows and future growth. Moreover, our cloud services depend on reliable data center operations and timely development. Physical damage, natural disasters, cybersecurity incidents, construction delays, workforce disruption or turnover, power constraints, supply chain disruptions, equipment

shortages, regulatory restrictions, or permit delays could impair our ability to deploy capacity, disrupt service delivery, increase costs, and adversely affect our financial condition.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Recent Sales of Unregistered Equity Securities

From April 1, 2026 through June 12, 2026 (the date of the filing of our registration statement on Form S-8, File No. 333-296740), we issued and sold to our employees and other service providers an aggregate of 8,510,615 unregistered shares of Class A common stock upon the exercise of stock options under the Space Exploration Technologies Corp. 2015 Equity Incentive Plan, the Space Exploration Technologies Corp. Amended and Restated 2024 Equity Incentive Plan (the “2024 Plan”), and the xAI Corp. Amended and Restated 2023 Equity Incentive Plan (the “xAI 2023 Plan”). From April 1, 2026 through June 12, 2026, we issued and sold to our employees and other service providers an aggregate of 745,230 unregistered shares of Class B common stock upon the exercise of stock options under the xAI 2023 Plan. From April 1, 2026 through June 12, 2026, we granted an aggregate of 25,917,613 restricted stock units under the 2024 Plan, which may vest and be settled for an equal number of shares of Class A common stock. From April 1, 2026 through June 12, 2026, we issued and sold to our employees and other service providers an aggregate of 3,171,855 shares of unregistered Class A common stock pursuant to the Space Exploration Technologies Corp. Second Amended and Restated 2017 Employee Stock Purchase Plan and the Space Exploration Technologies Corp. 2023 Employee Stock Purchase Plan.

We believe the offers, sales, and issuances of the above securities were exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act (or Regulation D promulgated thereunder), Regulation S promulgated under Section 5 of the Securities Act, or Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or pursuant to benefit plans and contracts relating to compensation as provided under Rule 701. The recipients of the securities in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed upon the stock certificates issued in these transactions. All recipients had adequate access, through their relationships with us, to information about the Registrant.

Use of Initial Public Offering Proceeds

On June 15, 2026 the Company completed its IPO, in which the Company issued and sold 638,888,888 shares of its Class A common stock at a public offering price of \$135.00 per share, including the full exercise of the underwriters’ over-allotment option, which resulted in net proceeds of \$85,675 million after deducting the underwriting commissions and offering costs of \$575 million. The shares sold in the offering were registered under the Securities Act pursuant to our Registration Statement on Form S-1 (File No. 333-296070) which was declared effective by the SEC on June 11, 2026. Goldman Sachs & Co. LLC, Morgan Stanley, BofA Securities, Citigroup, J.P. Morgan, Barclays, Deutsche Bank Securities, RBC Capital Markets, UBS Investment Bank, and Wells Fargo Securities acted as book-running managers for the IPO. Cantor, Needham & Company, Raymond James, Societe Generale, Stifel, William Blair, BTG Pactual, ING, Macquarie Capital (USA) Inc., Mirae Asset Securities, Mizuho, and Santander acted as co-managers. None of the expenses associated with our IPO were paid, directly or indirectly, to any of our directors or officers, any persons owning 10% or more of any class of equity securities, or to any of our affiliates.

As described in the Prospectus, the Company intends to use the net proceeds from the IPO to fund its growth strategy, including the expansion of the Company’s AI compute infrastructure, enhancements to the Company’s launch infrastructure and launch vehicles, increases in the scale and capacity of the Company’s satellite constellations, and any remaining amounts for general corporate purposes.

Unregistered Sales of Equity Securities

From April 1, 2026 through June 12, 2026 (the date of the filing of our registration statement on Form S-8, File No. 333-296740), we issued and sold to our employees and other service providers an aggregate of 8,510,615 unregistered shares of Class A common stock upon the exercise of stock options under the Space Exploration Technologies Corp. 2015 Equity Incentive Plan, the Space Exploration Technologies Corp. Amended and Restated 2024 Equity Incentive Plan (the “2024 Plan”), and the xAI Corp. Amended and Restated 2023 Equity Incentive Plan (the “xAI 2023 Plan”). From April 1, 2026 through June 12, 2026, we issued and sold to our employees and other service providers an aggregate of 745,230 unregistered shares of Class B common stock upon the exercise of stock options under the xAI 2023 Plan. From April 1, 2026 through June 12, 2026, we granted an aggregate of 25,917,613 RSUs under the 2024 Plan, which may vest and be settled for an equal number of shares of our Class A common stock. From April 1, 2026 through June 12, 2026, we issued and sold to our employees and other service providers an aggregate of 3,171,855 shares of Class A Common Stock pursuant to the Space Exploration Technologies Corp. Second Amended and Restated 2017 Employee Stock Purchase Plan and the Space Exploration Technologies Corp. 2023 Employee Stock Purchase Plan.

We believe the offers, sales, and issuance of the above securities were exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act (or Regulation D or Regulation S promulgated thereunder), or Rule 701 promulgated under

Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or pursuant to benefit plans and contracts relating to compensation as provided under Rule 701. The recipients of the securities in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed upon the stock certificates issued in these transactions. All recipients had adequate access, through their relationships with us, to information about the Registrant.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Rule 10b5-1 Trading Arrangements

During the three months ended June 30, 2026, none of the Company's directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as defined in Item 408 of Regulation S-K), except as follows:

Pursuant to the extended lock-up arrangements described in the Prospectus, Bret Johnsen, Chief Financial Officer, agreed to subject the vast majority of his shares to the extended lock-up period. On June 16, 2026, Mr. Johnsen, individually and on behalf of B & C Johnsen Holdings LLC, adopted a Rule 10b5-1 trading arrangement that does not commence sales until 2027 and covers up to 919,497 shares of Class A common stock of the Company, which are subject to the lock-up period (as defined in the Prospectus). The arrangement is subject to certain conditions and expires on June 17, 2027, or such earlier date upon which all transactions are completed.

Pursuant to the extended lock-up arrangements described in the Prospectus, Gwynne Shotwell, President, Chief Operating Officer and a director, agreed to subject the vast majority of her shares to the extended lock-up period. On June 23, 2026, Ms. Shotwell adopted a Rule 10b5-1 trading arrangement for up to 585,605 shares of Class A common stock of the Company, which are subject to the lock-up period (as defined in the Prospectus). The arrangement is subject to certain conditions and expires on June 30, 2027, or such earlier date upon which all transactions are completed.

On June 12, 2026, various entities affiliated with Valor Equity Partners (the "Valor Entities"), where Antonio J. Gracias, a member of the board of directors, is the founder, CEO and Chief Investment Officer, adopted a Rule 10b5-1 trading arrangement for the potential distribution to limited partners and general partners of the Valor Entities of up to 225,857,490 shares of Class A common stock of the Company, subject to certain conditions. The arrangement's expiration date is September 30, 2027, or such earlier date upon which all transactions are completed.

Item 6. Exhibits

Exhibit No.	Description of Exhibit
2.1	Agreement and Plan of Merger and Reorganization, by and among Space Exploration Technologies Corp., X.AI Holdings Corp., K2 Merger Sub Inc. and K2 Merger Sub 2 LLC, dated January 31, 2026 (incorporated by reference to Exhibit 2.1 to the Company's Amendment No. 2 to its Registration Statement on Form S-1 filed on June 3, 2026).
2.2	Agreement and Plan of Merger, dated June 16, 2026, by and among Space Exploration Technologies Corp., X67 Inc. and Anysphere, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 16, 2026).
3.1	Restated Certificate of Formation of Space Exploration Technologies Corp.
3.2	Amended and Restated Bylaws of Space Exploration Technologies Corp.
4.1	Indenture, dated as of June 26, 2026, between Space Exploration Technologies Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee containing Form of 5.350% Senior Notes due 2031, Form of 5.650% Senior Notes due 2033, Form of 5.875% Senior Notes due 2036, Form of 6.600% Senior Notes due 2046, Form of 6.650% Senior Notes due 2056 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed on June 26, 2026).
4.2	Registration Rights Agreement, dated as of June 26, 2026, among Space Exploration Technologies Corp. and BofA Securities, Inc., Citigroup Global Markets Inc., Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, and Morgan Stanley & Co. LLC (incorporated by reference to Exhibit 4.7 to the Company's Current Report on Form 8-K, filed on June 26, 2026).

Exhibit No.	Description of Exhibit
10.1†	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.1 to the Company's Registration Statement on Form S-1, filed on May 20, 2026).
10.2†	Space Exploration Technologies Corp. Amended and Restated 2024 Equity Incentive Plan (incorporated by reference to Exhibit 99.1 to the Company's Registration Statement on Form S-8, filed on June 12, 2026).
10.3†	Space Exploration Technologies Corp. Second Amended and Restated 2017 Employee Stock Purchase Plan (incorporated by reference to Exhibit 99.2 to the Company's Registration Statement on Form S-8, filed on June 12, 2026).
10.4†	Mesh Optical Technologies Corporation 2025 Equity Incentive Plan.
10.5	Amended and Restated Credit Agreement, dated as of May 19, 2026, by and among Space Exploration Technologies Corp., the Guarantors party thereto, the Lenders party thereto, Bank of America, NA., as the administrative agent, an L/C Issuer and the Swing Line Lender, and the other L/C Issuers from time to time party thereto (incorporated by reference to Exhibit 10.10 to Amendment No. 1 to the Company's Registration Statement on Form S-1, filed on June 1, 2026).
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
32.1*	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350.
32.2*	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Furnished herewith.

† Management contract or compensatory plan or arrangement.

SIGNATURES

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

Space Exploration Technologies Corp.

Date: August 4, 2026

By: /s/ Bret Johnsen
Name: Bret Johnsen
Title: Chief Financial Officer and Duly Authorized Officer

RESTATED CERTIFICATE OF FORMATION

OF

SPACE EXPLORATION TECHNOLOGIES CORP.

Space Exploration Technologies Corp. (the “**Corporation**”), pursuant to Sections 3.057 – 3.060 of the Texas Business Organizations Code (“**TBOC**”), hereby submits this Restated Certificate of Formation (the “**Restated Certificate of Formation**”) for filing with the Secretary of State of the State of Texas:

1. The name of the filing entity is Space Exploration Technologies Corp. The filing entity is a for-profit corporation.
2. The file number issued to the Corporation is 0805421124.
3. The date of formation in Texas of the Corporation is February 14, 2024.
4. This Restated Certificate of Formation accurately states the text of the Corporation’s existing Certificate of Formation being restated, as previously amended, restated and corrected (the “**Existing Certificate of Formation**”), except for the information permitted to be omitted by the provisions of TBOC Sections 3.059(b), 3.060(a) and 21.053(c)(1). This Restated Certificate of Formation does not make any new amendments to the Existing Certificate of Formation.
5. This Restated Certificate of Formation has been approved in the manner required by the TBOC and the governing documents of the Corporation.
6. The Existing Certificate of Formation is hereby restated and superseded by the following provisions of this Restated Certificate of Formation (hereinafter referred to as the “**Certificate of Formation**”):

Article I

The name of this corporation is Space Exploration Technologies Corp. The Corporation is a for-profit corporation.

Article II

The address of the Corporation’s registered office in the State of Texas is 211 East 7th Street, Suite 620, Austin, Texas 78701. The name of its registered agent at such address is Corporation Service Company d/b/a CSC-Lawyers Incorporating Service Company.

Article III

The purpose of the Corporation is to engage in any lawful act or activity for which for-profit corporations may be organized under the TBOC.

Article IV

The Corporation has been formed pursuant to a plan of conversion whereby Space Exploration Technologies Corp., a Delaware corporation with a registered office address of 251 Little Falls Drive, Wilmington, Delaware 19808, converted into Space Exploration Technologies Corp., a Texas corporation. The converting entity was incorporated in Delaware on March 14, 2002.

Article V

The number of directors constituting the Whole Board shall be fixed as provided in the Bylaws of the Corporation (as the same may be amended and/or restated from time to time, the “**Bylaws**”). For purposes of this Certificate of Formation, the term “**Whole Board**” shall mean the total number of authorized directors then constituting the Corporation’s Board of Directors, as determined from time to time (the “**Board**” or “**Board of Directors**”), whether or not there exist any vacancies in authorized directorships.

Article VI

(A) **Classes of Capital Stock.** The Corporation is authorized to issue four classes of capital stock to be designated, respectively, “***Class A Common Stock***,” “***Class B Common Stock***,” “***Class C Common Stock***” and “***Preferred Stock***.” The total number of shares which the Corporation is authorized to issue is fifty-four billion six hundred fifty-seven million one hundred fifty thousand (54,657,150,000) shares, each with a par value of \$0.001 per share. Thirty-six billion one hundred thirty-two million one hundred fifty thousand (36,132,150,000) shares shall be Class A Common Stock, six billion one hundred twenty-five million (6,125,000,000) shares shall be Class B Common Stock, ten billion (10,000,000,000) shares shall be Class C Common Stock and two billion four hundred million (2,400,000,000) shares shall be Preferred Stock. As used in this Certificate of Formation, “***Common Stock***” shall refer collectively to the Class A Common Stock, the Class B Common Stock and the Class C Common Stock, each as applicable.

(B) **Powers, Preferences and Special Rights of Preferred Stock.** The Preferred Stock authorized by this Certificate of Formation may be issued from time to time in one or more series pursuant to a resolution or resolutions providing for such issue duly adopted by the Board of Directors (authority to do so being hereby expressly vested in the Board of Directors). The Board of Directors is further authorized, subject to limitations prescribed by law, to fix by resolution or resolutions the powers, designations, preferences and relative participation, optional or other rights, if any, including voting rights, and the qualifications, limitations or restrictions thereof, if any, of any wholly unissued series of Preferred Stock and the number of shares constituting any such series and the designation thereof, or any of the foregoing. The Board of Directors is further authorized to increase (but not above the total number of authorized shares of the class) or decrease (but not below the number of shares of any such series then outstanding) the number of shares of any series, the number of which was fixed by it, subsequent to the issuance of shares of such series then outstanding, subject to the powers, preferences and rights, and the qualifications, limitations and restrictions thereof stated in this Certificate of Formation or the resolution of the Board of Directors originally fixing the number of shares of such series. If the number of shares of any series is so decreased, then the shares constituting such decrease shall resume the status which they had prior to the adoption of the resolution originally fixing the number of shares of such series. Any shares of Preferred Stock that may be redeemed, purchased

or acquired by the Corporation may be reissued except as otherwise provided by law or by the terms of any series of Preferred Stock.

(C) **Classes of Common Stock.** The respective rights, preferences, privileges, and restrictions granted to and imposed by this Certificate of Formation on the Class A Common Stock, the Class B Common Stock and the Class C Common Stock are as set forth below in this Article VI(C). Any shares of any class of Common Stock (other than Class B Common Stock) that may be redeemed, purchased or acquired by the Corporation may be reissued except as otherwise provided by law or by the terms of any class of Common Stock.

1. **Definitions.** For purposes of this Certificate of Formation, the following definitions shall apply:

(a) ***“Family Member”*** shall mean with respect to any natural person who is a Qualified Shareholder, the spouse, domestic partner, ex-spouse, parents, grandparents, lineal descendants, siblings and lineal descendants of siblings of such Qualified Shareholder (in each case whether by blood relation or adoption).

(b) ***“Founder”*** shall mean Mr. Elon Musk.

(c) ***“Permitted Entity”*** shall mean with respect to a Qualified Shareholder (i) a Permitted Trust (as defined below), (ii) a Permitted Nonprofit (as defined below) or (iii) any general partnership, limited partnership, limited liability company, corporation or other entity exclusively owned by (A) such Qualified Shareholder, (B) one or more Family Members of such Qualified Shareholder and/or (C) any other Permitted Entity of such Qualified Shareholder.

(d) ***“Permitted Nonprofit”*** shall mean a corporation, limited liability company, partnership or trust: (i) that is exempt from U.S. Federal income tax by reason of Section 501 of the Internal Revenue Code of 1986, as amended (the ***“Code”***) and (ii) a majority of whose directors, managers, general partners or trustees are elected by one or more (A) Qualified Shareholders, (B) Family Members and/or (C) Permitted Entities.

(e) ***“Permitted Transfer”*** shall mean, and be restricted to, any Transfer of a share of Class B Common Stock:

(i) by a Qualified Shareholder to (A) one or more Family Members of such Qualified Shareholder, or (B) any Permitted Entity of such Qualified Shareholder;

(ii) by a Permitted Entity of a Qualified Shareholder to (A) such Qualified Shareholder or one or more Family Members of such Qualified Shareholder, or (B) any other Permitted Entity of such Qualified Shareholder; or

(iii) any of the following Transfers by a Qualified Shareholder:

(A) a Transfer to a bona fide trust for the benefit of a charitable organization, contributions to which are deductible for federal income, estate, gift and generation skipping transfer tax purposes; provided such Transfer does not involve any payment of cash, securities, property or other consideration (other than an interest in such trust); provided, further, that a Qualified Shareholder has dispositive power and exclusive Voting Control with respect to the shares of the Class B Common Stock held in such trust and provided, further, that in the event a Qualified Shareholder no longer has dispositive power and exclusive Voting

Control with respect to the shares of Class B Common Stock then held in such account, plan or trust, all shares of Class B Common Stock then held in such account, plan or trust shall automatically convert into fully paid and nonassessable shares of Class A Common Stock, as applicable;

(B) a Transfer to an Individual Retirement Account, as defined in Section 408(a) of the Code, or a pension, profit sharing, stock bonus or other type of plan or trust of which a Qualified Shareholder is a participant or beneficiary and which satisfies the requirements for qualification under Section 401 of the Code; provided, that in each case a Qualified Shareholder has dispositive power and exclusive Voting Control with respect to the shares of the Class B Common Stock held in such account, plan or trust, and provided, further, that in the event a Qualified Shareholder no longer has dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock then held in such account, plan or trust, all shares of Class B Common Stock then held in such account, plan or trust shall automatically convert into fully paid and nonassessable shares of Class A Common Stock, as applicable;

(C) a Transfer effected solely for estate or succession planning to a corporation, limited liability company or partnership (a “**Corporate Entity**”), in which a Qualified Shareholder directly, or indirectly through one or more Permitted Transferees, owns an equity interest with sufficient Voting Control in the corporation, or otherwise has legally enforceable rights, such that a Qualified Shareholder retains dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such Corporate Entity; provided, that in the event a Qualified Shareholder no longer owns sufficient shares or no longer has sufficient legally enforceable rights to ensure a Qualified Shareholder retains dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock then held by such Corporate Entity, all shares of Class B Common Stock then held by such Corporate Entity shall automatically convert into fully paid and nonassessable shares of Class A Common Stock, as applicable; and

(D) a Transfer, not otherwise deemed a Permitted Transfer herein, that is effected solely for estate or succession planning; provided, such Transfer is approved in advance by the Board of Directors (after the Board of Directors has had a reasonable opportunity to review the details of such proposed Transfer and consider any recommended changes to account for the reasonable preservation of appropriate voting and control over such shares of Class B Common Stock by a Qualified Shareholder deemed necessary by the Board of Directors).

(f) “**Permitted Transferee**” shall mean a transferee of shares of Class B Common Stock received in a Transfer that constitutes a Permitted Transfer.

(g) “**Permitted Trust**” shall mean a bona fide trust or similar estate planning vehicle, where: (i) each trustee or fiduciary is (A) a Qualified Shareholder, (B) Family Member, (C) a professional in the business of providing trustee or fiduciary services, including private professional fiduciaries, trust companies and bank trust departments or (D) appointed by any of the foregoing; and (ii) such trust was established for a charitable or noncharitable purpose initially defined by a Qualified Shareholder or solely for the benefit of (A) such Qualified Shareholder, (B) one or more Family Members of such Qualified Shareholder and/or (C) any other Permitted Entity of such Qualified Shareholder.

(h) “**Qualified Shareholder**” shall mean (i) the registered holder of a share of Class B Common Stock immediately following the closing of the Corporation’s initial public offering covering the offer and sale of Class A Common Stock pursuant to an effective registration statement under the Securities Act of 1933, as amended (“**IPO**”); (ii) the initial registered holder of any shares of Class B Common Stock that are originally issued by the Corporation after the closing of the IPO pursuant to the exercise, conversion or vesting of options, warrants, restricted stock units or other securities that, in each case, are outstanding as of the closing of the IPO; (iii) each natural person who Transferred shares of Class B Common Stock or equity awards for Class B Common Stock (including any option or warrant exercisable or convertible into shares of Class B Common Stock) to a Permitted Entity that is or becomes a Qualified Shareholder pursuant to subclauses (i) or (ii) of this Section 1(h); and (iv) a Permitted Transferee.

(i) “**Transfer**” of a share of Class B Common Stock shall mean any sale, assignment, encumbrance, transfer, conveyance, hypothecation, pledge, gift or other transfer or disposition of any kind of such share or any legal or beneficial interest in such share, whether or not for value and whether voluntary or involuntary or by operation of law, including, without limitation, the transfer of, or entering into a binding agreement with respect to, Voting Control (as defined below) over such share by proxy or otherwise; provided, however, that the following shall not be considered a “Transfer” within the meaning of this Article VI:

(1) the granting of a revocable proxy to officers or directors of the Corporation in connection with actions to be taken at an annual or special meeting of shareholders, or any termination of, or waiver or relinquishment of rights under, the foregoing;

(2) entering into a voting trust, agreement or arrangement (with or without granting a proxy) solely with shareholders who are holders of Class B Common Stock that (A) is disclosed either in a Schedule 13D or 13G filed with the Securities and Exchange Commission or in writing to the Secretary of the Corporation, (B) either has a term not exceeding one (1) year or is terminable by the holder of the shares subject thereto at any time and (C) does not involve any payment of cash, securities, property or other consideration to the holder of the shares subject thereto other than the mutual promise to vote shares in a designated manner, or any termination of, or waiver or relinquishment of rights under, any of the foregoing;

(3) the pledge of shares of Class B Common Stock by a shareholder that creates a mere security interest in such shares pursuant to a bona fide loan or indebtedness transaction for so long as such shareholder continues to exercise Voting Control over such pledged shares; provided, however, that a foreclosure on such shares or other similar action by the pledgee shall constitute a “Transfer” unless such foreclosure or similar action qualifies as a “Permitted Transfer”;

(4) any entry into a trading plan pursuant to Rule 10b5-1 under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), with a broker or other nominee; provided, however, that a sale of such shares of Class B Common Stock pursuant to such plan shall constitute a “Transfer” at the time of such sale;

(5) entering into or granting a voting trust, agreement or other voting arrangement (with or without granting a proxy), in each

case that is approved by the Board of Directors, solely with or in favor of the Corporation, directors of the Corporation and/or shareholders who are holders of, or have the right to vote or direct the voting of, Class B Common Stock, or any termination of, or waiver or relinquishment of rights under, any of the foregoing; or

(6) entering into a support, voting, tender or similar agreement, arrangement or understanding (with or without granting a proxy) in connection with a merger or consolidation of the Corporation, or a sale of all or substantially all of the Corporation's assets, provided, that such merger or consolidation or sale of assets and such agreement or understanding was approved by the affirmative vote of a majority of the total number of directors then in office in advance of the entry into such agreement or understanding.

A "**Transfer**" shall also be deemed to have occurred with respect to a share of Class B Common Stock beneficially held by (i) an entity that is a Permitted Entity, if there occurs any act or circumstance that causes such entity to no longer be a Permitted Entity or (ii) an entity that is a Qualified Shareholder, if there occurs a Transfer on a cumulative basis, from and after the closing of the IPO, of a majority of the voting power of the voting securities of such entity or any direct or indirect Parent of such entity, other than a Transfer to parties that are, as of the closing of the IPO, holders of voting securities of any such entity or Parent of such entity.

(j) "**Parent**" of an entity shall mean any entity that directly or indirectly owns or controls a majority of the voting power of the voting securities of such entity.

(k) "**Voting Control**" shall mean, with respect to a share of Class B Common Stock, the power (whether exclusive or shared) to vote or direct the voting of such share by proxy, voting agreement or otherwise.

(l) "**Subsidiary**" shall mean with respect to the Corporation, any corporation, limited liability company, partnership, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares of capital stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by the Corporation or one or more other Subsidiaries or a combination thereof, or (ii) if a limited liability company, partnership, association or other business entity, a majority of the partnership or other similar ownership interests thereof is at the time owned or controlled, directly or indirectly, by the Corporation or one or more other Subsidiaries or a combination thereof.

2. **Dividend Rights.** Subject to the prior rights of holders of all classes and series of capital stock at the time outstanding having prior rights as to dividends, the holders of shares of Class A Common Stock, Class B Common Stock and Class C Common Stock shall be entitled to receive, when, as and if declared by the Board of Directors, out of any assets of the Corporation legally available therefor, such dividends as may be declared from time to time by the Board of Directors. Any dividends paid to the holders of shares of Class A Common Stock, Class B Common Stock and Class C Common Stock shall be paid pro rata, on an equal priority, pari passu basis.

3. **Liquidation Rights.** Upon the completion of the distributions required with respect to series of Preferred Stock that may from time to time come into existence, and subject to the prior rights of holders of all other classes and series of capital stock at the time outstanding

having prior rights, if assets remain in the Corporation, the remaining assets of the Corporation legally available for distribution shall be distributed on an equal priority, pro rata basis to the holders of shares of Class A Common Stock, Class B Common Stock and Class C Common Stock.

4. **Redemption.** Shares of Class A Common Stock, Class B Common Stock and Class C Common Stock are not redeemable.

5. **Voting Rights.**

(a) **Class A Common Stock.** Each holder of shares of Class A Common Stock shall be entitled to one (1) vote for each share thereof held.

(b) **Class B Common Stock.** Each holder of shares of Class B Common Stock shall be entitled to ten (10) votes for each share thereof held.

(c) **Class C Common Stock.** The holders of Class C Common Stock shall have no voting rights, except as required by law.

(d) **General.** Subject to the other provisions of this Certificate of Formation, each holder of Class B Common Stock shall have full voting rights and powers equal to the voting rights and powers of the holders of Class A Common Stock, and shall be entitled to notice of any shareholders' meeting in accordance with the Bylaws of the Corporation (as in effect at the time in question) and applicable law, and shall be entitled to vote, together with the holders of Class A Common Stock, with respect to any question upon which holders of Class A Common Stock have the right to vote. Except as otherwise expressly provided in this Certificate of Formation, including Article VIII, and notwithstanding any provision of the TBOC, but as permitted by TBOC Section 21.365(b)(2), all classes or series of capital stock of the Corporation shall only be entitled to vote as a single class or series, and separate voting by class or series is not required, for the purpose of approving any matter for which the affirmative vote of the holders of a specified portion of the shares of a class or series is required by the TBOC, including in connection with any fundamental action or fundamental business transaction; provided, however, in addition to any other approval required by this Certificate of Formation, the approval of the holders of the Class B Common Stock, voting separately as a class, shall be required to approve (i) any amendment to this Certificate of Formation which would make any change in the powers, preferences, designations or rights of the shares of such class and (ii) any Combination Transaction (as defined below). If, pursuant to the immediately preceding sentence, all classes or series of capital stock of the Corporation are only entitled to vote as a single class, and separate voting by class or series is not required, for the purpose of approving a matter, shares of a class or series of shares that do not otherwise have the right to vote under the Certificate of Formation shall be treated as having no votes in the vote as a single class on that matter, in accordance with TBOC Section 21.364(e-1).

6. **Optional Conversion of the Class B Common Stock.**

(a) At the option of the holder thereof, each share of Class B Common Stock shall be convertible, at any time or from time to time, into one fully paid and nonassessable share of Class A Common Stock as provided herein.

(b) Each holder of Class B Common Stock who elects to convert the same into shares of Class A Common Stock shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or any transfer agent for the Class A Common Stock or Class B Common Stock, and shall give written notice to the Corporation at such office that such holder elects to convert the same and shall state therein the number of shares of Class B

Common Stock being converted. Thereupon the Corporation shall promptly issue and deliver at such office to such holder a certificate or certificates for the number of shares of Class A Common Stock to which such holder is entitled upon such conversion. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the certificate or certificates representing the shares of Class B Common Stock to be converted, and the person entitled to receive the shares of Class A Common Stock issuable upon such conversion shall be treated for all purposes as the record holder of such shares of Class A Common Stock on such date. If a conversion election under this Section 6(b) is made in connection with an underwritten offering of the Corporation's securities pursuant to the Securities Act of 1933, as amended, the conversion may, at the option of the holder tendering shares of Class B Common Stock for conversion, be conditioned upon the closing with the underwriters of the sale of the Corporation's securities pursuant to such offering, in which event the holders making such elections who are entitled to receive Class A Common Stock upon conversion of their Class B Common Stock shall not be deemed to have converted such shares of Class B Common Stock until immediately prior to the closing of such sale of the Corporation's securities in the offering.

7. **Automatic Conversion of the Class B Common Stock.** In the event of a Transfer, other than a Permitted Transfer, of a share of Class B Common Stock, each such Transferred share of Class B Common Stock shall automatically be converted into one fully paid and nonassessable share of Class A Common Stock upon the completion of such Transfer without the need for any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Corporation or its transfer agent; provided, however, that the Corporation shall not be obligated to issue certificates evidencing the shares of Class A Common Stock issuable upon such conversion unless the certificates evidencing such shares of Class B Common Stock are either delivered to the Corporation or its transfer agent as provided below, or the holder notifies the Corporation or its transfer agent that such certificates have been lost, stolen or destroyed and executes an agreement satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection with such certificates. Upon the occurrence of such automatic conversion of the Class B Common Stock, the holders of Class B Common Stock shall surrender the certificates representing such shares at the office of the Corporation or any transfer agent for the Class A Common Stock. Thereupon, there shall be issued and delivered to such holder promptly at such office and in its name as shown on such surrendered certificate or certificates, a certificate or certificates for the number of shares of Class A Common Stock into which the shares of Class B Common Stock surrendered were convertible on the date on which such automatic conversion occurred.

8. **Stock Dividends and Distributions.** The Corporation shall not declare or pay any dividend or make any other distribution to the holders of Class A Common Stock, Class B Common Stock or Class C Common Stock payable in securities of the Corporation unless the same dividend or distribution with the same record date and payment date shall be declared and paid on the shares of Class A Common Stock, Class B Common Stock and Class C Common Stock; provided, however, that dividends or other distributions payable in shares of a particular class of Common Stock or rights to acquire shares of such class of Common Stock may be declared and paid to the holders of such class of Common Stock without the same dividend or distribution being declared and paid to the holders of the other classes of Common Stock if, and only if, a dividend payable in shares of such other classes of Common Stock, as applicable, or rights to acquire shares of such other classes of Common Stock, as applicable, are declared and paid to the holders of such other classes of Common Stock at the same rate and with the same record date and payment date.

9. **Common Class Stock Splits or Combinations.** If the Corporation in any manner subdivides or combines the outstanding shares of Class A Common Stock, Class B

Common Stock or Class C Common Stock, then the outstanding shares of all other classes of such Common Stock will be subdivided or combined in the same proportion and manner.

10. **Reservation of Stock Issuable Upon Conversion.** The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock, Class B Common Stock and Class C Common Stock, solely for the purpose of effecting the conversion of the shares of the Preferred Stock and the Class B Common Stock, as applicable, such number of its shares of Class A Common Stock, Class B Common Stock and Class C Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of Preferred Stock and the Class B Common Stock; and if at any time the number of authorized but unissued shares of Class A Common Stock, Class B Common Stock or Class C Common Stock shall not be sufficient to effect the conversion of all then-outstanding shares of Preferred Stock and the Class B Common Stock, as applicable, the Corporation will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Class A Common Stock, Class B Common Stock or Class C Common Stock, as applicable, to such numbers of shares as shall be sufficient for such purpose.

11. **Identical Rights.** Except as otherwise expressly provided herein or required by applicable law, shares of Class A Common Stock, Class B Common Stock and Class C Common Stock shall have the same rights and privileges and rank equally, share ratably and be identical in all respects as to all matters, including, without limitation:

(a) **Dividends and Distributions.** Shares of Class A Common Stock, Class B Common Stock, and Class C Common Stock shall be treated equally, identically and ratably, on a per-share basis, with respect to any cash distribution paid or distributed by the Corporation.

(b) **Equal Treatment in a Combination Transaction.** In connection with any (A) sale, conveyance, or other disposition of all or substantially all of its property or business (determined on a consolidated basis with all of the Corporation's Subsidiaries), (B) merger with or into or consolidation with any other corporation, limited liability company or other entity or (C) any other transaction or series of related transactions in which more than fifty percent (50%) of the voting power of the Corporation is disposed of (a "**Combination Transaction**"), in which the shares of Class A Common Stock, Class B Common Stock or Class C Common Stock will be exchanged for or converted into, or will receive a distribution of, cash or other property or securities of the Corporation or any other person, each share of Class A Common Stock, Class B Common Stock, and Class C Common Stock shall be entitled to receive Equivalent Consideration (as defined herein) on a per-share basis. As used herein, the term "**Equivalent Consideration**" shall mean consideration in the same form and in the same amount on a per-share basis; provided, however, that holders of Class A Common Stock, Class B Common Stock and Class C Common Stock may receive capital stock or securities with differing voting rights or preferences and that, for the avoidance of doubt, consideration to be paid or received by a holder of Class A Common Stock, Class B Common Stock or Class C Common Stock in connection with any Combination Transaction pursuant to any employment, consulting, severance or other arrangement shall not be deemed to be "consideration" that is included in the determination of Equivalent Consideration.

12. **Status of Converted Class B Common Stock.** In the event any shares of Class B Common Stock shall be converted pursuant to Section 6 or 7 hereof, the shares so converted shall be cancelled and shall not be issuable by the Corporation.

13. **Restrictions on Issuance.** The Corporation shall not issue or sell any shares of Class B Common Stock or any securities (including, without limitation, any rights, options, warrants or other securities) convertible or exchangeable for, or exercisable into, shares of Class B Common Stock to any person that is not the Founder or his Permitted Transferee. Any

issuance or sale of shares of Class B Common Stock (or securities convertible into, or exchangeable or exercisable for, shares of Class B Common Stock) by the Corporation in violation of this Section 13 shall be null and void ab initio.

Article VII

The Board of Directors is expressly authorized to make, alter or repeal Bylaws.

Article VIII

(A) **Election of Directors.** Subject to the rights of all other classes and series of capital stock that may from time to time hereafter be authorized in accordance with the terms of this Certificate of Formation, when any shares of Class B Common Stock are issued and outstanding, the holders of Class B Common Stock, voting separately as a class, shall have the right to elect fifty-one percent (51%) of the Whole Board; provided, that if such fifty-one percent (51%) is not a whole number, then the holders of Class B Common Stock, voting separately as a class, shall be entitled to elect the nearest higher whole number of directors that is at least fifty-one percent (51%) of the Whole Board (such directors, the “**Class B Directors**”). Subject to the rights of all other classes and series of capital stock that may from time to time hereafter be authorized in accordance with the terms of this Certificate of Formation, holders of Class A Common Stock and Class B Common Stock, voting together as a single class, shall have the right to elect the remaining authorized directors comprising the Whole Board that are not Class B Directors (the “**Common Stock Directors**”). Notwithstanding anything in this Article VIII(A) to the contrary, at any time when no shares of Class B Common Stock remain issued and outstanding, the holders of Class A Common Stock, subject to the rights of all other classes and series of capital stock that may from time to time hereafter be authorized in accordance with the terms of this Certificate of Formation, shall have the right to elect all of the directors comprising the Whole Board and all directors then in office shall constitute Common Stock Directors.

(B) **Removal.** Subject to the rights of all other classes and series of capital stock that may from time to time hereafter be authorized in accordance with the terms of this Certificate of Formation, (1) any Class B Director may be removed from office at any time, with or without cause, by the affirmative vote of the holders of at least a majority of the voting power of the outstanding shares of Class B Common Stock, voting separately as a class, and (2) any Common Stock Director may be removed from office at any time, with or without cause, by the affirmative vote of the holders of at least a majority of the voting power of the capital stock outstanding and entitled to vote on the election of the Common Stock Directors, voting together as a single class.

(C) **Vacancies.** In the case of any vacancy occurring with respect to the Class B Directors, whether as a result of newly created directorships resulting from any increase in the authorized number of directors or the death, resignation, retirement, disqualification or removal from office of a Class B Director or other cause, such vacancy may be filled by the affirmative vote of the holders of at least a majority of the voting power of the outstanding shares of Class B Common Stock, voting separately as a class, subject to the rights of all other classes and series of capital stock that may from time to time hereafter be authorized in accordance with the terms of this Certificate of Formation, or, in the absence of a shareholder vote, such vacancy may be filled by the affirmative vote of a majority of the Class B Directors then in office, even though less than a quorum of the Board of Directors, or a sole remaining Class B Director. In the case of any vacancy occurring with respect to the Common Stock Directors, whether as a result of newly created directorships resulting from any increase in the authorized number of directors or the death, resignation, retirement, disqualification or removal from office of a Common Stock Director or other cause, such vacancy may be filled by the affirmative vote of the holders of at

least a majority of the voting power of the capital stock outstanding and entitled to vote on the election of Common Stock Directors, voting together as a single class, subject to the rights of all other classes and series of capital stock that may from time to time hereafter be authorized in accordance with the terms of this Certificate of Formation, or, in the absence of a shareholder vote, such vacancy may be filled by the affirmative vote of a majority of the directors then in office, even though less than a quorum of the Board of Directors, or the sole remaining director. Any Class B Director or Common Stock Director elected to fill a vacancy shall serve until the next annual meeting of shareholders (at which time such person's term shall expire) and until such person's successor has been duly elected and qualified or until such director's earlier death, resignation, retirement, disqualification or removal.

(D) **Founder Roles; Removal of Founder from Certain Positions**. If willing, the Founder shall serve as Chairman of the Board and Chief Executive Officer of the Corporation. At any time during which (i) the Founder is serving as any of the Chairman of the Board, a member of the Board of Directors or the Chief Executive Officer of the Corporation and (ii) shares of Class B Common Stock are issued and outstanding, in addition to any approval required by the Board of Directors, the removal of the Founder from any such role will require the affirmative vote of the holders of at least a majority of the voting power of the outstanding shares of Class B Common Stock, voting separately as a class.

(E) **Written Ballot Not Required**. Elections of directors need not be by written ballot unless otherwise provided in the Bylaws.

(F) **Amendments**. Until shares of Class B Common Stock have ceased to be issued and outstanding, no amendment to this Certificate of Formation shall be made that amends, alters, changes or repeals any of the provisions of this Article VIII, unless the amendment effecting such amendment, alteration, change or repeal is approved by the affirmative vote of the holders of at least a majority of the voting power of the then outstanding shares of Class B Common Stock, voting separately as a class, in addition to any other vote required by law or by this Certificate of Formation.

Article IX

(A) **Limitation on Liability**. To the fullest extent permitted by the TBOC, as it presently exists or may hereafter be amended from time to time, a director or officer of the Corporation shall not be personally liable to the Corporation or its shareholders for monetary damages for an act or omission by the director or officer in his or her capacity as a director or officer or for a breach of duty as a director or officer. If the TBOC is amended to authorize corporate action further eliminating or limiting the personal liability of directors or officers, then the liability of a director or officer of the Corporation shall be eliminated or limited to the fullest extent permitted by the TBOC, as so amended. Neither any amendment nor repeal of this Article IX, nor the adoption of any provision of this Certificate of Formation inconsistent with this Article IX, shall eliminate or reduce the effect of this Article IX in respect of any matter occurring, or any cause of action, suit or claim accruing or arising or that, but for this Article IX, would have accrued or arisen, prior to such amendment, repeal or adoption of an inconsistent provision.

(B) **Indemnification and Advancement of Expenses**. To the fullest extent permitted by the TBOC, as it presently exists or may hereafter be amended from time to time, the Corporation is also authorized to indemnify (and advance expenses to) directors, officers, employees and agents of the Corporation (and any other persons that the TBOC permits the Corporation to indemnify) through Bylaw provisions, agreements with such directors, officers, employees or agents (or other persons) or otherwise.

(C) **Corporate Opportunities.** The Corporation on behalf of itself and its Subsidiaries renounces, to the fullest extent permitted by law, any interest or expectancy of the Corporation in, or being offered an opportunity to participate in, any Covered Opportunity and waives any claim that such Covered Opportunity constituted a corporate opportunity that should have been presented to the Corporation or any of its Subsidiaries. As a result of such renunciation, (a) no Identified Person shall have any duty to present any Covered Opportunity to the Corporation, (b) Identified Persons shall have the right to hold and exploit all Covered Opportunities for their own account and benefit, or to direct, sell, assign or transfer any Covered Opportunity to any other person or entity and (c) Identified Persons cannot be, and shall not be, liable to the Corporation, its shareholders or its Subsidiaries for breach of any fiduciary duty to the Corporation, its shareholders or its Subsidiaries by reason of the fact that any Identified Person does not present any Covered Opportunity to the Corporation or pursues, acquires or exploits any Covered Opportunity for itself or directs, sells, assigns or transfers any Covered Opportunity to any other person or entity. A “**Covered Opportunity**” is any matter, transaction or other opportunity or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of, any director or Board of Directors observer or attendee of the Corporation regardless of whether any such Person is also an employee of the Corporation or any of its Subsidiaries and their respective Affiliates (collectively, “**Identified Persons**”), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, such Identified Person expressly and solely in such Identified Person’s capacity as an employee, director, Board of Directors observer or attendee, or shareholder of the Corporation. For the purposes of this Article IX(C), (i) “**Affiliate**” means a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, another Person, and (ii) “**Person**” means an individual or a corporation, partnership, limited liability company, business trust, trust, association, or other organization, estate, government or governmental subdivision or agency, or other legal entity, or a protected series or registered series of a domestic limited liability company or foreign entity.

(D) Neither any amendment nor repeal of this Article IX, nor the adoption of any provision of the Corporation’s Certificate of Formation inconsistent with this Article IX, shall eliminate or reduce the effect of this Article IX in respect of any matter occurring, or any action or proceeding accruing or arising or that, but for this Article IX, would accrue or arise, prior to such amendment, repeal or adoption of an inconsistent provision.

Article X

Any action required to be taken at any annual or special meeting of shareholders of the Corporation, or any action that may be taken at any annual or special meeting of shareholders, may be taken without a meeting, without prior notice, and without a vote if a consent in writing setting forth the action so taken is signed by shareholders having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Notwithstanding the foregoing provisions of this Article X, any action required or permitted to be taken by the holders of Class B Common Stock at any annual or special meeting of shareholders or of holders of Class B Common Stock, voting separately as a class, may be taken without a meeting, without prior notice and without a vote, if a consent in writing setting forth the action so taken is signed by the holders of Class B Common Stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of Class B Common Stock were present and voted.

Article XI

A shareholder of the Corporation does not have a preemptive right to acquire the Corporation's unissued or treasury shares.

Article XII

Any action which, under the provisions of the TBOC or any other applicable law, is required to be authorized or approved by the holders of any specified fraction which is in excess of one-half or any specified percentage which is in excess of fifty percent (50%) of the outstanding shares (or of any class or series thereof) of the Corporation entitled to vote on such action shall, notwithstanding any such provision, be deemed effectively and properly authorized or approved if authorized or approved by the vote of the holders of a majority of the voting power of the outstanding shares entitled to vote thereon (or, if the holders of any class or series of the Corporation's shares shall be entitled by the TBOC to vote thereon separately as a class or series, by the vote of the holders of a majority of the voting power of the outstanding shares of each such class or series), except as otherwise expressly provided in this Certificate of Formation.

ARTICLE XIII

Except as otherwise expressly provided by the terms of any class or series of capital stock permitting the holders of such class or series of capital stock to call a special meeting of shareholders, special meetings of shareholders of the Corporation may be called only by the Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer of the Corporation, the Founder, and, to the extent required by the TBOC, the president, or by the holders of not less than fifty percent (50%) (or the highest percentage permitted under the TBOC) of the Corporation's then outstanding shares of capital stock entitled to vote at such special meeting. The Board of Directors may postpone or reschedule any previously scheduled special meeting at any time, before or after the notice for such meeting has been sent to the shareholders.

* * *

The undersigned duly authorized officer of the Corporation has signed this Restated Certificate of Formation on behalf of the Corporation on this 15th day of June, 2026.

SPACE EXPLORATION TECHNOLOGIES CORP.

By: /s/ Bret Johnsen
Name: Bret Johnsen
Title: Chief Financial Officer

**AMENDED AND RESTATED BYLAWS
OF
SPACE EXPLORATION TECHNOLOGIES CORP.**

AS OF JUNE 15, 2026

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AMENDED AND RESTATED BYLAWS
OF
SPACE EXPLORATION TECHNOLOGIES CORP.

ARTICLE I
CORPORATE OFFICES

1.1 Registered Office.

The registered office of Space Exploration Technologies Corp. (the “**corporation**”) shall be fixed in the corporation’s certificate of formation. References in these bylaws to the “**certificate of formation**” shall mean the certificate of formation of the corporation, as amended and/or restated from time to time, including the terms of any statement of designations of any series of Preferred Stock, as filed with the Texas Secretary of State.

1.2 Other Offices.

The corporation’s board of directors (the “**Board of Directors**” or the “**Board**”) may at any time establish other offices at any place or places where the corporation is qualified to do business.

ARTICLE II
MEETINGS OF SHAREHOLDERS

2.1 Place Of Meetings.

Meetings of shareholders shall be held at any place, within or outside the State of Texas, designated by the Board of Directors. The Board of Directors may, in its sole discretion, determine that a meeting of shareholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 6.002(a) of the Texas Business Organizations Code (the “**TBOC**”). In the absence of any such designation, shareholders’ meetings shall be held at the corporation’s principal executive office. To the extent permitted by the TBOC, the Board of Directors may postpone or reschedule any previously scheduled meeting of shareholders at any time, before or after the notice for such meeting has been given to the shareholders.

2.2 Annual Meeting.

Unless directors are elected by written consent in lieu of an annual meeting, an annual meeting of shareholders shall be held for the election of directors and for the transaction

of such other business as may properly come before the meeting, at such date and time as may be designated by resolution of the Board of Directors from time to time.

2.3 **Special Meeting.**

(a) Except as otherwise required by law and subject to the terms of the certificate of formation and these bylaws (as the same may be amended and/or restated from time to time, the “**bylaws**”), a special meeting of the shareholders may only be called in the manner provided in the certificate of formation. The notice of a special meeting shall include the purpose for which the meeting is called. Only such business will be conducted at a special meeting of shareholders as has been brought before the special meeting pursuant to the notice of such meeting.

(b) Any shareholder or shareholders seeking to request a special meeting shall first request that the Board of Directors fix a record date to determine the shareholders entitled to request a special meeting (the “**ownership record date**”) by delivering notice in writing to the secretary of the corporation (the “**Secretary**”) at the principal executive office of the corporation (the “**record date request notice**”). The record date request notice shall contain information about the class or series and number of shares of stock of the corporation that are owned of record and beneficially by the requesting shareholders and state the business proposed to be acted upon at the meeting. Upon receiving a record date request notice, the Board of Directors may set an ownership record date. Notwithstanding any other provision of these bylaws, the ownership record date shall not precede the date upon which the resolution fixing the ownership record date is adopted by the Board of Directors, and shall not be more than ten (10) days after the close of business (as defined in Section 2.5(c)(iii) below) on the date upon which the resolution fixing the ownership record date is adopted by the Board of Directors. If the Board of Directors, within ten (10) days after the date upon which a valid record date request notice is received by the Secretary, does not adopt a resolution fixing the ownership record date, the ownership record date shall be the close of business on the tenth (10th) day after the date upon which a valid record date request notice is received by the Secretary (or, if such tenth (10th) day is not a business day, the first business day thereafter). The Board of Directors shall have the power to declare that a record date request was not provided in accordance with this Section 2.3(b).

(c) In order for a shareholder-requested special meeting to be called by the Secretary, one or more written requests for a special meeting (each a “**special meeting request**”) signed by one or more shareholders (or their duly authorized agents) who own, as of the ownership record date, at least the Requisite Percent (as defined below), shall be delivered to the Secretary. To satisfy the Requisite Percent, each shareholder must beneficially own (as defined in Section 2.5(c)(iii) below) such shares. A special meeting request shall: (i) state the business

(including the identity of nominees for election as a director, if any) proposed to be acted upon at the meeting, which shall be limited to the business set forth in the applicable record date request notice received by the Secretary; (ii) bear the date of signature of each such shareholder (or duly authorized agent) submitting the special meeting request; (iii) set forth the name and address of each shareholder submitting the special meeting request; (iv) contain the information required by Section 2.4, if applicable, and Section 2.5 below with respect to any director nominations or other business proposed to be presented at the special meeting, and as to each shareholder requesting the special meeting and each other person (including any beneficial owner of shares) on whose behalf the shareholder is acting, other than shareholders or other persons who have provided such request solely in response to any form of public solicitation for such requests, and any additional information as may be required by Section 2.4 below; (v) include documentary evidence that the requesting shareholders own the Requisite Percent as of the ownership record date; provided, however, that if the requesting shareholders are not the beneficial owners of the shares representing the Requisite Percent, then to be valid, the special meeting request must also include documentary evidence of the number of shares beneficially owned by the beneficial owners on whose behalf the special meeting request is made as of the ownership record date; and (vi) be delivered to the Secretary at the principal executive office of the corporation, by hand or by certified or registered mail, return receipt requested, within sixty (60) days after the ownership record date. The requesting shareholders shall update and supplement the special meeting request with information that is current as of the record date for determining the shareholders entitled to vote at the special meeting and shall notify the Secretary of any such updated and supplemented special meeting request within five (5) business days after such record date. In addition, the requesting shareholders and each other person (including any beneficial owner) on whose behalf the requesting shareholders are acting, shall provide such other information as the corporation may reasonably request within ten (10) business days of such a request. **“Requisite Percent”** means the minimum percentage of the corporation’s outstanding shares of capital stock entitled to vote at the proposed special meeting as specified in the certificate of formation or, in the absence of such specification in the certificate of formation, as provided in the TBOC.

(d) After receiving a special meeting request, the Board of Directors shall determine in good faith whether the shareholders requesting the special meeting have satisfied the requirements set forth in these bylaws for calling a special meeting of shareholders, and the corporation shall notify the requesting shareholders of the Board’s determination about whether the special meeting request is valid. If the Board of Directors determines that the special meeting request is valid, the Board of Directors shall fix the date, time and place, if any, of the special meeting, which date shall not be more than ninety (90) days after the date on which the Board of Directors fixes the date of the special meeting. The record date for the special meeting shall be fixed by the Board of Directors as set forth in Section 2.11 below.

(e) A special meeting request shall not be valid, and the corporation shall not call a special meeting, if: (i) the special meeting request relates to an item of business that is not a proper subject for shareholder action under, or that involves a violation of, applicable law; (ii) an item of business that is the same as, or substantially similar to (as determined in good faith by the Board of Directors), the proposed business described in the special meeting request that was presented at a meeting of shareholders occurring within ninety (90) days preceding the earliest date of signature on the special meeting request; (iii) the special meeting request is delivered during the period commencing ninety (90) days prior to the first anniversary of the preceding year's annual meeting of shareholders and ending on the date of the next annual meeting of shareholders; (iv) the Board of Directors has called or calls for an annual meeting of shareholders to be held within ninety (90) days after the Secretary receives the request for the special meeting and the Board of Directors determines in good faith that the business of such annual meeting includes (among any other matters properly brought before the annual meeting) the business specified in the request; or (v) the special meeting request does not comply with the requirements of this Section 2.3. For purposes of this Section 2.3(e), the 2026 annual meeting of shareholders shall be deemed to have been held on June 19, 2026.

(f) Any shareholders who submitted a special meeting request may revoke their written request by written revocation delivered to the Secretary at the principal executive office of the corporation at any time prior to the shareholder-requested special meeting. A special meeting request shall be deemed revoked (and any meeting scheduled in response may be cancelled) if the shareholders submitting the special meeting request, and any beneficial owners on whose behalf they are acting (as applicable), do not continue to beneficially own shares of the corporation representing at least the Requisite Percent at all times between the date the record date request notice is received by the corporation and the date of the applicable shareholder-requested special meeting, and the requesting shareholders shall promptly notify the Secretary of any decrease in ownership of shares of stock of the corporation that results in such a revocation. If, as a result of any revocations, there are no longer valid unrevoked written requests from shareholders who beneficially own shares of the corporation representing at least the Requisite Percent, the Board of Directors shall have the discretion to determine whether or not to proceed with the special meeting.

(g) Business transacted at a shareholder-requested special meeting shall be limited to: (i) the business stated in the valid special meeting request received from shareholders who beneficially own shares of the corporation representing at least the Requisite Percent; and (ii) any additional business that the Board of Directors determines to include in the corporation's notice of meeting. If none of the shareholders who submitted the special meeting request (or their qualified representatives, as defined in Section 2.5(c)) appears at the special meeting to present the matter or matters to be brought before the special meeting that were specified in the

special meeting request, the corporation need not present the matter or matters for a vote at the meeting, notwithstanding that proxies and votes in respect of such matter may have been received by the corporation.

2.4 Submission Of Information Regarding Director Nominees.

(a) As to each person whom a shareholder proposes to nominate for election or reelection as a director of the corporation pursuant to Section 2.5, such shareholder must deliver to the Secretary at the principal executive office of the corporation the following information:

(i) a written representation and agreement (in the form to be provided by the Secretary (or his or her designee) upon written request of any shareholder of record within five (5) business days following a request therefor), which shall be signed by the person proposed to be nominated and pursuant to which such person shall represent and agree that such person: (A) consents to being named as a nominee in a proxy statement and form of proxy relating to the meeting at which directors are to be elected and to serving as a director if elected, and currently intends to serve as a director for the full term for which such person is standing for election; (B) is not and will not become a party to any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity: (1) as to how the person, if elected as a director, will act or vote on any issue or question, except as disclosed in such representation and agreement; or (2) that could limit or interfere with the person's ability to comply, if elected as a director, with such person's duties to the corporation under applicable law; (C) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director or nominee, except as disclosed in such representation and agreement; and (D) if elected as a director, will comply with all of the corporation's corporate governance policies and guidelines related to conflicts of interest, confidentiality, stock ownership and trading policies and guidelines, and any other policies and guidelines applicable to directors (which will be provided by the Secretary (or his or her designee) to such person within five (5) business days following a request therefor); and

(ii) fully completed and signed questionnaire(s) prepared by the corporation, with respect to such proposed nominee(s), including any questionnaires and/or representations required by the International Traffic in Arms Regulations, in the form to be provided by the Secretary (or his or her designee) to such director nominee within five (5) business days following a request therefor (the "**Questionnaire(s)**").

(b) A proposed nominee for election or reelection as a director of the corporation pursuant to Section 2.5 will provide to the corporation such other information as the corporation may reasonably request, including such information reasonably necessary for the corporation to determine whether such proposed nominee will satisfy any qualifications, requirements or standards imposed by the certificate of formation or these bylaws, any law, rule, regulation or listing standard that may be applicable to the corporation, or relevant to a determination whether such person can be considered to be an independent director of the corporation under the applicable stock exchange listing rules.

(c) If a shareholder has submitted notice of an intent to nominate a candidate for election or reelection as a director pursuant to Section 2.5, all written and signed representations and agreements and all fully completed and signed Questionnaires described in Section 2.4(a) above shall be provided to the corporation at the same time as such notice, and the additional information described in Section 2.4(b) above shall be provided to the corporation promptly upon request by the corporation, but in any event within five (5) business days after such request (or by the day prior to the day of the annual meeting, if earlier). All information provided pursuant to this Section 2.4 shall be deemed part of the shareholder's notice submitted pursuant to Section 2.5.

2.5 Notice Of Shareholder Business And Nominations.

(a) Annual Meeting.

(i) Nominations of persons for election to the Board of Directors and any proposal of other business to be considered by the shareholders at an annual meeting of shareholders may be made only: (A) pursuant to the corporation's notice of meeting (or any supplement thereto); (B) by or at the direction of the Board of Directors (or any authorized committee thereof); (C) by or at the direction of the Founder and his Permitted Transferees (in each case, as such terms are defined in the certificate of formation); or (D) by any shareholder or group of shareholders of the corporation who are shareholders of record at the time the notice provided for in this Section 2.5 is delivered to the Secretary and through the meeting date, who (1) are entitled to vote on such nomination or the proposal of business, as applicable, at the meeting, (2) comply with the notice procedures set forth in this Section 2.5(a) and (3) as applicable, are eligible to submit a proposal (as determined pursuant to Section 9.5 of Article IX of these bylaws). For the avoidance of doubt, the foregoing clauses (C) and (D) shall be the exclusive means for a shareholder or group of shareholders to make director nominations or propose other business at an annual meeting of shareholders. All references to "**shareholder**" in the following provisions of this Section 2.5 shall be construed to include also any group of shareholders, as applicable.

(ii) For director nominations or other business to be properly brought before an annual meeting by a shareholder pursuant to clause (D) of the foregoing paragraph, the shareholder must have given timely notice thereof in writing to the Secretary and, in the case of business other than director nominations, such business must be a proper subject for shareholder action under applicable law. To be timely, a shareholder's notice must be delivered to the Secretary at the principal executive office of the corporation not earlier than the close of business (as defined in Section 2.5(c)(iii) below) on the one hundred twentieth (120th) day nor later than the close of business on the ninetieth (90th) day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is more than thirty (30) days before or more than seventy (70) days after such anniversary date, or if no annual meeting was held (or deemed to have been held) in the preceding year, notice by the shareholder to be timely must be so delivered not earlier than the close of business on the one hundred twentieth (120th) day prior to such annual meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such annual meeting or the tenth (10th) day following the date on which public announcement (as defined in Section 2.5(c)(iii) below) of the date of such meeting is first made by the corporation. In no event shall an adjournment or recess of an annual meeting, or a postponement of an annual meeting for which notice of the meeting has already been given to shareholders or a public announcement of the meeting date has already been made, or a public announcement of the foregoing, commence a new time period (or extend any time period) for the giving of a shareholder's notice as described above. A shareholder's notice given in accordance with this Section 2.5 must contain the names of only the nominees for whom such shareholder (or beneficial owner, if any) intends to solicit proxies. For the avoidance of doubt, the number of nominees that a shareholder may nominate for election at the annual meeting (or in the case of a shareholder giving the notice on behalf of a beneficial owner, the number of nominees that a shareholder may nominate for election at the annual meeting on behalf of the beneficial owner) shall not exceed the number of directors to be elected at such annual meeting. For purposes of this Section 2.5, the 2026 annual meeting of shareholders shall be deemed to have been held on June 19, 2026. Such shareholder's notice shall set forth:

(A) as to each person whom the shareholder proposes to nominate for election or reelection as a director: (1) all information relating to such person that is required to be disclosed in solicitations of proxies for elections of directors in an election contest, or is otherwise required, in each case pursuant to and in accordance with Regulation 14A under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"); and (2) the information and documents required to be submitted regarding nominees pursuant to Section 2.4 within the time periods specified in Section 2.4;

(B) as to any other business that the shareholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the bylaws of the corporation, the language of the proposed amendment), the reasons for conducting such business at the meeting and any substantial interest (within the meaning of Item 5 of Schedule 14A under the Exchange Act) in such business of such shareholder and the beneficial owner (within the meaning of Section 13(d) of the Exchange Act), if any, on whose behalf the proposal is made, and if such shareholder or beneficial owner is an entity, any related person (as defined below);

(C) as to the shareholder giving the notice and the beneficial owner, if any, on whose behalf the director nomination is made or the other business is proposed:

(1) the name and address of such shareholder, as they appear on the corporation's share transfer records, and the name and address of such beneficial owner;

(2) the class or series and number of shares of stock of the corporation that are owned of record by such shareholder and such beneficial owner as of the date of the notice, and a representation that the shareholder will notify the corporation in writing within five (5) business days after the record date for such meeting of the class or series and number of shares of stock of the corporation owned of record by the shareholder and such beneficial owner as of the record date for the meeting;

(3) in the case of a proposal of business other than director nominations, (x) a representation and covenant that the shareholder and the beneficial owner, if any, (i) hold an amount of voting shares (as defined in Section 21.373(a) of the TBOC) of the corporation, determined as of the date of submission of the shareholder's notice to the corporation of the proposal, equal to at least \$1 million in market value, or three percent (3%) of the corporation's voting shares, and (ii) have held and will hold the shares described in the preceding clause for a continuous period of at least six (6) months before the date of the shareholders meeting and through the entire duration of the shareholders meeting, and (y) documentary evidence that the shareholder and beneficial owner, if any, satisfy and have satisfied the minimum standards for the voting shares holding amount and holding period that are set forth in clause (x); and

(4) a representation that the shareholder is a holder of record of shares of stock of the corporation entitled to vote at such meeting and that the shareholder (or a qualified representative of the shareholder) intends to appear at the meeting to make such nomination or propose such business; and

(D) as to the shareholder giving the notice or, if the notice is given on behalf of a beneficial owner on whose behalf the director nomination is made or the other business is proposed, as to such beneficial owner, and if such shareholder or beneficial owner is an entity, as to each individual who is a director, executive officer (as defined in Rule 3b-7 under the Exchange Act regardless of whether the corporation is a publicly listed corporation), general partner or managing member of such entity or of any other entity that has or shares control of such entity (any such individual or entity, a “**related person**”):

(1) the class or series and number of shares of stock of the corporation that are beneficially owned (as defined in Section 2.5(c)(iii) below) by such shareholder or beneficial owner and by any related person as of the date of the notice, and a representation that the shareholder will notify the corporation in writing within five (5) business days after the record date for such meeting of the class or series and number of shares of stock of the corporation beneficially owned by such shareholder or beneficial owner and by any related person as of such record date for the meeting;

(2) a description of (x) any plans or proposals that such shareholder, beneficial owner, if any, or related person may have with respect to securities of the corporation that would be required to be disclosed pursuant to Item 4 of Schedule 13D under the Exchange Act and (y) any agreement, arrangement or understanding with respect to the director nomination or other proposed business between or among such shareholder, beneficial owner, if any or related person and any other person, including, without limitation any agreements that would be required to be disclosed pursuant to Item 5 or Item 6 of Schedule 13D under the Exchange Act, which description shall include, in addition to all other information, information identifying all parties thereto (in the case of either clause (x) or (y), regardless of whether the requirement to file a Schedule 13D is applicable) and a representation that the shareholder will notify the corporation in writing within five (5) business days after the record date for such meeting of any such plans or proposals with respect to securities of the corporation or any such agreement, arrangement or understanding in effect as of such record date for the meeting;

(3) a description (which description shall include, in addition to all other information, information identifying all parties thereto) of any instrument, agreement, arrangement or understanding (including, without limitation, any option, warrant, forward contract, swap, contract of sale or other derivative or similar agreement or short positions, profit interests, convertible securities, stock appreciation or similar rights, hedging or pledging transactions, voting rights, dividend rights and/or borrowed or loaned shares), whether the instrument, agreement, arrangement or understanding is to be settled with shares or with cash based on the notional amount or value of outstanding shares of stock, that has been entered into as of the date of the shareholder’s notice by, or on behalf of, such shareholder, beneficial owner, if any, or related person, the effect or intent of which is to mitigate loss, manage risk or benefit

from changes in the share price of any class or series of the corporation's stock or maintain, increase or decrease the voting power of the shareholder, beneficial owner, if any or related person with respect to securities of the corporation, and a representation that the shareholder will notify the corporation in writing within five (5) business days after the record date for such meeting of any such agreement, arrangement or understanding in effect as of such record date for the meeting;

(4) any performance-related fees (other than an asset-based fee) to which such shareholder, beneficial owner, if any, or related person is directly or indirectly entitled based on any increase or decrease in the value of shares of the corporation or based on any instrument, agreement, arrangement or understanding under clause (a)(ii)(D)(3) of this Section 2.5 and a representation that the shareholder will notify the corporation in writing within five (5) business days after the record date for such meeting of any performance-related fees in effect as of such record date for the meeting;

(5) a representation as to whether the shareholder, beneficial owner, if any, related person or any other participant (as defined in Item 4 of Schedule 14A under the Exchange Act) will engage in a solicitation with respect to such director nomination or other business proposal and, if so, whether such solicitation will be conducted as an exempt solicitation under Rule 14a-2(b) of the Exchange Act, the name of each participant in such solicitation and (x) in the case of a proposal of business other than director nominations, whether such person or group intends to deliver a proxy statement and form of proxy through means satisfying each of the conditions that would be applicable to the corporation under either Rule 14a-16(a) under the Exchange Act or Rule 14a-16(n) under the Exchange Act to holders of shares representing at least sixty-seven percent (67%) of the voting power of the shares of the corporation's stock entitled to vote on the proposal, and/or (y) in the case of any solicitation that is subject to Rule 14a-19 of the Exchange Act, confirming that such person or group will deliver, through means satisfying each of the conditions that would be applicable to the corporation under either Exchange Act Rule 14a-16(a) or Exchange Act Rule 14a-16(n), a proxy statement and form of proxy to holders of at least sixty-seven percent (67%) of the voting power of the shares of the corporation's stock entitled to vote generally in the election of directors (for purposes of this clause (5), the term "**holders**" shall include, in addition to shareholders of record, any beneficial owners pursuant to Rule 14b-1 and Rule 14b-2 of the Exchange Act);

(6) a representation that promptly after soliciting the holders of the shares of the corporation's stock referred to in the representation required under clause (a)(ii)(D)(5) of this Section 2.5, and in any event no later than the tenth (10th) day before such meeting of shareholders, such shareholder or beneficial owner will provide the corporation with documents, which may take the form of a certified statement and documentation from a proxy solicitor, specifically demonstrating that the necessary steps have been taken to deliver a

proxy statement and form of proxy to holders of such percentage of the voting power of the shares of the corporation's stock; and

(7) any other information relating to such shareholder, beneficial owner or related person, if any, required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in an election contest pursuant to and in accordance with Section 14(a) of the Exchange Act and the rules and regulations promulgated thereunder.

(iii) The obligation to update and supplement as set forth in Section 2.4, this Section 2.5 or any other section of these bylaws shall not limit the corporation's rights with respect to any deficiencies in any notice provided by a shareholder, extend any applicable deadlines hereunder or under any other provision of these bylaws or enable or be deemed to permit a shareholder who has previously submitted notice hereunder or under any other provision of these bylaws to amend or update any director nomination or other business proposal or to submit any new director nomination or other business proposal, including by changing or adding nominees, matters, business and/or resolutions proposed to be brought before a meeting of shareholders.

(iv) Notwithstanding anything in Section 2.5(a)(ii) above or Section 2.5(b) below to the contrary, a shareholder's notice required by this Section 2.5 shall set forth a representation that the shareholder will notify the corporation in writing, within five (5) business days after the record date for determining the shareholders entitled to vote at the meeting, of updated and supplemented information required under this Section 2.5(a), and such information when provided to the corporation shall be current as of the record date for determining the shareholders entitled to vote at the meeting.

(v) This Section 2.5 shall not apply to a proposal proposed to be made by a shareholder if the shareholder has notified the corporation of his or her intention to present the proposal at an annual or special meeting only pursuant to and in compliance with Rule 14a-8 under the Exchange Act, as the same may be amended and/or restated from time to time and is in effect, and such proposal has been included in a proxy statement that has been prepared by the corporation to solicit proxies for such meeting. For the avoidance of doubt, any such proposal shall remain subject to Section 9.5 of Article IX of these bylaws.

(vi) Notwithstanding anything in this Section 2.5(a) to the contrary, (A) in the event that the number of directors to be elected to the Board of Directors at an annual meeting is increased and there is no public announcement by the corporation naming all of the nominees proposed by the Board of Directors to be elected at such meeting or specifying the size of the increased Board of Directors made by the corporation at least ten (10) days prior to the last

day a shareholder may deliver a notice in accordance with Section 2.5(a)(ii) above, a shareholder's notice required by this Section 2.5(a) shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive office of the corporation not later than the close of business on the tenth (10th) day following the day on which such public announcement is first made by the corporation; and (B) the foregoing provisions of this Section 2.5 or Section 2.4 shall not apply to the Founder or his Permitted Transferees (in each case, as such terms are defined in the certificate of formation).

(b) Special Meeting. Nominations of persons for election to the Board of Directors may be made at a special meeting of shareholders at which directors are to be elected pursuant to the corporation's notice of meeting: (i) by or at the direction of the Board of Directors (or any authorized committee thereof); (ii) the Founder or his Permitted Transferees (in each case, as such terms are defined in the certificate of formation); (iii) provided that the Board of Directors has determined that one or more directors are to be elected at such meeting, by any shareholder of the corporation who is a shareholder of record at the time the notice provided for in this Section 2.5(b) is delivered to the Secretary, who is entitled to vote on the election of such director(s) at the meeting and who delivers a timely notice thereof in writing setting forth the information required by Section 2.5(a) above and provides the additional information required by Section 2.4 above; or (iv) in the case of a shareholder-requested special meeting, by any shareholder or shareholders of the corporation pursuant to Section 2.3. In the event the corporation calls a special meeting of shareholders for the purpose of electing one or more directors to the Board of Directors, any shareholder entitled to vote on such election of directors may nominate a person or persons (as the case may be) for election to such position(s) as specified in the corporation's notice of meeting, if the notice required by this Section 2.5(b) shall be delivered to the Secretary at the principal executive office of the corporation not earlier than the close of business on the one hundred twentieth (120th) day prior to such special meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such special meeting or the tenth (10th) day following the date on which public announcement of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting is first made by the corporation. For the avoidance of doubt, the number of nominees a shareholder may nominate for election at the special meeting (or in the case of a shareholder giving the notice on behalf of a beneficial owner, the number of nominees a shareholder may nominate for election at the special meeting on behalf of such beneficial owner) shall not exceed the number of directors to be elected at such special meeting. In no event shall an adjournment or recess of a special meeting, or a postponement of a special meeting for which notice of the meeting has already been given to shareholders or a public announcement of the meeting date has already been made, or a public announcement of the foregoing, commence a new time period (or extend any time period) for the giving of a shareholder's notice as described above.

(c) General.

(i) Except as otherwise required by law or the certificate of formation, only such persons who are nominated in accordance with the procedures set forth in Section 2.3 or this Section 2.5 shall be eligible to be elected at any meeting of shareholders of the corporation to serve as directors and only such other business shall be conducted at a meeting of shareholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 2.5. Notwithstanding any other provisions of these bylaws, a shareholder (and any beneficial owner on whose behalf a director nomination is made or other business is proposed, and if such shareholder or beneficial owner is an entity, any related person) shall also comply with all applicable requirements of the Exchange Act and the rules and regulations promulgated thereunder with respect to the matters set forth in this Section 2.5 and Section 2.3, as applicable; provided, however, that any references in these bylaws to the Exchange Act or the rules and regulations promulgated thereunder are not intended to and shall not limit any requirements applicable to director nominations or proposals as to any other business to be considered pursuant to this Section 2.5 or Section 2.3. Except as otherwise provided by law, each of the Board of Directors, or at any meeting of shareholders, the Chairman of the Board or the chairman of the meeting (in each case, subject to the supervision, discretion and control of the Board of Directors) shall have the power to determine whether a nomination or any other business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this Section 2.5 (including whether a shareholder or beneficial owner provided all information and complied with all representations required under Section 2.4 or this Section 2.5, complied with Section 9.5 of Article IX (with respect to proposals of business other than nominations) or complied with the requirements of Rule 14a-19 under the Exchange Act). If any proposed nomination or other business is not in compliance with this Section 2.5 or Section 9.5 of Article IX (with respect to proposals other than nominations), including due to a failure to comply with the requirements of Rule 14a-19 under the Exchange Act, then except as otherwise required by law, the chairman of the meeting shall declare that such director nomination shall be disregarded or such other proposed business shall not be transacted, notwithstanding that proxies and votes in respect of any such nomination or other business may have been received by the corporation. In furtherance and not by way of limitation of the foregoing provisions of this Section 2.5, unless otherwise required by law, or otherwise determined by the Chairman of the Board, the chairman of the meeting or any other director or officer designated by the Board, (A) if the shareholder does not provide the information required under Section 2.4 or Section 2.5 to the corporation within the time frames specified herein or (B) if the shareholder (or a qualified representative of the shareholder) does not appear at the annual or special meeting of shareholders of the corporation to present a director nomination or other proposed business, any such nomination shall be disregarded or

such other business shall not be transacted, notwithstanding that proxies and votes in respect of any such nomination or other business may have been received by the corporation.

(ii) To be considered a qualified representative of a shareholder for purposes of these bylaws, a person must be a duly authorized officer, manager or partner of such shareholder or authorized by a writing executed by such shareholder (or a reliable reproduction or electronic transmission of the writing) delivered to the corporation prior to the making of such nomination or proposal at such meeting (and in any event not fewer than five (5) business days before the meeting) stating that such person is authorized to act for such shareholder as proxy at the meeting of shareholders.

(iii) For purposes of this Section 2.5, the “**close of business**” shall mean 5:00 p.m. local time at the principal executive office of the corporation on any calendar day, whether or not the day is a business day, and a “**public announcement**” shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or a comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act. For purposes of this Section 2.5, shares shall be treated as “**beneficially owned**” by a person if the person beneficially owns such shares, directly or indirectly, for purposes of Section 13(d) of the Exchange Act and Regulations 13D and 13G thereunder or has or shares pursuant to any agreement, arrangement or understanding (whether or not in writing): (A) the right to acquire such shares (whether such right is exercisable immediately or only after the passage of time or the fulfillment of a condition or both); (B) the right to vote such shares, alone or in concert with others; and/or (C) investment power with respect to such shares, including the power to dispose of, or to direct the disposition of, such shares.

(iv) Nothing in this Section 2.5 or these bylaws shall be deemed to affect adversely any rights of the holders of any series of Preferred Stock to elect directors pursuant to any applicable provisions of the certificate of formation or any statement of resolutions of the Board of Directors establishing and fixing the powers, designations and rights of any series of Preferred Stock. Nothing in this Section 2.5 or these bylaws shall be deemed to limit the rights of the holders of the Class B Common Stock of the corporation arising under the certificate of formation to elect the Class B Directors (as defined in the certificate of formation).

(v) Any shareholder directly or indirectly soliciting proxies from other shareholders must use a proxy card color other than white, which shall be reserved for the exclusive use for solicitation by the Board of Directors.

2.6 Notice Of Shareholders' Meetings.

Whenever shareholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given to each shareholder entitled to vote at such meeting as of the record date for determining the shareholders entitled to vote at the meeting, which notice shall state the place, if any, date and hour of the meeting, the means of remote communications, if any, by which shareholders and proxy holders may be deemed to be present in person and vote at such meeting, the record date for determining the shareholders entitled to vote at the meeting, if such date is different from the record date for determining shareholders entitled to notice of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Except as otherwise provided in the TBOC, the certificate of formation or these bylaws, the written notice of any meeting of shareholders shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting.

2.7 Quorum.

Except as otherwise provided by law, the certificate of formation or these bylaws, at each meeting of shareholders, the presence in person or by proxy of the holders of shares of stock having a majority of the voting power that could be cast by the holders of all outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. Where a separate vote by a class or series or classes or series is required, a majority of the voting power of the outstanding shares of such class or series or each of such classes or series, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to that separate vote on that matter, except as otherwise provided by law, the certificate of formation or these bylaws. If a quorum is not present or represented at any meeting of the shareholders, then either (i) the chairman of the meeting, or (ii) the shareholders entitled to vote at the meeting, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, in accordance with Section 2.8 of these bylaws, until a quorum is present or represented.

2.8 Adjourned Meeting; Notice.

When a meeting is adjourned to another date, time or place (if any), unless these bylaws otherwise require, notice need not be given of the adjourned meeting if the date, time and place (if any), thereof and the means of remote communications, if any, by which shareholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting, are announced at the meeting at which the adjournment is taken or provided in any other manner permitted by the TBOC. At the adjourned meeting, the corporation may transact any business that might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each shareholder of record

entitled to vote at the meeting. If after the adjournment, the Board of Directors shall fix a new record date for determining shareholders entitled to vote in accordance with Section 6.101 of the TBOC and Section 2.11 of these bylaws, the corporation shall give notice of the adjourned meeting to each shareholder of record entitled to vote at such adjourned meeting as of the record date fixed for determining shareholders entitled to vote at such adjourned meeting.

2.9 Conduct Of Business.

(a) The chairman of any meeting of shareholders shall be designated by the Board of Directors; in the absence of such designation, the chief executive officer, the Chairman of the Board, if any (in the absence of the chief executive officer) or the president (in the absence of the chief executive officer and the Chairman of the Board), or in their absence any other executive officer of the corporation, shall serve as chairman of any meeting of shareholders. The Secretary shall act as Secretary of the meeting, but in his or her absence, the chairman of the meeting may appoint any person to act as Secretary of the meeting.

(b) The date and time of opening and closing of the polls for each matter upon which the shareholders will vote at the meeting shall be announced at the meeting. The Board of Directors may adopt such rules and regulations for the conduct of any meeting of shareholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chairman of the meeting shall have the authority to adopt and enforce such rules and regulations for the conduct of any meeting of shareholders and the safety of those in attendance as, in the judgment of the chairman, are necessary, appropriate or convenient for the conduct of the meeting. Rules and regulations for the conduct of meetings of shareholders, whether adopted by the Board of Directors or by the chairman of the meeting, may include, without limitation, establishing: (i) an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to shareholders entitled to vote at the meeting, their duly authorized and constituted proxies, qualified representatives (including rules around who qualifies as such) and such other persons as the chairman of the meeting shall permit; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; (v) limitations on the time allotted for consideration of each agenda item and for questions and comments by participants; (vi) regulations for the opening and closing of the polls for balloting and matters which are to be voted on by ballot (if any); and (vii) procedures (if any) requiring attendees to provide the corporation advance notice of their intent to attend the meeting. Subject to any rules and regulations adopted by the Board of Directors, the chairman of the meeting may convene and, for any or no reason, from time to time, adjourn and/or recess any meeting of shareholders. Unless and to the extent not otherwise determined by the Board of Directors and subject to Section 2.5(c) of these bylaws, the chairman of the meeting, in addition to making any other determinations that may be appropriate to the conduct of the meeting, shall

have the power and duty to declare that a nomination or other business was not properly brought before the meeting if the facts warrant (including if a determination is made, pursuant to Section 2.5(c)(i) of these bylaws, that a nomination or other business was not made or proposed, as the case may be, in accordance with Section 2.5 of these bylaws), and if such chairman should so declare, such nomination shall be disregarded or such other business shall not be transacted or considered (and such nominee shall be disqualified from standing for election or reelection as a director). Unless and to the extent not otherwise determined by the Board of Directors or the chairman of the meeting, meetings of shareholders shall not be required to be held in accordance with the rules of parliamentary procedure.

2.10 **Voting.**

The shareholders entitled to vote at any meeting of shareholders shall be determined in accordance with the provisions of the certificate of formation and Section 2.11 of these bylaws, subject to the provisions of Section 6.153, Section 6.154, Section 6.155, Section 6.156, Section 6.157, Section 6.251 and Section 6.252 of the TBOC (relating to voting rights of entities, fiduciaries, receivers, pledgers and joint owners of stock and to voting trusts and other voting agreements).

Except as otherwise required by law, the certificate of formation or these bylaws, all matters, other than the election of directors, submitted for approval at a meeting of shareholders where a quorum is present, shall be approved by the affirmative vote of the holders of at least a majority of the voting power of the shares of the capital stock present in person or represented by proxy at the meeting and entitled to vote on the subject matter, provided, that where a separate vote by the holders of the shares of a class or series or classes or series is required, if a quorum of shares of such class or series or classes or series is present at the meeting, such act shall be approved by the affirmative vote of the holders of at least a majority of the voting power of the shares of such class or series or classes or series present in person or represented by proxy at the meeting and entitled to vote on the subject matter. Notwithstanding the foregoing, except as otherwise required by law, the certificate of formation or these bylaws, directors shall be elected by a plurality of the votes cast by the holders entitled to vote on the election of directors. Where a separate vote by the shares of a class or series or classes or series of capital stock is required to elect one or more directors, such director or directors shall be elected by a plurality of the votes cast by the holders of the outstanding shares of such class or series or classes or series entitled to vote on the election of such director or directors, except as otherwise provided by law, the certificate of formation or these bylaws.

2.11 **Record Dates.**

In order that the corporation may determine the shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or entitled to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, nor more than sixty (60) days prior to any other action.

If the Board of Directors does not so fix a record date:

(a) The record date for determining shareholders entitled to notice of or to vote at a meeting of shareholders shall be at the close of business on the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held.

(b) Unless otherwise restricted by the certificate of formation, in order that the corporation may determine the shareholders entitled to express consent to corporate action without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. If no record date has been fixed by the Board of Directors, the record date for determining shareholders entitled to express consent to corporate action without a meeting, when no prior action of the Board of Directors is required by law, shall be the first date on which a signed consent setting forth the action taken or proposed to be taken was delivered to the corporation in accordance with these bylaws. If no record date has been fixed by the Board of Directors, the record date for determining shareholders entitled to express consent to corporate action without a meeting, if prior action by the Board of Directors is required by law, shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

(c) Unless otherwise provided in these bylaws, the record date for determining shareholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto. A determination of shareholders of record entitled to notice of or to vote at a meeting of shareholders shall apply to any adjournment of the meeting, if such adjournment is for thirty (30) days or less; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

2.12 **Proxies.**

Each shareholder entitled to vote at a meeting of shareholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such shareholder by an instrument in writing executed by the shareholder or by an electronic transmission permitted by law filed with the Secretary, but no such proxy shall be voted or acted upon after eleven (11) months from its date, unless the proxy provides for a longer period. Any form of electronic transmission, including telephonic transmission, by the shareholder, or a photographic, photostatic, pdf, facsimile or similar reproduction of a writing executed by the shareholder, is considered an execution in writing. Any electronic transmission must contain or be accompanied by information from which it can be determined that the transmission was authorized by the shareholder. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Sections 21.368 and 21.369 of the TBOC.

2.13 **List Of Shareholders Entitled To Vote.**

The officer who has charge of the stock ledger of the corporation shall prepare and make, not later than the eleventh (11th) day before each meeting of shareholders, a complete list of the shareholders entitled to vote at the meeting. The shareholder list shall be arranged in alphabetical order and show the address of each shareholder, the number of shares of each class and series registered in the name of each shareholder, the number of votes to which each shareholder is entitled if that number differs from the number of shares registered for such shareholder and such other information as required by the TBOC. The corporation shall not be required to include electronic mail addresses or other electronic contact information on such list. Such list shall be kept on file at the registered office or principal executive office of the corporation for at least ten (10) days prior to the date of the applicable meeting, and shall be open to the examination of any shareholder for any purpose germane to the meeting for a period of at least ten (10) days prior to the meeting (a) on a reasonably accessible electronic data system if the information required to gain access to such list is provided with the notice of the meeting, or (b) during regular business hours, at the corporation's principal executive office. In the event that the corporation determines to make the list available on an electronic data system, the corporation will take reasonable steps to ensure that such information is available only to shareholders of the corporation. Such list shall presumptively determine the identity of the shareholders entitled to vote at the meeting and the number of shares held by each of them.

2.14 **Inspectors Of Election.**

Before any meeting of shareholders, the Board of Directors shall appoint an inspector or inspectors of election to act at the meeting or its adjournment. The number of

inspectors shall be either one (1) or three (3). If any person appointed as inspector fails to appear or fails or refuses to act, then the chairman of the meeting may, and upon the request of any shareholder or a shareholder's proxy shall, appoint a person to fill that vacancy.

Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors so appointed and designated shall (a) ascertain the number of shares of capital stock of the corporation outstanding and the voting power of each share, (b) determine the shares of capital stock of the corporation represented at the meeting and the validity of proxies and ballots, (c) count all votes and ballots, (d) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors, and (e) certify their determination of the number of shares of each series and class of capital stock of the corporation represented at the meeting and such inspector or inspectors' count of all votes and ballots.

In determining the validity and counting of proxies and ballots cast at any meeting of shareholders of the corporation, the inspector or inspectors may consider such information as is permitted by applicable law. If there are three (3) inspectors of election, the decision, act or certificate of a majority of the inspectors is effective in all respects as the decision, act or certificate of all.

ARTICLE III

DIRECTORS

3.1 Powers.

Subject to the provisions of the TBOC and any limitations in the certificate of formation or these bylaws relating to action required to be approved by the shareholders or by the holders of the outstanding shares of any one or more classes or series of the capital stock of the corporation, the business and affairs of the corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Directors.

3.2 Number Of Directors.

The Board of Directors shall consist of one (1) or more members, each of whom shall be a natural person. Unless the certificate of formation fixes the number of directors, the number of directors shall be determined from time to time solely by resolution of the Board of Directors. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

3.3 Election, Qualification And Term Of Office Of Directors.

Except as provided in Section 3.4 of these bylaws, directors shall be elected at each annual meeting of shareholders to hold office until the next annual meeting and until such director's successor is elected and qualified or until such director's earlier death, resignation, retirement, disqualification or removal. Directors need not be shareholders unless so required by the certificate of formation or these bylaws. The certificate of formation or these bylaws may prescribe other qualifications for directors. Each director shall hold office until such director's successor is elected and qualified or until such director's earlier death, resignation, retirement, disqualification or removal.

Elections of directors need not be by written ballot.

3.4 Resignations And Vacancies.

Any director may resign at any time upon notice given in writing or by electronic transmission to the corporation; provided, however, that if such notice is given by electronic transmission, such electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the director. A resignation is effective when the resignation is received by the corporation unless the resignation specifies a later effective date or an effective date determined upon the happening of an event or events. Acceptance of such resignation shall not be necessary to make it effective. A resignation which is conditioned upon the director failing to receive a specified vote for reelection as a director may provide that it is irrevocable.

Unless otherwise required by law or provided for or fixed pursuant to the certificate of formation or these bylaws, newly created directorships resulting from any increase in the authorized number of directors and any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause shall be filled only in the manner provided in and to the extent permitted under the certificate of formation.

3.5 Place Of Meetings; Meetings By Telephone.

The Board of Directors of the corporation may hold meetings, both regular and special, either within or outside the State of Texas. Unless otherwise restricted by the certificate of formation or these bylaws, members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

3.6 **Regular Meetings.**

Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall from time to time be determined by resolution approved by the Board of Directors. Any and all business may be transacted at any regular meeting of the Board of Directors.

3.7 **Special Meetings; Notice.**

(a) Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the Chairman of the Board, the chief executive officer or a majority of the directors then in office. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

(b) Notice of the time and place of all special meetings of the Board of Directors shall be delivered personally or by telephone to each director or sent by first-class mail, electronic transmission, pdf or facsimile, addressed to each director at that director's address as it is shown on the records of the corporation. If the notice is mailed, it shall be deposited in the United States mail at least four (4) days before the time of the holding of the meeting. If the notice is delivered personally by facsimile, by pdf, by electronic transmission or by telephone, it shall be delivered at least twenty-four (24) hours before the time of the holding of the meeting. Any oral notice given personally or by telephone may be communicated either to the director or to a person at the office of the director who the person giving the notice has reason to believe will promptly communicate it to the director. The notice need not specify the purpose or the place of the meeting, if the meeting is to be held at the principal executive office of the corporation.

3.8 **Quorum.**

At all meetings of the Board of Directors, a majority of the authorized number of directors shall constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by the certificate of formation. If a quorum is not present at any meeting of the Board of Directors, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

3.9 Board Action By Written Consent Without A Meeting.

Unless otherwise restricted by the certificate of formation or these bylaws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the board or committee, as the case may be, consent thereto in writing or by electronic transmission. Any person (whether or not then a director) may provide, whether through instruction to an agent or otherwise, that a consent to action will be effective at a future time (including a time determined upon the happening of an event), no later than sixty (60) days after such instruction is given or such provision is made and such consent shall be deemed to have been given for purposes of this Section 3.9 at such effective time so long as such person is then a director and did not revoke the consent prior to such time. Any such consent shall be revocable prior to its becoming effective. After an action is taken, the consent or consents relating thereto shall be filed with the minutes of the proceedings of the Board of Directors, or the committee or subcommittee thereof, in the same paper or electronic form as the minutes are maintained.

3.10 Fees And Compensation Of Directors.

Unless otherwise restricted by the certificate of formation or these bylaws, the Board of Directors shall have the authority to fix the compensation of directors. No such compensation shall preclude any director from serving the corporation in any other capacity and receiving compensation therefor.

3.11 Chairman Of The Board.

Subject to the terms of the certificate of formation (including with respect to the rights of the Founder, as defined in the certificate of formation), the corporation may also have, if appointed by action of the Board of Directors in its discretion, a Chairman of the Board of Directors who may, if so determined by the Board, be considered an officer of the corporation. The Chairman of the Board shall have the powers and duties customarily and usually associated with the office of the chairperson of the board. Meetings of the Board of Directors shall be presided over by the Chairman of the Board or, in his or her absence, the chief executive officer (if separate and if also a director), or, in his or her absence, by the president (if also a director) or, in his or her absence, by another director designated by the Board of Directors.

3.12 **Removal Of Directors.**

Directors of the corporation may be removed from office only in the manner provided in and to the extent permitted in the certificate of formation.

3.13 **Presumption Of Assent.**

A director of the corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent or abstention shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent or abstention to such action (i) with the person acting as the Secretary of the meeting before the adjournment thereof or (ii) within a reasonable time after the meeting has been adjourned, with the Secretary of the corporation in the manner otherwise required by Section 21.414(a)(3) of the TBOC. Such right to dissent or abstention shall not apply to a director who voted in favor of such action.

ARTICLE IV **COMMITTEES**

4.1 **Committees Of Directors.**

The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the corporation. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors, or in these bylaws, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following matters: (i) approving or adopting, or recommending to the shareholders, any action or matter expressly required by the TBOC to be submitted to shareholders for approval, (ii) adopting, amending or repealing any bylaw of the corporation, or (iii) any other action or matter specified in Section 21.416(c) of the TBOC. Any designation of such committee and the delegation to such committee of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed by law. The number of members on each committee may be increased or decreased from time to time by resolutions of the Board of Directors. Any

member of any committee may be removed from such committee at any time by resolution of the Board of Directors. Any vacancy occurring on a committee will be filled by the Board of Directors.

4.2 **Committee Minutes.**

Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required.

4.3 **Meetings And Action Of Committees.**

Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of Section 3.5 (Place Of Meetings; Meetings By Telephone), Section 3.6 (Regular Meetings), Section 3.7 (Special Meetings; Notice), Section 3.8 (Quorum), Section 3.9 (Board Action By Written Consent Without A Meeting) and Section 7.2 (Waiver Of Notice) of these bylaws, with such changes in the context of such provisions as are necessary to substitute the committee and its members for the Board of Directors and its members; provided, however, that the time of regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee, that special meetings of committees may also be called by resolution of the Board of Directors and that notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board of Directors may adopt rules for the governance of any committee not inconsistent with the provisions of these bylaws.

4.4 **Subcommittees.**

Unless otherwise provided in the certificate of formation, these bylaws or the resolutions of the Board of Directors designating the committee, a committee may create one (1) or more subcommittees, each subcommittee to consist of one (1) or more members of the committee, and delegate to a subcommittee any or all of the powers and authority of the committee.

ARTICLE V **OFFICERS**

5.1 **Generally.**

The corporation shall have elected officers and may have appointed officers. The elected officers of the corporation shall be elected by the Board of Directors (“**Elected Officers**”) and shall consist of a president and a Secretary and may consist of a chief executive officer (subject to the Founder (as defined in the certificate of formation) rights under the

certificate of formation), a chief financial officer and a treasurer. The Board of Directors may also elect such other officers as the Board of Directors determines to be Elected Officers. The Elected Officers of the corporation shall be chosen by the Board of Directors and each shall hold office until his or her successor is elected and qualified or until his or her earlier resignation or removal.

All other officers of the corporation may be appointed by the chief executive officer, president or chief financial officer of the corporation (“**Appointed Officers**”) and shall serve at the pleasure of the chief executive officer and shall hold such officer titles solely for purposes of identification and business convenience. Appointed Officers shall not be considered Elected Officers unless otherwise expressly provided by the chief executive officer, president or the chief financial officer. Unless otherwise expressly provided by the chief executive officer, president or the chief financial officer and except as required by law, Appointed Officers shall not be considered (i) executive officers for any purpose, including, without limitation, for purposes of any federal securities laws and regulations, (ii) officers for purposes of any indemnification to which officers may be entitled under the certificate of formation, Article VIII of these bylaws or otherwise, or (iii) officers for purposes of Section 16 of the Exchange Act. Appointed Officers shall have authority to obligate and bind the corporation only with respect to the ordinary course of their business activities on behalf of the corporation within the parameters of their authority as specified from time to time by the chief executive officer or his designee.

Any number of offices may be held by the same person. The Board of Directors or the chief executive officer, as applicable, may determine to leave any office vacant. Election or appointment of an officer shall not of itself create contract rights.

5.2 Removal And Resignation Of Officers.

Subject to the certificate of formation, including with respect to the positions of the Founder (as defined in the certificate of formation) and the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by an affirmative vote of the majority of the Board of Directors at any regular or special meeting of the board, and any Appointed Officer may also be removed, either with or without cause, by the chief executive officer.

Any officer may resign at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

5.3 **Vacancies In Offices.**

Subject to the certificate of formation, including with respect to the positions of the Founder (as defined in the certificate of formation), any vacancy occurring in the office of any Elected Officer of the corporation shall be filled by the Board of Directors.

5.4 **Chief Executive Officer.**

The chief executive officer of the corporation (if such an officer is elected) shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and the officers of the corporation. He or she shall preside at all meetings of the shareholders as set forth in Section 2.9 and, in the absence or nonexistence of the Chairman of the Board, at all meetings of the Board of Directors (if the chief executive officer serves as a director) and shall have the general powers and duties of management usually vested in the office of chief executive officer of a corporation and shall have such other powers and duties as may be prescribed by the Board of Directors or these bylaws.

5.5 **President.**

Subject to such supervisory powers, if any, as may be given by the Board of Directors to the chief executive officer, the president shall have general supervision, direction and control of the business and the officers (other than the chief executive officer) of the corporation. He or she shall have the general powers and duties of management usually vested in the office of president of a corporation and such other powers and duties as may be prescribed by the Board of Directors or these bylaws.

5.6 **Vice Presidents.**

In the absence or disability of the chief executive officer and president, the vice presidents, if any, in order of their rank as fixed by the Board of Directors or, if not ranked, a vice president designated by the Board of Directors, shall perform all the duties of the president and when so acting shall have all the powers of, and be subject to all the restrictions upon, the president. The vice presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors, these bylaws, the chief executive officer or the president.

5.7 **Secretary.**

The Secretary shall keep or cause to be kept, at the principal executive office of the corporation or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of directors, committees of directors and shareholders. The minutes shall

show the time and place of each meeting, the names of those present at directors' meetings or committee meetings, the number of shares present or represented at shareholders' meetings and the proceedings thereof.

The Secretary shall keep, or cause to be kept, at the principal executive office of the corporation or at the office of the corporation's transfer agent or registrar, as determined by resolution of the Board of Directors, a share register, or a duplicate share register, showing the names of all shareholders and their addresses, the number and classes of shares held by each, the number and date of certificates evidencing such shares, and the number and date of cancellation of every certificate surrendered for cancellation.

The Secretary shall give, or cause to be given, notice of all meetings of the shareholders and of the Board of Directors required to be given by law or by these bylaws. He or she shall keep the seal of the corporation, if one be adopted, in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by these bylaws.

5.8 **Assistant Secretary.**

An assistant secretary shall, in the absence of the Secretary or in the event of his or her inability or refusal to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties as the Board of Directors, the chief executive officer or the Secretary may from time to time prescribe.

5.9 **Chief Financial Officer.**

The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital retained earnings and shares. The books of account shall at all reasonable times be open to inspection by any director.

The chief financial officer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. He or she shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the president, the chief executive officer or the directors, upon request, an account of all his or her transactions as chief financial officer and of the financial condition of the corporation and shall have other powers and perform such other duties as may be prescribed by the Board of Directors or the bylaws.

5.10 Representation Of Shares Of Other Corporations.

The chief executive officer, the president, any vice president, the chief financial officer, the Secretary or any assistant secretary of the corporation or any other person authorized by the Board of Directors or the chief executive officer, the president or a vice president, is authorized to vote, represent and exercise on behalf of the corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the corporation. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by the person having such authority.

5.11 Checks.

From time to time, the Board of Directors shall determine by resolution which person or persons may sign or endorse all checks, drafts, other orders for payment of money, notes or other evidences of indebtedness that are issued in the name of or payable to the corporation, and only the persons so authorized shall sign or endorse those instruments.

5.12 Execution Of Corporate Contracts And Instruments.

The Board of Directors, except as otherwise provided in these bylaws, may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation; such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

5.13 Authority And Duties Of Officers.

In addition to the foregoing authority and duties, all officers of the corporation shall respectively have such authority and perform such duties in the management of the business of the corporation as may be designated from time to time by the Board of Directors or the shareholders.

5.14 Compensation.

The compensation, if any, of officers shall be fixed, increased or decreased from time to time by the Board of Directors; provided, that the Board of Directors may by resolution

delegate to a committee of the Board of Directors or any one (1) or more officers of the corporation the authority to fix such compensation.

ARTICLE VI

STOCK

6.1 Stock Certificates; No Partly Paid Shares.

The shares of the corporation shall be uncertificated, provided that the Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be represented by certificates. Unless otherwise provided by resolution of the Board of Directors, every holder of stock represented by certificates shall be entitled to have a certificate signed by, or in the name of, the corporation by any two officers of the corporation representing the number of shares registered in certificate form. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue. The corporation shall not have power to issue a certificate in bearer form. The corporation may not issue the whole or any part of its shares for which only partial payment of the consideration required for the issuance of such shares has been received by the corporation.

6.2 Special Designation On Certificates.

If the corporation is authorized to issue more than one class of stock or more than one series of any class, then, with respect to any shares of the corporation that are represented by certificates, the powers, the designations, the preferences and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the corporation shall issue to represent such class or series of stock; provided, however, that, except as otherwise provided in Section 21.213 of the TBOC, in lieu of the foregoing requirements, there may be set forth on the face or back of the certificate that the corporation shall issue to represent such class or series of stock a statement that the corporation will furnish without charge to each shareholder who so requests the powers, the designations, the preferences and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Within a reasonable time after the issuance or transfer of uncertificated shares, the corporation shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates issued pursuant to this Article VI or otherwise required by law. Except as otherwise expressly provided by law, the rights and obligations of the

holders of uncertificated shares shall be identical to those of the holders of certificates representing shares of the same class and series.

6.3 Lost, Stolen Or Destroyed Certificates.

The holder of any certificate representing any shares of the corporation must immediately notify the corporation of any loss, theft or destruction of such certificate. Except as provided in this Section 6.3, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the corporation and cancelled at the same time. The corporation may issue a new certificate for shares, or uncertificated shares in the place thereof, represented by a certificate alleged to have been lost, stolen or destroyed, upon such terms and conditions as the Board of Directors may prescribe, including the presentations of an affidavit of lost stock certificate and of satisfactory proof of such loss, theft or destruction, and the corporation may require the owner of the lost, stolen or destroyed certificate, or the owner's legal representative, to give the corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

6.4 Dividends.

The Board of Directors, subject to any restrictions contained in (a) the TBOC or (b) the certificate of formation, may declare and pay dividends upon the shares of its capital stock. Dividends may be paid in cash, in property or in shares of the corporation's capital stock.

The Board of Directors may set apart out of any of the funds of the corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve. Such purposes shall include but not be limited to equalizing dividends, repairing or maintaining any property of the corporation and meeting contingencies.

6.5 Registration Of Transfers.

The Board of Directors may appoint and engage one (1) or more transfer agents to maintain the share transfer records of the corporation. No transfer of shares will be valid as against the corporation, its shareholders and creditors for any purpose, until it is entered in the share transfer records of the corporation by an entry showing from and to whom transferred. So long as the transfer of shares is not prohibited by the certificate of formation, these bylaws, applicable law or contract, upon delivery to the corporation or a transfer agent of the corporation of proper evidence of succession or assignment and authority to transfer and, if the shares are represented by a certificate, accompanied by such certificate duly endorsed for transfer, the corporation or its transfer agent will record the transaction upon the share transfer records of the

corporation and, if the shares are certificated, issue a new certificate to the person entitled thereto and cancel the old certificate.

6.6 Stock Transfer Agreements.

The corporation shall have power to enter into and perform any agreement with any number of shareholders of any one (1) or more classes or series of stock of the corporation to restrict the transfer of shares of stock of the corporation of any one (1) or more classes or series owned by such shareholders in any manner not prohibited by the TBOC.

6.7 Registered Shareholders.

The corporation shall be entitled to recognize the exclusive right of a person registered on its share transfer records as the owner of shares and as the holder in fact of those shares for all purposes, including voting those shares, receiving dividends or distributions thereon or notices in respect thereof, transferring those shares, exercising rights of dissent with respect to those shares, entering into agreements with respect to those shares in accordance with Texas law or giving proxies with respect to those shares. Neither the corporation nor any of its officers, directors, employees or agents shall be liable for regarding the holder of record as the owner of those shares at that time for those purposes, regardless of whether that person possesses a certificate for those shares. The corporation shall not be bound to recognize any equitable or other claim to or interest in such shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Texas.

ARTICLE VII MANNER OF GIVING NOTICE AND WAIVER

7.1 General.

Notices to shareholders, directors and committee members (other than notices to directors of a special meeting of the Board of Directors or committees) must be in writing and may be delivered personally or mailed by U.S. mail, postage prepaid, to the shareholders, directors or committee members, respectively, at their addresses appearing on the books and share transfer records of the corporation. Notice will be deemed to be given at the time when the same are so delivered or mailed. Notice to directors and committee members may also be given by nationally recognized overnight delivery or courier service and will be deemed given when such notice is received by the proper recipient or, if earlier, in the case of an overnight delivery or courier service, one (1) day after such notice is sent by such overnight delivery or courier service. With the consent of a shareholder, director or committee member, notice from the corporation may be given to the shareholder, director or committee member by electronic transmission. The shareholder, director or committee member may specify the form of electronic

transmission to be used to communicate notice. The shareholder, director or committee member may revoke this consent by written notice to the corporation. The consent is deemed to be revoked if the corporation is unable to deliver by electronic transmission two (2) consecutive notices, and the person responsible for delivering notice on behalf of the corporation knows that delivery of these two (2) electronic transmissions was unsuccessful. The inadvertent failure to treat the unsuccessful transmissions as a revocation of consent does not invalidate a meeting or other action. Notice by electronic transmission is deemed given when the notice is (i) transmitted to a facsimile number provided by the shareholder, director or committee member for the purpose of receiving notice; (ii) transmitted to an electronic mail address provided by the shareholder, director or committee member for the purpose of receiving notice; (iii) posted on an electronic network and a message is sent to the shareholder, director or committee member at the address provided by the shareholder, director or committee member for the purpose of alerting the shareholder, director or committee member of a posting; or (iv) communicated to the shareholder, director or committee member by any other form of electronic transmission consented to by the shareholder, director or committee member. For the avoidance of doubt, this Section 7.1 does not apply to notices of special meetings of the Board or committees, in which case Section 3.7 applies, and does not apply to regular meetings of the Board or committees. Notwithstanding the foregoing, so long as the corporation is subject to the Securities and Exchange Commission's proxy rules set forth in Regulation 14A under the Exchange Act, notice to shareholders shall be given in the manner required by such rules.

7.2 Waiver Of Notice.

Whenever notice is required to be given to shareholders, directors or other persons under any provision of the TBOC, the certificate of formation or these bylaws, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person participates in or attends a meeting solely to object to the transaction of business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the shareholders or the Board of Directors, as the case may be, need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the certificate of formation, these bylaws or applicable law.

7.3 Omission Of Notice To Shareholders.

Any notice required to be given to any shareholder under any provision of applicable law, the certificate of formation or these bylaws need not be given to the shareholder if (1) notice of two consecutive annual meetings and all notices of meetings held during the

period between those annual meetings, if any, or (2) all (but in no event less than two (2)) payments (if sent by first class mail) of distributions or interest on securities during a twelve (12)-month period, have been mailed to that person, addressed at his or her address as shown on the share transfer records of the corporation and have been returned undeliverable. Any action or meeting taken or held without notice to such a person will have the same force and effect as if the notice had been duly given. If such a person delivers to the corporation a written notice setting forth his or her then current address, the requirement that notice be given to that person will be reinstated.

ARTICLE VIII

INDEMNIFICATION

8.1 Indemnification Of Directors And Officers.

Subject to the other provisions of this Article VIII, the corporation shall indemnify, to the fullest extent permitted by the TBOC, as now or hereinafter in effect, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, including an appeal of such action or proceeding or any inquiry or investigation that could lead to such action or proceeding (a “**Proceeding**”), by reason of the fact that such person is or was a director or officer of the corporation, or while serving as a director or officer of the corporation is or was serving at the request of the corporation as a director, officer, partner, venturer, trustee, employee, administrator or agent of another corporation, partnership, joint venture, trust, organization or other enterprise, against expenses (including attorneys’ fees), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such Proceeding if it is determined in accordance with the TBOC that such person (i) acted in good faith, (ii) reasonably believed that such person’s conduct was in the best interests of the corporation in the case of conduct in the person’s official capacity and was not opposed to the best interests of the corporation in any other case, and (iii) in the case of a criminal Proceeding, did not have a reasonable cause to believe the person’s conduct was unlawful. The termination of any Proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person failed to meet the foregoing standards. If the person is found liable to the corporation or is found liable because the person improperly received a personal benefit, the indemnification of the person under this Section 8.1 is limited to reasonable expenses actually incurred by the person in connection with the proceeding and does not include a judgment, a penalty, a fine, or an excise or similar tax, including an excise tax assessed against the person with respect to an employee benefit plan; provided, however, such indemnification for expenses may not be made in relation to a proceeding in which the person has been found liable for: (A) willful or intentional misconduct in the performance of the person's duty to the corporation; (B) breach of

the person's duty of loyalty owed to the corporation; or (C) an act or omission not committed in good faith that constitutes a breach of a duty owed by the person to the corporation. Notwithstanding the foregoing, on application by the person and after notice is provided as required by the court, the court adjudicating such Proceeding may order the corporation to indemnify the person to the extent the court determines that such person is fairly and reasonably entitled to indemnification in view of all the relevant circumstances; however, such indemnification is limited to reasonable expenses if the person is found liable (i) to the corporation or (ii) because the person improperly received a personal benefit, without regard to whether the benefit resulted from an action taken in the person's official capacity. For purposes of this Section 8.1, the person is considered to have been found liable in relation to a claim, issue, or matter only if the liability is established by an order, including a judgment or decree of a court, and all appeals of the order are exhausted or foreclosed by law.

8.2 Successful Defense.

To the extent that a present or former director or officer of the corporation has been wholly successful, on the merits or otherwise, in the defense of any Proceeding in which the person is a respondent because the person is or was a director or officer of the corporation, or while serving as a director or officer of the corporation is or was serving at the request of the corporation as a director, officer, partner, venturer, trustee, employee, administrator or agent of another corporation, partnership, joint venture, trust, organization or other enterprise, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

8.3 Indemnification Of Others.

Subject to the other provisions of this Article VIII, to the extent not prohibited by the TBOC or other applicable law, the corporation shall have the power to indemnify its present or former employees, its present or former agents and those of its present or former officers who are not covered by Section 8.1 by virtue of the definition of "officer" contained in Section 8.11. The Board of Directors shall have the power to delegate the determination of whether present or former employees, agents or officers not so covered by Section 8.1 shall be indemnified to such person or persons as the Board of Directors determines.

8.4 Advance Payment Of Expenses.

To the fullest extent permitted by the TBOC, expenses (including attorneys' fees) actually and reasonably incurred by a present officer or director of the corporation who was, is or is threatened to be made a respondent in any Proceeding shall be paid or reimbursed by the corporation in advance of the final disposition of such Proceeding without making the

determination required under Section 8.1 upon receipt by the corporation of a written request therefor (together with documentation reasonably evidencing such expenses), a written affirmation by the person of the person's good faith belief that the person has met the standard of conduct necessary for indemnification under this Article VIII and the TBOC and an undertaking by or on behalf of the person to repay such amounts if it shall be finally determined that the person has not met that standard or is not entitled to be indemnified under this Article VIII or the TBOC. Such expenses (including attorneys' fees) incurred by former directors and officers or other employees and agents may be so paid upon such terms and conditions, if any, as the corporation deems reasonably appropriate and shall be subject to the corporation's expense guidelines. The right to advancement of expenses shall not apply to any claim for which indemnification by the corporation is precluded pursuant to these bylaws, but shall apply to any Proceeding referenced in Section 8.5(b) or 8.5(c) prior to a determination that the person is not entitled to be indemnified by the corporation.

8.5 Limitation On Indemnification.

Subject to the requirements in Section 8.2 and the TBOC, the corporation shall not be obligated to indemnify any person pursuant to this Article VIII in connection with any Proceeding (or any part of any Proceeding):

(a) for which payment has actually been made to or on behalf of such person under any statute, insurance policy, indemnity provision, vote or otherwise by any third party or entity other than the corporation, except with respect to any excess beyond the amount paid;

(b) for an accounting or disgorgement of profits pursuant to Section 16(b) of the Exchange Act, or similar provisions of federal, state or local statutory law or common law, if such person is held liable therefor (including pursuant to any settlement arrangements);

(c) for any reimbursement of the corporation by such person of any bonus or other incentive-based or equity-based compensation or of any profits realized by such person from the sale of securities of the corporation, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the corporation pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act**"), or the payment to the corporation of profits arising from the purchase and sale by such person of securities in violation of Section 306 of the Sarbanes-Oxley Act), if such person is held liable therefor (including pursuant to any settlement arrangements);

(d) initiated by such person against the corporation or its directors, officers, employees, agents or other indemnitees, unless (i) the Board of Directors authorized the Proceeding (or the relevant part of the Proceeding) prior to its initiation, (ii) the corporation

provides the indemnification, in its sole discretion, pursuant to the powers vested in the corporation under applicable law, (iii) otherwise required to be made under Section 8.7, or (iv) otherwise required by applicable law; or

(e) if prohibited by applicable law, including TBOC Section 8.102(b); provided, however, that if any provision or provisions of this Article VIII shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (1) the validity, legality and enforceability of the remaining provisions of this Article VIII (including, without limitation, each portion of any paragraph or clause containing any such provision held to be invalid, illegal or unenforceable, that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (2) to the fullest extent possible, the provisions of this Article VIII (including, without limitation, each such portion of any paragraph or clause containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

8.6 Claim For Indemnification Or Expense Advancement.

If a claim for indemnification or advancement of expenses under this Article VIII is not paid in full within ninety (90) days after receipt by the corporation of the written request therefor, the claimant shall be entitled to an adjudication by a court of competent jurisdiction of his or her entitlement to such indemnification or advancement of expenses. The corporation shall indemnify such person against any and all expenses that are incurred by such person in connection with any action for indemnification or advancement of expenses from the corporation under this Article VIII, to the extent such person is successful in such action, and to the extent not prohibited by law. In any such suit, the corporation shall, to the fullest extent not prohibited by law, have the burden of proving that the claimant is not entitled to the requested indemnification or advancement of expenses.

8.7 Non-Exclusivity Of Rights.

The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VIII shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the certificate of formation or any statute, bylaw, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office. The corporation is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advancement of expenses, to the fullest extent not prohibited by the TBOC or other applicable law.

8.8 **Insurance.**

The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, partner, venturer, trustee, employee, administrator or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against such liability under the provisions of the TBOC.

8.9 **Survival.**

The rights to indemnification and advancement of expenses conferred by this Article VIII shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

8.10 **Effect Of Repeal Or Modification.**

Any amendment, alteration or repeal of any provision of this Article VIII shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to such amendment, alteration or repeal.

8.11 **Certain Definitions.**

For purposes of this Article VIII, references to the “**corporation**” shall include, in addition to the resulting or surviving corporation, any constituent corporation (including any constituent of a constituent) absorbed in a merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article VIII with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued. For purposes of this Article VIII, “**officer**” is intended to mean an “Elected Officer” (as defined in Section 5.1) or an “Appointed Officer” (as defined in Section 5.1) who has been specifically designated as being eligible for indemnification under this Article VIII by the chief executive officer, president or the chief financial officer. For purposes of this Article VIII, references to “**other enterprise**” shall include employee benefit plans; references to “**fines**” shall include any excise taxes assessed on a person with respect to an employee benefit plan and references to “**serving at the request of the corporation**” shall include any service as a director, officer, employee or agent of the

corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner “**not opposed to the best interests of the corporation**” as referred to in this Article VIII.

ARTICLE IX

GENERAL MATTERS

9.1 Fiscal Year.

The fiscal year of the corporation shall be fixed by resolution of the Board of Directors and may be changed by the Board of Directors.

9.2 Seal.

The corporation may adopt a corporate seal, which may be altered by the Board of Directors, and may use the same by causing it or a facsimile thereof, to be impressed or affixed or in any other manner reproduced. The corporation shall not be required to use a corporate seal and the lack of a corporate seal shall not affect an otherwise valid contract or other instrument executed by the corporation.

9.3 Construction; Definitions.

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the TBOC shall govern the construction of these bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular and the term “**person**” includes a corporation, any other entity and a natural person.

9.4 Election To Be Governed By Section 21.419 Of The Texas Business Organizations Code; Derivative Proceedings.

The corporation affirmatively elects to be governed by Section 21.419 of the TBOC and any successor provision thereto. During any time that the corporation has its common stock listed on a national securities exchange (as defined in Section 1.002(55-a) of the TBOC) or has 500 or more shareholders and elects to be governed by Section 21.419 of the TBOC, the required ownership threshold for purposes of Section 21.552(a)(3) of the TBOC shall be three percent (3%) of the outstanding shares of the corporation.

9.5 **Election To Be Governed By Section 21.373 Of The Texas Business Organizations Code; Shareholder Proposals.**

Effective immediately upon the corporation qualifying as a “nationally listed corporation” as defined in Section 21.373(a) of the TBOC, and for so long as the corporation continues to be so qualified, the corporation affirmatively elects to be governed by Section 21.373 of the TBOC.

9.6 **Restrictions on Transfer of Common Stock.**

Shares of the Corporation issued prior to the Corporation’s initial public offering shall be bound by the restrictions on transfer of securities of the Corporation, and related terms and conditions, set forth in the preliminary prospectus for the Corporation’s initial public offering dated June 3, 2026, as such restrictions, terms and conditions relate to securities subject to the “180-day lock-up period”.

ARTICLE X

EXCLUSIVE FORUM AND VENUE AND ARBITRATION; JURY TRIAL WAIVER

10.1 **Business Court.**

(a) **Applicability.** To the fullest extent permitted by law, this Section 10.1 shall apply to all disputes between (i) one or more shareholders and (ii) the Corporation and/or its directors, officers, or controlling persons, or any underwriter of securities issued by the Corporation (or controlling person of the Corporation) relating to any of the following: (1) any derivative proceeding, meaning a civil dispute brought in the right of the Corporation; (2) any action based on the governance, governing documents, or internal affairs of the Corporation, including but not limited to any internal entity claim as that term is defined in the TBOC; (3) any action based on state or federal securities or trade regulation laws; (4) any action based on the alleged act(s) or omission(s) by any person(s) in his or her capacity as a shareholder, controlling person, director, officer, or other managerial official of the Corporation; (5) any action based on the alleged breach(es) by one or more shareholders, controlling persons, directors, officers, or other managerial officials of a duty owed, in his or her capacity as such, to the Corporation or to any shareholder(s) thereof; (6) any action seeking to hold one or more shareholders, controlling persons, directors, officers, or other managerial officials of the Corporation liable for an obligation of the Corporation, other than on account of a written contract signed by the person(s) to be held liable in a capacity other than as a shareholder or managerial official; or (7) any action arising out of the TBOC (each an “**Internal Dispute**”).

(b) **Exclusive Forum.** Unless the Corporation consents in writing to the selection of an alternative forum and venue, the sole and exclusive forum and venue for Internal

Disputes under this Section 10.1 shall be the Texas Business Court, Eleventh Division (the “**Business Court**”). The Business Court shall also be the sole and exclusive forum and venue for any claims or counterclaims over which the Business Court has supplemental jurisdiction to the fullest extent permitted by applicable Texas law.

(c) JURY WAIVER. UNLESS THE CORPORATION CONSENTS IN WRITING TO A JURY TRIAL, THE CORPORATION AND EACH SHAREHOLDER, DIRECTOR, AND OFFICER OF THE CORPORATION HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT THAT THE CORPORATION OR SUCH PERSON MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING, CAUSE OF ACTION, COUNTERCLAIM, CROSS-CLAIM, OR THIRD-PARTY CLAIM ARISING OUT OF OR RELATING TO ANY INTERNAL DISPUTE PURSUANT TO THIS SECTION 10.1, AND EACH SHAREHOLDER AGREES THAT SUCH SHAREHOLDER’S HOLDING OR ACQUISITION OF SHARES OF STOCK OF THE CORPORATION OR, TO THE FULLEST EXTENT PERMITTED BY LAW, OPTIONS OR RIGHTS TO ACQUIRE SHARES OF STOCK OF THE CORPORATION FOLLOWING THE ADOPTION OF THESE BYLAWS CONSTITUTES SUCH SHAREHOLDER’S INTENTIONAL AND KNOWING WAIVER OF ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH CLAIMS.

(d) Governing Law. The governing law of any Internal Dispute commenced pursuant to this Section 10.1, shall be the law of the State of Texas or the federal law of the United States, as applicable to the issues raised in the Internal Dispute. For avoidance of doubt, the governing law shall include all requirements imposed by applicable law, including, without limitation, pleading and discovery limitations under the Private Securities Litigation Reform Act.

(e) Collective Proceedings. Internal Disputes subject to resolution under this Section 10.1 must be brought only as an individual action or derivative proceeding, and, to the fullest extent permitted by law, may not be brought as a class action, mass action, or other form of collective action, and may not be consolidated or joined, in whole or in part, consistent with the Texas Rules of Civil Procedure; provided, however, that the Corporation at its sole option may elect to seek consolidation or joinder of matters as consistent with the Texas Rules of Civil Procedure.

10.2 Arbitration.

(a) Applicability. To the extent a court of competent jurisdiction determines in a final and unappealable judgment that an Internal Dispute is not subject to the sole and exclusive venue and forum or jurisdiction of the Business Court, then to the fullest extent permitted by law, this Section 10.2 shall apply to any such Internal Disputes that are not subject

to the sole and exclusive venue and forum, or jurisdiction, of the Business Court (an “**Other Dispute**”).

(b) Mandatory Arbitration. Other Disputes shall be exclusively and finally settled by arbitration under the Expedited Procedure Provisions of the Rules (the “**Arbitration Rules**”) of the International Chamber of Commerce (“**ICC**”), pursuant to Article 30 thereof, or as those rules may be periodically updated, irrespective of the amount in dispute.

(c) Governing Law. Arbitration pursuant to this Section 10.2 shall be governed by the Texas Arbitration Act. The governing law of any Other Dispute shall be the federal law of the United States or the law of the State of Texas, as applicable to the issues raised in the Other Dispute. The governing law expressly includes all requirements imposed by applicable law, including without limitation the pleading and discovery limitations of the Private Securities Litigation Reform Act.

(d) Collective Proceedings. Other Disputes must be brought only as an individual action or a derivative proceeding (with derivative proceedings being separately subject to the requirements and limitations stated in Section 9.4), and, to the fullest extent permitted by law, may not be brought as a class action, mass action, or other form of collective action, and may not be consolidated or joined, in whole or in part, consistent with the Arbitration Rules; provided, however, that the Corporation at its sole option may elect to seek consolidation or joinder of matters as consistent with the Arbitration Rules.

(e) Tribunal. The tribunal shall consist of one arbitrator (if the claim is \$5,000,000 or less) or three arbitrators (if the claim exceeds \$5,000,000). If the arbitration is conducted by three arbitrators, within 30 days after delivery of the request for arbitration, one arbitrator shall be appointed by each of (i) the shareholder(s) and (ii) the Corporation. In the event a party fails to appoint an arbitrator within this time period, the ICC shall appoint such arbitrator. The two arbitrators appointed in accordance with the above provisions shall appoint the third arbitrator within 30 days of their appointment. If the first two appointed arbitrators fail to appoint a third arbitrator within this time period, the third arbitrator shall be appointed by the ICC. The third arbitrator shall serve as a chair of the tribunal.

(f) Location. The place of arbitration shall be Houston, Texas.

(g) Arbitration Fees. Except as provided below, the Corporation shall pay the fees of the ICC (including the initial administrative filing fee) and the arbitrator(s).

(i) Claims Arising from the Same or Similar Conduct. If more than three claims arising from the same or similar conduct, transaction, or occurrence are submitted to arbitration pursuant to this Section 10.2 within any three-year period, all but the first-filed claim

shall be stayed pending final resolution of that first-filed claim. In such circumstance, the Corporation and each shareholder asserting such a claim shall bear equal shares of the ICC fees and arbitrator(s) fees. Provided, however, that if any shareholder party or parties are ultimately successful on all of their claims, the Corporation shall reimburse the successful shareholder party or parties for the ICC fees and arbitrator(s) fees paid by such shareholder party or parties in accordance with this Section 10.2(g)(i). Following resolution of the first-filed claim, the Corporation and each shareholder asserting a claim that was stayed shall negotiate in good faith to resolve their disputes with the benefit of the resolution of the first-filed claim. For purposes of this section, resolution of the first-filed claim shall mean either the date that a final, unappealable judgment is entered confirming or vacating any final award, or the effective date of any agreement to resolve such claim informally. If, despite such good faith negotiations, the Corporation and any such shareholder shall be unable to resolve their disputes, the arbitration initiated by such shareholder may proceed at the request of either party not less than 90 days after resolution of the first-filed claim.

(ii) Claims Asserted by the Same Shareholder. If more than three claims are submitted by the same shareholder(s) within any three-year period pursuant to this Section 10.2, then the Corporation shall pay the ICC fees and arbitrator(s) fees associated with the first three claims only. Provided, however, that if any shareholder party or parties are ultimately successful on all of their claims, the Corporation shall reimburse the successful shareholder party or parties for the ICC fees and arbitrator(s) fees paid by such shareholder party or parties in accordance with this Section 10.2(g)(ii).

(iii) Frivolous Claims. If any claim submitted to arbitration pursuant to this Section 10.2 is determined by the tribunal to be frivolous, without reasonable cause, or for an improper purpose such as bad faith or vexatious litigation, the Corporation shall be entitled to recover its reasonable attorney's fees and costs incurred in defending against such claim, including any ICC fees and arbitrator(s) fees.

(h) Language. The language of the arbitration shall be English.

(i) Agreement to Arbitrate. This Article constitutes an express agreement to arbitration by each shareholder, the Corporation, its directors, its officers and its controlling persons, and each underwriter of securities issued by the Corporation (if any). In accordance with Texas law's treatment of bylaws as a contract between shareholders and the Corporation, this agreement shall be treated as a written agreement to arbitrate all Other Disputes.

(j) Preliminary Legal Determinations. Each person to whom this Section 10.2 applies hereby waives, to the fullest extent permitted by law, any right under the laws of any

jurisdiction to apply to any court of law or other judicial authority to determine any preliminary point of law.

(k) Tribunal's Authority. The tribunal's authority is subject to the same limits as the authority of a judge in a Texas court of law. The tribunal does not have authority to issue an award which (i) exceeds the tribunal's authority under the Texas Arbitration Act; (ii) contains a reversible error of state or federal law, including as to the admissibility of evidence, or a clearly erroneous finding of fact; or (iii) applies a cause of action or provides a remedy not expressly provided for under applicable Texas or federal law. The tribunal's application of the pleading and discovery limitations imposed by the Private Securities Litigation Reform Act is mandatory for applicable claims and shall not constitute a refusal to hear evidence pertinent and/or material to the controversy under Texas or federal law.

(l) Arbitral Hearing. In any arbitral hearing, the tribunal shall apply the Texas Rules of Evidence, the hearing shall be stenographically recorded, and the tribunal shall issue a reasoned decision, which will state the findings of fact and conclusions of law the tribunal relied upon to support the decision rendered.

(m) Scope of Judicial Review. Pursuant to the Texas Arbitration Act, the scope of judicial review of the tribunal's award pursuant to this Section 10.2 includes the ordinary grounds for vacatur, modification, and correction imposed by the Texas Civil Practice & Remedies Code §§ 171.088 and 171.091, and is expanded beyond what is otherwise available under the Texas Civil Practice & Remedies Code to include review of whether the award: (i) contains a reversible error of state or federal law, including as to the admissibility of evidence, or a clearly erroneous finding of fact; or (ii) applies a cause of action or provides a remedy not expressly provided for under applicable Texas or federal law. The tribunal's award and the findings of fact and conclusions of law shall be reviewed by the Business Court, or other reviewing court as provided below in Section 10.2(n), or any applicable court of appeals in the manner and to the same extent as an appeal from an order or judgment entered by a Texas court in a civil action.

(n) Forum of Judicial Review. Any action seeking to confirm, vacate, modify, correct, or otherwise challenge the tribunal's award shall be brought in the Business Court. To the extent a court of competent jurisdiction determines in a final and unappealable judgment that such action is not subject to the sole and exclusive venue and forum or jurisdiction of the Business Court, the sole and exclusive forum and venue for such action shall be the United States District Court for the Southern District of Texas, Houston Division (the "**Federal Court**"), or if a court of competent jurisdiction determines in a final and unappealable judgment that the Federal Court lacks jurisdiction over any such Other Dispute, the sole and exclusive forum and venue for such Other Dispute shall be the state district courts of Harris County, Texas.

In any such action, the parties shall file all court filings under seal, to the fullest extent allowed by applicable law.

(o) **Alternative Forum.** Solely to the extent a court of competent jurisdiction determines in a final and unappealable judgment that this Section 10.2 is unenforceable either in whole or in part, the sole and exclusive forum and venue for such Other Disputes which are determined not to be subject to mandatory arbitration by reason of unenforceability shall be the Federal Court, or if a court of competent jurisdiction determines in a final and unappealable judgment that the Federal Court lacks jurisdiction over any such Other Dispute, the sole and exclusive forum and venue for such Other Dispute shall be the state district courts of Harris County, Texas.

10.3 **Benefit of the Corporation.** The Corporation shall be entitled to enforce this Article X for its own benefit, and that of its directors, officers, and controlling persons.

10.4 **Specific Performance.** Damages alone may not be an adequate remedy for any breach of this Article X, so in the event of a breach or anticipated breach, the remedies of injunction and/or an order for specific performance shall be available to the non-breaching party.

10.5 **Severability.** Any term or provision of this Article X that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

10.6 **References.** References in this Article X to: (a) “Corporation” shall be read to include each and any of the Corporation’s subsidiaries from time to time; (b) “director” shall be read to include each and any director of the Corporation from time to time in his or her capacity as such or as employee of the Corporation and shall include any former director of the Corporation; (c) “officer” shall be read to include each and any officer of the Corporation from time to time in his or her capacity as such or as employee of the Corporation and shall include any former officer of the Corporation; and (d) “controlling person” shall be read in accordance with Chapter 25A of the Texas Government Code and to include any individual or entity who directly or indirectly controls a governing person, officer, or organization.

ARTICLE XI **AMENDMENTS**

The Board of Directors is expressly authorized and empowered to alter, amend and repeal these bylaws or adopt new bylaws. Notwithstanding any provision of the certificate of formation, the bylaws of the corporation or any provision of law that might otherwise permit a lesser vote, the affirmative vote of a majority of the voting power of the outstanding shares of

capital stock of the corporation entitled to vote thereon, voting together as a single class, shall be required for the shareholders of the corporation to amend, alter, change or repeal any provision of these bylaws.

MESH OPTICAL TECHNOLOGIES CORPORATION

2025 EQUITY INCENTIVE PLAN

As Adopted on January 29, 2025, As Amended on March 24, 2025,
As Amended on January 27, 2026

1. **PURPOSE.** The purpose of this Plan is to provide incentives to attract, retain and motivate eligible persons whose present and potential contributions are important to the success of the Company, its Parent and Subsidiaries by offering eligible persons an opportunity to participate in the Company's future performance through the grant of Awards covering Shares. Capitalized terms not defined in the text are defined in Section 14 hereof. Although this Plan is intended to be a written compensatory benefit plan within the meaning of Rule 701, grants may be made pursuant to this Plan that do not qualify for exemption under Rule 701 or Section 25102(o). Any requirement of this Plan that is required in law only because of Section 25102(o) need not apply if the Committee so provides.

2. **SHARES SUBJECT TO THE PLAN.**

2.1 Number of Shares Available. Subject to Sections 2.2 and 11 hereof, the total number of Shares reserved and available for grant and issuance pursuant to this Plan will be 2,031,451 Shares. Subject to Sections 2.2 and 11 hereof, (A) in the event that Shares previously issued under the Plan are reacquired by the Company pursuant to a forfeiture provision, right of first refusal, or repurchase by the Company, such Shares shall be added to the number of Shares then available for issuance under the Plan; (B) in the event that Shares that otherwise would have been issuable under the Plan are withheld by the Company in payment of the Purchase Price, Exercise Price or withholding obligations, such Shares shall remain available for issuance under the Plan; and (C) in the event that an outstanding Option, Restricted Stock Unit or SAR for any reason expires or is cancelled, forfeited or terminated, the Shares allocable to the unexercised or unsettled portion of such Option, Restricted Stock Unit or SAR, as applicable, shall remain available for issuance under the Plan. To the extent an Award is settled in cash, the cash settlement shall not reduce the number of Shares remaining available for issuance under the Plan. At all times the Company will reserve and keep available a sufficient number of Shares as will be required to satisfy the requirements of all Awards granted and outstanding under this Plan. In no event shall the total number of Shares issued (counting each reissuance of a Share that was previously issued and then reacquired by the Company pursuant to a forfeiture provision, right of first refusal, or repurchase by the Company as a separate issuance) under the Plan upon exercise of ISOs (as defined in Section 4 hereof) exceed 4,062,902 Shares (adjusted in proportion to any adjustments under Section 2.2 hereof) over the term of the Plan.

2.2 Adjustment of Shares. In the event that the Class A Common Stock is changed by a stock dividend, recapitalization, stock split, reverse stock split, subdivision, combination, reclassification or other change in the capital structure of the Company affecting Shares without consideration, then in order to prevent diminution or enlargement of the benefits or potential benefits intended to be made available under the Plan (a) the number and class of

Shares reserved for issuance under this Plan, (b) the Exercise Prices of and number and class of Shares subject to outstanding Options and SARs, and (c) the Purchase Prices of and/or number and class of Shares subject to other outstanding Awards will (to the extent appropriate) be proportionately adjusted, subject to any required action by the Board or the stockholders of the Company and compliance with applicable securities or other laws; *provided, however*, that fractions of a Share will not be issued but will either be paid in cash at the Fair Market Value of such fraction of a Share or will be rounded down to the nearest whole Share, as determined by the Committee.

3. PLAN FOR BENEFIT OF SERVICE PROVIDERS.

3.1 Eligibility. The Committee will have the authority to select persons to receive Awards. ISOs may be granted only to employees (including officers and directors who are also employees) of the Company or of a Parent or Subsidiary of the Company. NQSOs (as defined in Section 4 hereof) and all other types of Awards may be granted to employees, officers, directors and consultants of the Company or any Parent or Subsidiary of the Company; *provided* such consultants render bona fide services not in connection with the offer and sale of securities in a capital-raising transaction when Rule 701 is to apply to the Award granted for such services. A person may be granted more than one Award under this Plan.

3.2 No Obligation to Employ. Nothing in this Plan or any Award granted under this Plan will confer or be deemed to confer on any Participant any right to continue in the employ of, or to continue any other relationship with, the Company or any Subsidiary or Parent of the Company or limit in any way the right of the Company or any Subsidiary or Parent of the Company to terminate Participant's employment or other relationship at any time, with or without Cause.

4. OPTIONS. The Committee may grant Options to eligible persons described in Section 3 hereof and will determine whether such Options will be Incentive Stock Options within the meaning of the Code ("*ISOs*") or Nonqualified Stock Options ("*NQSOs*"), the number of Shares subject to the Option, the Exercise Price of the Option, the period during which the Option may be exercised, and all other terms and conditions of the Option, subject to the following.

4.1 Form of Option Grant. Each Option granted under this Plan will be evidenced by an Award Agreement which will expressly identify the Option as an ISO or an NQSO ("*Stock Option Agreement*"), and will be in such form and contain such provisions (which need not be the same for each Participant) as the Committee may from time to time approve, and which will comply with and be subject to the terms and conditions of this Plan.

4.2 Date of Grant. The date of grant of an Option will be the date on which the Committee makes the determination to grant such Option, unless a later date is otherwise specified by the Committee. The Stock Option Agreement and a copy of this Plan will be delivered to the Participant within a reasonable time after the granting of the Option.

4.3 Exercise Period. Options may be exercisable within the time or upon the events determined by the Committee in the Award Agreement and may be awarded as immediately exercisable but subject to repurchase pursuant to Section 10 hereof or may be exercisable within the times or upon the events determined by the Committee as set forth in the Stock Option Agreement governing such Option; *provided, however*, that (a) no Option will be exercisable after the expiration of ten (10) years from the date the Option is granted; and (b) no ISO granted to a person who directly or by attribution owns more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or of any Subsidiary or Parent of the Company (“**Ten Percent Stockholder**”) will be exercisable after the expiration of five (5) years from the date the ISO is granted; but in no event shall an Option granted to an employee who is a non-exempt employee for purposes of overtime pay under the U.S. Fair Labor Standards Act of 1938 be exercisable earlier than six (6) months after its date of grant. The Committee also may provide for Options to become exercisable at one time or from time to time, periodically or otherwise, in such number of Shares or percentage of Shares as the Committee determines.

4.4 Exercise Price. The Exercise Price of an Option will be determined by the Committee when the Option is granted and shall not be less than the Fair Market Value per Share on the date of grant unless expressly determined in writing by the Committee; *provided* that the Exercise Price of an ISO granted to a Ten Percent Stockholder will not be less than one hundred ten percent (110%) of the Fair Market Value of the Shares on the date of grant. Payment for the Shares purchased must be made in accordance with Section 8 hereof.

4.5 Method of Exercise. Options may be exercised only by delivery to the Company of a stock option exercise agreement (accepted via written, electronic or other means) (the “**Exercise Agreement**”) in a form approved by the Committee (which need not be the same for each Participant). The Exercise Agreement will state (a) the number of Shares being purchased, (b) the restrictions imposed on the Shares purchased under such Exercise Agreement, if any, and (c) such representations and agreements regarding Participant’s investment intent and access to information and other matters, if any, as may be required or desirable by the Company to comply with applicable securities or other laws. Each Participant’s Exercise Agreement may be modified by (i) agreement of Participant and the Company or (ii) substitution by the Company, upon becoming a public company, in order to add the payment terms set forth in Section 8.1 that apply to a public company and such other terms as shall be necessary or advisable in order to exercise a public company option. Upon exercise of an Option, Participant shall execute and deliver to the Company the Exercise Agreement then in effect, together with payment in full of the Exercise Price for the number of Shares being purchased and satisfaction of any applicable Tax-Related Obligations (as defined in Section 8.2 hereof). No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 2.2 of the Plan. Exercising an Option in any manner will decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

4.6 Termination. Subject to earlier termination pursuant to Sections 11 and 13 hereof and subject to any longer exercise periods set forth in the Stock Option Agreement, exercise of an Option will always be subject to the following terms and conditions.

4.6.1 Other than Death or Disability or for Cause. If the Participant is Terminated for any reason other than death, Disability or for Cause, then the Participant may exercise such Participant's Options only to the extent that such Options are exercisable as to Vested Shares upon the Termination Date, except as otherwise determined by the Committee or required by applicable law. Such Options must be exercised by the Participant, if at all, as to all or some of the Vested Shares calculated as of the Termination Date or such other date determined by the Committee, within three (3) months after the Termination Date (or within such shorter time period, not less than thirty (30) days, or within such longer time period after the Termination Date as may be determined by the Committee or required by applicable law, with any exercise beyond three (3) months after the date Participant ceases to be an employee deemed to be an NQSO) but, in any event, no later than the expiration date of the Options.

4.6.2 Death or Disability. If the Participant is Terminated because of Participant's death or Disability (or the Participant dies within three (3) months after a Termination other than for Cause), then Participant's Options may be exercised only to the extent that such Options are exercisable as to Vested Shares on the Termination Date, except as otherwise determined by the Committee or required by applicable law. Such Options must be exercised by Participant (or Participant's legal representative or authorized assignee), if at all, as to all or some of the Vested Shares calculated as of the Termination Date or such other date determined by the Committee, within twelve (12) months after the Termination Date (or within such shorter time period, not less than six (6) months, or within such longer time period, after the Termination Date as may be determined by the Committee or required by applicable law, with any exercise beyond (a) three (3) months after the date Participant ceases to be an employee when the Termination is for any reason other than the Participant's death or disability, within the meaning of Section 22(e)(3) of the Code, or (b) twelve (12) months after the date Participant ceases to be an employee when the Termination is for Participant's disability, within the meaning of Section 22(e)(3) of the Code, deemed to be an NQSO) but in any event no later than the expiration date of the Options.

4.6.3 For Cause. If the Participant is Terminated for Cause, the Participant may exercise such Participant's Options, but not to an extent greater than such Options are exercisable as to Vested Shares upon the Termination Date and Participant's Options shall expire on such Participant's Termination Date, or at such later time and on such conditions as are determined by the Committee.

4.7 Limitations on Exercise. The Committee may specify a reasonable minimum number of Shares that may be purchased on any exercise of an Option, *provided* that such minimum number will not prevent Participant from exercising the Option for the full number of Shares for which it is then exercisable.

4.8 Limitations on ISOs. The aggregate Fair Market Value (determined as of the date of grant) of Shares with respect to which ISOs are exercisable for the first time by a

Participant during any calendar year (under this Plan or under any other incentive stock option plan of the Company or any Parent or Subsidiary of the Company) will not exceed One Hundred Thousand Dollars (\$100,000). If the Fair Market Value of Shares on the date of grant with respect to which ISOs are exercisable for the first time by a Participant during any calendar year exceeds One Hundred Thousand Dollars (\$100,000), then the Options for the first One Hundred Thousand Dollars (\$100,000) worth of Shares to become exercisable in such calendar year will be ISOs and the Options for the amount in excess of One Hundred Thousand Dollars (\$100,000) that become exercisable in that calendar year will be NQSOs. In the event that the Code or the regulations promulgated thereunder are amended after the Effective Date (as defined in Section 13.1 hereof) to provide for a different limit on the Fair Market Value of Shares permitted to be subject to ISOs, then such different limit will be automatically incorporated herein and will apply to any Options granted after the effective date of such amendment.

4.9 Modification, Extension or Renewal. The Committee may modify, extend or renew outstanding Options and authorize the grant of new Options in substitution therefor, provided that any such action may not, without the written consent of a Participant, impair any of such Participant's rights under any Option previously granted, unless for the purpose of complying with applicable laws and regulations. Any outstanding ISO that is modified, extended, renewed or otherwise altered will be treated in accordance with Section 424(h) of the Code. Subject to Section 4.10 hereof, the Committee may reduce the Exercise Price of outstanding Options without the consent of Participants by a written notice to them; provided, however, that the Exercise Price may not be reduced below the minimum Exercise Price that would be permitted under Section 4.4 hereof for Options granted on the date the action is taken to reduce the Exercise Price.

4.10 No Disqualification. Notwithstanding any other provision in this Plan, no term of this Plan relating to ISOs will be interpreted, amended or altered, nor will any discretion or authority granted under this Plan be exercised, so as to disqualify this Plan under Section 422 of the Code or, without the consent of the Participant, to disqualify any Participant's ISO under Section 422 of the Code.

5. RESTRICTED STOCK. A Restricted Stock Award is an offer by the Company to sell to an eligible person Shares that are subject to certain specified restrictions. The Committee will determine to whom an offer will be made, the number of Shares the person may purchase, the Purchase Price, the restrictions to which the Shares will be subject, and all other terms and conditions of the Restricted Stock Award, subject to the following terms and conditions.

5.1 Form of Restricted Stock Award. All purchases under a Restricted Stock Award made pursuant to this Plan will be evidenced by an Award Agreement ("***Restricted Stock Purchase Agreement***") that will be in such form (which need not be the same for each Participant) as the Committee will from time to time approve, and will comply with and be subject to the terms and conditions of this Plan. The Restricted Stock Award will be accepted by the Participant's execution and delivery of the Restricted Stock Purchase Agreement (accepted via written, electronic or other means) and full payment for the Shares to the Company within

thirty (30) days from the date the Restricted Stock Purchase Agreement is delivered to the person. If such person does not execute and deliver the Restricted Stock Purchase Agreement along with full payment for the Shares to the Company within such thirty (30) days, then the offer will terminate, unless otherwise determined by the Committee.

5.2 Purchase Price. The Purchase Price of Shares sold pursuant to a Restricted Stock Award will be determined by the Committee on the date the Restricted Stock Award is granted. Payment of the Purchase Price must be made in accordance with Section 8 hereof.

5.3 Dividends and Other Distributions. Participants holding Restricted Stock Awards will be entitled to receive all dividends and other distributions paid with respect to such Shares, unless the Committee provides otherwise at the time the Award is granted. If any such dividends or distributions are paid in Shares, the Shares will be subject to the same restrictions on transferability and forfeitability as the Restricted Stock Awards with respect to which they were paid.

5.4 Restrictions. Restricted Stock Awards may be subject to the restrictions set forth in Sections 9 and 10 hereof or, with respect to a Restricted Stock Award to which Section 25102(o) is to apply, such other restrictions not inconsistent with Section 25102(o).

6. RESTRICTED STOCK UNITS.

6.1 Awards of Restricted Stock Units. A Restricted Stock Unit (“**RSU**”) is an Award covering a number of Shares that may be settled in cash, by issuance of those Shares at a date in the future, or by a combination of cash and Shares. No Purchase Price shall apply to an RSU settled in Shares. The Committee will determine the terms of an RSU including, without limitation: (a) the number of Shares subject to the RSU, (b) the time or times during which the RSU may be settled, (c) the consideration to be distributed on settlement, and (d) the effect of the Participant’s Termination on each RSU. All grants of RSUs will be evidenced by an Award Agreement (the “**RSU Agreement**”) that will be in such form (which need not be the same for each Participant) as the Committee will from time to time approve, and will comply with and be subject to the terms and conditions of this Plan. No RSU will have a term longer than ten (10) years from the date the RSU is granted.

6.2 Form and Timing of Settlement. Payment of earned RSUs will be made as soon as practicable after the date(s) determined by the Committee and set forth in the RSU Agreement. To the extent permissible under applicable law, the Committee may permit a Participant to defer payment (including settlement) under an RSU to a date or dates after the RSU has vested, *provided* that the terms of the RSU and any deferral satisfy the requirements of Section 409A of the Code (or any successor) and any regulations or rulings promulgated thereunder, to the extent the Participant is subject to Section 409A of the Code.

6.3 Dividend Equivalent Payments. The Board may permit Participants holding RSUs to receive dividend equivalent payments on outstanding RSUs if and when dividends are paid to stockholders on Shares. In the discretion of the Board, such dividend

equivalent payments may be paid in cash or Shares and they may either be paid at the same time as dividend payments are made to stockholders or delayed until Shares are issued pursuant to the RSU grants and may be subject to the same vesting or performance requirements as the RSUs. If the Board permits dividend equivalent payments to be made on RSUs, the terms and conditions for such dividend equivalent payments will be set forth in the RSU Agreement.

7. STOCK APPRECIATION RIGHTS.

7.1 Awards of SARs. Stock Appreciation Rights (“**SARs**”) may be settled in cash or Shares (which may consist of Restricted Stock or RSUs) or a combination thereof, having a value equal to the value determined by multiplying the difference between the Fair Market Value on the date of exercise over the Exercise Price and the number of Shares with respect to which the SAR is being exercised. All grants of SARs made pursuant to this Plan will be evidenced by an Award Agreement (the “**SAR Agreement**”) that will be in such form (which need not be the same for each Participant) as the Committee will from time to time approve, and will comply with and be subject to the terms and conditions of this Plan.

7.2 Exercise Period and Expiration Date. A SAR will be exercisable within the times or upon the occurrence of events determined by the Committee and set forth in the SAR Agreement. The SAR Agreement shall set forth the expiration date; provided that no SAR will be exercisable after the expiration of ten (10) years from the date the SAR is granted.

7.3 Exercise Price. The Committee will determine the Exercise Price of the SAR when the SAR is granted, which may not be less than the Fair Market Value on the date of grant.

7.4 Termination. Subject to earlier termination pursuant to Sections 11 and 13 hereof and subject to any longer exercise periods set forth in the SAR Agreement, exercise of SARs will always be subject to the following terms and conditions.

7.4.1 Other than Death or Disability or for Cause. If the Participant is Terminated for any reason other than death, Disability or for Cause, then the Participant may exercise such Participant’s SARs only to the extent that such SARs are exercisable as to Vested Shares upon the Termination Date or as otherwise determined by the Committee or as required by applicable law. SARs must be exercised by the Participant, if at all, as to all or some of the Vested Shares calculated as of the Termination Date or such other date determined by the Committee, within three (3) months after the Termination Date (or within such shorter time period, not less than thirty (30) days, or within such longer time period after the Termination Date as may be determined by the Committee or as required by applicable law), but in any event no later than the expiration date of the SARs.

7.4.2 Death or Disability. If the Participant is Terminated because of Participant’s death or Disability (or the Participant dies within three (3) months after a Termination other than for Cause), then Participant’s SARs may be exercised only to the extent that such SARs are exercisable as to Vested Shares on the Termination Date or as otherwise determined by the Committee or as required by applicable law. Such SARs must be exercised by

Participant (or Participant's legal representative or authorized assignee), if at all, as to all or some of the Vested Shares calculated as of the Termination Date or such other date determined by the Committee, within twelve (12) months after the Termination Date (or within such shorter time period, not less than six (6) months, or within such longer time period after the Termination Date as may be determined by the Committee or as required by applicable law), but in any event no later than the expiration date of the SARs.

7.4.3 For Cause. If the Participant is Terminated for Cause, the Participant may exercise such Participant's SARs, but not to an extent greater than such SARs are exercisable as to Vested Shares upon the Termination Date and Participant's SARs shall expire on such Participant's Termination Date, or at such later time and on such conditions as are determined by the Committee.

8. PAYMENT FOR PURCHASES AND EXERCISES.

8.1 Payment in General. Payment for Shares acquired pursuant to this Plan may be made in cash equivalents (including by check or Automated Clearing House ("**ACH**") transfer) or, where expressly approved for the Participant by the Committee and subject to compliance with applicable law:

(a) by cancellation of indebtedness of the Company owed to the Participant;

(b) by surrender of shares of the Company that are clear of all liens, claims, encumbrances or security interests and: (i) for which the Company has received "full payment of the purchase price" within the meaning of SEC Rule 144 (and, if such shares were purchased from the Company by use of a promissory note, such note has been fully paid with respect to such shares) or (ii) that were obtained by Participant in the public market;

(c) by tender of a full recourse promissory note having such terms as may be approved by the Committee and bearing interest at a rate sufficient to avoid (i) imputation of income under Sections 483 and 1274 of the Code and (ii) unfavorable accounting treatment as determined by the Committee; provided, however, that Participants who are not employees or directors of the Company will not be entitled to purchase Shares with a promissory note unless the note is adequately secured by collateral other than the Shares; provided, further, that the portion of the Exercise Price or Purchase Price, as the case may be, equal to the par value (if any) of the Shares must be paid in cash or other legal consideration permitted by the laws under which the Company is then incorporated or organized;

(d) by waiver of compensation due or accrued to the Participant from the Company for services rendered;

(e) by participating in a formal cashless exercise program implemented by the Committee in connection with the Plan;

(f) provided that a public market for the Common Stock exists, by exercising through a “same day sale” commitment from the Participant and a broker-dealer whereby the Participant irrevocably elects to exercise the Award and to sell a portion of the Shares so purchased sufficient to pay the total Exercise Price or Purchase Price, and whereby the broker-dealer irrevocably commits upon receipt of such Shares to forward the total Exercise Price or Purchase Price directly to the Company; or

(g) by any combination of the foregoing or any other method of payment approved by the Committee.

For avoidance of uncertainty: ACH transfers that have been received by the Company into its bank account designated for receipt of such transfers under this Section 8.1 shall be deemed to have been received for all purposes under this Plan as of the date on which such transfers were initiated from the transferor’s account and made irrevocable by the transferor.

8.2 Withholding Taxes.

8.2.1 Withholding Generally. Whenever Shares are to be issued in satisfaction of Awards granted under this Plan, the Company may require the Participant to remit to the Company an amount sufficient to satisfy the maximum tax withholding requirements as to income tax, social insurance, payroll tax, fringe benefits tax, payment on account and other tax-related obligations (collectively, “***Tax-Related Obligations***”) prior to the delivery of any written or electronic certificate or certificates for such Shares. Whenever, under this Plan, payments in satisfaction of Awards are to be made in cash by the Company, such payment will be net of an amount sufficient to satisfy applicable tax withholding requirements.

8.2.2 Stock Withholding. When, under applicable tax laws, a Participant incurs tax liability in connection with the exercise or vesting of any Award that is subject to tax withholding and the Participant is obligated to pay the Company the amount required to be withheld, the Committee may in its sole discretion allow the Participant to satisfy up to the maximum Tax-Related Obligations in the employee’s applicable jurisdictions by electing to have the Company withhold from the Shares to be issued up to the number of Shares having a Fair Market Value on the date that the amount of tax to be withheld is to be determined that is not more than the maximum Tax-Related Obligations in the employee’s applicable jurisdictions; or to arrange a mandatory “sell to cover” on Participant’s behalf (without further authorization) but in no event will the Company withhold Shares or “sell to cover” if such withholding would result in adverse accounting or compliance consequences to the Company. The maximum Tax-Related Obligations are based on the applicable rates of the relevant tax authorities (for example, federal, state and local), including the employee’s share of payroll or similar taxes, as provided in the tax law, regulations or the authority’s administrative practices, not to exceed the highest statutory rate in that jurisdiction. Any elections to have Shares withheld or sold for this purpose will be made in accordance with the requirements established by the Committee for such elections and be in writing in a form acceptable to the Committee.

8.2.3 Elections Under Section 83(i) of the Code. A Participant will not make an election under Section 83(i) of the Code if the Company determines that the Participant

is then ineligible to make such an election under applicable law or without the Company's prior written consent (which will not be unreasonably withheld or delayed, but may be conditioned upon the Participant's entry into additional commitments as determined by the Company).

9. RESTRICTIONS ON AWARDS.

9.1 Transferability. Except as permitted by the Committee, Awards granted under this Plan, and any interest therein, will not be transferable or assignable by Participant, other than by will or by the laws of descent and distribution, and, with respect to NQSOs for Participants in the U.S., by instrument to an inter vivos or testamentary trust in which the NQSOs are to be passed to beneficiaries upon the death of the trustor (settlor), or by gift to "family member" as that term is defined in Rule 701, and may not be made subject to execution, attachment or similar process. For the avoidance of doubt, the prohibition against assignment and transfer applies to Awards and any Shares underlying the Awards prior to the issuance of the Shares, and pursuant to the foregoing sentence shall be understood to include, without limitation, a prohibition against any pledge, hypothecation, or other transfer, including any short position, any "put equivalent position" or any "call equivalent position" (in each case, as defined in Rule 16a-1 promulgated under the Exchange Act). Unless an Award is transferred pursuant to the terms of this Section, during the lifetime of the Participant an Award will be exercisable only by the Participant or Participant's legal representative and any elections with respect to an Award may be made only by the Participant or Participant's legal representative. The terms of an Award shall be binding upon the executor, administrator, successors and assigns of the Participant who is a party thereto.

9.2 Securities Law and Other Regulatory Compliance. Although this Plan is intended to be a written compensatory benefit plan within the meaning of Rule 701 promulgated under the Securities Act, Awards may be made pursuant to this Plan that do not qualify for exemption under Rule 701 or Section 25102(o). Any requirement of this Plan which is required in law only because of Section 25102(o) need not apply with respect to a particular Award to which Section 25102(o) will not apply. An Award will not be effective unless such Award is in compliance with all applicable U.S. and non-U.S. federal, state and local securities laws, rules and regulations of any governmental body, and the requirements of any stock exchange or automated quotation system upon which the Company's equity securities may then be listed or quoted, as they are in effect on the date of grant of the Award and also on the date of exercise, settlement or other issuance. Notwithstanding any other provision in this Plan, the Company will have no obligation to issue Shares or deliver certificates for Shares under this Plan prior to (a) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable, and/or (b) compliance with any exemption, completion of any registration or other qualification of such Shares under any U.S. and non-U.S. federal, state or local law or ruling of any governmental body that the Company determines to be necessary or advisable. The Company will be under no obligation to register the Shares with the SEC or to effect compliance with the exemption, registration, qualification or listing requirements of any securities laws, stock exchange or automated quotation system, and the Company will have no liability for any inability or failure to do so.

9.3 Exchange and Buyout of Awards. The Committee may, at any time or from time to time, authorize the Company, with the consent of the respective Participants, to issue new Awards in exchange for the surrender and cancellation of any or all outstanding Awards. Without prior stockholder approval the Committee may reprice Options or SARs (and where such repricing is a reduction in the Exercise Price of outstanding Options or SARs, the consent of the affected Participants is not required provided written notice is provided to them). The Committee may at any time buy from a Participant an Award previously granted with payment in cash, Shares (including Restricted Stock) or other consideration, based on such terms and conditions as the Committee and the Participant may agree.

10. RESTRICTIONS ON SHARES.

10.1 Privileges of Stock Ownership. No Participant will have any of the rights of a stockholder with respect to any Shares until such Shares are issued to the Participant. After Shares are issued to the Participant, the Participant will be a stockholder and have all the rights of a stockholder with respect to such Shares, including the right to vote and receive all dividends or other distributions made or paid with respect to such Shares; *provided*, that if such Shares are Restricted Stock, then any new, additional or different securities the Participant may become entitled to receive with respect to such Shares by virtue of a stock dividend, stock split or any other change in the corporate or capital structure of the Company will be subject to the same restrictions as the Restricted Stock. The Participant will have no right to retain such stock dividends or stock distributions with respect to Unvested Shares that are repurchased as described in this Section 10.

10.2 Rights of First Refusal and Repurchase. At the discretion of the Committee, the Company may reserve to itself and/or its assignee(s) in the Award Agreement (a) a right of first refusal to purchase all Shares that a Participant (or a subsequent transferee) may propose to transfer to a third party, *provided* that such right of first refusal terminates upon (i) subject to any applicable market standoff restrictions, the effective date of the first sale of common stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the SEC under the Securities Act (other than a registration statement relating solely to the issuance of common stock pursuant to a business combination or an employee incentive or benefit plan); (ii) any transfer or conversion of Shares made pursuant to a statutory merger or statutory consolidation of the Company with or into another corporation or corporations if the common stock of the surviving corporation or any direct or indirect Parent thereof is registered under the Exchange Act; or (iii) any transfer or conversion of Shares made pursuant to a statutory conversion of the Company into another form of legal entity if the common equity (or comparable equity security) of entity resulting from such conversion is registered under the Exchange Act; and (b) a right to repurchase Unvested Shares held by a Participant for cash and/or cancellation of purchase money indebtedness owed to the Company by the Participant following such Participant's Termination at any time.

10.3 Agreement to Vote Shares and Enter into Stockholder Agreements. At the discretion of the Committee, the Company may require that, as a condition to the receipt of the Shares upon issuance of an Award, exercise of an Option or SAR or settlement of an RSU,

the Participant and any transferee of the Shares agree to vote such Shares pursuant to the terms of a Voting Agreement by and between the Company and certain of its stockholders and/or subject such Shares to the terms, conditions or restrictions set forth in a Right of First Refusal and Co-Sale Agreement, by and between the Company and certain of its stockholders.

10.4 Escrow; Pledge of Shares. To enforce any restrictions on a Participant's Shares, the Committee may require the Participant to deposit all written or electronic certificates representing Shares, together with stock powers or other instruments of transfer approved by the Committee, appropriately endorsed in blank, with the Company or an agent designated by the Company to hold in escrow until such restrictions have lapsed or terminated. The Committee may cause a legend or legends referencing such restrictions to be placed on the written or electronic certificate. Any Participant who is permitted to execute a promissory note as partial or full consideration for the purchase of Shares under this Plan will be required to pledge and deposit with the Company all or part of the Shares so purchased as collateral to secure the payment of Participant's obligation to the Company under the promissory note; *provided, however*, that the Committee may require or accept other or additional forms of collateral to secure the payment of such obligation and, in any event, the Company will have full recourse against the Participant under the promissory note notwithstanding any pledge of the Participant's Shares or other collateral. In connection with any pledge of the Shares, Participant will be required to execute and deliver a written pledge agreement in such form as the Committee will from time to time approve. The Shares purchased with the promissory note may be released from the pledge on a pro rata basis as the promissory note is paid.

10.5 Securities Law Restrictions. All written or electronic certificates for Shares or other securities delivered under this Plan will be subject to such stock transfer orders, legends and other restrictions as the Committee may deem necessary or advisable, including restrictions under any applicable U.S. and non-U.S. federal, state or local securities law, or any rules, regulations and other requirements of the SEC or any stock exchange or automated quotation system upon which the Company's equity securities may be listed or quoted.

10.6 Transfer Restrictions. All Shares or other securities delivered under this Plan will be subject to any restrictions on transfers of securities as set forth in the Company's Bylaws, as may be amended from time to time.

11. CORPORATE TRANSACTIONS.

11.1 Acquisitions or Other Combinations. In the event that the Company is subject to an Acquisition or Other Combination, outstanding Awards acquired under the Plan shall be subject to the agreement evidencing the Acquisition or Other Combination, which need not treat all outstanding Awards in an identical manner. Such agreement, without the Participant's consent, shall provide for one or more of the following with respect to all outstanding Awards as of the effective date of such Acquisition or Other Combination:

- (a) The continuation of such outstanding Awards by the Company (if the Company is the successor entity).

(b) The assumption of outstanding Awards by the successor or acquiring entity (if any) in such Acquisition or Other Combination (or by any of its Parents, if any), which assumption, will be binding on all Participants; provided that the exercise price and the number and nature of shares issuable upon exercise of any such option or stock appreciation right, or upon the settlement of any award that is subject to Section 409A of the Code, will be adjusted appropriately pursuant to Section 424(a) and Section 409A of the Code. For the purposes of this Section 11, an Award will be considered assumed if, following the Acquisition or Other Combination, the Award confers the right to purchase or receive, for each Share subject to the Award immediately prior to the Acquisition or Other Combination, the consideration (whether stock, cash, or other securities or property) received in the Acquisition or Other Combination by holders of Shares for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the Acquisition or Other Combination is not solely common stock of the successor corporation or its Parent, the Committee may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of an Option or Stock Appreciation Right or upon the settlement of an RSU, for each Share subject to such Award, to be solely common stock of the successor corporation or its Parent equal in fair market value to the per share consideration received by holders of Class A Common Stock in the Acquisition or Other Combination.

(c) The substitution by the successor or acquiring entity in such Acquisition or Other Combination (or by any of its Parents, if any) of equivalent awards with substantially the same terms for such outstanding Awards (except that the exercise price and the number and nature of shares issuable upon exercise of any such option or stock appreciation right, or any award that is subject to Section 409A of the Code, will be adjusted appropriately pursuant to Section 424(a) and Section 409A of the Code).

(d) The full or partial exercisability or vesting and accelerated expiration of outstanding Awards.

(e) The settlement of the Fair Market Value of such outstanding Award (whether or not then vested or exercisable) in cash, cash equivalents, or securities of the successor entity (or its Parent, if any), followed by the cancellation of such Awards; provided however, that such Award may be cancelled without consideration if such Award has no value, as determined by the Committee, in its discretion. Subject to Section 409A of the Code, such payment may be made in installments and may be deferred until the date or dates when the Award would have become exercisable or vested. Such payment may be subject to vesting based on the Participant's continued service, provided that without the Participant's consent, the vesting schedule shall not be less favorable to the Participant than the schedule under which the Award would have become vested or exercisable. For purposes of this Section 11.1(e), the Fair Market Value of any security shall be determined without regard to any vesting conditions that may apply to such security.

(f) The termination in its entirety of any outstanding Award, without payment of any consideration, that is not exercised in accordance with its terms upon or prior to consummation of the transactions contemplated by the Acquisition or Other Combination within a time specified by the Committee, in its discretion, for such exercise, whether or not such Award is then fully exercisable.

Immediately following an Acquisition or Other Combination, outstanding Awards shall terminate and cease to be outstanding, except to the extent such Awards, have been continued, assumed or substituted, as described in Sections 11.1(a), (b) and/or (c).

11.2 Substitution or Assumption of Awards by the Company. The Company, from time to time, also may substitute or assume outstanding awards granted by another entity, whether in connection with an acquisition of such other entity or otherwise, by either (a) granting an Award under this Plan in substitution of such other entity's award or (b) assuming and/or converting such award as if it had been granted under this Plan if the terms of such assumed award could be applied to an Award granted under this Plan. Such substitution or assumption will be permissible if the holder of the substituted or assumed award would have been eligible to be granted an Award under this Plan if the other entity had applied the rules of this Plan to such grant. In the event the Company assumes an award granted by another entity, the terms and conditions of such award will remain unchanged (except that the exercise price and the number and nature of shares issuable upon exercise of any such option or stock appreciation right, or any award that is subject to Section 409A of the Code, will be adjusted appropriately pursuant to Section 424(a) and Section 409A of the Code). In the event the Company elects to grant a new Option or SAR in substitution for and rather than assuming an existing option or stock appreciation right, such new Option or SAR may be granted with a similarly adjusted Exercise Price and number of underlying Shares and such other changes approved by the Committee, subject to the consent of the Participant.

12. ADMINISTRATION.

12.1 Committee Authority. This Plan will be administered by the Committee. Subject to the general purposes, terms and conditions of this Plan, and to the direction of the Board, the Committee will have full power to implement and carry out this Plan. Without limitation, the Committee will have the authority to:

- (a) construe and interpret this Plan, any Award Agreement and any other agreement or document executed pursuant to this Plan;
- (b) prescribe, amend, expand, modify and rescind or terminate rules and regulations relating to this Plan;
- (c) approve persons to receive Awards;
- (d) determine the form and terms of Awards;

- (e) determine the number of Shares or other consideration subject to Awards granted under this Plan;
- (f) determine the Fair Market Value in good faith and interpret the applicable provisions of this Plan and the definition of Fair Market Value in connection with circumstances that impact the Fair Market Value, if necessary;
- (g) determine whether Awards will be granted singly, in combination with, in tandem with, in replacement of, or as alternatives to, other Awards under this Plan or awards under any other incentive or compensation plan of the Company or any Parent or Subsidiary of the Company;
- (h) grant waivers of any conditions of this Plan or any Award;
- (i) determine the terms of vesting, exercisability, settlement and payment of Awards to be granted pursuant to this Plan;
- (j) correct any defect, supply any omission, or reconcile any inconsistency in this Plan, any Award, any Award Agreement or any Exercise Agreement;
- (k) determine whether an Award has vested or become exercisable;
- (l) extend the vesting period beyond a Participant's Termination Date;
- (m) adopt rules and/or procedures (including the adoption of any subplan under this Plan) relating to the operation and administration of the Plan to accommodate or facilitate requirements of local law and procedures outside of the United States;
- (n) delegate any of the foregoing to a subcommittee consisting of one or more directors or executive officers pursuant to a specific delegation as may otherwise be permitted by applicable law;
- (o) change the vesting schedule of Awards under the Plan prospectively in the event that the Participant's service status changes between full and part time status in accordance with Company policies relating to work schedules and vesting of Awards; and
- (p) make all other determinations necessary or advisable in connection with the administration of this Plan.

12.2 Standalone, Tandem and Substitute Awards. Awards granted under the Plan may, in the sole discretion of the Committee, be granted either alone or in addition to, in tandem with, or in substitution for, any other Award granted under the Plan. Awards granted in addition to or in tandem with other Awards may be granted either at the same time as or at a different time from the grant of such other Awards.

12.3 Committee Composition and Discretion. The Board may delegate full administrative authority over the Plan and Awards to a Committee consisting of at least one member of the Board (or such greater number as may then be required by applicable law). Unless in contravention of any express terms of this Plan or Award, any determination made by the Committee with respect to any Award will be made in its sole discretion either (a) at the time of grant of the Award, or (b) subject to Section 4.9 hereof, at any later time. Any such determination will be final and binding on the Company and on all persons having an interest in any Award under this Plan. To the extent permitted by applicable law, the Committee may delegate to one or more directors or officers of the Company the authority to grant an Award under this Plan.

12.4 Nonexclusivity of the Plan. Neither the adoption of this Plan by the Board, the submission of this Plan to the stockholders of the Company for approval, nor any provision of this Plan will be construed as creating any limitations on the power of the Board to adopt such additional compensation arrangements as it may deem desirable, including, without limitation, the granting of stock options and other equity awards otherwise than under this Plan, and such arrangements may be either generally applicable or applicable only in specific cases.

12.5 Governing Law. This Plan and all agreements hereunder shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to that body of laws pertaining to conflict of laws.

13. EFFECTIVENESS, AMENDMENT AND TERMINATION OF THE PLAN.

13.1 Adoption and Stockholder Approval. This Plan will become effective on the date that it is adopted by the Board (the “*Effective Date*”). This Plan will be approved by the stockholders of the Company (excluding Shares issued pursuant to this Plan), consistent with applicable laws, within twelve (12) months before or after the Effective Date. Upon the Effective Date, the Committee may grant Awards pursuant to this Plan; *provided, however*, that: (a) if stockholder approval is not obtained consistent with this paragraph, at such time as timely stockholder approval is no longer possible, no Option or SAR may thereafter be exercised and any purchased shares will revert to the Company and be refunded in full; (b) no Option or SAR granted pursuant to an increase in the number of Shares approved by the Board shall be exercised prior to the time such increase has been approved by the stockholders of the Company; (c) in the event that initial stockholder approval is not obtained within the time period provided herein, all Awards for which only the exemption from California’s securities qualification requirements provided by Section 25102(o) can apply shall be canceled, any Shares issued pursuant to any such Award shall be canceled and any purchase of such Shares issued hereunder shall be rescinded; and (d) Awards (to which only the exemption from California’s securities qualification requirements provided by Section 25102(o) can apply) granted pursuant to an increase in the number of Shares approved by the Board which increase is not approved by stockholders within the time then required under Section 25102(o) shall be canceled, any Shares issued pursuant to any such Awards shall be canceled, and any purchase of Shares subject to any such Award shall be rescinded.

13.2 Term of Plan. Unless earlier terminated as provided herein, this Plan will automatically terminate ten (10) years after the Effective Date.

13.3 Amendment or Termination of Plan. Subject to Section 4.9 hereof, the Board may at any time (a) terminate or amend this Plan in any respect, including without limitation amendment of any form of Award Agreement or instrument to be executed pursuant to this Plan and (b) terminate any and all outstanding Options, SARs or RSUs upon a dissolution or liquidation of the Company, followed by the payment of creditors and the distribution of any remaining funds to the Company's stockholders; *provided, however*, that the Board will not, without the approval of the stockholders of the Company, amend this Plan in any manner that requires such stockholder approval pursuant to Section 25102(o) or pursuant to the Code or the regulations promulgated under the Code as such provisions apply to ISO plans. The termination of the Plan, or any amendment thereof, shall not affect any Share previously issued or any Award previously granted under the Plan.

14. DEFINITIONS. For all purposes of this Plan, the following terms will have the following meanings.

"Acquisition," for purposes of Section 11, means:

(a) any consolidation or merger in which the Company is a constituent entity or is a party in which the voting stock and other voting securities of the Company that are outstanding immediately prior to the consummation of such consolidation or merger represent, or are converted into, securities of the surviving entity of such consolidation or merger (or of any Parent of such surviving entity) that, immediately after the consummation of such consolidation or merger, together possess less than fifty percent (50%) of the total voting power of all voting securities of such surviving entity (or of any of its Parents, if any) that are outstanding immediately after the consummation of such consolidation or merger;

(b) a sale or other transfer by the holders thereof of outstanding voting stock and/or other voting securities of the Company possessing more than fifty percent (50%) of the total voting power of all outstanding voting securities of the Company, whether in one transaction or in a series of related transactions, pursuant to an agreement or agreements to which the Company is a party and that has been approved by the Board, and pursuant to which such outstanding voting securities are sold or transferred to a single person or entity, to one or more persons or entities who are Affiliates of each other, or to one or more persons or entities acting in concert; or

(c) the sale, lease, transfer or other disposition, in a single transaction or series of related transactions, by the Company and/or any Subsidiary or Subsidiaries of the Company, of all or substantially all the assets of the Company and its Subsidiaries taken as a whole (or, if substantially all of the assets of the Company and its Subsidiaries taken as a whole are held by one or more Subsidiaries, the sale or disposition (whether by consolidation, merger, conversion or otherwise) of such Subsidiaries of the Company), except where such sale, lease, transfer or other disposition is made to the Company or one or more wholly owned Subsidiaries of the Company.

Notwithstanding the foregoing, the following transactions shall not constitute an “Acquisition”: (1) the closing of the Company’s first public offering pursuant to an effective registration statement filed under the Securities Act or (2) any transaction the sole purpose of which is to change the state of incorporation of the Company or to create a holding company that will be owned in substantially the same proportions by the persons who held the Company’s securities immediately before such transaction.

“**Affiliate**” of a specified person means a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified (where, for purposes of this definition, the term “**control**” (including the terms “**controlling**,” “**controlled by**” and “**under common control with**”) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise.

“**Award**” means any award pursuant to the terms and conditions of this Plan, including any Option, Restricted Stock Unit, Stock Appreciation Right or Restricted Stock Award.

“**Award Agreement**” means, with respect to each Award, the executed written or electronic agreement between the Company and the Participant setting forth the terms and conditions of the Award as approved by the Committee. For purposes of the Plan, the Award Agreement may be accepted by a Participant via written, electronic or other means, subject to requirements under applicable law.

“**Board**” means the Board of Directors of the Company.

“**Cause**” means Termination because of (a) Participant’s unauthorized misuse of the Company or a Parent or Subsidiary of the Company’s trade secrets or proprietary information, (b) Participant’s conviction of or plea of nolo contendere to a felony or a crime involving moral turpitude, (c) Participant’s committing an act of fraud against the Company or a Parent or Subsidiary of the Company or (d) Participant’s gross negligence or willful misconduct in the performance of his or her duties that has had or will have a material adverse effect on the Company or Parent or Subsidiary of the Company’s reputation or business.

“**Class A Common Stock**” means the Company’s Class A Common Stock, \$0.00001 par value per share.

“**Class B Common Stock**” means the Company’s Class B Common Stock, \$0.00001 par value per share.

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended.

“**Committee**” means the committee created and appointed by the Board to administer this Plan, or if no committee is created and appointed, the Board.

“Common Stock” means the Company’s Class A Common Stock or Class B Common Stock, as applicable.

“Company” means Mesh Optical Technologies Corporation, or any successor corporation.

“Disability” means a Participant is unable to perform the duties of his or her customary position of employment by reason of any medically determinable physical or mental impairment that can be expected to result in death or that can be expected to last for a continuous period of not less than twelve (12) months. The Committee may require such medical or other evidence as it deems necessary to judge the nature and permanency of the Participant’s condition.

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

“Exercise Price” means the price per Share at which a holder of an Option or a SAR may purchase Shares issuable upon exercise of the Option or the SAR.

“Fair Market Value” means, as of any date, the value of a Share determined as follows:

(a) if such Share is then publicly traded on a national securities exchange, its closing price on the date of determination on the principal national securities exchange on which the Share is listed or admitted to trading as reported in The Wall Street Journal;

(b) if such Share is publicly traded but is not listed or admitted to trading on a national securities exchange, the average of the closing bid and ask prices on the date of determination as reported by The Wall Street Journal (or as otherwise reported by any newspaper or other source as the Committee may determine); or

(c) if none of the foregoing is applicable to the valuation in question, by the Committee in good faith.

“Option” means an award of an option to purchase Shares pursuant to Section 4 of this Plan.

“Other Combination” for purposes of Section 11 means any (a) consolidation or merger in which the Company is a constituent entity and is not the surviving entity of such consolidation or merger or (b) any conversion of the Company into another form of entity; provided that such consolidation, merger or conversion does not constitute an Acquisition.

“Parent” of a specified entity means, any entity that, either directly or indirectly, owns or controls such specified entity, where for this purpose, **“control”** means the ownership of stock, securities or other interests that possess at least a majority of the voting power of such specified entity (including indirect ownership or control of such stock, securities or other interests).

“**Participant**” means a person who receives an Award under this Plan.

“**Plan**” means this 2025 Equity Incentive Plan, as amended from time to time.

“**Purchase Price**” means the price at which a Participant may purchase Restricted Stock pursuant to this Plan.

“**Restricted Stock**” means Shares purchased pursuant to a Restricted Stock Award under this Plan.

“**Restricted Stock Award**” means an award of Shares pursuant to Section 5 hereof.

“**Restricted Stock Unit**” or “**RSU**” means an award made pursuant to Section 6 hereof.

“**Rule 701**” means Rule 701 *et seq.* promulgated by the SEC under the Securities Act.

“**SEC**” means the U.S. Securities and Exchange Commission.

“**Section 25102(o)**” means Section 25102(o) of the California Corporations Code.

“**Securities Act**” means the U.S. Securities Act of 1933, as amended.

“**Shares**” means shares of the Class A Common Stock reserved for issuance under this Plan, as adjusted pursuant to Sections 2.2 and 11 hereof, and any successor security.

“**Stock Appreciation Right**” or “**SAR**” means an award granted pursuant to Section 7 hereof.

“**Subsidiary**” means any entity (other than the Company) in an unbroken chain of entities beginning with the Company if each of the entities other than the last entity in the unbroken chain owns stock or other equity securities representing fifty percent (50%) or more of the total combined voting power of all classes of stock or other equity securities in one of the other entities in such chain.

“**Termination**” or “**Terminated**” means, for purposes of this Plan with respect to a Participant, that the Participant has for any reason ceased to provide services as an employee, officer, director or consultant to the Company or a Parent or Subsidiary of the Company. A Participant will not be deemed to have ceased to provide services while the Participant is on a bona fide leave of absence, if such leave was approved by the Company in writing. In the case of an approved leave of absence, the Committee may make such provisions respecting crediting of service, including suspension of vesting of the Award (including pursuant to a formal policy adopted from time to time by the Company) it may deem appropriate. The Committee will have sole discretion to determine whether a Participant has ceased to provide services and the effective date on which the Participant ceased to provide services (the “**Termination Date**”).

“*Unvested Shares*” means “*Unvested Shares*” as defined in the Award Agreement for an Award.

“*Vested Shares*” means “*Vested Shares*” as defined in the Award Agreement for an Award.

* * * * *

**CERTIFICATION PURSUANT TO RULE 13a-14(a) OR 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Elon Musk, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Space Exploration Technologies Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. [Reserved];
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2026

By: /s/ Elon Musk

Elon Musk
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO RULE 13a-14(a) OR 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Bret Johnsen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Space Exploration Technologies Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. [Reserved];
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2026

By: /s/ Bret Johnsen

Bret Johnsen
Chief Financial Officer
(Principal Financial Officer)

CERTIFICATION PURSUANT TO

**18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Space Exploration Technologies Corp. (the “Company”) for the quarter ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Elon Musk, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 4, 2026

/s/ Elon Musk

Name: Elon Musk
Title: Chief Executive Officer
(Principal Executive
Officer)

CERTIFICATION PURSUANT TO

**18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Space Exploration Technologies Corp. (the “Company”) for the quarter ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Bret Johnsen, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 4, 2026

/s/ Bret Johnsen

Name: Bret Johnsen

Title: Chief Financial Officer

(Principal Financial
Officer)

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