

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 December 31, 2025
or

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

For the transition period from _____ to _____

Commission File Number: 001-41072

IREN Limited

(Exact name of registrant as specified in its charter)

Australia
(State or other jurisdiction of
incorporation or organization)

Level 6, 55 Market Street
Sydney, NSW 2000 Australia

(Address of principal executive offices)

[Not Applicable]
(I.R.S. Employer
Identification No.)

2000
(Zip Code)

+61 2 7906 8301

(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
Ordinary shares, no par value	IREN	The Nasdaq Global Select Market

Securities registered pursuant to Section 12(g) of the Act: None

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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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 Act). Yes No

As of January 30, 2026, the registrant had 332,280,383 of its Ordinary shares outstanding.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this “Quarterly Report”) contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (“Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (“Exchange Act”), that involve substantial risks and uncertainties. Forward-looking statements include information concerning possible or assumed future results of operations, including descriptions of our business plan and strategies and trends we expect to affect our business. These statements often include words such as “anticipate,” “expect,” “suggest,” “plan,” “believe,” “intend,” “estimate,” “target,” “project,” “should,” “potential,” “could,” “would,” “may,” “will,” “forecast,” and other similar expressions. Forward-looking statements may also be made, verbally or in writing, by members of our Board or management team in connection with this Quarterly Report. Such statements are subject to the same limitations, uncertainties, assumptions and disclaimers set out in this document. We base these forward-looking statements or projections on our current expectations, plans and assumptions that we have made in light of our experience in the industry, as well as our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances and at such time. The forward-looking statements are subject to and involve risks, uncertainties and assumptions and you should not place undue reliance on these forward-looking statements. Although we believe that these forward-looking statements are based on reasonable assumptions at the time they are made, you should be aware that many factors could affect our actual financial results or results of operations, and could cause actual results to differ materially from those expressed in the forward-looking statements. Factors that may materially affect such forward-looking statements include, but are not limited to:

- Bitcoin price and foreign currency exchange rate fluctuations;
- our ability to obtain additional capital on commercially reasonable terms and in a timely manner to meet our capital needs and facilitate our expansion plans;
- the terms of any future financing or any refinancing, restructuring or modification to the terms of any existing or future financing, which could require us to comply with onerous covenants, restrictions or guarantees, and our ability to service our debt obligations;
- our ability to successfully execute on our growth strategies and operating plans, including our ability to continue to develop our existing data center sites, design and deploy direct-to-chip liquid cooling systems, and diversify and expand into the market for high-performance computing (“HPC”) solutions (including the market for AI Cloud Services and potential colocation services such as powered shell, build-to-suit and turnkey data centers (“Colocation Services”)) (collectively “HPC and AI services”));

- our limited experience with respect to new markets we have entered or may seek to enter, including the market for HPC and AI services;
- our ability to remain competitive in dynamic and rapidly evolving industries;
- expectations with respect to the ongoing profitability, viability, operability, security, popularity and public perceptions of the Bitcoin network;
- expectations with respect to the useful life and obsolescence of hardware (including GPUs, hardware for Bitcoin mining and any current or future HPC and AI services we offer);
- delays, increases in costs or reductions in the supply of equipment used in our operations including as a result of tariffs and duties, and certain equipment (including GPUs, hardware for Bitcoin mining and any other hardware for any current or future HPC and AI services we offer) being in high demand due to global supply chain constraints, and our ability to secure additional hardware (including GPUs, hardware for Bitcoin mining and any other hardware for any current or future HPC and AI services we offer), on commercially reasonable terms or at all;
- expectations with respect to the profitability, viability, operability, security, popularity and public perceptions of any current and future HPC and AI services we offer;
- our ability to secure and retain customers on commercially reasonable terms or at all, particularly as it relates to our strategy to expand into markets for HPC and AI services;
- our ability to establish and maintain a customer base for our HPC and AI services business and customer concentration;
- our ability to manage counterparty risk (including credit risk) associated with any current or future customers, including customers of our HPC and AI services and other counterparties;
- the risk that any current or future customers, including customers of our HPC and AI services or other counterparties, may terminate, default on or underperform their contractual obligations;
- our ability to perform under, and observe our obligations pursuant to, contractual obligations with counterparties, including customers of our HPC and AI services;
- changing political and geopolitical conditions, including changing international trade policies and the implementation of wide-ranging, reciprocal and retaliatory tariffs, surtaxes and other similar import or export duties, or trade restrictions;
- Bitcoin global hashrate fluctuations;
- our ability to secure renewable energy, renewable energy certificates, power capacity, timely grid connections, facilities and sites on commercially reasonable terms or at all;
- delays and costs associated with, or failure to obtain or complete, permitting approvals, grid connections and other development activities customary for greenfield or brownfield infrastructure projects, including as a result of the Electric Reliability Council of Texas's ("ERCOT") announced amendments to the approval process for large load interconnection requests;
- our reliance on power, network and utilities providers, third party mining pools, exchanges, banks, insurance providers and our ability to maintain relationships with such parties;
- expectations regarding availability and pricing of electricity;
- our participation and ability to successfully participate in demand response products and services and other load management programs run, operated or offered by electricity network operators, regulators or electricity market operators;

- the availability, reliability and/or cost of electricity supply, hardware and electrical and data center infrastructure, including with respect to any electricity outages and any laws and regulations that may restrict the electricity supply available to us;
- any variance between the actual operating performance of our miner hardware achieved compared to the nameplate performance including hashrate;
- electricity market risks relating to changes in laws, regulations and requirements of market operators, network operators and/or regulatory bodies, including with respect to interconnection of facilities of large electrical loads to the ERCOT grid (for example, via a process that may batch multiple large load interconnection requests), grid stability, voltage ride-through, frequency ride-through and curtailment obligations;
- heightened complexity and additional constraints in energy markets including load ramp requirements by utilities or grid operators which may not align with our planned data center development and commissioning timelines;
- our ability to curtail our electricity consumption and/or monetize electricity depending on market conditions, including changes in Bitcoin mining economics and prevailing electricity prices;
- actions undertaken or inaction by electricity network and market operators, regulators, governments or communities in the regions in which we operate, including such actions that could result in the estimated power availability at secured sites being materially less than initially expected, available too late, delayed, conditioned upon technical or operational requirements or not available in each case whether at sustainable cost or at all;
- the availability, suitability, reliability and cost of internet connections at our facilities;
- our ability to operate in an evolving regulatory environment;
- our ability to successfully operate and maintain our property and infrastructure;
- reliability and performance of our infrastructure compared to expectations;
- malicious attacks on our property, infrastructure or IT systems;
- our ability to secure connection agreements to access power sources and permits or to maintain in good standing the operating and other permits, approvals and/or licenses required for our operations, construction activities and business which could be delayed by regulatory approval processes, may not be successful or may be cost prohibitive;
- our ability to obtain, maintain, protect and enforce our intellectual property rights and confidential information;
- any intellectual property infringement and product liability claims;
- whether the secular trends we expect to drive growth in our business materialize to the degree we expect them to, or at all;
- any pending or future acquisitions, dispositions, joint ventures or other strategic transactions, including our ability to consummate any such transactions on terms favorable to the Group or at all;
- the occurrence of any environmental, health and safety incidents at our sites, and any material costs relating to environmental, health and safety requirements or liabilities;
- damage to our property and infrastructure and the risk that any insurance we maintain may not fully cover all potential exposures;
- settlement and termination of proceedings relating to the default under certain equipment financing facilities, ongoing securities litigation, and any future litigation, claims and/or regulatory investigations, and the costs, expenses, use of resources, diversion of management time and efforts, liability and damages that may result therefrom;

- our failure to comply with any laws including the anti-corruption laws of the United States and various international jurisdictions;
- any failure of our compliance and risk management methods;
- any laws, regulations and ethical standards that may relate to our business, including those that relate to data centers, HPC and AI services, Bitcoin and the Bitcoin mining industry and those that relate to any other services we offer, including laws and regulations related to data privacy, cybersecurity and the storage, use or processing of information and consumer laws;
- our ability to attract, motivate and retain senior management and qualified employees;
- increased risks to our global operations including, but not limited to, political instability, acts of terrorism, theft and vandalism, cyberattacks and other cybersecurity incidents and unexpected regulatory and economic sanctions changes, among other things;
- climate change, severe weather conditions and natural and man-made disasters that may materially adversely affect our business, financial condition and results of operations;
- public health crises, including an outbreak of an infectious disease and any governmental or industry measures taken in response;
- damage to our brand and reputation;
- evolving stakeholder expectations and requirements relating to environmental, social or governance (“ESG”) issues or reporting, including actual or perceived failure to comply with such expectations and requirements;
- volatility with respect to the market price of our ordinary shares (“Ordinary shares”);
- that we do not currently pay any cash dividends on our Ordinary shares, and may not in the foreseeable future and, accordingly, your ability to achieve a return on your investment in our Ordinary shares will depend on appreciation, if any, in the price of our Ordinary shares; and
- other risk factors disclosed under “Part 1. Item 1.A. Risk Factors” in our Annual Report on Form 10-K for the year ended June 30, 2025 (the “Annual Report”) and “Part II. Item 1A. Risk Factors” in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2025, as such factors may be updated from time to time in our other filings with the SEC, including under the caption “Risk Factors” in this Quarterly Report, accessible on the SEC’s website at www.sec.gov and the Investor Relations section of the Company’s website at <https://investors.iren.com>.

The foregoing list of factors is not exhaustive and does not necessarily include all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements.

These and other important factors could cause actual results to differ materially from those indicated by the forward-looking statements made in this Quarterly Report. Any forward-looking statement that the Company makes in this Quarterly Report speaks only as of the date of such statement. Except as required by law, the Company disclaims any obligation to update or revise, or to publicly announce any update or revision to, any of the forward-looking statements, whether as a result of new information, future events or otherwise.

GLOSSARY OF TERMS AND CONCEPTS

This Quarterly Report includes a number of terms and concepts which are defined as follows:

- **AI Cloud Services:** platforms that provide access to AI/ML capabilities through cloud-based infrastructure.
- **AI/ML:** Artificial Intelligence and Machine Learning. Artificial Intelligence (“AI”) is computer software that mimics human cognitive abilities in order to perform complex tasks, such as decision making, data analysis, language translation and a variety of tools and services across the emergent AI industry that have been developed to leverage AI capabilities. Machine Learning (“ML”) is a subset of AI in which algorithms are trained on data sets to become machine learning models capable of performing specific tasks.
- **ASICs:** An Application Specific Integrated Circuit is a type of integrated circuit that is custom-designed for a particular use, rather than intended for general-purpose use.
- **Bitcoin:** A system of global, decentralized, scarce, digital money as initially introduced in a white paper titled Bitcoin: A Peer-to-Peer Electronic Cash System by Satoshi Nakamoto.
- **Bitcoin network:** The collection of all nodes running the Bitcoin protocol. This includes miners that use computing power to maintain the ledger and add new blocks to the blockchain.
- **block:** A bundle of transactions analogous with digital pages in a ledger. Transactions are bundled into blocks, which are then added to the ledger. Miners are rewarded for “mining” a new block.
- **blockchain:** A software program containing a cryptographically secure digital ledger that maintains a record of all transactions that occur on the network, that enables peer-to-peer transmission of transaction information, and that follows a consensus protocol for confirming new blocks to be added to the blockchain.
- **Board:** The board of directors of the Company.
- **Co-Founders and Co-Chief Executive Officers:** Daniel Roberts and William Roberts.
- **Company:** IREN Limited.
- **cryptocurrency or digital asset:** Bitcoin and alternative coins, or “altcoins,” launched after the success of Bitcoin. This category is designed to serve functions including as a medium of exchange, store of value, and/or to power applications.
- **difficulty:** In the context of Bitcoin mining, a measure of the relative complexity of the algorithmic solution required for a miner to mine a block and receive the Bitcoin reward. An increase in global hashrate will temporarily result in faster block times as the mining algorithm is solved quicker - and vice versa if the global hashrate decreases. The Bitcoin network protocol adjusts the network difficulty every 2,016 blocks (approximately every two weeks) to maintain a target block time of 10 minutes.
- **EH/s:** Exahash per second. 1 EH/s equals one quintillion hashes per second (1,000,000,000,000,000 h/s).
- **fiat currency:** A government issued currency that is not backed by a physical commodity, such as gold or silver, but rather by the government that issued it.
- **GPUs:** Graphics processing units are a type of computing technology designed for parallel processing, which can be used in a wide range of applications, including graphics and video rendering, gaming, creative production and AI.
- **Group:** The Company and the entities it controlled at the end of, or during, the quarter ended December 31, 2025.
- **hash:** To compute a function that takes an input, and then outputs an alphanumeric string known as the “hash value.”

- **hashrate:** The speed at which a miner can produce computations (hashes) using the Bitcoin network's algorithm, expressed in hashes per second. The hashrate of all miners on a particular network is referred to as the global hashrate.
- **HPC:** High-performance computing, which refers to the aggregation of computing power to achieve higher performance levels, often utilized to perform complex calculations in fields including science, engineering, finance, AI/ML, and business. It typically involves using supercomputers or clusters of computers, often employing parallel processing, to perform calculations simultaneously, thereby greatly reducing computation time.
- **miner:** Individuals or entities who operate a computer or group of computers that compete to mine blocks. Bitcoin miners who successfully mine blocks are rewarded with new Bitcoin as well as any transaction fees.
- **mining:** The process by which new Bitcoin blocks are created, and thus new transactions are added to the blockchain in the Bitcoin network.
- **mining pools:** Mining pools are platforms for miners to contribute their hashrate in exchange for digital assets, including Bitcoin, and in some cases regardless of whether the pool effectively mines any block. Miners tend to join pools to increase payout frequency, with pools generally offering daily payouts, and to externalize to the pool the risk of a block taking longer than statistically expected from the network difficulty. Mining pools offers these services in exchange for a fee.
- **MW:** Megawatts. 1MW equals 1,000 kilowatts.

PART I-FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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IREN Limited
Condensed Consolidated Balance Sheets
(Unaudited, in USD thousands, except share and per share data)


	Note	December 31, 2025	June 30, 2025
Assets			
Current assets			
Cash and cash equivalents		\$ 3,260,589	\$ 564,526
Accounts receivable, net		9,606	1,564
Deposits and prepaid expenses	7	55,330	45,908
Derivative assets	10	—	5,756
Income taxes receivable	20	—	2,581
Assets held for sale	9	20,102	—
Other assets and other receivables		37,794	20,838
Total current assets		3,383,421	641,173
Non-current assets			
Property, plant and equipment, net	9	3,170,451	1,930,567
Intangible assets, net	12	107,573	—
Operating lease right-of-use asset, net	14	1,328	1,463
Deposits and prepaid expenses	7	148,822	32,916
Financial assets	8	—	211,617
Derivative assets	10	215,700	122,100
Other non-current assets		282	486
Total non-current assets		3,644,156	2,299,150
Total assets		\$ 7,027,577	\$ 2,940,323
Liabilities and stockholders' equity			
Current liabilities			
Accounts payable and accrued expenses	13	\$ 576,268	\$ 144,115
Operating lease liability, current portion	14	402	404
Finance lease liability, current portion	9, 14	61,854	—
Income taxes payable, current portion	20	752	—
Deferred revenue, current portion	5	6,794	884
Other liabilities, current portion	15	36,061	3,945
Total current liabilities		682,131	149,347
Non-current liabilities			
Operating lease liability, less current portion	14	936	1,063
Finance lease liability, less current portion	9, 14	94,060	—
Convertible notes payable	16	3,685,296	962,765
Deferred revenue, less current portion	5	39,831	—
Deferred tax liabilities	20	8,055	7,971
Income taxes payable, less current portion	20	2,292	1,454
Other liabilities, less current portion	15	3,783	234
Total non-current liabilities		3,834,253	973,488
Total liabilities		4,516,384	1,122,835
Commitments and contingencies (See Note 21)			
Stockholders' equity			
Ordinary shares, no par value; 331,759,177 and 258,103,209 shares issued and outstanding as of December 31, 2025 and June 30, 2025, respectively	17	4,668,372	2,355,056
B Class shares, no par value; 2 shares authorized; and 2 shares issued and outstanding as of December 31, 2025 and June 30, 2025	17	—	—
Additional paid-in capital		(1,757,926)	88,672
Retained earnings (accumulated deficit)		(366,963)	(596,167)
Accumulated other comprehensive income (loss)		(32,290)	(30,073)
Total stockholders' equity		2,511,193	1,817,488
Total liabilities and stockholders' equity		\$ 7,027,577	\$ 2,940,323

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements.



	Note	Three Months Ended December 31,		Six Months Ended December 31,	
		2025	2024	2025	2024
Revenue:					
Bitcoin mining revenue		\$ 167,394	\$ 113,483	\$ 400,342	\$ 163,058
AI Cloud Services revenue		17,298	2,661	24,645	5,850
Total revenue		184,692	116,144	424,987	168,908
Cost of revenue (exclusive of depreciation and amortization shown below):					
Bitcoin mining	3	(63,368)	(32,019)	(143,313)	(63,646)
AI Cloud Services	3	(2,395)	(275)	(3,123)	(507)
Total cost of revenue		(65,763)	(32,294)	(146,436)	(64,153)
Operating (expenses) income:					
Selling, general and administrative expenses	4	(100,755)	(28,892)	(239,114)	(54,064)
Depreciation and amortization	9	(99,176)	(36,077)	(184,402)	(70,008)
Impairment of assets	9	(31,755)	—	(48,012)	(6,942)
Gain (loss) on disposal of property, plant and equipment	9	7	(681)	(6)	152
Other operating expenses		(5,468)	(3,994)	(5,468)	(8,399)
Other operating income		1,815	3,104	5,643	4,730
Total operating (expenses) income		(235,332)	(66,540)	(471,359)	(134,531)
Operating (loss) income		(116,403)	17,310	(192,808)	(29,776)
Other (expense) income:					
Finance expense		(10,668)	(1,722)	(19,948)	(1,744)
Interest income		15,775	1,587	22,903	3,876
Increase (decrease) in fair value of assets held for sale		(6,449)	516	(6,449)	(2,066)
Realized gain (loss) on financial instruments	8, 10	(2,910)	—	(8,666)	(4,215)
Unrealized gain (loss) on financial instruments	8, 10	(107,351)	(32,300)	557,642	(32,300)
Gain on partial extinguishment of financial liabilities	10	—	—	—	—
Debt conversion inducement expense		(111,799)	—	(111,799)	—
Foreign exchange gain (loss)		1,878	(4,563)	(3,504)	(3,373)
Other non-operating income		—	289	—	294
Total other (expense) income		(221,524)	(36,193)	430,179	(39,528)
Income (loss) before taxes		(337,927)	(18,883)	237,371	(69,304)
Income tax (expense) benefit	20	182,520	(3,005)	(8,167)	(4,287)
Net income (loss)		\$ (155,407)	\$ (21,888)	\$ 229,204	\$ (73,591)
Net income (loss) per share of Ordinary shares:					
Basic net income (loss) per share of Ordinary shares	19	\$ (0.52)	\$ (0.10)	\$ 0.81	\$ (0.37)
Basic weighted-average shares used in computing net income (loss) per share of Ordinary shares	19	298,027,356	210,470,186	284,234,636	199,866,316
Diluted net income (loss) per share of Ordinary shares	19	\$ (0.52)	\$ (0.10)	\$ 0.68	\$ (0.37)
Diluted weighted-average shares used in computing net income (loss) per share of Ordinary shares	19	298,027,356	210,470,186	349,832,503	199,866,316
Net income (loss)		\$ (155,407)	\$ (21,888)	\$ 229,204	\$ (73,591)
Other comprehensive income (loss):					
Change in foreign currency translation adjustments		3,241	(11,959)	(2,217)	(10,105)
Total comprehensive income (loss)		\$ (152,166)	\$ (33,847)	\$ 226,987	\$ (83,696)

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements.

Six Months Ended December 31, 2025

	Ordinary shares		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
	Shares	Amount				
Balance, June 30, 2025	257,211,899	\$ 2,355,056	\$ 88,672	\$ (596,167)	\$ (30,073)	\$ 1,817,488
Issuance of Ordinary shares – at-the-market offering, net of issuance costs	23,041,102	599,918	—	—	—	599,918
Issuance of Ordinary shares – restricted stock units	314,237	1,787	—	—	—	1,787
Issuance of Ordinary shares – stock options	2,309,065	8,827	—	—	—	8,827
Stock-based compensation	—	—	68,994	—	—	68,994
Change in foreign currency translation adjustments	—	—	—	—	(5,458)	(5,458)
Net income (loss)	—	—	—	384,611	—	384,611
Balance, September 30, 2025	282,876,303	2,965,588	157,666	(211,556)	(35,531)	2,876,167
Issuance of Ordinary shares – at-the-market offering, net of issuance costs	—	—	—	—	—	—
Issuance of Ordinary shares – Equity Offering, net of issuance costs	39,699,102	1,634,847	—	—	—	1,634,847
Issuance of Ordinary shares – restricted stock units	9,122,733	67,806	—	—	—	67,806
Issuance of Ordinary shares – stock options	61,039	131	—	—	—	131
Stock-based compensation	—	—	(9,574)	—	—	(9,574)
Repurchase of the 2030 Convertible Notes and 2029 Convertible Notes	—	—	(981,018)	—	—	(981,018)
Reclassification of 2030 Prepaid Forward Contract and 2029 Prepaid Forward Contract	—	—	(665,400)	—	—	(665,400)
Reclassification of 2030 Capped Call Transactions and 2029 Capped Call Transactions	—	—	(259,600)	—	—	(259,600)
Change in foreign currency translation adjustments	—	—	—	—	3,241	3,241
Net income (loss)	—	—	—	(155,407)	—	(155,407)
Balance, December 31, 2025	331,759,177	\$ 4,668,372	\$ (1,757,926)	\$ (366,963)	\$ (32,290)	\$ 2,511,193

IREN Limited

Condensed Consolidated Statements of Stockholders' Equity (continued)

(Unaudited, in USD thousands, except share and per share data)



Six Months Ended December 31, 2024

	Ordinary shares		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
	Shares	Amount				
Balance, June 30, 2024	186,367,686	\$ 1,764,289	\$ 51,286	\$ (683,109)	\$ (34,994)	\$ 1,097,471
Issuance of Ordinary shares – at-the-market offering, net of issuance costs	9,138,867	73,145	—	—	—	73,145
Issuance of Ordinary shares – restricted stock units	1,132,733	4,758	—	—	—	4,758
Issuance of Ordinary shares – stock options	490,196	991	—	—	—	991
Stock-based compensation	—	—	3,160	—	—	3,160
Change in foreign currency translation adjustments	—	—	—	—	1,854	1,854
Net income (loss)	—	—	—	(51,703)	—	(51,703)
Balance, September 30, 2024	197,129,482	1,843,183	54,446	(734,812)	(33,140)	1,129,677
Issuance of Ordinary shares – at-the-market offering, net of issuance costs	16,268,604	141,818	—	—	—	141,818
Issuance of Ordinary shares – restricted stock units	14,940	5	—	—	—	5
Issuance of Ordinary shares – stock options	91,962	99	—	—	—	99
Stock-based compensation	—	—	7,893	—	—	7,893
Change in foreign currency translation adjustments	—	—	—	—	(11,959)	(11,959)
Net income (loss)	—	—	—	(21,888)	—	(21,888)
Balance, December 31, 2024	213,504,988	\$ 1,985,105	\$ 62,339	\$ (756,700)	\$ (45,099)	\$ 1,245,645

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements.

IREN Limited
Condensed Consolidated Statements of Cash Flows
(Unaudited, in USD thousands)



	Six Months Ended December 31,	
	2025	2024
Operating activities		
Net income (loss)	\$ 229,204	\$ (73,591)
Adjustments to reconcile net income (loss) to net cash from (used in) operating activities:		
Depreciation and amortization	184,402	70,008
Impairment of assets	48,012	6,942
Change in fair value of assets held for sale	6,449	2,066
Realized (gain) loss on financial instruments	8,666	4,215
Unrealized (gain) loss on financial instruments	(557,642)	32,300
Debt conversion inducement expense	111,799	—
Other (income) expense	—	1,724
(Gain) loss on disposal of property, plant and equipment	6	(152)
Foreign exchange loss (gain)	7,714	3,373
Stock-based compensation expense	130,636	16,159
Amortization of debt issuance costs	3,381	151
Changes in assets and liabilities:		
Accounts receivable and other receivables	(24,998)	2,906
Other assets	204	(189)
Financial asset, current	—	6,530
Tax related liabilities	7,646	2,688
Accounts payable and accrued expenses	(9,016)	44,447
Other liabilities	35,665	4,697
Deferred revenue	45,741	(268)
Prepayments and deposits	(13,736)	(74,652)
Operating lease liabilities	(129)	287
Net cash from (used in) operating activities	214,004	49,641
Investing activities		
Payments for property, plant and equipment net of computer hardware	(720,001)	(244,890)
Payments for computer hardware	(279,708)	(326,061)
Payments for intangible assets	(107,573)	—
Payments for other prepayments and deposits	(14,362)	(4,797)
Proceeds from disposal of property, plant and equipment	—	8,318
Deposits paid for right-of-use assets	(10,184)	—
Net cash from (used in) investing activities	(1,131,828)	(567,430)
Financing activities		
Payment of offering costs for the issuance of Ordinary shares	(18,495)	(670)
Proceeds from the issuance of Ordinary shares	2,250,782	231,666
Payment for induced conversion of convertible notes	(1,623,484)	—
Proceeds from loan funded shares	658	858
Proceeds from exercise of options	6,597	—
Proceeds from convertible notes	3,299,555	311,646
Payment of capped call transactions	(252,252)	—
Payment of borrowing transaction costs	(49,626)	(1,815)
Net cash from (used in) financing activities	3,613,735	541,685
Net increase (decrease) in cash and cash equivalents	2,695,911	23,896
Cash and cash equivalents at the beginning of the period	564,526	404,601
Effects of exchange rate changes on cash and cash equivalents	152	(1,224)
Cash and cash equivalents at the end of period	\$ 3,260,589	\$ 427,273

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements

IREN Limited
Condensed Consolidated Statements of Cash Flows (continued)
(Unaudited, in USD thousands)



	Six Months Ended December 31,	
	2025	2024
Supplemental cash flow information:		
Cash paid for interest	\$ 16,882	\$ 75
Cash paid for income taxes	516	1,353
Supplemental schedule of non-cash investing and financing activities:		
Additions to right-of-use assets in exchange for lease liability	155,547	—
Property, plant and equipment in accounts payable and accrued expenses	448,277	102,108
Reclassification of property, plant and equipment to assets held for sale	20,102	2,952
Issuance of Ordinary shares - stock-based compensation settlements	71,296	4,995

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements

Note 1. Organization

Nature of operations and corporate information

The Group is a leading provider of AI Cloud Services, delivering large-scale GPU clusters for AI training and inference. The Company's vertically integrated platform is underpinned by an expansive portfolio of grid-connected land and data centers in renewable-rich regions across the U.S. and Canada.

Note 2. Basis of presentation, summary of significant accounting policies and recent accounting pronouncements

Basis of presentation and principles of consolidation

Effective July 1, 2025, the Company is required to report to the United States Securities and Exchange Commission ("SEC") on domestic forms and comply with domestic company rules in the United States. As a result, the Group transitioned from International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") to accounting principles generally accepted in the United States ("GAAP") effective June 30, 2025, and has retroactively restated comparative periods.

The accompanying Unaudited Condensed Consolidated Financial Statements have been prepared in accordance with GAAP for interim financial reporting. While these statements reflect all normal recurring adjustments which are, in the opinion of management, necessary for fair presentation of the results of the interim period, they do not include all the information and notes required by GAAP for complete financial statements. As such, the information included in this Quarterly Report should be read in conjunction with the Group's Consolidated Financial Statements for the year ended June 30, 2025, and related notes thereto, included in the Annual Report. The results of operations for the interim periods are not necessarily indicative of the results to be expected for any future fiscal periods.

These Unaudited Condensed Consolidated Financial Statements of the Group include the accounts of the Company and its controlled subsidiaries. Consolidated subsidiaries' results are included from the date the subsidiary was formed or acquired. Intercompany balances and transactions have been eliminated in consolidation.

The U.S. Dollar is the functional and presentation currency of the Company.

Use of estimates and assumptions

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions about future events that affect the amounts reported in the financial statements and accompanying notes.

Future events and their effects cannot be determined with absolute certainty. Therefore, the determination of estimates requires the exercise of judgment. Management bases its estimates on historical experience and on various other assumptions believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results inevitably will differ from those estimates, and such differences may be material to the financial statements. The most significant accounting estimates inherent in the preparation of the Group's Unaudited Condensed Consolidated Financial Statements include estimates associated with determining the useful lives and recoverability of long-lived assets, valuation of derivatives and financial assets classified under Level 3 of the fair value hierarchy, stock-based compensation, legal accruals and contingent liabilities, and current and deferred income tax assets (including the associated valuation allowance) and liabilities.

Significant accounting policies

Except as described below, there have been no material changes to our significant accounting policies disclosed in Note 2. Basis of presentation, summary of significant accounting policies and recent accounting pronouncements, of the Notes to the Consolidated Financial Statements included in our Annual Report.

Segment information

An operating segment is a component of an enterprise that engages in business activities from which it may earn revenues and incur expenses, for which discrete financial information is available, whose operating results are regularly evaluated by the chief operating decision maker (“CODM”) to assess performance and allocate resources. The Group’s CODM is William Roberts, the Co-Chief Executive Officer (“Mr. Roberts”). As of December 31, 2025, the Company has identified two reportable segments, each evaluated separately by the CODM: Bitcoin mining and AI Cloud Services. The segments are organized by product lines rather than geographical location. The Bitcoin mining segment generates revenue by mining Bitcoin with the Group’s ASIC hardware, whereas the AI Cloud Services segment earns revenue from providing AI Cloud Services to third-party customers.

During the quarter ended September 30, 2025, the Group disaggregated its reportable segments to better align with its evolving business operations and strategic objectives. Accordingly, comparative information for prior periods has been recast to conform to the current-period presentation. Previously, the Group operated and reported as a single segment.

Mr. Roberts evaluates performance and allocates resources primarily using segment gross profit (loss), which is defined as segment revenue less segment cost of revenue (exclusive of depreciation and amortization expenses). Mr. Roberts is not provided with segment-specific operating expenses beyond cost of revenue; all other expenses are managed on a consolidated basis. Accordingly, the only expense category included in segment gross profit (loss) is cost of revenue, as there are no other segment items for the reportable segments. Mr. Roberts does not evaluate performance or allocate resources based on segment asset or liability information. Entity-wide disclosures are presented in the Company’s annual Form 10-K, consistent with Accounting Standards Codification (“ASC”) Topic 280, Segment Reporting requirements.

Finance leases

For leases that are classified as finance leases, the Group recognizes a right-of-use asset and a corresponding finance lease liability at lease commencement, measured at the present value of future lease payments, using the interest rate implicit in the lease, or where that rate cannot be readily determined, its incremental borrowing rate.

The Group assesses at lease commencement whether it is reasonably certain to exercise a purchase option, considering factors such as the option price relative to the asset’s expected fair value, the significance of leasehold improvements, and operational requirements. When exercise is reasonably certain, the option price is included in the measurement of the right-of-use asset and lease liability.

The Group accounts for certain finance leases related to GPU financing arrangements using a portfolio approach under ASC Topic 842, Leases (“ASC 842”). Specifically, the Group applies the lease accounting model to a portfolio of leases with similar characteristics (including underlying asset type, contractual terms, payment structure and end-of-term provisions) when management reasonably expects that applying ASC 842 at a portfolio level will not differ materially from applying the guidance to the individual leases. The Group uses common assumptions for the portfolio and reassesses the appropriateness of the portfolio approach when there are changes in facts and circumstances, including changes to contractual terms, commencement timing, or other factors that could result in material differences compared to individual-lease accounting.

The finance lease right-of-use asset is included within “Property, plant and equipment, net” on the Condensed Consolidated Balance Sheets and is depreciated on a straight-line basis over the estimated useful life of the underlying asset, as the Group is reasonably certain to exercise its purchase options. Interest expense on finance lease liabilities is recognized using the effective interest method over the lease term and is generally presented within “Finance expense” in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

The Group’s finance leases primarily relate to GPU hardware.

Finite-lived intangible assets

Intangible assets with finite lives are comprised of connection rights which represent contractual rights to access and use electricity, network and/or other infrastructure capacity at specific sites. These rights are recognized as intangible assets when the Group obtains control of the rights and it is probable that the expected future economic benefits will flow to the Group.

Connection rights acquired in a business combination are initially recognized at their fair value as of the acquisition date. Connection rights acquired separately are initially measured at cost, which includes any directly attributable costs necessary to bring the asset to the condition and location necessary for its intended use.

Connection rights are classified as finite-lived intangible assets and are amortized on a straight-line basis over the shorter of their contractual term and their estimated period of economic benefit. The Group reviews the useful lives, residual values and amortization methods of connection rights at least annually, and adjusts them prospectively if expectations change.

Connection rights are carried at cost (or acquisition-date fair value) less accumulated amortization and accumulated impairment losses. The Group evaluates connection rights for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. When such indicators exist, the Group compares the carrying amount of the asset (or asset group) with its estimated undiscounted future cash flows. If the carrying amount exceeds the undiscounted cash flows, an impairment loss is recognized for the excess of the carrying amount over the asset's fair value, with the loss recorded in "Impairment of assets" in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

Recent accounting pronouncements

The Group continually assesses any new accounting pronouncements to determine their applicability. When it is determined that a new accounting pronouncement affects the Group's financial reporting, the Group undertakes a study to determine the consequences of the change to its Unaudited Condensed Consolidated Financial Statements and ensures that there are proper controls in place to ascertain that the Group's Unaudited Condensed Consolidated Financial Statements properly reflect the change.

In December 2023, the Financial Accounting Standards Board (the "FASB") issued ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09"). ASU 2023-09 expands existing income tax disclosures (1) for rate reconciliations by requiring disclosure of certain specific categories and additional reconciling items that meet quantitative thresholds and (2) for income taxes paid by requiring disaggregation by certain jurisdictions. ASU 2023-09 is effective for annual periods beginning after December 15, 2024; early adoption is permitted. The Group adopted ASU 2023-09 for its annual period beginning July 1, 2025, which did not have a material impact on the Unaudited Condensed Consolidated Financial Statements.

In November 2024, the FASB issued ASU 2024-04, Debt (Subtopic 470-20): Debt with Conversion and Other Options ("ASU 2024-04"). ASU 2024-04 clarifies the assessment of whether a transaction should be accounted for as an induced conversion or extinguishment of convertible debt when changes are made to conversion features as part of an offer to settle the instrument. ASU 2024-04 is effective for reporting periods beginning after December 15, 2025, and interim periods within those annual reporting periods. The Group early adopted ASU 2024-04 on July 1, 2025, using the prospective transition approach. As a result of our adoption, the Group accounted for the repurchase of the 3.25% Convertible Senior Notes due 2030 (the "2030 Convertible Notes") and 3.50% Convertible Senior Notes due 2029 (the "2029 Convertible Notes"), as an induced conversion. Refer to Note 16 Convertible notes payable for additional details.

In July 2025, the FASB issued ASU 2025-05, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets ("ASU 2025-05"). ASU 2025-05 provides entities with a practical expedient in developing reasonable and supportable forecasts as part of estimating expected credit losses, where entities may elect a practical expedient that assumes that current conditions as of the balance sheet date do not change for the remaining life of the asset. ASU 2025-05 is effective for reporting periods beginning after December 15, 2025, and interim periods within those annual reporting periods. Early adoption is permitted. The Group early adopted ASU 2025-05 on July

1, 2025, using the prospective transition approach, which did not have a material impact on the Unaudited Condensed Consolidated Financial Statements.

In December 2025, the FASB issued ASU 2025-11, Interim Reporting (Topic 270): Narrow-Scope Improvements (“ASU 2025-11”). ASU 2025-11 updates the guidance in Topic 270 by improving navigability of the required interim disclosures, clarifying when that guidance is applicable and requiring entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. ASU 2025-11 is effective for annual periods beginning after December 15, 2027 and interim periods within annual reporting periods beginning after December 15, 2028; early adoption is permitted. The Group is currently assessing the impact of adopting the standard.

Note 3. Cost of revenue

The components of cost of revenue (exclusive of depreciation and amortization) are as follows:

<i>(in USD thousands)</i>	Three Months Ended December 31, 2025		
	Bitcoin mining	AI Cloud Services	Total
Electricity	\$ 58,916	\$ 794	\$ 59,710
Employee benefits	3,397	1,217	4,614
Other direct expenses	1,055	384	1,439
Total cost of revenue	\$ 63,368	\$ 2,395	\$ 65,763

<i>(in USD thousands)</i>	Three Months Ended December 31, 2024		
	Bitcoin Mining	AI Cloud Services	Total
Electricity	\$ 30,112	\$ 59	\$ 30,171
Employee benefits	1,447	165	1,612
Other direct expenses	460	51	511
Total cost of revenue	\$ 32,019	\$ 275	\$ 32,294

<i>(in USD thousands)</i>	Six Months Ended December 31, 2025		
	Bitcoin mining	AI Cloud Services	Total
Electricity	\$ 134,745	\$ 903	\$ 135,648
Employee benefits	6,411	1,677	8,088
Other direct expenses	2,157	543	2,700
Total cost of revenue	\$ 143,313	\$ 3,123	\$ 146,436

<i>(in USD thousands)</i>	Six Months Ended December 31, 2024		
	Bitcoin mining	AI Cloud Services	Total
Electricity	\$ 59,896	\$ 97	\$ 59,993
Employee benefits	2,821	315	3,136
Other direct expenses	929	95	1,024
Total cost of revenue	\$ 63,646	\$ 507	\$ 64,153

Note 4. Selling, general, and administrative expenses

The components of selling, general and administrative expenses are as follows:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2025	2024	2025	2024
<i>(in USD thousands)</i>				
Employee benefits	\$ 8,553	\$ 4,902	\$ 16,917	\$ 9,964
Payroll taxes on stock-based compensation	6,843	471	39,617	1,606
Professional fees	9,277	3,553	16,066	6,378
Stock based compensation	58,231	7,975	130,636	16,159
Insurance	3,823	4,650	8,996	7,642
Renewable energy certificates	2,705	1,401	5,529	2,049
Property taxes	1,889	231	3,524	556
Non-refundable provincial sales tax	1,955	1,329	3,444	2,302
Sponsorships and marketing	1,997	857	5,077	1,435
Other selling, general and administrative expenses	5,482	3,524	9,308	5,974
Total selling, general and administrative expenses	\$ 100,755	\$ 28,892	\$ 239,114	\$ 54,064

Note 5. Revenue

Disaggregation of Revenue

The Group primarily generates its revenue through Bitcoin mining and AI Cloud Services. The Group's revenues are disaggregated by geographical region based on the location of the contracting entity and type of service or goods. For the periods presented in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss), all Bitcoin mining revenue was generated in Australia and all AI Cloud Services revenue was generated in Canada.

Contract Balances

The timing of revenue recognition, billings and cash collections result in accounts receivable and deferred revenue. A receivable is recorded at the invoice amount, net of an allowance for credit losses, and is recognized in the period when the Group has the right to invoice its customers and when its right to consideration is unconditional. Payment terms and conditions vary by contract type, although terms generally include a requirement of payment within 5-10 days.

Deferred revenue, including current and non-current balances as of December 31, 2025 and June 30, 2025, was \$46,625,000 and \$884,000, respectively. For the three and six months ended December 31, 2025, revenue recognized from deferred revenue at the beginning of the period was \$683,000 and \$856,000, respectively. For the three and six months ended December 31, 2024, revenue recognized from deferred revenue at the beginning of the period was \$529,000 and \$480,000, respectively.

Remaining Performance Obligations ("RPO")

As of December 31, 2025, the Group had \$289,411,000 of unsatisfied RPO, of which \$150,072,000 is expected to be recognized over the initial 12 months ending December 31, 2026, \$135,580,000 between months 13 and 24, and the remaining balance recognized between months 25 and 60.

Strategic Customer Agreement

On November 2, 2025, the Group entered into an agreement with Microsoft Corporation (the "Microsoft Agreement") to provide dedicated GPU services in tranches at data center facilities located in Childress, Texas, over an average term of



five years. The total contract value is approximately \$9.7 billion over the term of the agreement, with 20% of the contract value to be paid prior to the applicable delivery date of each tranche.

The Group includes amounts in unsatisfied RPO only for tranches that have been delivered and accepted of which there have been nil as of the reporting date. Consideration related to future tranches is not included in unsatisfied RPO until those tranches are delivered.

Significant Financing Component

Certain customer contracts include significant advance prepayments. The Group assessed whether these terms create a significant financing component under ASC Topic 606, Revenue from Contracts with Customers. Interest expense related to significant financing components was nil for each of the periods ended December 31, 2025 and December 31, 2024, respectively.

Note 6. Segment information

The Group's significant expense categories and amounts that are regularly provided to, and used by, the CODM in assessing performance and allocating resources and that are included in each reported measure of segment profit or loss are presented by reportable segments in Note 3 — Cost of revenue.

The following table presents revenue and cost of revenue for the Group's reportable segments, reconciled to the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2025	2024	2025	2024
<i>(in USD thousands)</i>				
Reportable segment revenue				
Bitcoin mining revenue	\$ 167,394	\$ 113,483	\$ 400,342	\$ 163,058
AI Cloud Services revenue	17,298	2,661	24,645	5,850
Total segment and consolidated revenue	184,692	116,144	424,987	168,908
Reportable segment cost of revenue (exclusive of depreciation and amortization shown below):				
Bitcoin mining	(63,368)	(32,019)	(143,313)	(63,646)
AI Cloud Services	(2,395)	(275)	(3,123)	(507)
Total segment and consolidated cost of revenue	(65,763)	(32,294)	(146,436)	(64,153)
Segment gross profit (loss)	118,929	83,850	278,551	104,755
Reconciling items:				
Selling, general and administrative expenses	(100,755)	(28,892)	(239,114)	(54,064)
Depreciation and amortization	(99,176)	(36,077)	(184,402)	(70,008)
Impairment of assets	(31,755)	—	(48,012)	(6,942)
Gain (loss) on disposal of property, plant and equipment	7	(681)	(6)	152
Other operating expenses	(5,468)	(3,994)	(5,468)	(8,399)
Other operating income	1,815	3,104	5,643	4,730
Finance expense	(10,668)	(1,722)	(19,948)	(1,744)
Interest income	15,775	1,587	22,903	3,876
Increase (decrease) in fair value of assets held for sale	(6,449)	516	(6,449)	(2,066)
Realized gain (loss) on financial instruments	(2,910)	—	(8,666)	(4,215)
Unrealized gain (loss) on financial instruments	(107,351)	(32,300)	557,642	(32,300)
Debt conversion inducement expense	(111,799)	—	(111,799)	—
Foreign exchange gain (loss)	1,878	(4,563)	(3,504)	(3,373)
Other non-operating income	—	289	—	294
Income tax (expense) benefit	182,520	(3,005)	(8,167)	(4,287)
Net income (loss)	\$ (155,407)	\$ (21,888)	\$ 229,204	\$ (73,591)

Note 7. Deposits and prepayments

The components of deposits and prepaid expenses are as follows:

<i>(in USD thousands)</i>	December 31, 2025	June 30, 2025
Current		
Prepayments	\$ 40,761	\$ 33,015
Security deposits	14,569	12,894
Total current deposits and prepaid expenses	\$ 55,330	\$ 45,908
Non-current		
Security deposits	\$ 138,514	\$ 29,847
Computer hardware prepayments	4,619	\$ 3,068
Prepayments	5,689	—
Total non-current deposits and prepaid expenses	\$ 148,822	\$ 32,916
Total deposits and prepaid expenses	\$ 204,152	\$ 78,824

Prepayments

Prepayments at December 31, 2025 and June 30, 2025 primarily include electricity, insurance and lease prepayments made.

Security deposits

Security deposits at December 31, 2025 and June 30, 2025, include deposits paid for development projects.

Computer hardware prepayments

Computer hardware prepayments represent payments made by the Group for the purchase of mining and AI hardware that are yet to be delivered as of December 31, 2025 and June 30, 2025. These prepayments are in accordance with payment schedules set out in relevant purchase agreements with hardware manufacturers.

Note 8. Financial assets

The following table presents the Group's Condensed Consolidated Balance Sheets classification of financial assets carried at fair value:

<i>(in USD thousands)</i>	Balance Sheet Line	December 31, 2025	June 30, 2025
Financial assets			
2030 Prepaid forward contract	Financial assets - Non current	\$ —	\$ 83,117
2029 Prepaid forward contract	Financial assets - Non current	—	128,500
Total financial assets		\$ —	\$ 211,617

The following table presents the effect of financial assets on the Group's Condensed Consolidated Statements of Operations and Comprehensive Income (Loss):

(in USD thousands)

Financial assets	Statement of Operations Line	Three Months Ended December 31,		Six Months Ended December 31,	
		2025	2024	2025	2024
2030 Prepaid forward contract	Unrealized gain (loss) on financial instruments	\$ (6,300)	\$ (17,700)	\$ 178,183	\$ (17,700)
2029 Prepaid forward contract	Unrealized gain (loss) on financial instruments	(9,700)	—	275,600	—
Electricity financial asset	Realized (loss) on financial instruments	—	—	—	(4,215)
Total financial assets		\$ (16,000)	\$ (17,700)	\$ 453,783	\$ (21,915)

The following tables show the valuation techniques used in measuring Level 2 fair values for the financial instruments in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss), as well as the significant unobservable inputs used:

Fair Value Hierarchy Level	Asset Description	Valuation Technique	Significant Inputs
Level 2	2030 Prepaid forward contract	Analytical formula	Share price, risk free rate, dividend yield
Level 2	2029 Prepaid forward contract	Analytical formula	Share price, risk free rate, dividend yield
Level 2	Prepaid Electricity - Financial asset	Forward Price Approach	Forward Prices from OTC Global Holdings

Prepaid Forward Contracts

2030 Prepaid Forward Contract

On December 6, 2024, the Group issued \$440,000,000 in aggregate principal amount of the 2030 Convertible Notes. In conjunction with the offering of the 2030 Convertible Notes, the Group entered also into a prepaid forward share purchase contract ("2030 Prepaid Forward Contract") transactions with a financial institution ("2030 Forward Counterparty"). The 2030 Prepaid Forward Contract is a separate transaction to the 2030 Convertible Notes entered into by the Group with the 2030 Forward Counterparty and is not part of the terms of the 2030 Convertible Notes and will not affect any holder's rights under the 2030 Convertible Notes. Holders of the 2030 Convertible Notes will not have any rights with respect to the 2030 Prepaid Forward Contract.

2029 Prepaid Forward Contract

On June 13, 2025, the Group issued \$550,000,000 in aggregate principal amount of the 2029 Convertible Notes. In conjunction with the offering of the 2029 Convertible Notes, the Group entered also into a prepaid forward share purchase contract ("2029 Prepaid Forward Contract") transactions with a financial institution ("2029 Forward Counterparty"). The 2029 Prepaid Forward Contract is a separate transaction to the 2029 Convertible Notes entered into by the Group with the 2029 Forward Counterparty and is not part of the terms of the 2029 Convertible Notes and will not affect any holder's rights under the 2029 Convertible Notes. Holders of the 2029 Convertible Notes will not have any rights with respect to the 2029 Prepaid Forward Contract.

The following table summarizes the key terms of the 2030 Prepaid Forward Contract and 2029 Prepaid Forward Contract (collectively, the "Prepaid Forward Transactions"):

	<u>2030 Prepaid Forward Contract</u>	<u>2029 Prepaid Forward Contract</u>
Contractual expiration	August 15, 2030	February 15, 2030
Net proceeds used to purchase the contract <i>(in thousands)</i>	\$ 73,717	\$ 92,500
Aggregate number of Ordinary shares underlying the contract	5,700,000	8,818,000
Pricing date of the Ordinary shares underlying the contract	December 3, 2024	June 10, 2025

Reclassification to equity

During the quarter ended December 31, 2025, the Company's shareholders approved the repurchase of the Company's Ordinary shares underlying the Prepaid Forward Transactions, if so elected. Following shareholder approval at the Company's annual general meeting, the Prepaid Forward Transactions met the conditions for equity classification under ASC Topic 815-40, Contracts in Entity's Own Equity ("ASC 815-40"). Accordingly, the Prepaid Forward Transactions were reclassified to stockholders' equity as a reduction of additional paid-in capital at their fair value on the date of shareholder approval of \$665,400,000.

All of the Prepaid Forward Transactions were outstanding as of December 31, 2025.

Electricity financial asset

A subsidiary of the Group amended its Power Supply Agreement ("PSA") for its Childress site on August 23, 2024, to transition to spot priced electricity based on actual usage. As a result, a realized loss of nil and \$4,215,000 was incurred during the three and six months ended December 31, 2024, respectively.

Note 9. Property, plant and equipment, net

The components of property, plant and equipment were as follows:

<i>(in USD thousands)</i>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Mining hardware	\$ 1,079,663	\$ 1,135,584
GPU hardware	550,636	76,001
Buildings	686,948	639,750
Right-of-use assets - Finance lease	160,042	—
Plant and equipment	8,384	10,002
Land	29,702	13,086
Leasehold improvements	37	43
Construction in progress	1,038,321	237,734
Property, plant and equipment, gross	<u>3,553,733</u>	<u>2,112,200</u>
Less: Accumulated depreciation	(346,941)	(181,246)
Less: Impairment	(36,341)	(385)
Property, plant and equipment, net	<u>\$ 3,170,451</u>	<u>\$ 1,930,567</u>

Depreciation and amortization expense related to property, plant and equipment was \$99,176,000 and \$36,077,000 for the three months ended December 31, 2025 and 2024, respectively, and \$184,402,000 and \$70,008,000 for the six months ended December 31, 2025 and 2024, respectively.

During the six months ended December 31, 2025, the Group entered into lease financing arrangements for the acquisition of GPUs, together with related ancillary equipment. The arrangements provide financing for 100% of the purchase price and are structured as 36-month and 24-month leases, respectively. A portion of the leases commenced during the quarter

ended December 31, 2025, at which time the corresponding right-of-use assets and lease liabilities were recognized. The lease commencement dates for the remaining GPUs are expected to occur subsequent to December 31, 2025, at which time the corresponding right-of-use assets and lease liabilities will be recognized.

Impairment

Impairment of property, plant and equipment totaled \$31,755,000 and \$48,012,000 for the three and six months ended December 31, 2025, respectively. The impairment for the three months ended December 31, 2025 was primarily related to S21 Pro miners in British Columbia. The S21 Pro miners are expected to be displaced from the Group's data centers as part of the Group's strategic focus on expanding its AI Cloud Services. Management performed an impairment assessment as of December 31, 2025, resulting in a charge to reduce their carrying amount to estimated fair value. The estimated fair value was lower than the net carrying amount and was determined using Level 2 inputs, based on prices for similar assets.

Impairment of property, plant and equipment totaled nil and \$6,942,000 for the three and six months ended December 31, 2024, respectively, and was primarily related to the initial classification of the S19j Pro miners as held for sale, as discussed under 'Assets held for sale' below.

Change in estimated useful life

On December 31, 2025, the Group reassessed the estimated useful life of its S21 Pro miners in Canal Flats in connection with its strategic focus on expanding AI Cloud Services and consistent with the impairment charges discussed above. Based on this assessment, the miners are now expected to remain in operation through September 2026, at which point they are anticipated to be sold. As a result, the estimated remaining useful life of the miners has been reduced, and the estimated residual value has been revised to approximately \$9.5 million, reflecting the expected secondary market price at the anticipated disposal date. The estimated fair value was determined using Level 3 inputs.

On September 30, 2025, the Group reassessed the estimated useful life of its T21 miners in connection with its strategic focus on expanding AI Cloud Services and consistent with the impairment charges discussed above. Based on this assessment, the functioning T21 miners are now expected to remain in operation through June 2026, at which point they are expected to be sold. As a result, the estimated remaining useful life of the T21 miners has been reduced with effect from October 1, 2025, and the estimated residual value has been revised to approximately \$5.8 million, reflecting the expected secondary market price at the anticipated disposal date. The estimated fair value was determined using Level 3 inputs.

The impact of these changes on the actual and expected depreciation expense is as follows:

(in USD thousands)	Years ended June 30,			
	2026	2027	2028	2029
September 30, 2025 change in useful life	\$ 5,271	\$ (5,255)	\$ (5,068)	\$ (780)
December 31, 2025 change in useful life	\$ 4,349	\$ (4,166)	\$ (8,444)	\$ (1,213)

Construction in progress

The increase in construction in progress is primarily related to accumulated costs related to the development of data center infrastructure at Childress, Texas and the Sweetwater development projects in Texas, U.S., along with other early-stage development costs. Depreciation will commence on the development assets as each phase of the underlying infrastructure becomes available for use.

Assets held for sale

On December 31, 2025, the Group classified approximately 12,200 S21 Pro miners as held for sale in accordance with ASC Topic 360, Property, Plant and Equipment ("ASC 360-10-45-9") as the miners were no longer in use, were actively

marketed for sale, and their sale was deemed highly probable. Upon classification as held for sale, the Group recognized a loss on change in fair value of \$6,449,000 to adjust the carrying value of the miners to their estimated fair value less costs to sell as at December 31, 2025.

On September 1, 2024, the Group classified the majority of its S19j Pro mining hardware as held for sale in accordance with ASC 360-10-45-9 as the miners were no longer in use, were actively marketed for sale, and their sale was deemed highly probable. Upon classification as held for sale, the Group recognized an impairment loss of \$6,836,000. During the three and six months ended December 31, 2024, the Group recognized a fair value gain of \$516,000 and a fair value loss of \$2,066,000, respectively, to adjust the carrying value of the miners to their estimated fair value less costs to sell as at December 31, 2024.

Note 10. Derivatives

The following table presents the Group's Condensed Consolidated Balance Sheets classification of derivatives carried at fair value:

(in USD thousands)

Derivative	Balance Sheet Line	December 31, 2025		June 30, 2025	
		Asset	Liability	Asset	Liability
Derivatives not designated as hedging instruments:					
Bitcoin purchase option	Derivative assets - Current	\$ —	\$ —	\$ 5,756	\$ —
Capped call transactions - 2030 Convertible Notes	Derivative assets - Non current	—	—	46,400	—
Capped call transactions - 2029 Convertible Notes	Derivative assets - Non current	—	—	75,700	—
Capped call transactions - 2031 Convertible Notes	Derivative assets - Non current	33,500	—	—	—
Capped call transactions - 2032 Convertible Notes	Derivative assets - Non current	93,900	—	—	—
Capped call transactions - 2033 Convertible Notes	Derivative assets - Non current	88,300	—	—	—
Total derivatives		\$ 215,700	\$ —	\$ 127,856	\$ —

The following table presents the effect of derivatives on the Group's Condensed Consolidated Statements of Operations and Comprehensive Income (Loss):

(in USD thousands)

Derivative	Statement of Operations Line	Three Months Ended December 31,		Six Months Ended December 31,	
		2025	2024	2025	2024
Derivatives not designated as hedging instruments:					
Bitcoin purchase option	Realized gain (loss) on financial instruments	\$ (2,910)	\$ —	\$ (8,666)	\$ —
Bitcoin purchase option	Unrealized gain (loss) on financial instruments	—	—	2,910	—
Capped call transactions - 2030 Convertible Notes	Unrealized gain (loss) on financial instruments	(23,700)	(14,600)	57,500	(14,600)
Capped call transactions - 2029 Convertible Notes	Unrealized gain (loss) on financial instruments	(31,100)	—	80,000	—
Capped call transactions - 2031 Convertible Notes	Unrealized gain (loss) on financial instruments	(21,782)	—	(21,782)	—
Capped call transactions - 2032 Convertible Notes	Unrealized gain (loss) on financial instruments	(7,902)	—	(7,902)	—
Capped call transactions - 2033 Convertible Notes	Unrealized gain (loss) on financial instruments	(6,867)	—	(6,867)	—
Total gain (loss) on derivatives		\$ (94,261)	\$ (14,600)	\$ 95,193	\$ (14,600)

Capped Call Transactions

2030 Capped Call Transactions

In conjunction with the offering of the 2030 Convertible Notes, the Group entered into the capped call transactions with certain financial institutions (the "2030 Capped Call Transactions"). The 2030 Capped Call Transactions are generally expected to reduce potential dilution to holders of the Group's Ordinary shares upon any conversion of the 2030 Convertible Notes and/or offset any cash payments the Group is required to make in excess of the principal amount of the 2030 Convertible Notes upon conversion of the 2030 Convertible Notes in the event that the market price per share of our Ordinary shares is greater than the strike price of the 2030 Capped Call Transactions, with such reduction and/or offset subject to a cap.

2029 Capped Call Transactions

In conjunction with the offering of the 2029 Convertible Notes, the Group entered into the capped call transactions with certain financial institutions (the "2029 Capped Call Transactions"). The 2029 Capped Call Transactions are generally expected to reduce potential dilution to holders of the Group's Ordinary shares upon any conversion of the 2029 Convertible Notes and/or offset any cash payments the Group is required to make in excess of the principal amount of the 2029 Convertible Notes upon conversion of the 2029 Convertible Notes in the event that the market price per share of our Ordinary shares is greater than the strike price of the 2029 Capped Call Transactions, with such reduction and/or offset subject to a cap.

2031 Capped Call Transactions

In conjunction with the Group's offering of 0.00% Convertible Senior Notes due 2031 (the "2031 Convertible Notes"), the Group entered into the capped call transactions with certain financial institutions (the "2031 Capped Call Transactions"). The 2031 Capped Call Transactions are generally expected to reduce potential dilution to holders of the Group's Ordinary shares upon any conversion of the 2031 Convertible Notes and/or offset any cash payments the Group is required to make

in excess of the principal amount of the 2031 Convertible Notes upon conversion of the 2031 Convertible Notes in the event that the market price per share of our Ordinary shares is greater than the strike price of the 2031 Capped Call Transactions, with such reduction and/or offset subject to a cap.

2032 and 2033 Capped Call Transactions

In conjunction with the Group's offering of 0.25% Convertible Senior Notes due 2032 (the "2032 Convertible Notes") and 1.00% Convertible Senior Notes due 2033 (the "2033 Convertible Notes"), the Group entered into the capped call transactions with certain financial institutions (the "2032 Capped Call Transactions" and the "2033 Capped Call Transactions", respectively). The 2032 Capped Call Transactions and 2033 Capped Call Transactions are generally expected to reduce potential dilution to holders of the Group's Ordinary shares upon any conversion of the 2032 Convertible Notes and 2033 Convertible Notes and/or offset any cash payments the Group is required to make in excess of the principal amount of the 2032 Convertible Notes and 2033 Convertible Notes upon conversion of the 2032 Convertible Notes and 2033 Convertible Notes in the event that the market price per share of our Ordinary shares is greater than the strike price of the 2032 Capped Call Transactions or 2033 Capped Call Transactions, with such reduction and/or offset subject to a cap.

The following tables summarize the key terms of the Capped Call Transactions:

	2031 Capped Call	2032 Capped Call	2033 Capped Call
Net proceeds used to purchase the Capped Call Transactions (<i>in thousands</i>)	\$ 56,700	\$ 104,305	\$ 96,715
Transaction costs expensed (<i>in thousands</i>)	\$ 1,418	\$ 2,503	\$ 1,547
Initial cap price	\$ 120.18	\$ 82.24	\$ 82.24
Last reported sale price of Ordinary shares	\$ 60.09	\$ 41.12	\$ 41.12
Date of last reported sale price of Ordinary shares	October 8, 2025	December 2, 2025	December 2, 2025

Reclassification to equity

During the quarter ended December 31, 2025, the Company's shareholders approved the repurchase of the Company's Ordinary shares underlying the 2030 Capped Call Transactions and the 2029 Capped Call Transactions, if so elected. Following shareholder approval, the 2030 Capped Call Transactions and the 2029 Capped Call Transactions met the conditions for equity classification under ASC 815-40. Accordingly, the 2030 Capped Call Transactions and the 2029 Capped Call Transactions were reclassified to stockholders' equity as a reduction of additional paid-in capital at their fair value on the date of shareholder approval of \$259,600,000.

	2030 Capped Call	2029 Capped Call
Net proceeds used to purchase the Capped Call Transactions (<i>in thousands</i>)	\$ 44,352	\$ 53,790
Transaction costs expensed (<i>in thousands</i>)	\$ 1,452	\$ 2,790
Initial cap price	\$ 25.86	\$ 20.98
Last reported sale price of Ordinary shares	\$ 12.93	\$ 10.49
Date of last reported sale price of Ordinary shares	December 3, 2024	June 10, 2025

Prior to their reclassification to equity, the Group estimated the fair value of the 2030 Capped Call Transactions and 2029 Capped Call Transactions using the Black-Scholes-Merton pricing model, which includes several inputs and assumptions including the risk-free interest rate, dividend yield, and the expected stock-price volatility. The following table represents

the significant and unobservable fair value assumptions used for Capped Call Transactions as at the date of shareholder approval:

	2030 Capped Call	2029 Capped Call
Closing share price	\$45.83	\$45.83
Long strike price	\$ 16.81	\$ 13.64
Short strike price	\$ 25.86	\$ 20.98
Risk free interest rate	3.62 %	3.59 %
Dividend yield	nil	nil
Expected volatility	62.5 %	62.5 %

Level 3 derivative assets

The Group determined that the 2031 Capped Call Transactions, 2032 Capped Call Transactions, and 2033 Capped Call Transactions are a Level 3 derivative asset given significant unobservable inputs are included in its valuation. The Group estimates the fair value of the derivative using the Black-Scholes-Merton pricing model, which includes several inputs and assumptions including the risk-free interest rate, dividend yield, and the expected stock-price volatility. The following table represents the significant fair value assumptions used for Capped Call Transactions as at December 31, 2025:

	2031 Capped Call	2032 Capped Call	2033 Capped Call
Closing share price	\$ 37.77	\$ 37.77	\$ 37.77
Long strike price	\$ 85.63	\$ 51.40	\$ 51.40
Short strike price	\$ 120.18	\$ 82.24	\$ 82.24
Risk free interest rate	3.71 %	3.79 %	3.87 %
Dividend yield	nil	nil	nil
Expected volatility	62.5 %	57.5 %	57.5 %

Volatility is a measure of the expected change in variables over a fixed period of time. Some financial instruments benefit from an increase in volatility and others benefit from a decrease in volatility. Generally, for a long position in an option, an increase in volatility would result in an increase in the fair values of financial instruments.

The following table reconciles the movement in the fair value of the Capped Call Transactions:

<i>(in USD thousands)</i>	2030 Capped Call	2029 Capped Call	2031 Capped Call	2032 Capped Call	2033 Capped Call	Total
Balance as at July 1, 2025	\$ 46,400	\$ 75,700	\$ -	\$ -	\$ -	\$ 122,100
Initial recognition on October 14, 2025	-	-	55,282	-	-	55,282
Initial recognition on December 8, 2025	-	-	-	101,802	95,167	196,969
Unrealized gain (loss) recognized	57,500	80,000	(21,782)	(7,902)	(6,867)	100,949
Reclassification to equity	(103,900)	(155,700)	-	-	-	(259,600)
Balance as at December 31, 2025	\$ -	\$ -	\$ 33,500	\$ 93,900	\$ 88,300	\$ 215,700

Bitcoin purchase option

In June 2025, the Group entered into a supplemental agreement with Bitmain Technologies Delaware Limited (“Bitmain”) relating to outstanding payments under existing purchase option arrangements for mining hardware. Upon settlement of the outstanding obligation, the Group is entitled to a Bitcoin purchase option. The option allows the Group to acquire Bitcoin at a mutually agreed-upon price, subject to a six-month purchase period commencing on the date of payment. The Group may exercise the option in two equal tranches, with the right to purchase 50% of the Bitcoin at the end of each three-month interval during the purchase period.

The embedded Bitcoin purchase option was bifurcated from the host contract and is accounted for separately as a derivative financial instrument. It is initially and subsequently measured at fair value, with changes in fair value and any settlements recognized in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). As of December 31, 2025, the Bitcoin purchase options were unexercised and had expired, and the derivative’s carrying value was reduced to nil.

The following tables show the valuation techniques used in measuring Level 2 fair values for the Bitmain purchase option in the Condensed Consolidated Balance Sheets, as well as the significant unobservable inputs used:

Fair Value Hierarchy Level	Asset Description	Valuation Technique	Significant Input
Level 2	Bitcoin purchase option	Monte Carlo simulation option pricing model and Black-Scholes option pricing model	Strike Bitcoin price, spot Bitcoin price, risk free rate, volatility

Note 11. Fair value measurement

Assets and liabilities that are measured in the Condensed Consolidated Balance Sheets at fair value are categorized into a three-level hierarchy based on the priority of the inputs to the valuation. The categorization within the hierarchy is based on the lowest level input that is significant to the fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

The following tables present the Group’s assets and liabilities measured at fair value on a recurring basis:

	Fair value measured as of December 31, 2025			
	Total carrying value	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<i>(in USD thousands)</i>				
Derivative assets				
2031 Capped Call Transactions	\$ 33,500	\$ -	\$ -	\$ 33,500
2032 Capped Call Transactions	93,900	-	-	93,900
2033 Capped Call Transactions	88,300	-	-	88,300
Total derivative assets	\$ 215,700	\$ -	\$ -	\$ 215,700

(in USD thousands)	Fair value measured as of June 30, 2025			
	Total carrying value	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets				
2030 Prepaid Forward Contract	\$ 83,117	\$ -	\$ 83,117	\$ -
2029 Prepaid Forward Contract	128,500	-	128,500	-
Total financial assets	\$ 211,617	\$ -	\$ 211,617	\$ -
Derivative assets				
2030 Capped Call Transactions	\$ 46,400	\$ -	\$ -	\$ 46,400
2029 Capped Call Transactions	75,700	-	-	75,700
Bitcoin purchase option	5,756	-	5,756	-
Total derivative assets	\$ 127,856	\$ -	\$ 5,756	\$ 122,100

Fair value of financial instruments not recognized at fair value

The following tables present information about the Group's financial instruments that are not recognized at fair value on the Condensed Consolidated Balance Sheets:

(in USD thousands)	Fair value measured as of December 31, 2025			
	Total carrying value	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
2030 Convertible Notes	\$ 207,072	\$ 521,908	\$ -	\$ -
2029 Convertible Notes	227,671	695,197	-	-
2031 Convertible Notes	980,018	748,421	-	-
2032 Convertible Notes	1,135,280	1,077,605	-	-
2033 Convertible Notes	1,135,255	1,078,518	-	-
Total	\$ 3,685,296	\$ 4,121,649	\$ -	\$ -

(in USD thousands)	Fair value measured as of June 30, 2025			
	Total carrying value	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
2030 Convertible Notes	\$ 427,837	\$ 483,089	\$ -	\$ -
2029 Convertible Notes	534,928	712,844	-	-
Total	\$ 962,765	\$ 1,195,933	\$ -	\$ -

There were no transfers between Level 1, 2 or 3 during the periods presented.

Refer to Note 8. Financial assets and Note 10. Derivatives for the significant fair value assumptions and the related movements and balances of financial instruments measured and recorded at fair value on a recurring basis.

Note 12. Intangible assets, net

The components of finite-lived intangible assets are as follows:

	December 31, 2025			
	Acquired Intangibles, Gross	Accumulated Amortization	Acquired Intangibles, Net	Weighted-Average Lives (in years)
(in USD thousands)				
Connection rights for electricity services	\$ 105,073	\$ —	\$ 105,073	12
Land purchase options	\$ 2,500	\$ —	\$ 2,500	—
Total	\$ 107,573	\$ —	\$ 107,573	12

The Group did not have any intangible assets as of June 30, 2025.

During the three months ended December 31, 2025, the Group acquired contractual rights to acquire land parcels and secured connection rights for electricity in Oklahoma. These transactions are accounted for as an asset acquisition. The total cost of the asset acquisition was \$112.0 million. Amounts paid to obtain purchase rights are capitalized as intangible assets and reclassified to land upon exercise of the land purchase rights. The connection right is amortized on a straight-line basis over 12 years, the contractual term, and is expected to begin in the fourth quarter of fiscal year 2028. The estimated amortization expense for each fiscal year is approximately \$8.8 million.

For the three and six months ended December 31, 2025 and 2024, there was nil amortization expense related to finite-lived intangible assets.

Note 13. Accounts payable and accrued expenses

The components of accounts payable and accrued expenses are as follows:

	December 31, 2025	June 30, 2025
(in USD thousands)		
Accounts payable	\$ 232,590	\$ 81,747
Accrued expenses	343,678	42,368
Loss contingencies	—	20,000
Total accounts payable and accrued expenses	\$ 576,268	\$ 144,115

Loss contingencies

Non-Recourse SPVs

NYDIG, who was the lender under limited recourse equipment financing loans to IE CA 3 Holdings Ltd. and IE CA 4 Holdings Ltd. (bankrupt entities for which PricewaterhouseCoopers (“PwC”) is currently acting as receiver and trustee) (“Non-Recourse SPVs”), had brought claims against the Non-Recourse SPVs and the Company. All claims except the oppression remedy, which had been dismissed by the Trial Court, were unsuccessful. In addition PwC as receiver and trustee of the Non-Recourse SPVs’ estates continued its investigation of the affairs of the Non-Recourse SPVs in Canada and Australia. On August 12, 2025, the Company entered into a settlement agreement with NYDIG, PwC, the Non-Recourse SPVs and their local representatives in Australia to terminate all current proceedings and release all claims related to the financing loans and the subsequent receivership and bankruptcies. The Company has agreed to pay a

settlement amount to NYDIG of \$20 million and such amount was recorded as a loss contingency in the Group's consolidated financial statements as of June 30, 2025. The settlement amount was subsequently paid during the quarter ended September 30, 2025.

Note 14. Leases

The Group has finance leases that are material to the condensed consolidated financial statements and has provided the related interim disclosures below. The Group also has operating leases that are not material and have not changed materially since the Group's Annual Report on Form 10-K for the year ended June 30, 2025. For additional information regarding operating leases, refer to Note 17 in the Group's Form 10-K.

The following table shows the right-of-use assets and lease liabilities as of December 31, 2025 and June 30, 2025:

<i>(in USD thousands)</i>	December 31, 2025	June 30, 2025
Right-of-use assets:		
Finance leases	159,291	—
Total right-of-use assets	<u>\$ 159,291</u>	<u>\$ —</u>
Lease liabilities:		
Finance leases	155,914	—
Total lease liabilities	<u>\$ 155,914</u>	<u>\$ —</u>

The Group's lease costs are comprised of the following:

<i>(in USD thousands)</i>	Three Months Ended December 31,		Six Months Ended December 31,	
	2025	2024	2025	2024
Finance lease cost:				
Amortization of ROU asset	751	—	751	—
Interest on lease liabilities	367	—	367	—
Total lease expense	<u>\$ 1,118</u>	<u>\$ —</u>	<u>\$ 1,118</u>	<u>\$ —</u>

The following table presents supplemental lease information:

<i>(in USD thousands)</i>	Six Months Ended December 31,	
	2025	2024
Operating cash flows from finance leases	\$ —	\$ —
Investing cash flows from finance leases	\$ 10,184	\$ —
Right-of-use assets obtained in exchange for finance lease liabilities	\$ 155,547	\$ —
Weighted-average remaining lease term (in years):		
Finance leases	2.3	0
Weighted-average discount rate:		
Finance leases	9.6 %	— %

The following table presents the Group's future minimum lease payments as of December 31, 2025:

<i>(in USD thousands)</i>	Finance Leases
2026	\$ 35,130
2027	78,396
2028	51,893
2029	10,145
2030	—
Thereafter	—
Total undiscounted lease payments	\$ 175,564
Less present value discount	(19,650)
Present value of lease liabilities	\$ 155,914

Note 15. Other liabilities

The components of other liabilities are as follows:

<i>(in USD thousands)</i>	December 31, 2025	June 30, 2025
Current		
Employee benefits	\$ 9,146	\$ 1,834
Payroll taxes	22,468	566
Accrued interest payable	2,542	1,545
Other liabilities	1,905	—
Total current other liabilities	\$ 36,061	\$ 3,945
Non-current		
Employee benefits	\$ 306	\$ 234
Payroll taxes	3,477	—
Total non-current other liabilities	\$ 3,783	\$ 234
Total other liabilities	\$ 39,844	\$ 4,179

Note 16. Convertible notes payable

Details of the Group's notes payable are as follows:

	2030 Convertible Notes	2029 Convertible Notes	2031 Convertible Notes	2032 Convertible Notes	2033 Convertible Notes	Total
Balance at July 1, 2025	\$ 427,837	\$ 534,928	\$ —	\$ —	\$ —	\$ 962,765
Initial recognition on October 14, 2025	—	—	979,252	—	—	979,252
Initial recognition on December 8, 2025	—	—	—	1,135,136	1,135,134	2,270,270
Change in estimate related to accrued debt issuance costs	104	—	—	—	—	104
Interest expenses	7,775	10,409	766	328	856	20,134
Coupon interest payable	(6,698)	(8,948)	—	(184)	(735)	(16,565)
Induced conversion of notes	(221,946)	(308,718)	—	—	—	(530,664)
Convertible notes outstanding as at December 31, 2025	207,072	227,671	980,018	1,135,280	1,135,255	3,685,296
Convertible notes due within one year	—	—	—	—	—	—
Total convertible notes, net of portion due within one year	\$ 207,072	\$ 227,671	\$ 980,018	\$ 1,135,280	\$ 1,135,255	\$ 3,685,296

The following table summarizes the key terms of the convertible notes:

	2030 Convertible Notes	2029 Convertible Notes	2031 Convertible Notes	2032 Convertible Notes	2033 Convertible Notes
Issuance date	December 6, 2024	June 13, 2025	October 14, 2025	December 8, 2025	December 8, 2025
Maturity date	June 15, 2030	December 15, 2029	July 1, 2031	June 1, 2032	June 1, 2033
Remaining principal (in thousands)	\$ 212,310	\$ 233,389	\$ 1,000,000	\$ 1,150,000	\$ 1,150,000
Stated interest rate	3.25 %	3.50 %	0%	0.25%	1.00%
Interest payment dates	June 15 & December 15	June 15 & December 15	N/A	June 1 & December 1	June 1 & December 1
Effective interest rate	3.87 %	4.22 %	0.37%	0.45%	1.18%
Net proceeds (in thousands) ¹	\$ 311,646	\$ 392,393	\$ 927,300	\$ 1,033,189	\$ 1,040,779
Initial conversion rate ²	59.4919	73.3299	11.6784	19.4533	19.4533
Initial conversion price	\$ 16.81	\$ 13.64	\$ 85.63	\$ 51.40	\$ 51.40
Principal amount per note	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000

¹ Net proceeds after deducting offering and issuance costs related to the convertible note and related financial instruments, where applicable.

² Initial conversion rate of shares is per \$1,000 principal amount of the relevant note.

Repurchase of the 2030 Convertible Notes and 2029 Convertible Notes

On December 2, 2025, the Company entered into separate, privately negotiated transactions with a limited number of holders of outstanding 2030 Convertible Notes and 2029 Convertible Notes to repurchase a portion of the 2030 Convertible Notes and 2029 Convertible Notes (the "Repurchase") for cash. The settlement of the conversion of the 2030 Convertible Notes and 2029 Convertible Notes is through cash, ordinary shares, or a combination of both, at the Group's election.

The total repurchase cost was approximately \$1,632.4 million, which includes accrued and unpaid interest of \$8.9 million. The repurchase was accounted for as an induced conversion in accordance with ASU 2024-04. The Company recorded an inducement expense of \$111.8 million within “Debt conversion inducement expense” in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) for the three and six months ended December 31, 2025 and a charge to additional paid-in capital of \$981.0 million within stockholders’ equity.

As of December 31, 2025, the Group has \$445.7 million of aggregate principal amount of the 2030 Convertible Notes and 2029 Convertible Notes outstanding.

In conjunction with the issuance of the above 2032 Convertible Notes and 2033 Convertible Notes and Repurchase, on December 2, 2025, the Company entered into certain share purchase agreements. Refer to Note 17.

Note 17. Stockholders’ equity

We do not have a limit on our authorized share capital and do not recognize the concept of par value under Australian law.

The total number of Ordinary shares outstanding (including loan-funded shares) was 332,280,383 and 258,103,209 as at December 31, 2025 and June 30, 2025, respectively.

At-the-Market facility

On January 21, 2025, the Company filed a registration statement, including an accompanying at-the-market prospectus supplement relating to the offer and sale of \$1,000,000,000 additional Ordinary shares. As of December 31, 2025, the Company has issued 66,707,732 Ordinary shares under an At Market Sales Agreement (the “Sales Agreement”) with B. Riley Securities, Inc., Cantor Fitzgerald & Co., Compass Point Research & Trading, LLC, Canaccord Genuity LLC, Citigroup Global Markets, J.P. Morgan Securities LLC and Macquarie Capital (USA) Inc. at varying prices generating an aggregate of approximately \$999,999,452 in proceeds through September 2025, with no further amounts remaining available for sale under its prospectus supplement relating to the Sales Agreement and related prospectus supplement.

Equity Offering

In conjunction with the Repurchase, on December 2, 2025, the Company entered into certain share purchase agreements, by and between the Company and certain purchasers, pursuant to which the Company agreed to sell 39,699,102 Ordinary shares in a registered direct offering at a price of \$41.12 per share (the “Equity Offering”). The issuance and sale of 39,699,102 Ordinary shares was completed on December 8, 2025.

Loan-funded shares

As at December 31, 2025 and June 30, 2025, there were 521,206 and 842,291 restricted ordinary shares issued to management under the Employee Share Plans as well as certain non-employee founders of PodTech Innovation Inc, which are treated as stock options for accounting purposes.

Dividends

No dividends were declared during the three and six months ended December 31, 2025 and 2024.

Note 18. Stock-based compensation

In June 2023, the Board approved the 2023 Long-Term Incentive Plan (“2023 LTIP”) under which participating employees and directors are typically granted RSUs in three tranches: two tranches with time-based vesting conditions and a third tranche with a performance-based vesting condition. As of December 31, 2025, the Company had an aggregate of 0 Ordinary shares reserved for future issuance under the 2023 LTIP.

In November 2025, the Company’s shareholders approved the 2025 Omnibus Incentive Plan (“2025 Omnibus Plan”) under which employees and directors may be granted equity compensation awards with time-based vesting conditions and

performance-based vesting conditions. As of December 31, 2025, the Company had an aggregate of 17.5 million Ordinary shares reserved for future issuance under the 2025 Omnibus Plan. As of December 31, 2025, no awards had yet been granted under the 2025 Omnibus Plan.

The Group's stock-based compensation expense recognized during the three and six months ended December 31, 2025 and 2024, is included in selling, general and administrative expenses in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) as follows:

(in USD thousands)	Three Months Ended December 31,		Six Months Ended December 31,	
	2025	2024	2025	2024
Stock options	\$ 18,204	\$ 3,159	\$ 21,271	\$ 6,368
Service-based RSUs	34,582	4,327	76,650	8,833
Performance-based RSUs	5,445	489	32,715	958
Total stock-based compensation	\$ 58,231	\$ 7,975	\$ 130,636	\$ 16,159

Restricted stock units with service conditions

Stock-based compensation expense related to share-settled RSUs with service conditions is based on the fair value of the Group's Ordinary shares on the date of grant. The Group recognizes stock-based compensation expense associated with such share-settled RSU awards on a straight-line basis over the vesting period of each service-based tranche.

The following table presents a summary of activity for the RSUs with service conditions under all plans during the six months ended December 31, 2025:

(in USD thousands, except share and per share amounts)	Number of units	Weighted average grant-date fair value	Aggregate intrinsic value
Outstanding as of June 30, 2025	15,567,267	\$ 7.68	\$ 226,815
Granted	4,693,808	14.95	
Forfeited	(208,093)	11.04	
Exercised	(5,500,069)	6.52	
Outstanding as of December 31, 2025	14,552,913	\$ 10.42	\$ 549,664
Vested and exercisable as of December 31, 2025	582,152	\$ 5.82	\$ 21,988

The Group had approximately \$93,244,000 of total unrecognized compensation expense related to unvested service condition RSUs granted, which is expected to be recognized over a weighted-average remaining vesting period of approximately 1.35 years.

Restricted stock units with market conditions

Stock-based compensation expense related to share-settled RSUs with market conditions is based on the Monte Carlo valuation method, which utilizes multiple input variables to determine the probability of the Group achieving the market condition and the fair value of the award. Compensation expense is recognized on a graded basis over the performance period regardless of whether the market condition and requisite service period are met.

The following table presents a summary of activity for the RSUs with market conditions under all plans during the six months ended December 31, 2025:

<i>(in USD thousands, except share and per share amounts)</i>	Number of units	Weighted average grant-date fair value	Aggregate intrinsic value
Outstanding as of June 30, 2025	6,158,567	\$ 5.28	\$ 89,730
Granted	3,718,984	10.26	
Forfeited	(219,854)	6.38	
Exercised	(3,936,903)	6.40	
Outstanding as of December 31, 2025	5,720,794	\$ 7.71	\$ 216,074
Vested and exercisable as of December 31, 2025	186,663	\$ 5.62	\$ 7,050

During the six months ended December 31, 2025, the Group issued the following RSUs with market conditions:

- 3,718,984 RSUs which are scheduled to vest after three years based on total shareholder return measured against the Russell 2000 index (and continued service over the vesting period).

The Group had approximately \$32,846,000 of total unrecognized compensation expense related to unvested market condition RSUs granted, which is expected to be recognized over a weighted-average remaining vesting period of approximately 1.86 years.

Stock options

The following table presents a summary of the option activity under all plans:

<i>(in USD thousands, except share and per share amounts and years)</i>	Number of shares	Weighted average exercise price (per share)	Aggregate intrinsic value	Weighted average remaining contractual life (in years)
Outstanding as of June 30, 2025	7,878,554	\$ 47.07	\$ 34,648	5.80
Granted	—	—		
Forfeited or canceled	—	—		
Exercised	(2,370,104)	3.17		
Outstanding as of December 31, 2025	5,508,450	\$ 65.96	\$ 23,396	7.32
Vested and exercisable as of December 31, 2025	640,266	\$ 4.29	\$ 21,654	6.61

The Group had approximately \$40,373,000 of total unrecognized compensation expense related to unvested stock options as of December 31, 2025, which is expected to be recognized over a weighted-average remaining vesting period of approximately 4.65 years, subject to the early achievement of any associated performance-based vesting hurdles.

No options were granted during the six months ended December 31, 2025.

As of December 31, 2025 there were 4,868,184 unvested options.

Note 19. Net income (loss) per share of Ordinary shares

The following table presents potentially dilutive securities that were not included in the computation of diluted net income (loss) per share of Ordinary shares as their inclusion would have been anti-dilutive:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2025	2024	2025	2024
Stock options	4,800,000	7,854,102	4,800,000	7,854,102
Restricted stock units	25,891,573	8,851,405	35,278	8,851,405
Convertible notes	78,276,646	—	32,286,446	—
Capped call transactions	30,696,269	—	15,264,265	—
Prepaid forward transactions	6,628,286	—	3,314,143	—
Total	146,292,774	16,705,507	55,700,132	16,705,507

The following is a reconciliation of the denominator of the basic and diluted net income (loss) per share of Ordinary shares for the periods presented:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2025	2024	2025	2024
<i>(in thousands, except share and per share amounts)</i>				
Numerator:				
Net income (loss)	\$ (155,407)	\$ (21,888)	\$ 229,204	\$ (73,591)
Convertible notes interest expense, net of tax	—	—	7,702	—
Numerator for diluted net income (loss) per share of Ordinary shares	\$ (155,407)	\$ (21,888)	\$ 236,906	\$ (73,591)
Denominator:				
Basic weighted-average shares used in computing net income (loss) per share of Ordinary shares	298,027,356	210,470,186	284,234,636	199,866,316
Effects of dilutive securities:				
Options	—	—	1,414,940	—
Restricted stock units	—	—	23,893,785	—
Convertible notes	—	—	40,289,142	—
Diluted weighted-average shares used in computing net income (loss) per share of Ordinary shares	298,027,356	210,470,186	349,832,503	199,866,316
Basic net income (loss) per share of Ordinary shares	\$ (0.52)	\$ (0.10)	\$ 0.81	\$ (0.37)
Diluted net income (loss) per share of Ordinary shares	\$ (0.52)	\$ (0.10)	\$ 0.68	\$ (0.37)

Note 20. Income taxes

The effective income tax rate was 54.0% and 3.4% for the three and six months ended December 31, 2025 compared to (15.9)% and (6.2)% for the three and six months ended December 31, 2024. The increase in the effective tax rate for the three months ended December 31, 2025 is primarily attributable to the release of a significant portion of the previously recognized deferred tax liability related to net unrealized gains on financial instruments, following reassessment of the appropriate tax treatment of the financial instruments.

For the six months ended December 31, 2025, the effective tax rate was below the Australian statutory rate of 30%, mainly due to the deferred tax liability release described above.

The Company's effective tax rate may vary from quarter to quarter due to both recurring and non-recurring factors, including the geographical mix of income or losses, changes in valuation allowances, stock-based compensation, and changes in tax laws or rates. These items can create volatility in the effective tax rate because they may be recognized discretely in a particular period or may not scale proportionately with pre-tax earnings.

The Company had no material unrecognized tax benefits as of December 31, 2025.

Note 21. Commitments and contingencies

Commitments

As at December 31, 2025 and June 30, 2025, the Group had commitments of \$8,786,067,000 and \$368,805,000, respectively.

The committed amounts are payable as set out below:

<i>(in USD thousands)</i>	December 31, 2025	June 30, 2025
Commitments		
Amounts payable within 12 months of balance date:	\$ 8,748,101	\$ 368,805
Amounts payable after 12 months of balance date:	37,966	—
Total commitments	\$ 8,786,067	\$ 368,805

Legal and regulatory matters

The Group is subject at times to various claims, lawsuits and governmental proceedings relating to the Group's business and transactions arising in the ordinary course of business. The Group cannot predict the final outcome of such proceedings. Where appropriate, the Group vigorously defends such claims, lawsuits and proceedings. Some of these claims, lawsuits and proceedings seek damages, including, consequential, exemplary or punitive damages, in amounts that could, if awarded, be significant. Certain of the claims, lawsuits and proceedings arising in ordinary course of business are covered by the Group's insurance program. The Group maintains property and various types of liability insurance in an effort to protect the Group from such claims. In terms of any matters where there is no insurance coverage available to the Group, or where coverage is available and the Group maintains a retention or deductible associated with such insurance, the Group may establish an accrual for such loss, retention or deduction based on current available information.

In accordance with accounting guidance, if it is probable that a liability has been incurred as of the date of the financial statements, and the amount of loss is reasonably estimable, then an accrual for the cost to resolve or settle these claims is recorded by the Group in the accompanying Condensed Consolidated Balance Sheets. Expenses related to the defense of such claims are recorded by the Group as incurred and included in the accompanying Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). Management, with the assistance of outside counsel, may from time to time adjust such accruals according to new developments in the matter, court rulings, or changes in the strategy affecting the Group's defense of such matters.

On the basis of current information, the Group does not believe there is a reasonable possibility that any material loss will result from any claims, lawsuits and proceedings to which the Group is subject to either individually, or in the aggregate.

Contingencies*U.S. importation tariff*

In April 2025, the Group received a Notice of Action (“NOA”) from U.S. Customs and Border Protection challenging the country of origin of mining hardware imported by the Group to the U.S. between April 2024 and February 2025. The NOA asserted that the country of origin of the mining hardware is China and notified the Group of an assessment of a U.S. importation tariff of 25%. The seller has represented to the Group that the country of origin of the mining hardware was not China. Certificates of origin and/or commercial invoices and shipping documents for all mining hardware shipments assessed in the NOA have been provided to the Group to support this claim. The Group has contested the NOA and the associated tariff cost of approximately \$100 million. While the outcome of this matter is uncertain at this time, the Group has determined it is not probable that it will result in a future cash outflow and, as such, no loss contingency was recorded as of December 31, 2025. Based on the preliminary nature of this proceeding, the Group cannot reasonably predict the outcome of this matter at this time.

Non-Refundable Sales Tax

The Canada Revenue Agency (“CRA”) asserts that 5% Goods and Services Tax (“GST”) should be applied to services exported to the Australian parent under an intercompany services agreement. The CRA’s position is based on its determination that the Australian parent has a permanent establishment in Canada, thereby requiring the Canadian subsidiaries to charge and remit GST on those services.

On March 31, 2025, the Group received a Notice of Confirmation from the CRA upholding this assessment. In response, the Group filed a Notice of Appeal with the Tax Court of Canada to dispute the assessment.

As at December 31, 2025, the total amount of GST under dispute related to the services supplied to the Australian parent entity is approximately \$27.1 million.

Based on the current status of the dispute and the strength of the Group’s legal position, the Group has concluded that it is reasonably possible, but not probable that an outflow of economic resources will be required as at December 31, 2025. Accordingly, the Group has not recorded a loss contingency as at December 31, 2025, in respect of this matter.

Note 22. Subsequent events

The Group has completed an evaluation of all subsequent events after the balance sheet date up to the date that the Unaudited Condensed Consolidated Financial Statements were available to be issued. Except as described above and below, the Group has concluded no other subsequent events have occurred that require disclosure.

Underwriting commitment for GPU Financing

On February 4, 2026, the Group entered into a binding commitment letter pursuant to which Goldman Sachs Bank USA and JPMorgan Chase Bank, N.A. have, subject to certain conditions, committed to underwrite a delayed draw financing of approximately \$3.6 billion to support delivery of dedicated GPU services pursuant to the Microsoft Agreement. The proposed facility is expected to be secured by the related GPUs and contracted cash flows, with phased drawdowns through 2026, and remains subject to execution of definitive agreements and customary closing conditions.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read together with our unaudited condensed consolidated financial statements and the related notes thereto included elsewhere in this Quarterly Report and with our audited consolidated financial statements included in our Annual Report. Some of the information contained in this discussion and analysis or set forth elsewhere in this Quarterly Report, including information with respect to our plans and strategy for our business, includes forward-looking statements that reflect plans, estimates and beliefs and involve numerous risks and uncertainties, including but not limited to those described in "Part II—Item 1A. Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements." Therefore, actual results may differ materially from those contained in any forward-looking statements.

As disclosed in our Annual Report, we have transitioned from International Financial Reporting Standards, as adopted by the International Accounting Standards Board ("IFRS"), to GAAP. All comparative figures in this Quarterly Report have been adjusted to GAAP for consistency. Key impacts of this transition are discussed in "Transition from IFRS to GAAP" and Note 3 to the financial statements included in our Annual Report.

Overview

We are a leading provider of AI Cloud Services, delivering large-scale GPU clusters for AI training and inference. Our vertically integrated platform is underpinned by an expansive portfolio of grid-connected land and data centers in renewable-rich regions across the U.S. and Canada.

During the quarter ended September 30, 2025, the Group revised its reportable segments to better align with its evolving business operations and strategic objectives. Accordingly, comparative information for prior periods has been recast to conform to the current-period presentation. Previously, the Group operated and reported as a single segment. We now have two reportable business segments: AI Cloud Services and Bitcoin Mining.

Our AI Cloud Services operations generate revenue by providing access to cloud-based GPU computing to customers for AI training and inference workloads. As of December 31, 2025, we had approximately 99,900 GPUs installed or on order for our data centers.

Our Bitcoin Mining operations generate revenue by earning Bitcoin through a combination of Block rewards and transaction fees from the operation of our Bitcoin miners and exchanging these Bitcoin for fiat currencies such as USD or CAD. We typically liquidate all the Bitcoin we mine daily and therefore did not have any Bitcoin held on our balance sheet as of December 31, 2025. As of December 31, 2025, we had installed hashrate capacity of approximately 46 EH/s.

We are also pursuing a strategy of expanding and diversifying our revenue sources into other HPC and AI services beyond AI Cloud Services, including through the development of purpose-built AI data centers for colocation.

Our cash and cash equivalents were \$3,260.6 million as of December 31, 2025. Our total revenue was \$184.7 million and \$116.1 million for the three months ended December 31, 2025 and 2024, respectively, and \$425.0 million and \$168.9 million for the six months ended December 31, 2025 and 2024, respectively. We generated net income (loss) of \$(155.4) million and \$(21.9) million for the three months ended December 31, 2025 and 2024, respectively, and \$229.2 million and \$(73.6) million for the six months ended December 31, 2025 and 2024, respectively.

We generated EBITDA of \$(243.9) million and \$17.3 million for the three months ended December 31, 2025 and 2024, respectively, and \$418.8 million and \$(1.4) million for the six months ended December 31, 2025 and 2024, respectively. We generated Adjusted EBITDA of \$75.3 million and \$62.4 million for the three months ended December 31, 2025 and 2024, respectively, and \$167.0 million and \$64.9 million for the six months ended December 31, 2025 and 2024, respectively. EBITDA and Adjusted EBITDA are financial measures not defined by GAAP. For a definition of EBITDA and Adjusted EBITDA, an explanation of our management's use of these measures and a reconciliation of EBITDA and Adjusted EBITDA to loss after income tax expense, see "Key Indicators of Performance and Financial Conditions".

Data Centers

We are a vertically integrated business, and currently own and operate our computing hardware (consisting of GPUs for AI Cloud Services and ASICs for Bitcoin Mining), as well as our electrical infrastructure and data centers, including the freehold land. This provides us with additional security and operational control over our assets. We believe data center ownership also allows our business to benefit from more sustainable cash flows and operational flexibility in comparison with operators that rely upon third-party colocation services or short-term land leases which may be subject to termination rights, profit sharing arrangements and/or potential changes to contractual terms such as pricing.

We generally target development of data centers in regions where there are low-cost and attractive renewable energy sources. Our data centers are currently powered by 100% renewable energy (whether from clean or renewable energy sources or through the purchase of renewable energy certificates (“RECs”)). We also focus on grid-connected power access which we believe not only helps facilitate a more reliable, long-term supply of power, but also provides us with the ability to support the energy markets in which we operate (for example, through potential participation in demand response, ancillary services provision and load management in deregulated markets such as Texas). Over 80% of our operating data center capacity is currently located in the United States.

We have seven data center sites with executed grid connection agreements or letters of agreement representing approximately 4,500MW of total power capacity: three in Texas, United States, namely Childress, Sweetwater 1 and Sweetwater 2, three in British Columbia, Canada, namely Canal Flats, Mackenzie and Prince George, and one in Oklahoma, United States.

Our 750MW Childress site has been operating since April 2023 and, as of December 31, 2025, has approximately 650MW of operating data center capacity and installed hashrate capacity of approximately 40 EH/s. We are currently undertaking an expansion of our data center capacity at Childress to support direct-to-chip liquid cooling GPU deployments known as “Horizon 1,” “Horizon 2,” “Horizon 3” and “Horizon 4” with a combined IT load of up to 200MW. We do not expect a material reduction in hashrate capacity at our Childress site until the full deployment of “Horizon 3” and “Horizon 4.”

Our 1,400MW Sweetwater 1 and 600MW Sweetwater 2 sites are under development and located approximately 40 miles from Abilene, Texas. We are targeting connection to the Electric Reliability Council of Texas (“ERCOT”) grid and a substation energization date in the second quarter of calendar year 2026 for Sweetwater 1 and the fourth quarter of calendar year 2027 for Sweetwater 2. Design works are complete for a direct fiber loop between Sweetwater 1 and Sweetwater 2.

Our 30MW Canal Flats site was acquired from PodTech Innovation Inc. and certain of its related parties in January 2020, and has been operating since 2019. As of December 31, 2025 it had approximately 30MW of data center capacity and hashrate capacity of approximately 1.6 EH/s.

Our 80MW Mackenzie site has been operating since April 2022 and, as of December 31, 2025, had approximately 80MW of data center capacity and hashrate capacity of approximately 4.4 EH/s, down from 5.2 EH/s following GPU retrofitting at our Mackenzie site in connection with the Group’s strategic focus on expanding its AI Cloud Services.

Our 50MW Prince George site has been operating since September 2022 and, as of December 31, 2025, had approximately 50MW of data center capacity. All of the hashrate capacity at Prince George has been displaced to accommodate GPUs at the site.

As of December 31, 2025, the Group had secured contractual rights to procure land and 1,600MW of grid-connected power for a new data center site in Oklahoma.

As of December 31, 2025, 71% and 29% of the Company’s non-current assets were located in the United States of America and Canada, respectively.

AI Cloud Services

On November 2, 2025, the Group entered into an agreement with Microsoft Corporation (the “Microsoft Agreement”), pursuant to which we will provide Microsoft Corporation with dedicated GPU services at “Horizon” data center facilities located in Childress, Texas over a five-year average term. The GPU services will be made available to Microsoft Corporation in four tranches targeted for deployment during 2026 (subject to extension in certain circumstances). The total

contract value is approximately \$9.7 billion through 2031, with 20% of the contract value for each tranche to be paid prior to the applicable delivery date and credited against the service fees due and payable after the 24th calendar month of the applicable GPU service term on a pro rata basis. The GPU quantity and the estimated monthly payments are expected to be approximately equal across all four tranches.

The GPUs that will be used to provide the GPU services will be installed across “Horizon 1,” “Horizon 2,” “Horizon 3” and “Horizon 4”, representing a combined IT load of approximately 200MW. Cash flows from the Microsoft Agreement will be used to finance part of the approximately \$5.8 billion of GPU related capital expenditure anticipated to be required in connection with the Microsoft Agreement.

The Microsoft Agreement contains customary termination rights (including certain cure periods), including, subject to a cure period, a right for Microsoft to terminate if the applicable Group counterparty fails to meet agreed delivery dates and other remedies. The Microsoft Agreement contains other customary provisions for an agreement of this nature, including service level commitments, excluded delays, delay credits, governance reporting, representations and warranties, force majeure, indemnities and limitations of liability. The commencement of the parties’ obligations under the Microsoft Agreement is subject to a delivery acceptance process.

Hardware Purchases

On November 2, 2025, the Group entered into a purchase agreement with Dell Marketing L.P. (“Dell”) pursuant to which Dell will supply to the Group GPUs and ancillary products and services, scheduled to be delivered in four tranches during 2026 (commencing March 2026), for an aggregate purchase price of approximately \$5.8 billion payable in installments within 30 days of each tranche shipping (the “Dell Purchase Agreement”). The number of GPU server racks are expected to be equal across all four tranches. The Dell Purchase Agreement contains customary representations, warranties, covenants, indemnities and termination rights. The Company has agreed to provide an unconditional parent guarantee with respect to the obligations under the Dell Purchase Agreement.

Additionally, on November 5, 2025, the Group entered into financing arrangements with Dell Financial Services to finance a portion of the Group’s GPU orders for Prince George. The facility provides \$199.8 million of financing, structured as a 24-month lease. The lease includes a purchase option at the Group’s sole discretion, allowing the acquisition of the GPUs upon maturity of the lease for \$1. The Company has agreed to provide a parent guarantee with respect to all payment obligations under this facility.

Convertible Notes Transactions; Equity Offering

On October 14, 2025, the Company issued \$1.0 billion aggregate principal amount of its 2031 Convertible Notes. Net proceeds from the offering of the 2031 Convertible Notes were approximately \$979.0 million after deducting initial purchasers’ discounts, commissions, and estimated offering expenses. The Company used approximately \$56.7 million of the net proceeds to enter into capped call transactions in connection with the 2031 Convertible Notes.

On December 8, 2025, the Company issued \$1.15 billion aggregate principal amount of its 2032 Convertible Notes and \$1.15 billion aggregate principal amount of its 2033 Convertible Notes. The net proceeds from the offerings of the 2032 Convertible Notes and the 2033 Convertible Notes were approximately \$2,270.0 million after deducting the initial purchasers’ discounts, commissions and estimated offering expenses. The Company used \$201.0 million of the net proceeds to fund the cost of entering into the capped call transactions, in aggregate, in connection with the 2032 Convertible Notes and the 2033 Convertible Notes.

In addition, on December 2, 2025, the Company entered into certain separate, privately negotiated transactions with a limited number of holders of the Company’s outstanding (i) 2030 Convertible Notes and (ii) 2029 Convertible Notes to repurchase approximately \$227.7 million aggregate principal amount of the 2030 Convertible Notes for approximately \$608.2 million, which includes accrued and unpaid interest, and to repurchase approximately \$316.6 million aggregate principal amount of the 2029 Convertible Notes for approximately \$1,024.2 million, which includes accrued and unpaid interest, for an aggregate purchase price of approximately \$1,632.4 million (the “Repurchases”). The Repurchases were completed on or about December 8, 2025. See “—Liquidity and Capital Resources” for additional information.

On December 2, 2025, in conjunction with the Repurchases, the Company entered into certain share purchase agreements, by and between the Company and certain purchasers, pursuant to which the Company agreed to sell 39,699,102 Ordinary

shares in a registered direct offering at a price of \$41.12 per share (the “Equity Offering”). The issuance and sale of 39,699,102 Ordinary shares was completed on December 8, 2025.

Recent Developments

Underwriting commitment for GPU Financing

On February 4, 2026, the Group entered into a binding commitment letter pursuant to which Goldman Sachs Bank USA and JPMorgan Chase Bank, N.A. have, subject to certain conditions, committed to underwrite a delayed draw financing of approximately \$3.6 billion to support satisfaction of the Group’s obligations under the Microsoft Agreement. The proposed facility is expected to be secured by the GPUs the Group proposes to utilize to service, and the cash flows to be generated from, the Microsoft Agreement, with phased drawdowns through 2026, and remains subject to execution of definitive agreements and customary closing conditions. No assurances can be given that the delayed draw term loan facility will be entered into in the amount indicated above or at all.

Factors Affecting Our Performance

Ability to Expand HPC and AI services and Secure Customers

Our growth strategies include pursuing a strategy to expand and diversify our revenue streams into new markets. Pursuant to that strategy, we are increasing our focus on diversification into HPC and AI services, including the provision of AI Cloud Services and potential colocation services. We believe we may be able to leverage our existing infrastructure and expertise to continue to expand our HPC and AI Cloud Services offering and target a range of customers across various sectors. We are pursuing a strategy of replacing ASICs for Bitcoin mining with GPUs and/or contracts for HPC and AI services at some of our data centers. We are advancing the design of direct-to-chip liquid cooling systems, including to support an initial IT load of up to 200MW (based on rack density of 200kW, subject to customer requirements) liquid-cooled deployment at Childress. As we enter into new markets for HPC and AI services, we will face new sources of competition, new business models and new customer relationships. Our ability to secure and retain customers on commercially reasonable terms or at all, and specifically our ability to attract and retain customers under contracts that generate recurring revenue, will affect our expansion into HPC and AI services. Our strategy may not be successful as a result of a number of factors described under “Item 1A. Risk Factors—Risks Related to Our Business—Our increased focus on HPC and AI services may not be successful and may result in adverse consequences to our business, results of operations and financial condition” in our Annual Report. Our efforts to diversify our revenue streams may distract management, require significant additional capital, expose us to new competition and market dynamics, and increase our cost of doing business.

Market Value of Bitcoin

While we are in the process of expanding and diversifying our revenue sources to include AI Cloud Services, we currently derive our revenues primarily from Bitcoin mining. We earn rewards from Bitcoin mining that are paid in Bitcoin. We currently liquidate rewards that we earn from mining Bitcoin in exchange for fiat currencies such as USD or CAD, typically on a daily basis. Because the rewards we earn from mining Bitcoin are paid in Bitcoin, our operating and financial results are tied to fluctuations in the value of Bitcoin. In addition, positive or negative changes in the global hashrate impact mining difficulty and therefore the rewards we earn from mining Bitcoin may as a result materially affect our revenue and margins.

In a declining Bitcoin price environment, the Bitcoin mining protocol may provide a natural downside protection for low-cost Bitcoin miners through an adjustment to the number of Bitcoin mined. For example, when the Bitcoin price falls, the ability for higher cost miners to pay their operating costs may be impacted, which in turn may lead over time to higher cost miners switching off their operations (for example, if their marginal cost of power makes it unprofitable to continue mining, they may exit the network). As a result, in such circumstances the global hashrate may fall, and remaining low-cost miners may benefit from an increased percentage share of the fixed Bitcoin network rewards.

Conversely, in a rising Bitcoin price environment, additional mining machines may be deployed by miners, leading to increased global hashrate in the overall network. In periods of rising Bitcoin prices we may increase our capital expenditures in mining machines and related infrastructure to take advantage of potentially faster returns on investments, subject to availability of capital and market conditions. However, we also note that the global hashrate may also increase or decrease irrespective of changes in the Bitcoin price.

While the supply of Bitcoin is capped at 21 million, the price of Bitcoin fluctuates not just because of traditional notions of supply and demand but also because of the dynamic nature of the market for Bitcoin. Given its relative infancy compared to other more established markets, the market for Bitcoin is rapidly changing and subject to global regulatory, tax, political, environmental, cybersecurity, and market factors beyond our control. For a discussion of other factors that could lead to material adverse changes in the market value of Bitcoin, which could in turn result in substantial damage to or even the failure of our business, see “Item 1A. Risk Factors—Risks Related to Our Business” in our Annual Report.

Further, the rewards for each Bitcoin mined are subject to “halving” adjustments at predetermined intervals. At the outset, the reward for mining each block was set at 50 Bitcoins and this was cut in half to 25 Bitcoins on November 28, 2012 at block 210,000, cut in half to 12.5 Bitcoins on July 9, 2016 at block 420,000, cut in half to 6.25 Bitcoins on May 11, 2020 at block 630,000, and cut in half again to 3.125 Bitcoins on April 20, 2024 at block 840,000. The next two halving events for Bitcoin are expected to take place in 2028 at block 1,050,000 (when the reward will reduce to 1.5625 Bitcoins), and in 2032 at block 1,260,000 (when the reward will reduce to 0.78125 Bitcoins). As the rewards for each Bitcoin mined reduce, the Bitcoin we earn relative to our hashrate capacity decreases. As a result these adjustments have had, and will continue to have, material effects on our operating and financial results.

Efficiency of Mining Machines

As global mining capacity increases, we will need to correspondingly increase our total hashrate capacity in order to maintain our proportionate share relative to the overall global hashrate – all else being equal – to maintain the same amount of Bitcoin mining revenue. Our Bitcoin mining operations currently utilize the Bitmain S21 XP miners, S21 Pro miners, S21 miners and T21 miners. To remain cost competitive compared to other mining sector participants, in addition to targeting cost effective sources of energy and operating efficient data center infrastructure, we expect we will need to maintain an energy efficient mining fleet, which will require capital outlays to purchase new miners, so that we can make periodic upgrades to our existing mining fleet.

In certain periods, there may be disruption in the global supply chain leading to shortage of advanced mining machines that meet our standard of quality and efficiency. To maintain our competitive edge over the long-term, we strive to maintain strong relationships with suppliers and vendors across the supply chain so that our fleet of miners is competitive.

Ability to Secure Low-Cost Electricity and Timely Grid Connections, Particularly Renewable Power

Bitcoin mining and HPC and AI services consume extensive energy, including for both the mining and cooling aspects of our operations. In particular, we believe that the global demand for HPC and AI services for various programs, including AI Cloud Services, and the need for reliability in such industry, as well as the increasing difficulty of the Bitcoin network, driven by more miners and higher global hashrate, and the periodic halving adjustments of Bitcoin reward rates, will drive the increasing importance of access to power and cost effectiveness in HPC and AI services and Bitcoin mining over the long-term.

Certain governments and regulators are increasingly focused on the energy and environmental impact of HPC and AI services and Bitcoin mining. This has led, and could lead, to new governmental measures regulating, restricting or prohibiting the use of electricity for HPC and AI services and Bitcoin mining, or HPC and AI services and Bitcoin mining generally or could result in increased power costs for these types of power consumers. See “Item 1A. Risk Factors—Any electricity outage, non-supply or limitation of electricity supply, including as a result of political pressures or regulations, may result in material impacts to our operations and financial performance,” “Part 1. Item 1.A. Risk Factors—Risks Related to Our Business—Our growth strategy may take significant time and expenditure to implement and our efforts may not be successful” and “Item 1A. Risk Factors—Risks Related to Regulations and Regulatory Frameworks—Bitcoin mining and HPC and AI services are energy-intensive, which may restrict the geographic locations of miners and operations, in particular, to locations with renewable sources of power. Government regulators and utilities may potentially restrict the ability of electricity suppliers to provide electricity to Bitcoin miners or HPC and AI service providers, including us, or Bitcoin mining or HPC and AI services generally” in our Annual Report. For example, the British Columbia Court of Appeal has recently upheld the Government of British Columbia’s moratorium on new and early-stage BC Hydro connection requests from cryptocurrency mining projects and the State of Texas has introduced, and may introduce, new laws and regulations that impose new processes and requirements relating to the interconnection of facilities of large electrical loads to the ERCOT grid which include, among other things, voltage ride-through and/or frequency ride-through requirements. In December 2025, ERCOT announced that it was amending the approval process for large load interconnection requests. ERCOT is in the process of designing and implementing a process that will batch multiple large load interconnection requests together to determine system impacts of multiple projects at once to establish transmission

needs for load customers in that batch. Furthermore, increasing demand for energy is contributing to heightened complexity and additional constraints in energy markets including load ramp requirements by utilities or grid operators, which may not align with the Company's planned data center development and commissioning timelines. Shorter ramp schedules could result in financial penalties or loss of available capacity if required load thresholds are not met, while longer ramp schedules could delay the energization of data centers and associated operations. Any such misalignment between required load ramps and operational timing could have adverse effects on the Company's business, financial condition, and results of operations.

The price we pay for electricity depends on numerous factors including sources of generation, regulatory environment, electricity market structure, commodity prices, transmission cost allocation, instantaneous supply/demand balances, counterparty and procurement method. These factors may be subject to change over time and result in increased power costs. In regulated markets, such as in British Columbia, suppliers of renewable power rely on regulators to approve raises in rates, resulting in fluctuations subject to requests for rate increases and their approval thereof; in markets that are largely deregulated, such as in Texas, prices of renewable power in the competitive market within ERCOT will fluctuate within the wholesale market alongside sources of electricity from non-renewable resources, which is often driven by price fluctuations in commodities such as natural gas. In addition, developments in the United States, including actions taken by the new Trump Administration, such as a series of executive orders aimed at, among other things, pausing approvals of wind power projects, pausing funding of programs aimed at promoting renewable energy and increasing oil and gas production, as well as the Department of Energy's cancellation of certain grants for clean energy projects, signal a policy shift away from supporting renewable energy production. Likewise, the One Big Beautiful Bill Act decreases or eliminates certain tax credits available for new renewable generation projects, which could result in fewer such projects being constructed and lead to increases in electricity prices as demand increases. There have also been legislative proposals and other legal developments targeting renewable energy and large electrical loads in certain states, including Texas. While the impacts of these actions and any future developments cannot be fully predicted at this time, any reductions or modifications to, or the elimination of, laws, programs or incentives that provide electricity to Bitcoin miners or HPC and AI services operators or that support renewable energy, or the implementation of more arduous requirements for renewable energy projects, could potentially limit the availability of, and increase the costs we incur for, electricity, including renewable energy, in the United States.

Competitive Environment

We compete with a variety of Bitcoin miners globally, including individual hobbyists, mining pools and public and private companies, as well as HPC and AI service providers including large and well-funded companies. We believe that, even if the price of Bitcoin decreases, the Bitcoin mining market will continue to draw new miners and increase the scale and sophistication of competition in the Bitcoin mining industry, while the HPC and AI services industry continues to draw companies with significant resources to dedicate to growing their HPC and AI services business as well as expertise in the industry. Increasing competition generally results in an increase to the global hashrate, which in turn would generally lead to a reduction in the percentage share of the fixed Bitcoin network rewards that Bitcoin miners, including the Company, would earn, and may result in larger and more established HPC and AI services providers increasing their resource allocation and attention to the industry, which could make our ability to compete, including to attract and maintain customers, more difficult. In addition, the new Trump Administration in the United States has suggested it may introduce different regulatory treatment for digital assets, including Bitcoin, that are mined within the United States compared to those that are mined outside of the United States. As a result, we may face increased competition specifically within the United States for low-cost energy and mining hardware from those attempting to benefit from any potential favorable treatment from mining within the United States.

Inflation and Macroeconomic Risk

Global economic and geopolitical conditions have been increasingly volatile due to factors such as trade restrictions, inflation, rising interest rates and supply chain disruptions. The impacts of inflation have resulted in increased operating expenses as we grow and develop our managerial, operational and financial resources and systems, consistent with its impact on the general economy. If our costs, in particular labor, information systems, technology, hardware and utilities costs, were to become subject to significant inflationary pressures, we might not be able to effectively mitigate such higher costs. In addition, inflation may impact our ability to obtain financing for future capital expenditures at a price that is acceptable. Our inability or failure to do so could adversely affect our business, financial condition, and results of operations.

Market Events Impacting the Digital Asset Industry

In the past, market events in the digital asset industry have negatively impacted market sentiment towards the broader digital asset industry. There have also been declines from time to time in the value of digital assets generally, including the value of Bitcoin, in connection with these events, which have impacted the Group from a financial and operational perspective. We expect that any such declines that may occur in the future would also impact the business and operations of the Group, and if such declines are significant, they could result in reduced revenue and operating cash flows and net operating losses, and could also negatively impact our ability to raise additional financing.

Market Events Impacting Digital Asset Trading Platforms

In the past, market events in the digital asset markets have involved and/or impacted certain digital asset trading platforms. As previously described, the mining pools, that we utilize for the purposes of our Bitcoin mining, currently transfer the Bitcoin we mine to Kraken, a digital asset trading platform, on a daily basis. Such Bitcoin is then exchanged for fiat currency on the Kraken exchange or via its over-the-counter trading desk on a daily basis.

Because we currently exchange the Bitcoin we mine for fiat currency on a daily basis, we believe we have limited exposure to fluctuations in the value of Bitcoin with respect to the Bitcoin that we mine once we have mined such Bitcoin. In addition, we currently aim to withdraw fiat currency proceeds from Kraken on a daily basis and transfer such proceeds to one or more of our banks or other financial institutions. As a result, we have only limited amounts of Bitcoin and fiat currency with Kraken at any time, and accordingly we believe we have limited exposure to potential risks related to excessive redemptions or withdrawals of digital assets or fiat currencies from, or suspension of redemptions or withdrawals of digital assets or fiat currencies from, Kraken, or any other digital asset trading platform or custodian we may use in the future for purposes of liquidating the Bitcoin we mine on a daily basis. However, if Kraken, or any such other digital asset trading platform or custodian suffers excessive redemptions or withdrawals of digital assets or fiat currencies, or suspends redemptions or withdrawals of digital assets or fiat currencies, as applicable, any Bitcoin we have transferred to such platform that has not yet been exchanged for fiat currency, as well as any fiat currency that we have not yet withdrawn, as applicable, would be at risk.

In addition, if any such event were to occur with respect to Kraken or any such other digital asset trading platform or custodian we utilize to liquidate the Bitcoin we mine, we may be required to, or may otherwise determine it is appropriate to, or if for any reason we decide to, switch to an alternative digital asset trading platform and/or custodian, as applicable. We do not currently use any other digital asset trading platforms or custodians to liquidate the Bitcoin we mine. While we expect to continue to utilize Kraken, there are numerous alternative digital asset trading platforms that operate exchanges and/or over-the-counter trading desks with similar functionality to Kraken, and there are also several alternative funds transfer arrangements for facilitating the transfer of fiat currency proceeds from Kraken either with or without the use of a third-party custodian. We have onboarded Coinbase as an alternative digital asset trading platform to liquidate Bitcoin that we mine, although we have not utilized the Coinbase platform as of December 31, 2025. We may explore opportunities with alternative digital asset trading platforms, over-the-counter trading desks and custodians, and believe we have the ability to switch to Coinbase or alternative digital asset trading platforms and/or funds transfer arrangements to liquidate Bitcoin we mine and transfer the fiat currency proceeds without material expense or delay. As a result, we do not believe our business is substantially dependent on the Kraken digital asset trading platform.

However, digital asset trading platforms and third-party custodians, including Kraken, are subject to a number of risks outside our control which could impact our business. In particular, during any intervening period in which we are switching digital asset trading platforms and/or third-party custodians, we could be exposed to credit risk with respect to any Bitcoin or fiat currency held by them. In addition, we could be exposed to fluctuations in the value of Bitcoin with respect to the Bitcoin that we mine during such period or that was previously mined but has not yet been exchanged for fiat currency.

Impact of Tariffs

During the 2025 calendar year, the United States announced the intention to impose tariffs on various countries, including an across-the-board 10% tariff on all countries and individualized higher tariffs on certain countries, including countries from which we have historically sourced miners (including Malaysia, Indonesia, and Thailand) and other hardware and equipment. Several of such tariffs have come into effect as of the date of this report, which could result in higher prices in order to obtain GPUs and other hardware and equipment, as well as limit the availability of GPUs and other hardware and equipment and could impact our timelines for installation, energization and expected revenue. In addition to those tariffs which have already come into effect, additional tariffs and trade restrictions have been suggested

and others may be suggested in the future, which, if they were enacted, could further impact our business. For example, on August 7, 2025, the United States proposed a 100% tariff on semiconductors imported to the United States. Uncertainty around geopolitical conditions and international trade policies may continue to affect the movement and costs of goods, materials, services and capital. Further, we have received notices disputing the origin of Bitcoin miners imported during 2024 and 2025 from Indonesia, Thailand and Malaysia, claiming the origin of such miners is China and that an additional 25% tariff is applicable to certain shipments imported during such period. While we believe these disputes are without merit, including based on representations from the seller, and we have challenged them, if we are unsuccessful we would owe additional tariffs with respect to the import of such miners which could be material and could materially impact our business, prospects, operations and financial performance. See “Item 1A. Risk Factors—Changing political and geopolitical conditions, including changing international trade policies and the implementation of wide-ranging, reciprocal and retaliatory tariffs and trade restrictions, could adversely impact our business, prospects, operations and financial performance” in our Annual Report.

Key Indicators of Performance and Financial Condition

Key operating and financial metrics that we use, in addition to our GAAP unaudited condensed consolidated financial statements, to assess the performance of our business are set forth below for the three and six months ended December 31, 2025 and 2024, include:

EBITDA and Adjusted EBITDA

EBITDA, EBITDA Margin, Adjusted EBITDA and Adjusted EBITDA Margin are not presented in accordance with GAAP.

EBITDA is defined as net income (loss), excluding income tax (expense) benefit, finance expense, interest income, and depreciation and amortization, which are important components of our net income (loss). EBITDA Margin is defined as EBITDA divided by revenue. As a capital-intensive business, EBITDA excludes the impact of the cost of depreciation of computer hardware equipment and other fixed assets, which allows us to measure the liquidity of our business on a current basis, which we believe provides a useful tool for comparison to our competitors in a similar industry. We believe EBITDA is a useful metric for assessing operating performance before the impact of non-cash and other items. Our presentation of EBITDA should not be construed as an inference that our future results will be unaffected by these items.

Adjusted EBITDA is defined as EBITDA, further adjusted to exclude stock-based compensation, foreign exchange gain (loss), impairment of assets, certain other non-recurring income, gain (loss) on disposal of property, plant and equipment, unrealized fair value gain (loss) on financial instruments, debt conversion inducement expense, gain (loss) on partial extinguishment of financial liabilities, increase (decrease) in fair value of assets held for sale and certain other expense items. Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by revenue. Beginning in the fiscal year ended June 30, 2026, the Company has changed its definition of Adjusted EBITDA to exclude debt conversion inducement expense. This is a change from the presentation of Adjusted EBITDA in prior periods, and these adjustments did not have any impact on the calculation of Adjusted EBITDA in prior periods. We believe Adjusted EBITDA is a useful metric because it allows us to monitor the profitability of our business on a current basis and removes expenses which do not impact our ongoing profitability and which can vary significantly in comparison to other companies. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by these items.

We believe EBITDA, EBITDA Margin, Adjusted EBITDA and Adjusted EBITDA Margin have limitations as analytical tools. These measures should not be considered as alternatives to Net income (loss) and Net income (loss) margin, as applicable, determined in accordance with GAAP. They are supplemental measures of our operating performance only, and as a result you should not consider these measures in isolation from, or as a substitute analysis for, our net income (loss) as determined in accordance with GAAP, which we consider to be the most comparable GAAP financial measure. For example, we expect depreciation of our fixed assets will be a large recurring expense over the course of the useful life of our assets, and that stock-based compensation is an important part of compensating certain employees, officers and directors. EBITDA, EBITDA Margin, Adjusted EBITDA and Adjusted EBITDA Margin do not have any standardized meaning prescribed by GAAP and therefore are not necessarily comparable to similarly titled measures used by other companies, limiting their usefulness as a comparative tool.

The following table shows a reconciliation of net income (loss) to EBITDA, EBITDA Margin, Adjusted EBITDA and Adjusted EBITDA Margin:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2025	2024	2025	2024
	(\$ thousands)	(\$ thousands)	(\$ thousands)	(\$ thousands)
Net income (loss)	(155,407)	(21,888)	229,204	(73,591)
Income tax expense (benefit)	(182,520)	3,005	8,167	4,287
Finance expense	10,668	1,722	19,948	1,744
Interest income	(15,775)	(1,587)	(22,903)	(3,876)
Depreciation and amortization	99,176	36,077	184,402	70,008
EBITDA	(243,858)	17,329	418,818	(1,428)
Revenue	184,692	116,144	424,987	168,908
Net income (loss) margin (1)	(84%)	(19%)	54%	(44%)
EBITDA margin (2)	(132%)	15%	99%	(1%)
Add (deduct) the following:				
Unrealized (gain) loss on financial instruments	107,351	32,300	(557,642)	32,300
Debt conversion inducement expense (3)	111,799	-	111,799	-
(Increase) decrease in fair value of assets held for sale (4)	6,449	(516)	6,449	2,066
Non-cash stock-based compensation expense – \$75 exercise price options	18,145	3,032	21,112	6,001
Non-cash stock-based compensation expense – other	40,086	4,943	109,524	10,158
Impairment of assets (5)	31,755	-	48,012	6,942
Foreign exchange (gain) loss	(1,878)	4,563	3,504	3,373
Other one-off income (6)	-	(1,699)	-	(1,699)
(Gain) loss on disposal of property, plant and equipment	(7)	681	6	(152)
Other expense items (7)	5,468	1,748	5,468	7,355
Adjusted EBITDA	75,310	62,381	167,050	64,916
Adjusted EBITDA margin (8)	41%	54 %	39 %	38 %

(1) Net income (loss) margin is calculated as Net income (loss) divided by Revenue.

(2) EBITDA margin is calculated as EBITDA divided by Revenue.

(3) Debt conversion inducement expense of \$111.8 million for the three and six months ended December 31, 2025. See “Results of Operations—Comparison of the three months ended December 31, 2025 and 2024 —Debt conversion inducement expense” and “Results of Operations—Comparison of the six months ended December 31, 2025 and 2024 —Debt conversion inducement expense” for further information on Debt conversion inducement expense.

(4) (Increase) decrease in fair value of assets held for sale for the three months ended December 31, 2025 and 2024 was \$6.4 million and \$(0.5) million, respectively, and \$6.4 million and \$2.1 million for the six months ended December 31, 2025 and 2024, respectively. See “Results of Operations—Comparison of the three months ended December 31, 2025 and 2024 —Increase (decrease) in fair value of assets held for sale” and “Results of Operations—Comparison of the six months ended December 31, 2025 and 2024 —Increase (decrease) in fair value of assets held for sale” for further information.

- (5) Impairment of assets for the three months ended December 31, 2025 and 2024, was \$31.8 million and \$— million, respectively, and \$48.0 million and \$6.9 million for the six months ended December 31, 2025 and 2024, respectively. See “Results of Operations—Comparison of the three months ended December 31, 2025 and 2024 —Impairment of assets” and “Results of Operations—Comparison of the six months ended December 31, 2025 and 2024 —Impairment of assets” for further information.
- (6) Other one-off income includes insurance proceeds relating to the theft of mining hardware in transit.
- (7) Other expenses include a one-time liquidation payment incurred in August 2024 resulting from the transition to spot pricing at the Group’s site at Childress, the reversal of the unrealized loss recorded on fixed price contracted amounts outstanding at June 30, 2024, a litigation related settlement provision, loss on theft of mining hardware in transit, one-off professional fees incurred in relation to litigation matters, and transaction costs incurred on entering the capped call transactions in conjunction with the issuance of the convertible notes.
- (8) Adjusted EBITDA margin is calculated as Adjusted EBITDA divided by Revenue.

Net electricity costs

Total net electricity costs, net electricity costs - Bitcoin Mining and net electricity costs per Bitcoin mined are not presented in accordance with GAAP. Total net electricity costs is defined as the sum of electricity charges, demand response program income, demand response program fees, realized gain (loss) on financial instruments - electricity financial assets, excluding a one-off liquidation payment incurred in August 2024 resulting from the transition to spot pricing at the Group’s site at Childress and the reversal of the unrealized loss recorded on fixed price contracted amounts outstanding at June 30, 2024. Electricity charges are disclosed in cost of revenue (as described in Note 3 of the unaudited condensed consolidated financial statements included in this Quarterly Report). The liquidation payment and reversal of the unrealized loss are included in the realized gain (loss) on financial instruments (as described in more detail in Note 8 of the unaudited condensed consolidated financial statements included in this Quarterly Report), while demand response program income is included in other operating income and demand response program fees are included in selling, general and administrative expenses (as described in more detail in Note 4 of the unaudited condensed consolidated financial statements included in this Quarterly Report). Total net electricity costs exclude the cost of RECs. Net electricity costs - Bitcoin Mining is defined as Total net electricity costs less electricity costs attributable to AI Cloud Services as disclosed in cost of revenue - AI Cloud Services (as described in Note 3 of the unaudited condensed consolidated financial statements included in this Quarterly Report). Net electricity costs per Bitcoin mined is defined as Net electricity costs - Bitcoin Mining divided by the total Bitcoin mined for the relevant fiscal period. A key measure of the performance factor of our business is our ability to secure low-cost power, and similarly a key measure of the performance of our Bitcoin mining operations is the amount of power used to mine each Bitcoin. Total net electricity costs, net electricity costs - Bitcoin Mining and net electricity costs per Bitcoin mined allows us to measure the costs of electricity of our business on a current basis and we believe provides a useful tool for comparison to our competitors in a similar industry. We believe total net electricity costs, net electricity costs - Bitcoin Mining and net electricity costs per Bitcoin mined are a useful metrics for assessing operating performance, including any gain/(loss) on the electricity purchased and subsequently resold, and earnings for our participation in demand response programs.

We believe total net electricity costs, net electricity costs - Bitcoin Mining and net electricity costs per Bitcoin mined have limitations as an analytical tool. These measures should not be considered as alternatives to electricity charges as included in Cost of revenue, as applicable, determined in accordance with GAAP. They are supplemental measures of our operating performance only, and as a result you should not consider these measures in isolation from, or as a substitute analysis for, our electricity charges as determined in accordance with GAAP, which we consider to be the most comparable GAAP financial measure. Total net electricity costs, net electricity costs - Bitcoin Mining and net electricity costs per Bitcoin mined do not have any standardized meaning prescribed by GAAP and therefore are not necessarily comparable to similarly titled measures used by other companies, limiting their usefulness as a comparative tool.

The following table shows a reconciliation of total net electricity costs, net electricity costs - Bitcoin Mining and net electricity costs per Bitcoin mined to the most comparable GAAP financial measure:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2025	2024	2025	2024
	(\$ thousands)	(\$ thousands)	(\$ thousands)	(\$ thousands)
Total Electricity charges (included in Cost of revenue)	\$ (59,710)	\$ (30,171)	\$ (135,648)	\$ (59,993)
Add (deduct) the following:				
Realized gain (loss) on financial instruments - Electricity financial asset	-	-	-	(4,215)
One off liquidation payment (included in Realized gain (loss) on financial instruments) (1)	-	-	-	7,210
Reversal of unrealized loss (included in Realized gain (loss) on financial instruments) (2)	-	-	-	(3,448)
Demand response program income (included in Other operating income)	1,799	1,405	5,606	3,031
Demand response program fees (included in Selling, general and administrative expenses)	(108)	(84)	(336)	(182)
Total net electricity costs	(58,019)	(28,850)	(130,378)	(57,597)
Electricity charges - AI Cloud Services (included in Cost of revenue - AI Cloud Services)	794	59	903	97
Net electricity costs - Bitcoin Mining	(57,225)	(28,791)	(129,475)	(57,500)
Bitcoin mined	1,664	1,347	3,703	2,160
Net electricity costs per Bitcoin mined (3)	(34.4)	(21.4)	(35.0)	(26.6)

(1) One-off liquidation payment includes the amount paid to exit positions previously entered into under a fixed price and fixed quantity contract, on transition to a spot price and actual usage contract.

(2) Reversal of unrealized loss is calculated as the unrealized loss on financial instruments as at June 30, 2024.

(3) Net electricity costs per Bitcoin mined is calculated as Net Electricity Costs - Bitcoin mining divided by Bitcoin mined.

The increase in net electricity costs per Bitcoin mined for the three and six months ended December 31, 2025, as compared to the three and six months ended December 31, 2024, was due to a combination of an increase in electricity costs per megawatt and an increase in the average global hashrate bitcoin mining difficulty.

Results of Operations

The following table summarizes our results of operation, disclosed in the Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) for the three and six months ended December 31, 2025 and 2024.

	Three Months Ended December 31,		Six Months Ended December 31,	
	2025	2024	2025	2024
	(\$ thousands)	(\$ thousands)	(\$ thousands)	(\$ thousands)
Revenue:				
Bitcoin mining revenue	\$ 167,394	\$ 113,483	\$ 400,342	\$ 163,058
AI Cloud Services revenue	17,298	2,661	24,645	5,850
Total revenue	184,692	116,144	424,987	168,908
Cost of revenue (exclusive of depreciation and amortization shown below):				
Bitcoin mining	(63,368)	(32,019)	(143,313)	(63,646)
AI Cloud Services	(2,395)	(275)	(3,123)	(507)
Total cost of revenue	(65,763)	(32,294)	(146,436)	(64,153)
Operating (expenses) income:				
Selling, general and administrative expenses	(100,755)	(28,892)	(239,114)	(54,064)
Depreciation and amortization	(99,176)	(36,077)	(184,402)	(70,008)
Impairment of assets	(31,755)	—	(48,012)	(6,942)
Gain (loss) on disposal of property, plant and equipment	7	(681)	(6)	152
Other operating expenses	(5,468)	(3,994)	(5,468)	(8,399)
Other operating income	1,815	3,104	5,643	4,730
Total operating (expenses) income	(235,332)	(66,540)	(471,359)	(134,531)
Operating (loss) income	(116,403)	17,310	(192,808)	(29,776)
Other (expense) income:				
Finance expense	(10,668)	(1,722)	(19,948)	(1,744)
Interest income	15,775	1,587	22,903	3,876
Increase (decrease) in fair value of assets held for sale	(6,449)	516	(6,449)	(2,066)
Realized gain (loss) on financial instruments	(2,910)	—	(8,666)	(4,215)
Unrealized gain (loss) on financial instruments	(107,351)	(32,300)	557,642	(32,300)
Debt conversion inducement expense	(111,799)	—	(111,799)	—
Foreign exchange gain (loss)	1,878	(4,563)	(3,504)	(3,373)
Other non-operating income	—	289	—	294
Total other (expense) income	(221,524)	(36,193)	430,179	(39,528)
Income (loss) before taxes	(337,927)	(18,883)	237,371	(69,304)
Income tax (expense) benefit	182,520	(3,005)	(8,167)	(4,287)
Net income (loss)	\$ (155,407)	\$ (21,888)	\$ 229,204	\$ (73,591)

Comparison of the three months ended December 31, 2025 and 2024

Bitcoin Mining revenue

Our Bitcoin Mining revenue for the three months ended December 31, 2025 and 2024, was \$167.4 million and \$113.5 million, respectively. This revenue was generated from the mining and sale of 1,664 and 1,347 Bitcoin during the three months ended December 31, 2025 and 2024, respectively. The increase in revenue is primarily due to a \$23.0 million

increase attributable to the increase in the average Bitcoin price and \$30.9 million increase attributable to the increase in Bitcoin mined during the three months ended December 31, 2025, reflecting the increase in average operating hashrate, which was partially offset by the increase in the implied global hashrate during the same period. Average operating hashrate increased to 43.0 EH/s for the three months ended December 31, 2025 as compared to 22.7 EH/s for the three months ended December 31, 2024.

AI Cloud Services revenue

Our AI Cloud Services revenue for the three months ended December 31, 2025 and 2024, was \$17.3 million and \$2.7 million, respectively. This increase was primarily due to an increase in AI Cloud Services customers and contracts, as a result of continued capacity expansion.

Cost of revenue - Bitcoin Mining (exclusive of depreciation and amortization)

Cost of revenue - Bitcoin Mining consist of electricity charges, employee benefits, and other direct expenses incurred in generating Bitcoin mining revenue. Cost of revenue - Bitcoin Mining for the three months ended December 31, 2025 and 2024 was \$63.4 million and \$32.0 million, respectively. This increase was primarily due to a \$28.8 million increase in electricity costs, in line with the increase in average operating hashrate during the three months ended December 31, 2025 and a \$2.0 million increase in employee benefits as a result of increased site headcount.

Cost of revenue - AI Cloud Services (exclusive of depreciation and amortization)

Cost of revenue - AI Cloud Services consist of electricity charges, employee benefits, and other direct expenses incurred in generating AI Cloud Services. Cost of revenue - AI Cloud Services for the three months ended December 31, 2025 and 2024 was \$2.4 million and \$0.3 million, respectively. This increase was primarily due to an increase in employee benefits as a result of increased headcount, as well as continued capacity expansion.

Selling, general and administrative expenses

Selling, general and administrative expenses consist of employee benefits expense, RECs, site expenses (including property taxes), repairs and maintenance, stock-based compensation and professional fees, among other expenses. Selling, general and administrative expenses for the three months ended December 31, 2025 and 2024 was \$100.8 million and \$28.9 million, respectively. This increase includes a \$6.4 million increase in accrued payroll tax expense relating to stock-based compensation awards, a \$3.7 million increase in employee benefits expense related to a rise in the employee headcount as a result of expansion of business operations, a \$1.3 million increase in the consumption of RECs as a result of higher operating capacity at the Childress site and a \$50.3 million increase in stock-based compensation expense. The increase in stock-based compensation expense is primarily related to the October 2025 vesting of certain market-based RSUs and stock options and the resulting accelerated recognition of the remaining unrecognized compensation cost, the amortization of certain stock-based payment awards modified and awarded in the fourth quarter of the fiscal year 2025, and the amortization of RSUs issued to employees and directors during the first quarter of the fiscal year 2026. The increase in selling, general and administrative expenses also included a \$5.7 million increase in professional fees, a \$1.1 million increase in sponsorships and marketing, and a \$1.7 million increase in property taxes as a result of the expansion of our business operations and ongoing expenses as a publicly listed company.

Depreciation and amortization

Depreciation and amortization consist primarily of the depreciation of Bitcoin mining hardware, GPU hardware and data centers. Depreciation expense for the three months ended December 31, 2025 and 2024 was \$99.2 million and \$36.1 million respectively. This increase was primarily due to higher operating capacity at Childress compared to the three months ended December 31, 2024, and additional GPUs placed into service during the three months ended December 31, 2025.

Impairment of assets

Impairment of assets for the three months ended December 31, 2025 and 2024 was \$31.8 million and nil, respectively. Impairment was primarily due to the S21 Pro miners during the three months ended December 31, 2025. The S21 Pro miners are expected to be displaced from the Group's data centers as part of the Group's strategic focus on expanding its AI Cloud Services. Management performed an impairment assessment as of December 31, 2025, resulting in a change to

reduce their carrying amount to estimated fair value. See Note 9 of the unaudited condensed consolidated financial statements included in this Quarterly Report for further information.

Gain (loss) on disposal of property, plant and equipment

The net gain (loss) on disposal of property and equipment for the three months ended December 31, 2025 and 2024 was nil and \$(0.7) million, respectively. The net loss during the three months ended December 31, 2024 primarily relates to the loss recorded on the derecognition of Bitcoin mining hardware.

Other operating expenses

Other operating expenses for the three months ended December 31, 2025 and 2024 was \$5.5 million and \$4.0 million, respectively. During the three months ended December 31, 2025, we incurred \$5.5 million in transaction costs relating to the 2031 Capped Call Transactions, 2032 Capped Call Transactions and 2033 Capped Call Transactions. During the three months ended December 31, 2024, we incurred \$1.5 million in transaction costs relating to the 2030 Capped Call Transactions and a \$2.5 million provision for non-refundable GST, which was subsequently released during the year ended June 30, 2025.

Other operating income

Other operating income for the three months ended December 31, 2025 and 2024 was \$1.8 million and \$3.1 million, respectively. This decrease is primarily due to \$1.7 million insurance income received during the three months ended December 31, 2024, in relation to theft of mining hardware in transit, offset by a \$0.4 million increase in demand response program income at the Group's site at Childress during the three months ended December 31, 2025.

Finance expense

Finance expense for the three months ended December 31, 2025 and 2024 was \$10.7 million and \$1.7 million, respectively. The increase was primarily related to a higher principal amount of outstanding convertible notes during the three months ended December 31, 2025. Further, the 2030 Convertible Notes and 2029 Convertible Notes were outstanding for substantially the entire three months ended December 31, 2025 (excluding amounts repurchased), compared to the three months ended December 31, 2024, where the 2030 Convertible Notes were outstanding for less than one month.

Interest income

Interest income for the three months ended December 31, 2025 and 2024 was \$15.8 million and \$1.6 million, respectively. The increase in interest income was primarily related to an increase in average cash and cash equivalents balance in the quarter ended December 31, 2025 as compared to the quarter ended December 31, 2024.

Increase (decrease) in fair value of assets held for sale

Increase (decrease) in fair value of assets held for sale for the three months ended December 31, 2025 and 2024 was \$(6.4) million and \$0.5 million, respectively. The decrease was related to the decrease in fair value of S21 Pro miners held for sale as at December 31, 2025, as compared to an increase in fair value of S19j Pro miners held for sale as at December 31, 2024. Refer to Note 9 of the unaudited condensed consolidated financial statements included in this Quarterly Report for further information.

Realized gain (loss) on financial instruments

Realized gain (loss) recorded on financial instruments for the three months ended December 31, 2025 and 2024 was \$(2.9) million and nil, respectively. Realized gain (loss) on financial instruments for the three months ended December 31, 2025 represents the loss on expired Bitcoin purchase options during the three months ended December 31, 2025. Refer to Note 10 of the unaudited condensed consolidated financial statements included in this Quarterly Report for further information.

Unrealized gain (loss) on financial instruments

Unrealized gain (loss) on financial instruments for the three months ended December 31, 2025 and 2024 was \$(107.4) million and \$(32.3) million, respectively. The unrealized gain (loss) during the three months ended December 31, 2025 and 2024 related to the changes in fair value of the Capped Call Transactions and Prepaid Forward Transactions. Refer to Notes 8 and 10 of the unaudited condensed consolidated financial statements included in this Quarterly Report for further information.

Debt conversion inducement expense

Debt conversion inducement expense for the three months ended December 31, 2025 and 2024 was \$111.8 million and nil, respectively. The increase was primarily related to the induced conversion of a portion of the 2030 Convertible Notes and the 2029 Convertible Notes. Refer to Note 16 of the unaudited condensed consolidated financial statements included in this Quarterly Report for further information.

Foreign exchange gain (loss)

Foreign exchange gain (loss) for the three months ended December 31, 2025 and 2024 was \$1.9 million and \$(4.6) million, respectively. The increase in the loss was primarily related to foreign exchange movements in the translation of monetary assets and liabilities held in currencies other than the functional currency of the company holding the monetary asset or liability.

Income tax (expense) benefit

Income tax (expense) benefit for the three months ended December 31, 2025 and 2024 was a benefit of \$182.5 million and expense of \$(3.0) million, respectively. The quarter-over-quarter change was driven primarily by the release of deferred tax liability relating to the unrealized gain (loss) on financial instruments during the three months ended December 31, 2025.

Net income (loss)

Net income (loss) for the three months ended December 31, 2025 and 2024 was \$(155.4) million and \$(21.9) million respectively. The increase in net loss is primarily attributable to the increase in Unrealized loss on financial instruments, Selling, general and administrative expenses, Depreciation and amortization, Impairment of assets and Debt conversion inducement expense during the three months ended December 31, 2025, offset by increase in Total revenue.

Comparison of the six months ended December 31, 2025 and 2024

Bitcoin Mining revenue

Our Bitcoin Mining revenue for the six months ended December 31, 2025 and 2024, was \$400.3 million and \$163.1 million, respectively. This revenue was generated from the mining and sale of 3,703 and 2,160 Bitcoin during the six months ended December 31, 2025 and 2024, respectively. The increase in revenue is primarily due to a \$75.1 million increase attributable to the increase in the average Bitcoin price and \$161.4 million increase attributable to the increase in Bitcoin mined during the six months ended December 31, 2025, reflecting the increase in average operating hashrate, which was partially offset by the increase in the implied global hashrate during the same period. Average operating hashrate increased to 44.1 EH/s for the six months ended December 31, 2025 as compared to 17.5 EH/s for the six months ended December 31, 2024.

AI Cloud Services revenue

Our AI Cloud Services revenue for the six months ended December 31, 2025 and 2024, was \$24.6 million and \$5.8 million, respectively. This increase was primarily due to an increase in AI Cloud Services customers and contracts, as a result of continued capacity expansion.

Cost of revenue - Bitcoin Mining (exclusive of depreciation and amortization)

Cost of revenue - Bitcoin Mining consist of electricity charges, employee benefits, and other direct expenses incurred in generating Bitcoin mining revenue. Cost of revenue - Bitcoin Mining for the six months ended December 31, 2025 and

2024 was \$143.3 million and \$63.6 million, respectively. This increase was primarily due to a \$74.8 million increase in electricity costs, in line with the increase in average operating hashrate during the same period and a \$3.6 million increase in employee benefits as a result of increased site headcount.

Cost of revenue - AI Cloud Services (exclusive of depreciation and amortization)

Cost of revenue - AI Cloud Services consist of electricity charges, employee benefits, and other direct expenses incurred in generating AI Cloud Services. Cost of revenue - AI Cloud Services for the six months ended December 31, 2025 and 2024 was \$3.1 million and \$0.5 million, respectively. This increase was primarily due to an increase in employee benefits as a result of increased headcount, as well as continued capacity expansion.

Selling, general and administrative expenses

Selling, general and administrative expenses consist of employee benefits expense, RECs, site expenses (including property taxes), repairs and maintenance, stock-based compensation and professional fees, among other expenses. Selling, general and administrative expenses for the six months ended December 31, 2025 and 2024 was \$239.1 million and \$54.1 million, respectively. This increase includes a \$38.0 million increase in accrued payroll taxes relating to stock-based compensation awards, a \$7.0 million increase in employee benefits expense primarily related to a rise in the employee headcount as a result of expansion of business operations, a \$3.5 million increase in the consumption of RECs as a result of higher operating capacity at Childress site and a \$114.5 million increase in stock-based compensation expense. The increase in stock-based compensation expense is primarily related to the September and October 2025 vesting of certain market-based RSUs and stock options and the resulting accelerated recognition of the remaining unrecognized compensation cost, the amortization of certain stock-based payment awards modified and awarded in the fourth quarter of the fiscal year 2025, and the amortization of RSUs issued to employees and directors during the six months ended December 31, 2025. The increase in selling, general and administrative expenses also included a \$9.7 million increase in professional fees, a \$3.6 million increase in sponsorships and marketing, a \$1.4 million increase in insurance costs, and a \$3.0 million increase in property taxes as a result of the expansion of our business operations and ongoing expenses as a publicly listed company.

Depreciation and amortization

Depreciation and amortization consist primarily of the depreciation of Bitcoin mining hardware, GPU hardware and data centers. Depreciation expense for the six months ended December 31, 2025 and 2024 was \$184.4 million and \$70.0 million respectively. This increase was primarily due to higher operating capacity at Childress compared to the six months ended December 31, 2024, and additional GPUs placed into service during the six months ended December 31, 2025.

Impairment of assets

Impairment of assets for the six months ended December 31, 2025 and 2024 was \$48.0 million and \$6.9 million, respectively. Impairment was primarily due to the S21 Pro miners and non-functioning T21 miners during the six months ended December 31, 2025, and the impairment of the S19j Pro miners prior to classification as held for sale during the six months ended December 31, 2024. The S21 Pro miners are expected to be displaced from the Group's data centers as part of the Group's strategic focus on expanding its AI Cloud Services. Management performed an impairment assessment as of December 31, 2025, resulting in a charge to reduce their carrying amount to estimated fair value. Refer to Note 9 of the unaudited condensed consolidated financial statements included in this Quarterly Report for further information.

Gain (loss) on disposal of property, plant and equipment

The net gain (loss) on disposal of property and equipment for the six months ended December 31, 2025 and 2024 was nil and \$0.2 million, respectively. The net gain during the six months ended December 31, 2024 relates to the gain recorded on the disposal of Bitcoin mining hardware.

Other operating expenses

Other operating expenses for the six months ended December 31, 2025 and 2024 was \$5.5 million and \$8.4 million, respectively. During the six months ended December 31, 2025, we incurred \$5.5 million in transaction costs relating to the 2031 Capped Call Transactions, 2032 Capped Call Transactions and 2033 Capped Call Transactions. During the six months ended December 31, 2024 we incurred a \$1.7 million loss on theft of mining hardware in transit, \$1.5 million in

transaction costs relating to the 2030 Capped Call Transactions and a \$5.2 million provision for non-refundable GST, which was subsequently released during the year ended June 30, 2025.

Other operating income

Other operating income for the six months ended December 31, 2025 and 2024 was \$5.6 million and \$4.7 million, respectively. This increase is primarily due to a \$2.6 million increase in demand response program income at the Group's site at Childress during the six months ended December 31, 2025, offset by \$1.7 million insurance income received during the six months ended December 31, 2024, in relation to theft of mining hardware in transit.

Finance expense

Finance expense for the six months ended December 31, 2025 and 2024 was \$19.9 million and \$1.7 million, respectively. The increase was primarily related to a larger principal amount of outstanding convertible notes during the six months ended December 31, 2025. Further, the 2030 Convertible Notes and 2029 Convertible Notes were outstanding for the entire six months ended December 31, 2025, compared to the six months ended December 31, 2024, where the 2030 Convertible Notes were outstanding for less than one month.

Interest income

Interest income for the six months ended December 31, 2025 and 2024 was \$22.9 million and \$3.9 million, respectively. The increase in interest income was primarily related to an increase in average cash and cash equivalents balance for the six months ended December 31, 2025 as compared to the six months ended December 31, 2024, as a result of the convertible notes and Ordinary shares issued between the six months ended December 31, 2025 and six months ended December 31, 2024, respectively.

Increase (decrease) in fair value of assets held for sale

Increase (decrease) in fair value of assets held for sale for the six months ended December 31, 2025 and 2024 was \$(6.4) million and \$(2.1) million, respectively. This decrease was related to the higher decrease in fair value of S21 Pro miners held for sale as at December 31, 2025, compared to the decrease in fair value of S19j Pro miners held for sale as at December 31, 2024. Refer to Note 9 of the unaudited condensed consolidated financial statements included in this Quarterly Report for further information.

Realized gain (loss) on financial instruments

Realized gain (loss) recorded on financial instruments for the six months ended December 31, 2025 and 2024 was \$(8.7) million and \$(4.2) million, respectively. Realized gain (loss) on financial instruments represents the loss on the electricity purchased and subsequently resold under a power supply agreement at the Group's Childress site during the six months ended December 31, 2024 and the loss on expired Bitcoin purchase options during the six months ended December 31, 2025. Refer to Notes 8 and 10 of the unaudited condensed consolidated financial statements included in this Quarterly Report for further information.

Unrealized gain (loss) on financial instruments

Unrealized gain (loss) on financial instruments for the six months ended December 31, 2025 and 2024 was \$557.6 million and \$(32.3) million, respectively. The unrealized gain (loss) during the six months ended December 31, 2025 related to the changes in fair value of the Capped Call Transactions and Prepaid Forward Transactions. Refer to Notes 8 and 10 of the unaudited condensed consolidated financial statements included in this Quarterly Report for further information.

Debt conversion inducement expense

Debt conversion inducement expense for the six months ended December 31, 2025 and 2024 was \$111.8 million and nil, respectively. The increase was primarily related to the induced conversion of a portion of the 2030 Convertible Notes

and the 2029 Convertible Notes. Refer to Note 16 of the unaudited condensed consolidated financial statements included in this Quarterly Report for further information.

Foreign exchange gain (loss)

Foreign exchange gain (loss) for the six months ended December 31, 2025 and 2024 was \$(3.5) million and \$(3.4) million, respectively. The increase in the loss was primarily related to foreign exchange movements in the translation of monetary assets and liabilities held in currencies other than the functional currency of the company holding the monetary asset or liability.

Income tax (expense) benefit

Income tax (expense) benefit for the six months ended December 31, 2025 and 2024 was an expense of \$(8.2) million and \$(4.3) million, respectively. The increase in income tax expense was driven primarily by an increase in certain permanent book to tax differences during the six months ended December 31, 2025.

Net income (loss)

Net income (loss) for the six months ended December 31, 2025 and 2024 was \$229.2 million and \$(73.6) million respectively. The increase in net income (loss) is primarily attributable to the increase in Unrealized gain on financial instruments and Total revenue, offset by the increase in Selling, general and administrative expenses, Depreciation and amortization, Impairment of assets and Debt conversion inducement expense during the six months ended December 31, 2025.

Liquidity and Capital Resources

As of December 31, 2025, we had cash and cash equivalents of \$3,260.6 million. For the six months ended December 31, 2025, we had net income (loss) of \$229.2 million and net operating cash inflow of \$214.0 million.

Our primary sources of liquidity and capital during the six months ended December 31, 2025, included available cash and cash equivalents, proceeds from sales under our at-the-market facility, proceeds from issuances of convertible notes, equipment financing, and cash inflows from operations. Our primary cash requirements have been for working capital needs to support capital expenditure for our data center platform, and the purchase of GPUs, as well as investments in growth and development initiatives.

Based on our current operating plans and business conditions, we believe that our existing cash and cash equivalents, expected cash flows from operations and proceeds from future financing activities will be sufficient to satisfy our anticipated liquidity requirements for the next 12 months and for the reasonably foreseeable future.

Our liquidity outlook could be adversely affected by events that materially reduce our access to the capital markets or impair our production capabilities, including, but not limited to, our ability to maintain our existing operations, failure to effectively execute our growth strategies, the impact of Bitcoin halving events, significant increases in electricity costs not accompanied by corresponding increases in the price of Bitcoin, and broader deteriorating macroeconomic conditions. Furthermore, we have generated significant negative cash flows from investing activities as we continue to support the growth of our AI Cloud Services segment. As part of this strategy, we are transitioning our British Columbia sites to support AI Cloud, while continuing to advance development and expansion initiatives across our broader data center portfolio. We anticipate making significant investments for the foreseeable future, including capital requirements associated with the Microsoft Agreement (see "Overview—AI Cloud Services"), which includes GPU acquisitions and the development of the "Horizon 1," "Horizon 2," "Horizon 3" and "Horizon 4" data center facilities. We also expect to continue progressing development activities at other sites to support this transition and broader growth plan. We expect these and other planned investments to require substantial additional capital to support the continued expansion in this segment.

The total number of Ordinary shares outstanding as of January 30, 2026, was 332,280,383. We continue to monitor funding markets for opportunities to raise additional unsecured and secured debt, equity or equity-linked capital to fund further capital or liquidity needs and our growth plans, and we are actively exploring alternative financings. Any such financings are subject to market conditions and there can be no assurance as to the structure, timing, amount or other terms of any such financing but any could be material.

At-the-market facilities

We are party to an At Market Sales Agreement (the “Sales Agreement”) with B. Riley Securities, Inc., Cantor Fitzgerald & Co., Compass Point Research & Trading, LLC, Canaccord Genuity LLC, Citigroup Global Markets, J.P. Morgan Securities LLC and Macquarie Capital (USA) Inc. Pursuant to the Sales Agreement, we may offer and sell our Ordinary shares from time to time in an amount not to exceed the lesser of the amount registered on an effective registration statement and for which we have filed a prospectus, and the amount authorized from time to time to be issued and sold under the Sales Agreement by the Board. As a result, we may increase the amount of our Ordinary shares that may be sold from time to time pursuant to the Sales Agreement in accordance with the terms of the Sales Agreement. As of December 31, 2025, the Company had issued 66,707,732 shares pursuant to its at-the-market offering under the Sales Agreement at varying prices generating an aggregate of approximately \$1.0 billion in proceeds, with no further amounts remaining available for sale under our prospectus supplement relating to the Sales Agreement and related registration statement. We expect to register additional Ordinary shares for sale under the Sales Agreement, potentially in the near term, to provide additional financing flexibility. Any sales of Ordinary shares under the Sales Agreement could be substantial.

Convertible notes

On October 14, 2025, we issued \$1 billion aggregate principal amount of the 2031 Convertible Notes. The 2031 Convertible Notes will mature on July 1, 2031, unless earlier converted or redeemed or repurchased by us. Before the close of business on the business day immediately before April 1, 2031, noteholders will have the right to convert their 2031 Convertible Notes only upon the occurrence of certain events. On or after April 1, 2031 until the close of business on the second scheduled trading day immediately before the maturity date, noteholders may convert their 2031 Convertible Notes at any time at their election. We will generally have the right to elect to settle conversions by paying or delivering, as applicable, cash, Ordinary shares or a combination of cash and Ordinary shares. The initial conversion rate is 11.6784 Ordinary shares per \$1,000 principal amount of 2031 Convertible Notes, which represents an initial conversion price of approximately \$85.63 per Ordinary share. The conversion rate and conversion price will be subject to customary adjustments upon the occurrence of certain events. In addition, if certain corporate events that constitute a “Make-Whole Fundamental Change” (as defined in the indenture governing the 2031 Convertible Notes) occur, then the conversion rate will, in certain circumstances, be increased for a specified period of time.

On December 8, 2025, we issued \$1.15 billion aggregate principal amount of the 2032 Convertible Notes and \$1.15 billion aggregate principal amount of the 2033 Convertible Notes. The 2032 Convertible Notes will mature on June 1, 2032, unless earlier converted or redeemed or repurchased by us, and the 2033 Convertible Notes will mature on June 1, 2033, unless earlier converted or redeemed or repurchased by us. On or after March 1, 2032 (in the case of the 2032 Convertible Notes) or March 1, 2033 (in the case of the 2033 Convertible Notes) until the close of business on the second scheduled trading day immediately before the maturity date, noteholders may convert their 2032 Convertible Notes and their 2033 Convertible Notes at any time at their election. We will generally have the right to elect to settle conversions by paying or delivering, as applicable, cash, Ordinary shares or a combination of cash and Ordinary shares. The initial conversion rate of the 2032 Convertible Notes is 19.4553 Ordinary shares per \$1,000 principal amount of 2032 Convertible Notes, which represents an initial conversion price of approximately \$51.40 per Ordinary share. The initial conversion rate of the 2033 Convertible Notes is 19.4553 Ordinary shares per \$1,000 principal amount of 2033 Convertible Notes, which represents an initial conversion price of approximately \$51.40 per Ordinary share. The conversion rate and conversion price for the 2032 Convertible Notes and the 2033 Convertible Notes, respectively, will be subject to customary adjustments upon the occurrence of certain events. In addition, if certain corporate events that constitute a “Make-Whole Fundamental Change” (as defined in the indentures governing the 2032 Convertible Notes and the 2033 Convertible Notes, respectively) occur, then the conversion rate of the 2032 Convertible Notes and the 2033 Convertible Notes, respectively, will, in certain circumstances, be increased for a specified period of time.

In connection with each of the 2029 Convertible Notes offering, the 2030 Convertible Notes offering, the 2031 Convertible Notes offering, the 2032 Convertible Notes offering and the 2033 Convertible Notes offering (together, the “Convertible Notes”), we entered into Capped Call Transactions. The Capped Call Transactions are expected generally to reduce potential dilution to our Ordinary shares upon any conversion of each series of the Convertible Notes and/or offset any payments we are required to make in excess of the principal amount of converted Convertible Notes, as the case may be, with such reduction and/or offset subject to a cap. The Capped Call Transactions will expire upon the maturity of the relevant series of Convertible Notes.

Also in connection with each of the 2029 Convertible Notes offering and the 2030 Convertible Notes offering, we entered into Prepaid Forward Transactions. The Prepaid Forward Transactions are generally intended to facilitate privately

negotiated derivative transactions, including swaps, between the forward counterparty or its affiliates and investors in such series of Convertible Notes relating to our Ordinary shares. As a result, the Prepaid Forward Transactions are expected to allow the investors to establish short positions that generally correspond to (but may be greater than) commercially reasonable initial hedges of their investment in the relevant series of Convertible Notes. The Prepaid Forward Transactions will expire shortly after the maturity of such Convertible Notes.

Concurrently with the issuance of the 2032 Convertible Notes and the 2033 Convertible Notes, the Group issued 39,699,102 Ordinary shares to fund the repurchase of approximately \$544.3 million aggregate principal amount of outstanding 2030 Convertible Notes and 2029 Convertible Notes, for an aggregate purchase price of approximately \$1,632.4 million, which includes accrued and unpaid interest of \$8.9 million, in separate, privately negotiated transactions with a limited number of holders of the 2030 Convertible Notes and 2029 Convertible Notes.

Equipment Leasing Agreements

On November 5, 2025, the Group entered into financing arrangements with Dell Financial Services to finance a portion of the Group's GPU orders. The facility provides \$199.8 million of financing, structured as a 24-month lease. The lease includes a purchase option at the Group's sole discretion, allowing the acquisition of the GPUs upon maturity of the lease for \$1. The Company has agreed to provide a parent guarantee with respect to all payment obligations under this facility.

Off-Balance Sheet Arrangements

As of December 31, 2025, there have been no material changes to our off-balance sheet arrangements as reported under Item 7 in the Annual Report.

Historical Cash Flows

The following table sets forth a summary of our historical cash flows for the six months ended December 31, 2025 and 2024 presented.

	Six Months Ended December 31,	
	2025	2024
	(\$ thousands)	(\$ thousands)
Net cash from (used in) operating activities	214,004	49,641
Net cash from (used in) investing activities	(1,131,828)	(567,430)
Net cash from (used in) financing activities	3,613,735	541,685
Net cash and cash equivalents increase/(decrease)	2,695,911	23,896
Cash and cash equivalents at the beginning of the period	564,526	404,601
Effects of exchange rate changes on cash and cash equivalents	152	(1,224)
Net cash and cash equivalents at the end of the period	\$ 3,260,589	\$ 427,273

Operating activities

Our net cash from operating activities was \$214.0 million for the six months ended December 31, 2025, compared to net cash from operating activities of \$49.6 million for the six months ended December 31, 2024.

Our net cash from (used in) operating activities was \$214.0 million for the six months ended December 31, 2025, compared to net income of \$229.2 million. The difference in net income to net cash from (used in) operating activities primarily reflects non-cash adjustments of \$(56.6) million, which is driven by unrealized (gain) loss on financial instruments of \$(557.6) million, debt conversion inducement expense of \$111.8 million, depreciation and amortization of \$184.4 million, stock-based compensation expense of \$130.6 million, and impairment of assets of \$48.0 million. Other non-cash items, including realized gain (loss) on financial instruments, foreign exchange (gain) loss, amortization of debt issuance costs, change in fair value of assets held for sale and (gain) loss on disposal of property, plant and equipment, collectively contributed \$26.2 million. Refer to "—Results of Operations" for further detail of associated costs.

Unrealized (gain) loss on financial instruments reflects the changes in fair value of the Capped Call Transactions and Prepaid Forward Transactions, which were entered into during the second and fourth quarter of the fiscal year 2025, and Capped Call Transactions which were entered into during the second quarter of the fiscal year 2026. Depreciation and amortization reflects ongoing investment in property, plant, and equipment, and stock-based compensation reflects the amortization expense associated with the issuance of equity incentives.

Changes in operating assets and liabilities resulted in a net cash increase of \$41.4 million, primarily due to an increase in tax related liabilities of \$7.6 million, an increase in accounts payable and accrued liabilities of \$9.0 million, an increase in other liabilities of \$35.7 million reflecting an increase in accrued payroll taxes on stock-based compensation, and an increase in deferred revenue of \$45.7 million from AI Cloud Services contracts. This was partly offset by increases in accounts receivable and other receivables of \$25.0 million related to AI Cloud Services contracts, and a \$13.7 million increase in prepayments and deposits reflecting an increase in computer hardware prepayments and deposits for land options and other deposits.

Investing activities

Our net cash used in investing activities was \$1,131.8 million for the six months ended December 31, 2025, compared to net cash used in investing activities of \$567.4 million for the six months ended December 31, 2024. For the six months ended December 31, 2025, the increase in cash outflows of \$564.3 million was attributable to an increase in payments for computer hardware, payments for property, plant and equipment, net of computer hardware and payments for intangible assets for connection rights and land purchase options acquired in the second quarter of the fiscal year 2026.

Payments for computer hardware included payments relating to mining and GPU hardware, which were paid in respect of the Hardware Purchases Agreements as outlined in "Hardware Purchase". Our \$720.0 million payment for property, plant and equipment net of computer hardware primarily related to the continuing expansion of our data center capacity at Childress, including Horizon 1 and Horizon 2, and at the Sweetwater 1 and Sweetwater 2 sites.

Financing activities

Net cash from financing activities was \$3,613.7 million for the six months ended December 31, 2025, compared to net cash from financing activities of \$541.7 million for the six months ended December 31, 2024. For the six months ended December 31, 2025, our cash inflows comprised primarily of \$3,299.6 million in proceeds from the issuance of convertible senior notes, \$2,250.8 million from the issuance of Ordinary shares, and \$6.6 million in proceeds from the exercise of options. These cash inflows were partially offset by offerings costs related to the at-the-market program of \$18.5 million, payments made for entering into the capped call transactions of \$252.3 million, the aggregate induced conversion of the convertible notes of \$1,623.5 million and payments for borrowing transaction costs of \$49.6 million.

Contractual Obligations

As of December 31, 2025, the Group had commitments of \$8,786.1 million, as compared to \$368.8 million as of June 30, 2025. The increase in total commitments was primarily due to an increase in commitments related to our expansion into HPC and AI services and includes committed capital expenditure on computer hardware and infrastructure related to site development at Horizon 1 and Horizon 2 at the Childress site and the Sweetwater 1 and Sweetwater 2 sites.

Assuming the remaining outstanding 2030 Convertible Notes, 2029 Convertible Notes, 2031 Convertible Notes, 2032 Convertible Notes and 2033 Convertible Notes are not converted into Ordinary shares, repurchased or redeemed prior to maturity, (i) annual interest payments of approximately \$6.9 million in each calendar year from 2026 through 2030 in connection with the 2030 Convertible Notes, annual interest payments of approximately \$8.2 million in each calendar year from 2026 through 2029 in connection with the 2029 Convertible Notes, annual interest payments of approximately \$2.9 million in each calendar year from 2026 through 2032 in connection with the 2032 Convertible Notes and annual interest payments of approximately \$11.5 million in each calendar year from 2026 through 2033 in connection with the 2033 Convertible Notes and (ii) principal for each of the Convertible Notes upon maturity, for a total of \$3,745.7 million, will be payable under the terms of the Convertible Notes. Refer to Note 16 to our unaudited condensed consolidated financial statements included in this Quarterly Report for further information.

As of December 31, 2025, the Group had finance lease obligations primarily related to GPU hardware. We expect to make remaining payments under these finance leases of approximately \$175.6 million over the remaining lease terms.

Refer to Note 14 to our unaudited condensed consolidated financial statements included in this Quarterly Report for further information.

Research and Development, Patents and Licenses, etc.

We are building proprietary data centers that continue to be refined through research and development efforts to further optimize the operational environment and efficiencies, including targeting stable performance during high and low temperature periods, as well as the life of our hardware.

One recent focus area has been on implementing power cost optimization initiatives at our Childress site in Texas, which enable the transition between Bitcoin mining and energy trading to optimize profitability.

We are also pursuing a strategy of expanding and diversifying our revenue sources into other HPC and AI services beyond AI Cloud Services, including through the development of purpose-built AI data centers for colocation.

Design, research and development have not been significant components of our business, however such activities may become more significant in the future.

Critical Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions about future events that affect the amounts reported in the financial statements and accompanying notes. Future events and their effects cannot be determined with absolute certainty. Therefore, the determination of estimates requires the exercise of judgment. Accordingly, actual results could differ materially from our estimates under different assumptions, judgments or conditions. We consider the following policies to be critical because of their complexity and the high degree of judgment involved in implementing them: stock-based compensation expense, estimation of useful lives of assets, income taxes, impairment of long-lived assets, and loss contingencies. During the three months ended December 31, 2025, there were no changes to our critical accounting policies and estimates from those described in our Annual Report, except as mentioned in Note 2 — “Basis of presentation, summary of significant accounting policies and recent accounting pronouncements” in our unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates.

For quantitative and qualitative disclosures about market risk affecting the Group, see “Quantitative and Qualitative Disclosures About Market Risk” in Part II, Item 7A of our Annual Report. Our exposure to market risk has not changed materially since June 30, 2025.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Co-Chief Executive Officers and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly Report. The Company’s disclosure controls and procedures are designed to provide reasonable assurance that the information we are required to disclose in the reports we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms and (2) accumulated and communicated to our management to allow timely decisions regarding required disclosures. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives.

Based on such evaluation, our Co-Chief Executive Officers and Chief Financial Officer concluded that, as of December 31, 2025, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There has been no change to the Company's internal control over financial reporting that occurred during the three months ended December 31, 2025, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II-OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we may become involved in legal proceedings arising in the ordinary course of business.

On February 3, 2023, PricewaterhouseCoopers Inc. (“PwC”) was appointed as receiver (the “Receiver”) to three limited recourse equipment financing facilities (the “Facilities”) we entered into through three separate wholly-owned, non-recourse special purpose vehicles of the Company (the “Non-Recourse SPVs”) pursuant to proceedings (the “Canadian Receivership Proceedings”) commenced in the Supreme Court of British Columbia (the “B.C. Supreme Court”) by New York Digital Investment Group LLC (“NYDIG”), the lender to such Non-Recourse SPVs. On June 28, 2023, the Receiver filed an assignment in bankruptcy on behalf of such Non-Recourse SPVs (the “Canadian Bankruptcy Proceedings”) and PwC was appointed as Trustee in Bankruptcy (the “Trustee”) of the Non-Recourse SPVs’ estates, and this appointment was affirmed at the meeting of creditors held on July 18, 2023.

On September 17, 2024, the Trustee commenced a proceeding in the Federal Court of Australia seeking recognition of the Canadian Bankruptcy Proceedings in Australia pursuant to Article 17(1) of the UNCITRAL Model Law on Cross-Border Insolvency, being Schedule 1 to the Cross-Border Insolvency Act 2008 (the “Australian Recognition Proceedings”).

On August 12, 2025, the Company, the Non-Recourse SPVs, NYDIG, PwC and the local representatives appointed by the Federal Court of Australia (the “Local Representatives”) entered into a settlement agreement (the “Settlement Agreement”) to fully resolve and terminate all existing and future claims between them arising from the Facilities and the Australian Recognition Proceedings, Canadian Bankruptcy Proceedings and Canadian Receivership Proceedings.

Pursuant to the Settlement Agreement, NYDIG, the Receiver and the Local Representatives agreed to immediately take any and all necessary steps to conclude and terminate the Australian Recognition Proceedings, the Canadian Bankruptcy Proceedings and the Canadian Receivership Proceedings. In addition, NYDIG, the Receiver and the Local Representatives agreed to immediately cease commencement or continued pursuit of any claims against the Company and its released parties, including ceasing all investigation work, such as the examinations.

The Canadian Receivership Proceedings were concluded on September 5, 2025, the Australian Recognition Proceedings were terminated on October 8, 2025 and the Canadian Bankruptcy Proceedings were concluded on December 24, 2025 following the submission by the Trustee on September 9, 2025 to the applicable Canadian regulatory body of the necessary materials to conclude the Canadian Bankruptcy Proceedings.

Under the Settlement Agreement, the Company was required to pay a settlement amount of \$20 million to NYDIG and the releases became effective upon the discontinuance and termination of the Australian Recognition Proceedings and the Canadian Receivership Proceedings, and the submission by the Trustee to the applicable Canadian regulatory body of the necessary materials to conclude the Canadian Bankruptcy Proceedings, of which \$18.2 million exceeds amounts previously accrued by the Company with respect to such matters.

The settlement amount of \$20 million was recorded as a loss contingency in the Group’s consolidated financial statements as of June 30, 2025 and was subsequently paid during the three months ended September 30, 2025. See “Item 1A. Risk Factors—Risks Related to Our Business” in our Annual Report, Note 21 to our unaudited condensed consolidated financial statements for the three months ended December 31, 2025 included in this Quarterly Report and Notes 6 and 16 to our audited financial statements for the year ended June 30, 2025 included in the Annual Report for further information.

On December 14, 2022, a putative securities class action complaint naming the Company and certain of its directors and officers was filed in the U.S. District Court for the District of New Jersey. An amended complaint in this action was filed on June 6, 2023, also naming as defendants the Company and certain of its directors and officers, as well as the underwriters of the Company’s IPO. The Company moved to dismiss the amended complaint, and on September 27, 2024, the court granted the Company’s motion, dismissing the case without prejudice and with leave to file a further amended complaint.

The lead plaintiffs then filed a second amended complaint on November 12, 2024. The second amended complaint, which has substantial similarities to the prior complaint, asserts claims under Sections 10(b) and 20(a) of the Exchange Act and Sections 11, 12(a)(2), and 15 of the Securities Act, purportedly on behalf of a putative class of all persons and entities who purchased or otherwise acquired (a) Ordinary shares in the Company pursuant and/or traceable to the Company’s IPO

and/or (b) Company securities between November 17, 2021 and November 1, 2022, both dates inclusive. It contends that certain statements made by the Company and certain of its officers and directors, including in the Company's IPO Registration Statement and Prospectus, were allegedly false or misleading and seeks unspecified damages on behalf of the putative class. The Company believes these claims are without merit and intends to defend itself vigorously. On January 21, 2025, the Company served a motion to dismiss the second amended complaint in its entirety. The lead plaintiffs served their opposition to the motion to dismiss on March 24, 2025, and the Company on May 9, 2025 served its reply in further support of its motion to dismiss. The motion is fully briefed and remains pending. A hearing on the motion was held on February 4, 2026 and judgment was reserved.

See "Item 1A. Risk Factors—General Risk Factors" included in our Annual Report for further information.

On June 23, 2025, the Company filed a Notice of Appeal with the Tax Court of Canada, to dispute the CRA's determination that the Company has a permanent establishment in Canada and the related GST assessment. His Majesty the King, as respondent in this case, filed a reply on November 3, 2025 and the parties are in the process of preparing a time tabling order, which will outline the remaining steps in this matter. There is currently no deadline in place for the parties to set the remaining dates.

See Note 21 to the unaudited condensed consolidated financial statements included in this Quarterly Report for further information.

ITEM 1A. RISK FACTORS

Risks Related to Our Business

There have been no material changes to the Company's risk factors as disclosed in "Item 1A. — Risk Factors" included in our Annual Report, as supplemented by the Company's risk factors disclosed in "Item 1A. — Risk Factors" included in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2025, which are incorporated herein by reference.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

Exhibit No.	Exhibit
<u>3.1*</u>	Constitution of the Registrant (incorporated herein by reference to Exhibit 3.1 to the Company's Report on Form 8-K filed with the SEC on November 19, 2025).
<u>3.2*</u>	Certificate of Registration on Change of Name and Conversion to a Public Company dated October 7, 2021 (incorporated herein by reference to Exhibit 3.3 to the Company's Registration Statement on Form F-1 (File No. 333-260488) filed with the SEC on October 25, 2021).

<u>4.1</u>	Description of Securities registered under Section 12 of the Exchange Act.
<u>4.2*</u>	Indenture, dated as of October 14, 2025, between IREN Limited and U.S. Bank Trust Company, National Association, as trustee (incorporated herein by reference to Exhibit 4.1 to the Company's Report on Form 8-K filed with the SEC on October 14, 2025).
<u>4.3*</u>	Form of certificate representing the 0.00% Convertible Senior Notes due 2031 (incorporated herein by reference to Exhibit A to Exhibit 4.1 to the Company's Report on Form 8-K filed with the SEC on October 14, 2025).
<u>4.4*</u>	Indenture, dated as of December 8, 2025, between IREN Limited and U.S. Bank Trust Company, National Association, as trustee (incorporated herein by reference to Exhibit 4.1 to the Company's Report on Form 8-K filed with the SEC on December 8, 2025).
<u>4.5*</u>	Form of certificate representing the 0.25% Convertible Senior Notes due 2032 (incorporated herein by reference to Exhibit A to Exhibit 4.1 to the Company's Report on Form 8-K filed with the SEC on December 8, 2025).
<u>4.6*</u>	Indenture, dated as of December 8, 2025, between IREN Limited and U.S. Bank Trust Company, National Association, as trustee (incorporated herein by reference to Exhibit 4.3 to the Company's Report on Form 8-K filed with the SEC on December 8, 2025).
<u>4.7*</u>	Form of certificate representing the 1.00% Convertible Senior Notes due 2033 (incorporated herein by reference to Exhibit A to Exhibit 4.3 to the Company's Report on Form 8-K filed with the SEC on December 8, 2025).
<u>10.1*</u>	Form of Capped Call Transactions Confirmation (incorporated herein by reference to Exhibit 10.1 to the Company's Report on Form 8-K filed with the SEC on October 14, 2025).
<u>10.2*</u>	Form of Capped Call Transactions Confirmation (incorporated herein by reference to Exhibit 10.1 to the Company's Report on Form 8-K filed with the SEC on December 8, 2025).
<u>10.3#</u>	Partner Statement of Work, dated as of November 2, 2025, between IE US Hardware 3 Inc. (a wholly owned subsidiary of IREN Limited) and Microsoft Corporation.
<u>10.4#</u>	Purchase Agreement, dated as of November 2, 2025, between IE US Hardware 3 Inc. (a wholly owned subsidiary of IREN Limited) and Dell Marketing L.P.
<u>10.5#</u>	Non-Cancellable Non-Returnable (NCNR) and Supplemental Terms Agreement, dated as of November 2, 2025, between IE US Hardware 3 Inc. (a wholly owned subsidiary of IREN Limited) and Dell Marketing L.P.
<u>10.6*</u>	IREN Limited 2025 Omnibus Incentive Plan (incorporated herein by reference to Exhibit 99.1 to the Company's Registration Statement on Form S-8 filed with the SEC on January 2, 2026).
<u>31.1</u>	Certification pursuant to section 302 of the Sarbanes-Oxley Act of 2002 of the Co-Chief Executive Officer.
<u>31.2</u>	Certification pursuant to section 302 of the Sarbanes-Oxley Act of 2002 of the Co-Chief Executive Officer.
<u>31.3</u>	Certification pursuant to section 302 of the Sarbanes-Oxley Act of 2002 of the Chief Financial Officer.

<u>32.1</u>	Certification pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, of the Co-Chief Executive Officer.
<u>32.2</u>	Certification pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, of the Co-Chief Executive Officer.
<u>32.3</u>	Certification pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, of the Chief Financial Officer.
101.INS	Inline XBRL Instance Document. (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL 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 (the cover page XBRL tags are embedded within the inline XBRL document).

* Incorporated by reference.

Certain confidential information has been redacted pursuant to Item 601(a)(6) and/or Item 601(b)(10)(iv) of Regulation S-K. Redacted information is indicated by [***].

Description of Securities registered under Section 12 of the Securities Exchange Act of 1934 (the “Exchange Act”)

This exhibit contains a description of the rights of the holders of Ordinary shares of IREN Limited (the “Company”). This description also summarizes relevant provisions of Australian law. The following summary does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the applicable provisions of Australian law and the Company’s Constitution (the “Constitution”), a copy of which is incorporated by reference as Exhibit 3.1 to the quarterly report on Form 10-Q of which this Exhibit 4.1 is a part (the “Quarterly Report”). We encourage you to read the Constitution and the applicable provisions of Australian law for additional information.

General

The Company was incorporated under the laws of New South Wales, Australia on November 6, 2018, and is an Australian public company (ACN 629 842 799). Our registered address is located at Level 6, 55 Market Street, Sydney, New South Wales, Australia 2000.

We do not have a limit on our authorized share capital and do not recognize the concept of par value under Australian law.

Subject to restrictions on the issue of securities in our Constitution and the *Corporations Act 2001* (Cth) (“Corporations Act”) and any other applicable law, we may at any time issue shares and grant options or warrants on any terms, with the rights and restrictions and for the consideration that the Board of Directors of the Company (the “Board”) determines.

The rights and restrictions attaching to Ordinary shares are derived through a combination of our Constitution, the common law applicable to Australia, the Corporations Act and other applicable law. A general summary of some of the rights and restrictions attaching to Ordinary shares are summarized below.

In accordance with our Constitution, the following summarizes the rights of the holders of our Ordinary shares:

- each holder of our Ordinary shares is entitled to one vote per Ordinary share on all matters to be voted on by shareholders generally;
- the holders of our Ordinary shares shall be entitled to receive notice of, attend, vote and have a reasonable opportunity to participate at our general meetings; and
- the holders of our Ordinary shares shall be entitled to received such dividends as are determined to be paid or declared by our Board.

In addition to our Ordinary shares, we have 2 B Class shares issued and outstanding, which are unregistered. B class shares have certain rights which impact the rights of holders of our Ordinary shares. These B Class shares are held by Awassi Capital Holdings 1 Pty Ltd ACN 629 820 499 (as trustee for the Awassi Capital Trust #1) and Awassi Capital Holdings 2 Pty Ltd ACN 629 819 978 (as trustee for the Awassi Capital Trust #2), and together provide our Co-Founders and Co-Chief Executive Officers with approximately 35.4% of the voting power of our outstanding capital stock as of August 15, 2025. The following summarizes the rights of holders of our B Class shares:

- each holder of our B Class shares is entitled to 15 votes per Ordinary share held by such holder of a B class share;
- the holders of our B Class shares shall have the same rights to receive notice of, attend, speak and vote at our general meetings as the holders of our Ordinary shares; and
- the holders of our B Class shares shall not be entitled to receive any dividends as are determined to be paid or declared by our Board.

Our Ordinary shares will have the other rights and restrictions described in “—Key Provisions in our Constitution.”

Key Provisions in Our Constitution

Our Constitution is similar in nature to the certificate of incorporation and bylaws of a U.S. corporation. It

does not provide for or prescribe any specific objectives or purposes for the Company. Our Constitution is subject to the terms of the Corporations Act. It may be amended or repealed and replaced by special resolution of the shareholders of the Company, which is a resolution passed by at least 75% of the votes cast by shareholders (in person or by proxy) entitled to vote on the resolution.

Under Australian law, a company has the legal capacity and powers of an individual both within and outside Australia. The material provisions of our Constitution are summarized below. This summary is not intended to be complete nor to constitute a definitive statement of the rights and liabilities of our shareholders, and is qualified in its entirety by reference to the complete text of our Constitution.

Interested Directors

A director or that director's alternate who has a material personal interest in a matter that is being considered at a directors' meeting must not be present while the matter is being considered at the meeting or vote in respect of that matter according to our Constitution unless permitted to do so by the Corporations Act, in which case such director may (i) be counted in determining whether or not a quorum is present at any meeting of directors considering that contract or arrangement or proposed contract or arrangement; (ii) sign or countersign any document relating to that contract or arrangement or proposed contract or arrangement; and (iii) vote in respect of, or in respect of any matter arising out of, the contract or arrangement or proposed contract or arrangement.

Unless a relevant exception applies, the Corporations Act requires our directors to provide disclosure of any material personal interest, and prohibits directors from voting on matters in which they have a material personal interest and from being present at the meeting while the matter is being considered, unless directors who do not have a material personal interest in the relevant matter have passed a resolution that identifies the director, the nature and extent of the director's interest in the matter and its relation to our affairs and states that those directors are satisfied that the interest should not disqualify the director from voting or being present. In addition, the Corporations Act may require shareholder approval of any provision of related party benefits to our directors, unless a relevant exception applies.

Borrowing Powers Exercisable by Directors

Pursuant to our Constitution, the management and control of our business affairs are vested in our Board. Our Board has the power to raise or borrow money or obtain other financial accommodation for the purposes of the Company, and may grant security for the repayment of that sum or sums or the payment, performance or fulfilment of any debts, liabilities, contracts or obligations incurred or undertaken by the Company in any manner and upon any terms and conditions as our Board deems appropriate.

Appointment of Directors

Under the Constitution, the minimum number of directors that may comprise the Board is 3 and the maximum is fixed by the directors but may not be more than 10 (or such other number resolved by ordinary resolution of the Company in a general meeting from time to time). Directors are elected at annual general meetings of the Company. The directors may also appoint a director to fill vacancies resulting from a director ceasing to hold office or otherwise and to fill newly created directorships resulting from any increase in the number of directors, who will then hold office until the next annual general meeting of the Company.

Each of Awassi Capital Holdings 1 Pty Ltd ACN 629 820 499 and Awassi Capital Holdings 2 Pty Ltd ACN 629 819 978, or their respective affiliates, who hold a B Class share shall be entitled to designate a nominee for election to the Board (each such nominee, a "Founder Director"). A Founder Director will automatically cease to be a director, and must be immediately removed as a director, if that Founder Director is removed as a director where required under the Corporations Act or our Constitution.

Rights and Restrictions on Classes of Shares

The rights attaching to our Ordinary shares are detailed in our Constitution. Our Constitution provides that, subject to the Corporations Act and our Constitution, our directors may issue shares with preferential, deferred or special rights, privileges or conditions or with any restrictions, whether in relation to dividends, voting, return of share capital, or otherwise as our Board may determine. Subject to the Corporations Act and our Constitution (see "Anti-Takeover Effects of Certain Provisions of Our Constitution"), we may issue further shares on such terms and conditions as our Board resolves.



We may only issue preference shares if the rights attaching to the preference shares relating to repayment of capital, participation in surplus assets and profits, cumulative and non-cumulative dividends, voting and priority of payment of capital and dividends in respect of other shares (including Ordinary shares) are set out in our Constitution or otherwise approved by special resolution passed at a general meeting.

Dividend Rights

Under the Corporations Act, a company must not pay a dividend unless (i) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend; (ii) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and (iii) the payment of the dividend does not materially prejudice the company's ability to pay its creditors. Subject to this requirement, our Board may from time to time determine to pay and declare dividends to shareholders in accordance with the respective rights and restrictions attached to any share or class of share. Each B Class share does not confer on its holder any right to receive dividends.

All dividends unclaimed for one year after the time for payment has passed may be invested or otherwise made use of by our Board for our benefit until claimed or until dealt with under any law relating to unclaimed moneys.

Voting Rights

Voting rights at a general meeting of the Company's shareholders will be determined by poll (rather than a show of hands).

On a poll, holders of Ordinary shares are entitled to one vote for each ordinary share held and a fraction of a vote for each partly paid share held by the shareholder and in respect.

The holders of B Class shares are entitled to vote at general meetings of shareholders. Each B Class shareholder is entitled on a poll, to 15 votes for each Ordinary share held by the holder of a B Class share.

In the case of joint holders of a share, the vote of the joint holder whose name appears first on the register of shareholders in respect of the joint holding shall be accepted to the exclusion of the votes of the other joint holders.

In accordance with the Corporations Act and the provisions of our Constitution, the circumstances in which holders of a class of shares, including holders of Ordinary shares, will be entitled to vote separately as a single class are limited to:

- voting for a variation of class rights that only affect a single share class;
- voting for a compromise or arrangement proposed that would affect a certain class of holder, e.g. a plan of arrangement to transfer a class of share to a bidder; and
- voting in response to a takeover bid for a specific class of shares.

Right to Share in Our Profits

Pursuant to our Constitution, our shareholders are entitled to participate in our profits only by payment of dividends in accordance with the respective rights and restrictions attached to any share or class of share. Our Board may from time to time determine to pay dividends to the shareholders. However, any such dividend may only be payable in accordance with the requirements set out in the Corporations Act described above.

Rights to Share in the Surplus in the Event of Winding Up

If the Company is wound up, then subject to any rights or restrictions attached to a class of shares, the liquidator may, with the sanction of a special resolution of the Company, distribute the whole or any part of the assets and may for that purpose: (i) decide how the assets are to be distributed as between the members or different classes of members; (ii) value the assets to be distributed in such manner as the liquidator thinks fit; and (iii) vest the whole or any part of any assets in such trustees and on such trusts for the benefit of the members entitled to the distribution of those assets as the liquidator thinks fit.

B Class shares shall not confer on their holders any right to participate pro rata in any distribution of profits and assets of, and any proceeds received by, the company in excess of the total amount of capital paid-up by the



holders upon issue of such B Class share.

Redemption Provision for Shares

There are no redemption provisions in our Constitution in relation to Ordinary shares. Under our Constitution, shares may be issued and allotted, which are liable to be redeemed.

B Class shares will be redeemed by the Company for A\$1.00 per B Class share in accordance with the Constitution upon the earlier to occur of the following circumstances:

- that holder (or its affiliate or founder in respect of such holder) ceases to be a director due to voluntary retirement;
- the transfer of any B Class share by that holder (or an affiliate) to another person in breach of the Constitution (which is unremedied within 20 business days);
- the liquidation or winding up of the Company; or
- the date which is 12 years after the date upon which the Company becomes first listed on a recognized stock exchange.

The redemption of B Class shares, whether voluntary or upon a transfer of B Class shares, may have the effect, over time, of increasing the relative voting power of those holders of B Class shares who retain their B Class shares. Under the Corporations Act, redeemable preference shares may only be redeemed if those preference shares are fully paid-up and payment in satisfaction of redemption is out of profits or the proceeds of a new issue of shares made for the purposes of the redemption.

Variation or Cancellation of Share Rights

Subject to the Corporations Act and the terms of issue of a class of shares, the rights attaching to any class of shares may be varied or cancelled with the approval of the Board and: (a) the consent in writing of the holders of three-quarters of the issued shares included in that class; or (b) by a special resolution passed at a separate meeting of the holders of those shares.

General Meetings of Shareholders

General meetings of shareholders may be called by our Board. Except as permitted under the Corporations Act, the Listing Rules (as defined in the Constitution) or the Securities Laws (as defined in the Constitution), shareholders may not convene a meeting. The Corporations Act requires the directors to call and arrange to hold a general meeting on the request of shareholders with at least 5% of the votes that may be cast at a general meeting. Notice of the proposed meeting of our shareholders is required at least 21 days prior to such meeting under the Corporations Act.

Under the Constitution, a general meeting of shareholders will be properly convened if shareholders entitled to cast at least 33 1/3% of the votes that all shareholders are entitled to cast on one or more resolutions at the relevant meeting are present (which must include each holder of a B Class share from time to time, to the extent such holder is entitled to vote on one or more resolutions at the relevant meeting). In addition, under Nasdaq Rule 5605, shareholders holding not less than 33 1/3% of the voting power of the shares issued and outstanding and entitled to vote at a company's annual meeting must be present in order to proceed. The Constitution also provides that, if a provision of the Constitution is not consistent with the listing rules of a stock exchange upon which the Company is listed, then the Constitution is deemed not to contain that provision to the extent of the inconsistency. Accordingly, the quorum requirements in both the Constitution and Nasdaq Rule 5605 must be satisfied in order for to be properly convened.

Foreign Ownership Regulations

Our Constitution does not impose specific limitations on the rights of non-residents to own securities. However, acquisitions and proposed acquisitions of securities in Australian companies may be subject to review and approval by the Australian Federal Treasurer under the *Foreign Acquisitions and Takeovers Act 1975 (Cth)* ("FATA"), which generally applies to acquisitions or proposed acquisitions:



- by a foreign person (as defined in the FATA) or associated foreign persons that would result in such persons having an interest in 20% or more of the issued shares of, or control of 20% or more of the voting power in, an Australian company; or
- by a foreign government investor (as defined in the FATA) that would result in such a person having any direct interest (as defined in the FATA) in an Australian company.

In general terms, for proposals for investment in non-sensitive sectors, no such review or approval under the FATA is required if the foreign acquirer is a U.S. entity and the value of the Australian target is less than A\$1,464 million. A lower general A\$339 million threshold applies to most other foreign investors. These monetary thresholds apply as at the date of the Quarterly Report but may be amended from time to time (including through indexation).

The Australian Federal Treasurer may prevent a proposed acquisition in the above categories or impose conditions on such acquisition if the Australian Federal Treasurer is satisfied that the acquisition would be contrary to the national interest. If a foreign person acquires shares or an interest in shares in an Australian company in contravention of the FATA, the Australian Federal Treasurer has the power to make a range of orders including an order of the divestiture of such person's shares or interest in shares in that Australian company.

Share transfers

Subject to the Constitution, shares may be transferred by a proper transfer effected in accordance with the Nasdaq listing rules, by a written instrument of transfer which complies with the Constitution or by any other method permitted by the Corporations Act. The Board may refuse to register a transfer of shares where permitted or required to do so under the Corporations Act or Nasdaq listing rules. B Class shares are not transferable by the holder (other than to an affiliate of that holder).

Issues of Shares and Change in Capital

Subject to our Constitution, the Corporations Act and any other applicable law, we may at any time issue shares and give any person a call or option over any shares on any terms, with preferential, deferred or other special rights, privileges or conditions or with restrictions and for the consideration and other terms that the directors determine. We may only issue preference shares if the rights attaching to the preference shares relating to repayment of capital, participation in surplus assets and profits, cumulative and non-cumulative dividends, voting and priority of payment of capital and dividends in respect of other shares (including Ordinary shares) are set out in our Constitution or otherwise approved by special resolution passed at a general meeting of shareholders.

Subject to the requirements of our Constitution, the Corporations Act and any other applicable law, including relevant shareholder approvals, we may consolidate or divide our share capital into a larger or smaller number by resolution, reduce our share capital in any manner (provided that the reduction is fair and reasonable to our shareholders as a whole, does not materially prejudice our ability to pay creditors and obtains the necessary shareholder approval) or buy back our Ordinary shares whether under an equal access buy-back or on a selective basis.

Proportional takeover bids

Our Constitution contains provisions for shareholder approval to be required in relation to any proportional takeover bid. These provisions were renewed by special resolution of the shareholders at our 2025 general meeting.

Amendment

The Constitution can only be amended by special resolution passed by at least three-quarters of the votes cast by shareholders present (in person or by proxy) and entitled to vote on the resolution at a general meeting of the Company. The Company must give at least 21 days' written notice of a general meeting of the Company.

Anti-Takeover Effects

Takeovers of Australian public companies that have more than 50 shareholders are regulated by, amongst other things, the Corporations Act which prohibits the acquisition of a relevant interest in issued voting shares in a public company if the acquisition will lead to that person's or someone else's voting power in the company increasing from 20% or below to more than 20% or increasing from a starting point that is above 20% and below



90%, which we refer to as the Takeover Prohibition, subject to a range of exceptions. Generally, and without limitation, a person will have a “relevant interest” in securities if they:

- are the holder of the securities (other than if the person holds those securities as a bare trustee);
- have power to exercise, or control the exercise of, a right to vote attached to the securities; or
- have the power to dispose of, or control the exercise of a power to dispose of, the securities (including any indirect or direct power or control).

If at a particular time a person has a relevant interest in issued securities and the person (whether before or after acquiring the relevant interest):

- has entered or enters into an agreement with another person with respect to the securities;
- has given or gives another person an enforceable right, or has been or is given an enforceable right by another person, in relation to the securities (whether the right is enforceable presently or in the future and whether or not on the fulfillment of a condition); or
- has granted or grants an option to, or has been or is granted an option by, another person with respect to the securities and the other person would have a relevant interest in the securities if the agreement were performed, the right enforced or the option exercised, the other person is also taken to have acquired a relevant interest in the securities that are the subject of an abovementioned act, at the time that such act occurs.

There are a number of exceptions to the Takeover Prohibition. In general terms, some of the more significant exceptions include:

- when the acquisition results from the acceptance of an offer under a formal takeover bid;
- when the acquisition is conducted on market by or on behalf of the bidder under a takeover bid and the acquisition occurs during the bid period;
- when the disinterested shareholders of the target company approve the takeover by resolution passed at general meeting;
- an acquisition by a person if, throughout the six months before the acquisition, that person, or any other person, has had voting power in the company of at least 19% and as a result of the acquisition, none of the relevant persons would have voting power in the company more than 3% higher than they had six months before the acquisition;
- as a result of a rights issue;
- as a result of dividend reinvestment schemes or bonus share plan;
- through operation of law;
- an acquisition which arises through the acquisition of a relevant interest in another listed company which is listed on a prescribed financial market;
- arising from an auction of forfeited shares conducted on-market; or
- arising through a compromise, arrangement, liquidation or buy-back.

Certain breaches of the takeovers provisions of the Corporations Act may give rise to criminal offences. The Australian Securities and Investments Commission and the Australian Takeover Panel have a wide range of powers relating to breaches of takeover provisions including the ability to make orders canceling contracts, freezing transfers of, and rights attached to, securities, and forcing a party to dispose of securities. There are certain defenses to breaches of the takeovers provisions provided in the Corporations Act.



Differences in Corporate Law

Set forth below is a comparison of certain shareholder rights and corporate governance matters under Delaware law and Australian law:

Corporate law issue	Delaware law	Australian law
Special Meetings of Shareholders	<p>Shareholders generally do not have the right to call meetings of shareholders unless that right is granted in the certificate of incorporation or by-laws.</p> <p>However, if a corporation fails to hold its annual meeting within a period of 30 days after the date designated for the annual meeting, or if no date has been designated for a period of 13 months after its last annual meeting, the Delaware Court of Chancery may order a meeting to be held upon the application of a shareholder.</p>	<p>The Corporations Act requires the directors to call a general meeting on the request of shareholders with at least 5% of the vote that may be cast at the general meeting. Shareholders with at least 5% of the votes that may be cast at the general meeting may also call and arrange to hold a general meeting. The shareholders calling the meeting must pay the expenses of calling and holding the meeting.</p>
Interested Director Transactions	<p>Interested director transactions are permissible and may not be legally voided if:</p> <ul style="list-style-type: none"> • either a majority of disinterested directors, or a majority in interest of holders of shares of the corporation's capital shares entitled to vote upon the matter, approves the transaction upon disclosure of all material facts; or • the transaction is determined to have been fair as to the corporation as of the time it is authorized, approved or ratified by the board of directors, a committee thereof or the shareholders. 	<p>A director or that director's alternate who has a material personal interest in a matter that is being considered at a directors' meeting must not be present while the matter is being considered at the meeting or vote in respect of that matter unless permitted to do so by the Corporations Act, in which case such director may:</p> <ul style="list-style-type: none"> • be counted in determining whether or not a quorum is present at any meeting of directors considering that contract or arrangement or proposed contract or arrangement; • sign or countersign any document relating to that contract or arrangement or proposed contract or arrangement; and • vote in respect of, or in respect of any matter arising out of, the contract or arrangement or proposed contract or arrangement. <p>Unless a relevant exception applies, the Corporations Act requires our directors to provide disclosure of any material personal interest, and prohibits directors from voting on matters in which they have a material personal interest and from being present at the meeting while the matter is being considered, unless directors who do not have a material personal interest in the relevant matter have passed a resolution that identifies the director, the nature and extent of the director's interest in the matter and its relation to our affairs and states that those directors are satisfied that the interest should not disqualify the</p>



Corporate law issue	Delaware law	Australian law
		director from voting or being present. In addition, the Corporations Act may require shareholder approval of any provision of related party benefits to our directors, unless a relevant exception applies.
Cumulative Voting	The certificate of incorporation of a Delaware corporation may provide that shareholders of any class or classes or of any series may vote cumulatively either at all elections or at elections under specified circumstances.	No cumulative voting concept for director elections. Voting rights can vary by share class, depending on the terms attaching to the shares under the constitution of the company. Ordinary shares carry one vote (by poll) per share and B Class shares carry 15 votes (by poll) per ordinary share held by the holder.
Approval of Corporate Matters by Written Consent	Unless otherwise specified in a corporation's certificate of incorporation, shareholders may take action permitted to be taken at an annual or special meeting, without a meeting, notice, or a vote, if consents, in writing, setting forth the action, are signed by shareholders with not less than the minimum number of votes that would be necessary to authorize the action at a meeting. All consents must be dated and are only effective if the requisite signatures are collected within 60 days of the earliest dated consent delivered.	Australian public companies cannot pass resolutions by circulating written resolutions.
Business Combinations	With certain exceptions, a merger, consolidation, or sale of all or substantially all the assets of a Delaware corporation must be approved by the board of directors and a majority of the outstanding shares entitled to vote thereon.	No requirement for shareholder approval under Australian law, unless the transaction involves a transfer or issue or new shares or other securities to existing shareholders (for example, a business combination through a scrip-for-scrip merger) or a related party (generally, a director or its associates).
Limitations on Director's Liability and Indemnification of Directors and Officers	A Delaware corporation may include in its certificate of incorporation provisions limiting the personal liability of its directors to the corporation or its shareholders for monetary damages for many types of breach of fiduciary duty. However, these provisions may not limit liability for any breach of the duty of loyalty, acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, the authorization of unlawful dividends, stock purchases, or redemptions, or any transaction from which a director derived an improper personal benefit. Moreover, these provisions would not be likely to bar claims arising under U.S. federal securities laws. A Delaware corporation may indemnify a director or officer of the	Australian law provides that a company or a related body corporate of the company may provide for indemnification of officers and directors, except to the extent of any of the following liabilities incurred as an officer or director of the company: <ul style="list-style-type: none"> • a liability owed to the company or a related body corporate of the company; • a liability for a pecuniary penalty order made under section 1317G or a compensation order under section 961M, 1317H, 1317HA or 1317HB of the Corporations Act; a liability that is owed to someone other than the company or a related body corporate of the company and did not arise out of conduct in good faith; or • legal costs incurred in defending an action for a liability incurred as an



Corporate law issue	Delaware law	Australian law
Appraisal Rights	<p>corporation against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in defense of an action, suit, or proceeding by reason of his or her position if (i) the director or officer acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, and (ii) with respect to any criminal action or proceeding, the director or officer had no reasonable cause to believe his or her conduct was unlawful.</p> <p>A shareholder of a Delaware corporation participating in certain major corporate transactions may, under certain circumstances, be entitled to appraisal rights under which the shareholder may receive cash in the amount of the fair value of the shares held by that shareholder (as determined by a court) in lieu of the consideration the shareholder would otherwise receive in the transaction.</p>	<p>officer or director of the company if the costs are incurred:</p> <ul style="list-style-type: none"> ○ in defending or resisting proceedings in which the officer or director is found to have a liability for which they cannot be indemnified as set out above; ○ in defending or resisting criminal proceedings in which the officer or director is found guilty; or ○ in defending or resisting proceedings brought by the Australian Securities & Investments Commission or a liquidator for a court order if the grounds for making the order are found by the court to have been established (except costs incurred in responding to actions taken by the Australian Securities & Investments Commission or a liquidator as part of an investigation before commencing proceedings for a court order); or ○ in connection with proceedings for relief to the officer or a director under the Corporations Act, in which the court denies the relief. <p>No equivalent concept under Australian law, subject to general minority oppression rights under which shareholders can apply to the courts for an order in respect of Company actions that are unfairly prejudicial to a shareholder.</p>
Shareholder Suits	<p>Class actions and derivative actions generally are available to the shareholders of a Delaware corporation for, among other things, breach of fiduciary duty, corporate waste, and actions not taken in accordance with applicable law. In such actions, the court has discretion to permit the winning party to recover attorneys' fees incurred in connection with such action.</p>	<p>Shareholders have a number of statutory protections and rights available to them, regardless of the quantity of shares they hold. These include:</p> <ul style="list-style-type: none"> • the ability to call a meeting of the company and propose resolutions; and • the right to apply to the court for orders in cases where majority shareholders, or the directors, act in an oppressive or unfairly prejudicial manner towards a single shareholder does not have a minimum shareholding requirement, and can result in a broad range of orders, including:



Corporate law issue	Delaware law	Australian law
Inspection of Books and Records	All shareholders of a Delaware corporation have the right, upon written demand, to inspect or obtain copies of the corporation's shares ledger and its other books and records for any purpose reasonably related to such person's interest as a shareholder.	<ul style="list-style-type: none"> ○ the winding up of the company; ○ modification of the company's constitution; and ○ any other order the court determines to be appropriate. <p>Any shareholder of the Company has the right to inspect or obtain copies of our share register on the payment of a prescribed fee.</p> <p>Books containing the minutes of general meetings will be kept at our registered office and will be open to inspection of shareholders at all times when the office is required to be open to the public. Other corporate records, including minutes of directors' meetings, financial records and other documents, are not open for inspection by shareholders (who are not directors). Where a shareholder is acting in good faith and an inspection is deemed to be made for a proper purpose, a shareholder may apply to the court to make an order for inspection of our books. All public companies are required to prepare annual financial reports and directors' reports for each financial year, and to file these reports with the Australian Securities and Investments Commission.</p>
Amendments to Charter	Amendments to the certificate of incorporation of a Delaware corporation require the affirmative vote of the holders of a majority of the outstanding shares entitled to vote thereon or such greater vote as is provided for in the certificate of incorporation. A provision in the certificate of incorporation requiring the vote of a greater number or proportion of the directors or of the holders of any class of shares than is required by Delaware corporate law may not be amended, altered or repealed except by such greater vote.	Amending or replacing the company's constitution, requires a special resolution (75%) of the shareholders.

Transfer Agent and Registrar

The transfer agent and registrar for our Ordinary shares is Computershare Trust Company, N.A. The transfer agent and registrar's address is 150 Royal Street, Canton, MA 02021.



Certain confidential information contained in this document, marked by [***], has been omitted because IREN Limited (the "Company") has determined that the information (i) is not material and/or (ii) contains personal information.

Microsoft PO#	N/A
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Partner Statement of Work
(“SOW”)

Addresses and contacts for notices

“Microsoft”	“Partner” or “Supplier”
Company Name: Microsoft Corporation	Company Name: IE US Hardware 3 Inc., a Delaware corporation
Primary Contact: Jon Tinter	Primary Contact: Kent Draper
Address: One Microsoft Way Redmond, WA 98052	Address: [***] Childress, TX 79201 USA
Email: [***]	Email: [***]
	Microsoft Supplier Number: N/A
SOW Effective Date:	The date the last party to sign this SOW signs this SOW.

Agreed and accepted

“Microsoft”	“Partner”
Signature: /s/ Scott Guthrie	Signature: /s/ Kent Draper

Name: Scott Guthrie	Name: Kent Draper
Title: EVP, Cloud + AI	Title: Authorized Signatory
Date: 10/31/2025	Date: 11/02/2025
	Signature /s/ William Roberts
	Name: William Roberts
	Title: Director
	Date: 02-Nov-25 1:12:28 AM PST

This SOW (and all Exhibits attached hereto) is entered into in connection with the Microsoft Purchase Order Terms and Conditions attached hereto as Exhibit K (the “**PO Terms**”), by the parties and effective as of the SOW Effective Date above. Terms not defined herein will have the meaning provided in the Amended PO Terms. The PO Terms are amended, with respect to this SOW, as set forth in Exhibit F (the “**Amended PO Terms**”). Terms not defined herein will have the meaning provided in the Amended PO Terms. For the purposes of this SOW, “**Agreement**” means this SOW (and all Exhibits attached hereto) and the Amended PO Terms (but only as such Amended PO Terms relate to this SOW (and all Exhibits attached hereto)).

1. Service Descriptions, Delivery Dates, and Service End Dates

1.1 During the Total Service Term (defined below), Partner will perform or deliver to Microsoft under the Agreement the services described in this Section 1.1 (collectively with the GPU Services (defined below), the “**Services**”).

“ Base Network ”	Dual-path fiber at each Data Center Location with bandwidth sufficient for [***] for use by Microsoft.
“ Portal ”	Supplier’s customer service portal.
“ Support Services ”	the services described in Section 7 of Exhibit A.

The parties agree that the Services under this SOW are “**Cloud Services**” for the purposes of the Amended PO Terms and that there are no “Goods”, “Services” or “Deliverables” (each as defined in the Amended PO Terms) provided under this SOW. The “**Term**” of this Agreement will commence upon the SOW Effective



Date and end on the last remaining Service End Date, unless terminated earlier in accordance with this Agreement. The **“Total Service Term”** will commence on the date Microsoft Accepts (as defined below) at least the Minimum GPU Quantity in respect of the first GPU Service in accordance with Section 2 and end on the last remaining Service End Date, unless terminated earlier in accordance with this Agreement.

Microsoft agrees to comply with the Acceptable Use Policy set forth in Exhibit I (the **“Acceptable Use Policy”**) during the Total Service Term. Supplier agrees to comply with the terms set out in Exhibit J (the **“Microsoft Policies”**) to the extent applicable to the Services during the Total Service Term. Each party may update, in respect of the Supplier, the Acceptable Use Policy, and in respect of Microsoft, the Microsoft Policies, at its sole discretion from time to time upon at least thirty (30) calendar days’ prior written notice to the other party, provided, however, that if the change is not required to comply with Law and the other party reasonably considers the changes made will result in a material detrimental impact to the other party, the other party may, following receipt of such notice, object to those aspects of the change resulting in such material detrimental impact by providing written notice of that objection to the first-mentioned party (an **“Objection Notice”**) within seven calendar (7) days of receipt of notice of the updated applicable policy (**“Objection Period”**). If no objection is raised within the Objection Period, the updated version of the applicable policy shall be deemed to be accepted by the other party. If the other party provides an Objection Notice within the Objection Period, the parties will engage in good faith discussions regarding the changes and if the parties cannot resolve the disagreement within twenty (21) calendar days of receipt of the Objection Notice, the applicable policy shall remain unchanged.

Subject to Section 1.2:

- a. During the Term, Partner will provide and make available to Microsoft each GPU Service at the relevant Data Center Location for the relevant Service Term (each as set out in Table 1). The Data Center Locations shall be in data center facilities located at Childress, Texas.
- b. Partner will deliver the GPU infrastructure by tranche, by its corresponding Delivery Date as set out in Table 1, each such GPU tranche being a **“GPU Service”**. The **“Service Term”** of each GPU Service will begin upon its Acceptance by Microsoft of at least the Minimum GPU Quantity in accordance with the acceptance process described in Section 2 and end on the Service End Date provided in Table 1 (as adjusted in accordance with the terms herein), unless terminated earlier in accordance with this Agreement.

1.2. VR200 Option and Pricing

VR200 Option: Microsoft may, no later than four (4) months prior to the relevant Delivery Date under this SOW (or such later date mutually agreed by the parties in writing), provide written notice to Partner of its request to substitute any one or more GPU Services comprised of Nvidia GB300 GPUs for Nvidia VR200 GPUs. The parties will use good faith efforts within thirty (30) days of Microsoft’s written notice to agree to, to the extent such substitution is reasonably practicable:

- a. a revised Delivery Date for the GPU Service;
- b. a price for the Nvidia VR200 GPUs which will be determined in accordance with the below; and
- c. any other reasonable amendments to this Agreement to accommodate the VR200 GPUs.



If the parties reach such agreement, this Agreement will be adjusted accordingly including with respect to pricing and Delivery Date(s). If the parties do not reach such agreement, this Agreement will remain unchanged and Microsoft shall have the obligation to continue to procure GB300s in accordance with this Agreement. The parties acknowledge and agree that (i) this clause is subject to (A) Partner's ability to procure, or if there are existing GB300 orders then exchange such existing orders for, Nvidia VR200 GPUs, and (B) each party's satisfaction of any revised Delivery Date(s); and (ii) given the uncertain nature of the availability, amongst other things, of Nvidia VR200 GPUs, neither party is obligated to agree to any request to substitute any one or more GPU Services comprised of Nvidia GB300 GPUs for Nvidia VR200 GPUs.

VR200 Prices. In the event that the parties agree to a request to substitute VR200 GPUs in place of GB300 for any of the locations (subject to the availability of such VR200 GPUs), the price for VR200s will be determined by the parties, acting in good faith, including considering the following:

- a. **VR200 Cost Uplift:** VR200 pricing will be adjusted for [***] total bill of materials ("**BOM**") [***] other cost increases, including but not limited to, [***] and other costs associated with changing the order. The BOM will include Nvidia GPUs, GPU boards, switch boards, and networking components, including but not limited to, Infiniband. The parties shall make good faith efforts to collectively review and adjust the pricing framework to address cost drivers that have not been previously considered, [***].
 - i. **Final Price Determination:** Any pricing calculated under this Section shall be made on a one-time basis only. The parties shall use good faith efforts to reach agreement on a final VR200 price within thirty (30) days of Microsoft providing a written request with respect to substituting for VR200 GPUs. To facilitate this process, and subject to NVIDIA's consent to such disclosure, the parties agree to exchange their respective VR200 BOM quotations received from NVIDIA, provided such exchange is conducted under an appropriate non-disclosure agreement and in accordance with any confidentiality restrictions imposed by NVIDIA, and consider the formula for pricing adjustments as set forth in Exhibit H.
 - ii. **Escalation Clause:** If the parties are unable to reach mutual agreement on the price adjustment, the parties shall jointly engage an independent third party to validate the factors considered in accordance with this Section.
 - iii. **Resolution:** If these efforts have not resulted in a VR200 price that both Partner and Microsoft agree to, then Microsoft has the obligation to continue to procure GB300s for the relevant GPU Service as outlined above.

2. Acceptance Process & Step-in Right

2.1. Acceptance. Delivery of GPU Services Tranches 1 through 4 (or portions of each of them) will be deemed completed upon acceptance in accordance with the acceptance process provided below ("**Acceptance**"). The timelines provided in the chart below may be changed if mutually agreed upon in writing by the parties. Notwithstanding anything to the contrary in this Agreement, until such time as Supplier has delivered at least the Minimum GPU Quantity for a particular GPU Service to Microsoft for acceptance testing: (a) Supplier will not provide Microsoft a Delivery Notice (as defined below) with respect to that GPU Service (or any portion of it), (b) the GPU Service (or any portion of it) will not be deemed ready for acceptance testing by Microsoft, (c) Microsoft will have no obligation to conduct testing and validation on any portion of that GPU Service, and (d) Microsoft's failure to provide written notice of rejection with respect to that GPU Service (or any portion of it) within the Acceptance Period (as defined below) will not be deemed acceptance of that GPU Service (or any portion of it).



Supplier Validation	<p>Prior to delivery of each GPU Service (or portion of it), Supplier will perform a structured validation sequence on all components as set out in Exhibit B, including hardware health checks (e.g. GPU diagnostics, memory error detection), system performance validation (e.g. HPL-MxP, HPCG), and network validation (e.g. InfiniBand topology, NCCL validation). Supplier will provide copies of such test results to Microsoft.</p> <p>Upon completion of Supplier’s testing, it will provide notice to Microsoft that the relevant GPU Service (or portion of it) is ready for acceptance testing by Microsoft (“Delivery Notice”).</p>
Acceptance Period	<p>Microsoft shall have 5 days (“Acceptance Period”) following receipt of the Delivery Notice to conduct its own testing and validation of the relevant GPU Service (or portion of it) against the agreed-upon “Acceptance Criteria” set forth in Exhibit C.</p>
Acceptance or Rejection	<ul style="list-style-type: none"> • Acceptance: if the GPU Service (or portion of it) meets the Acceptance Criteria, Microsoft will provide Supplier with a written notice that the GPU Service (or portion of it) is accepted. • Rejection: if Microsoft, acting in good faith, reasonably determines that the GPU Service (or portion of it) fails to meet the Acceptance Criteria, it will provide Supplier with a written notice of rejection detailing the specific deficiencies. Supplier will have fifteen (15) business days from receipt of such notice to cure the deficiencies and resubmit the applicable GPU Service (or portion of it) for acceptance testing by Microsoft. The parties shall repeat the process set forth in this <u>Section 2</u> until the GPU Service (or portion of it) has been Accepted by Microsoft.
Deemed Acceptance	<p>If Microsoft does not provide written notice of rejection to Supplier within the Acceptance Period, the relevant GPU Service (or portion of it) will be deemed accepted.</p>

2.2. Step-in right. Supplier shall use good faith efforts to procure that concurrently with the closing of any applicable financing or colocation arrangements with any Third Party Operators (as defined below), Microsoft, Supplier and as applicable (i) any parties that have provided financing in relation to this



Agreement and (ii) the relevant colocation service provider ("**Third Party Operators**") will enter into a side letter or other agreement (in form and substance satisfactory to Microsoft, Supplier and such Third-Party Operator) which provides that, upon the occurrence of the insolvency or adjudication of bankruptcy, filing a voluntary petition in bankruptcy, or making an assignment for the benefit of creditors with respect to Supplier, such Third Party Operators will agree to give Microsoft the option to continue to meet Supplier's payment obligations under the financing documents or colocation services agreement (as applicable) and shall permit the services to be provided in accordance with the terms of this Agreement so long as Microsoft continues to comply with its payment and other obligations thereunder. Microsoft will not have any obligation to exercise this option.

Microsoft acknowledges that the Supplier may from time to time obtain financing or other credit support in relation to the provision of the GPU Services. Microsoft shall act in good faith and use all reasonable endeavors to cooperate with and execute such documents or arrangements as may reasonably be required by any financier or lender to the Supplier.

3. Payment

3.1 GPU Prices. The parties have agreed to use the below prices to calculate the Service Fees owed under this Agreement:

SOW	GPU Type	Location	Term	Price (USD \$/GPU/hr)
1	NVIDIA GB300	Childress, TX	5 years	[***]

3.2. Service Fees. The total fees for the Services ("**Service Fees**") will not exceed \$9,666,845,337.60 USD ("**TCV**"); provided, however, that in the event that all or a portion of any GPU Service is terminated in accordance with the terms of this Agreement, the TCV will be reduced by an amount equal to the portion of the Tranche Value attributable to such terminated GPU Service(s). The Service Fees will be payable in accordance with the following terms.

For the avoidance of doubt, additional services not provided in this SOW that are (i) subject to a separate charge and (ii) mutually agreed by the parties in writing, including without limitation storage, shall be priced and billed separately.

Table 1

GPU Service	"Tranche 1"	"Tranche 2"	"Tranche 3"	"Tranche 4"	Totals
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“Data Center Location”	Block known as “Horizon 1” located at [***] Childress, TX 79201 USA	Block known as “Horizon 2” located at [***] Childress, TX 79201 USA	Block known as “Horizon 3” located at [***] Childress, TX 79201 USA	Block known as “Horizon 4” located at [***] Childress, TX 79201 USA	N/A
“GPU Quantity” (NVIDIA GB300 GPUs)	[***]	[***]	[***]	[***]	[***]
“Delivery Date” , subject to Section 3.3.	[***]	[***]	[***]	[***]	[***]
“Service End Date”	[***], 2031	[***], 2031	[***], 2031	[***], 2031	N/A
“Tranche Value”	[***]	[***]	[***]	[***]	USD \$9,664,199,424.00
“Upfront Payment”	[***]	[***]	[***]	[***]	USD \$1,932,839,884.80
Estimated Monthly Payment (First 24 Months of each Tranche)*	[***]	[***]	[***]	[***]	USD \$161,180,236.80
Estimated Monthly Payment (Month 25 until Service End Date)*	[***]	[***]	[***]	[***]	USD \$107,199,838.11

“Minimum GPU Quantity” with respect to each GPU Service, shall mean [***] of the respective GPU Quantity.



*Estimated Monthly Payments are calculated based on 24-hour days between the applicable Delivery Date and Service End Date. These figures are included for illustrative purposes only. Total monthly payments plus the Upfront Payments paid by Microsoft are not to exceed the total aggregate Tranche Value. The actual monthly installment amounts for GPU Services will be calculated on the basis outlined in Section 3.2.a below.

- a. Payment Calculations.
 - i. The total amount owed for each GPU Service will be calculated by multiplying the GPU Quantity by the corresponding Price and by the number of hours in the corresponding Service Term ("**Total Amount**").
 - ii. The monthly installment amount for each GPU Service will be calculated by multiplying the GPU Quantity (less any GPUs that have not been Accepted by Microsoft) in the relevant GPU Service by the Price per GPU multiplied by the number of hours in the month, prorated for any partial calendar months.
 - iii. Upfront Payment: Partner shall invoice an upfront payment for each GPU Service no earlier than [***] before the Delivery Date of each GPU Service; being an amount equal to 20% of the applicable Tranche Value provided in Table 1 ("**Upfront Payment**") and Microsoft shall pay each Upfront Payment to Partner within [***] of receipt of such invoice. The Upfront Payments will not bear interest and will be credited against the Service Fees due and payable by Microsoft after the twenty-fourth (24th) calendar month of each Service Term on a pro-rata basis.
 - iv. The parties hereby agree that the Partner shall be entitled to invoice Microsoft in respect of a GPU Service monthly commencing upon Acceptance of at least the Minimum GPU Quantity for that GPU Service up until the end of the corresponding Service Term. Subject to Section 3.2.a.iii., Microsoft will pay all invoices within [***] following the date of invoice.
 - v. The Service Fees are non-refundable, non-cancellable and constitute a firm minimum commitment by Microsoft to Partner regardless of whether Microsoft utilizes any or all of the Services, except as otherwise provided for in this Agreement.
 - vi. If undisputed portions, or disputed portions (if such disputed portion is unresolved or resolved to be correct in favour of Partner), of an invoice are not paid on time they shall accrue a late fee of [***].
- b. Total Amounts and any other amount specified in this Agreement are exclusive of sales tax, which will be included on each invoice, as applicable.
- c. Payment Method: All payments must be made by Wire or ACH transfer.
- d. Except as explicitly provided for in the Agreement, Partner will be solely responsible for all expenses it incurs while performing the Services, unless Microsoft otherwise consents in writing; provided, that Partner will not be responsible for any expenses incurred as a result of Microsoft's failure to fulfill its obligations under this Agreement and/or Microsoft's negligence or willful misconduct.



- e. The parties agree that, if the start of a Service Term is later than the Delivery Date specified in Table 1, the Service End Date for all Tranches will be adjusted such that the aggregate Total Amount payable by Microsoft for all GPU Services during the Total Service Term is an amount equal to the TCV.

3.3. Early and Late Delivery

- a. **Late Delivery and Late Fees:** If Partner becomes aware that a GPU Service is likely to be delivered to Microsoft for acceptance testing later than the applicable Delivery Date (as identified in Table 1), it will inform Microsoft (i) of such delay within [***] and (ii) of the anticipated date on which the GPU Service is likely to be delivered to Microsoft for acceptance testing. Partner will continue to keep Microsoft informed of any further delays to delivery within [***] after Partner becomes aware of such delays. The parties agree that any Delivery Date or Updated Delivery Date specified in, or otherwise agreed pursuant to, the Agreement shall be subject to extension in the event of any Force Majeure Events, delays caused by Partner's compliance with Section 3.3.f, any Microsoft-caused delays, or any delay caused by a failure of Nvidia to deliver the GPUs to Partner's supply chain in the volumes and by the timelines anticipated by Partner (provided Partner provides Microsoft with: (i) documentation demonstrating that Partner had contracted for the delivery of a sufficient volume of GPUs on timelines that would have enabled Partner to deliver the relevant GPU Quantity to Microsoft by the Delivery Date (or Updated Delivery Date, if applicable); and (ii) a copy of the revised delivery timeline received from Nvidia or the relevant party in Partner's supply chain) (each, an **"Excluded Delay"**). Such extension to the Delivery Date or Updated Delivery Date (as applicable) shall be for a period [***] caused by the applicable Excluded Delay and, notwithstanding anything to the contrary contained herein, Microsoft shall not be entitled to any Delay Credits (as defined below) in respect of the period of any Excluded Delay.

(i) If the Minimum GPU Quantity for a GPU Service is delivered by Partner to Microsoft for acceptance testing by its corresponding Delivery Date, Partner will deliver any Shortfall GPUs to Microsoft for acceptance testing within [***] of the Delivery Date for the GPU Service (**"Shortfall Delivery Date"**). To the extent that any Shortfall GPUs are not delivered by Partner to Microsoft for acceptance testing by the applicable Shortfall Delivery Date, Partner will provide Microsoft with a credit, to be applied against the Service Fees payable in a subsequent invoice (a **"Delay Credit"**) in an amount equal to [***] of the equivalent of a daily bill in respect of the Shortfall GPUs for each day after the Shortfall Delivery Date that Partner has not delivered the Shortfall GPUs for that GPU Service to Microsoft for acceptance testing in accordance with Section 2. For example, for a GPU Service with a GPU Quantity of [***] GPUs where only [***] GPUs have been delivered to Microsoft for acceptance testing by the applicable Delivery Date with an hourly bill rate of [***] the daily credit for each day after the Shortfall Delivery Date the remaining GPUs are delayed will be calculated as: [***].

(ii) Subject to Section 3.3.b, if the Minimum GPU Quantity for a GPU Service is not delivered by Partner to Microsoft for acceptance testing by its corresponding Delivery Date, Partner will provide Microsoft with a Delay Credit in an amount equal to [***] of the equivalent of a daily bill in respect of the GPU Quantity for that GPU Service for each day after the Delivery Date that Partner has not delivered the Minimum GPU Quantity for that GPU Service to Microsoft for acceptance testing in accordance with Section 2. After Partner delivers the Minimum GPU Quantity for the GPU Service to Microsoft for acceptance testing, any Shortfall GPUs must be subsequently delivered (and Delay Credits provided) in accordance with Section 3.3.a(i), *mutatis*



mutandis as if references to “Delivery Date” therein were a reference to the date the Partner delivered the Minimum GPU Quantity for the GPU Service to Microsoft for acceptance testing.

“**Shortfall GPUs**” means, in respect of each GPU Service, an amount of GPUs equal to the GPU Quantity less any GPUs delivered by Supplier to Microsoft for acceptance testing.

- b. **GPU Service termination right:** If: (i) the Minimum GPU Quantity for a GPU Service has not been delivered to Microsoft for acceptance testing prior to expiry of the Delivery Delay Window; or (ii) Partner notifies Microsoft in writing that the Minimum GPU Quantity for a GPU Service, in Partner’s reasonable judgment, will not be delivered to Microsoft for acceptance testing prior to expiry of the Delivery Delay Window, and Partner cannot deliver an equivalent capacity for acceptance testing (as determined by Microsoft in its sole reasonable discretion) within [***] calendar days following the Delivery Date, Microsoft may elect in writing to Partner to terminate the applicable GPU Service with immediate effect or the parties may agree to an updated delivery date in writing (“**Updated Delivery Date**”), in which case all references to the applicable Delivery Date in the Agreement shall now mean the Updated Delivery Date, with respect to the applicable GPU Service. Notwithstanding the foregoing, if Microsoft agrees to an Updated Delivery Date, Partner will continue to pay Delay Credits owed from the Delivery Date (before it was updated) up until the Minimum GPU Quantity is delivered to Microsoft for acceptance testing or the relevant GPU Service is terminated pursuant to this Section 3.3.b, whichever is earlier (other than with respect to any period of time attributable to an Excluded Delay). If Microsoft has not exercised its right to terminate under this Section 3.3.b before the earlier of (x) [***] calendar days after that right has arisen and (y) the date Partner delivers the Minimum GPU Quantity for the relevant GPU Service to Microsoft for acceptance testing, Microsoft’s rights pursuant to this Section 3.3.b shall thereupon be deemed to have expired and to be of no further force or effect.

The “**Delivery Delay Window**” for the purposes of this section means either: [***], in each case as the Delivery Date may be extended in accordance with the terms of this Agreement including due to an Excluded Delay.

- c. **Updated Delivery Date:** If the parties have agreed to an Updated Delivery Date under Section 3.3.b and the Minimum GPU Quantity for the applicable GPU Service is not delivered on or before the Updated Delivery Date, the applicable GPU Service will be deemed terminated by Microsoft, unless the parties agree otherwise in writing. For the avoidance of doubt, this Section 3.3.c only applies to Updated Delivery Dates that are later than the expiry of the applicable Delivery Delay Window.
- d. **Obligations:** If a GPU Service is terminated by Microsoft pursuant to this Section 3, Microsoft will have no obligation to pay for that GPU Service and Partner will refund Microsoft any Upfront Payment previously paid by Microsoft in respect of the terminated GPU Service within [***] days of such termination. For the avoidance of doubt, termination of a GPU Service by Microsoft pursuant to this Section 3 does not terminate this Agreement. Notwithstanding anything contained in the Agreement to the contrary, Microsoft’s entitlement to Delay Credits and Microsoft’s entitlement to terminate, as expressly provided in this Section 3, represent Microsoft’s sole and exclusive remedies related to Supplier’s late delivery of the GPU Services under the Agreement.
- e. **Early Delivery:** If Partner can deliver a GPU Service on an earlier date than the Delivery Date (the “**Early Delivery Date**”), then Partner may propose the Early Delivery Date to Microsoft [***] days prior to such Early Delivery Date. Microsoft shall have [***] from the date of Partner’s proposal to accept or reject such proposed Early Delivery Date in writing. Microsoft’s acceptance or



failure to respond within [***] shall constitute acceptance of the Early Delivery Date, which shall be deemed the Delivery Date of such GPU Service. In the event of Microsoft's written rejection within [***], the Delivery Date of such GPU Service shall not change and the proposed Early Delivery Date shall not be valid. Alternatively, Microsoft may propose a date between the Early Delivery Date and the then current Delivery Date, which shall be deemed the new Delivery Date for the relevant GPU Service.

- f. **Phased delivery:** Partner will not deliver Tranche 3 or Tranche 4 until Tranche 1 and Tranche 2 have been successfully merged to operate as a single Cluster (as defined in Exhibit A); provided that Partner can still deliver a GPU tranche early in the event there has not been a successful merging of previously delivered GPU tranches due to events outside of Partner's reasonable control (including Excluded Delays and Microsoft's failure to timely perform its obligations and responsibilities). A GPU tranche has been successfully merged with the relevant previous GPU tranche if all relevant GPU tranches are operating as a single Cluster. For the avoidance of doubt, any delivery delays arising out of Partner's compliance with this Section 3.3.f will not trigger the terms (including, without limitation, Microsoft's termination rights) described in Section 3.3.

4. Enhanced Ticketing Workflow & Monitoring

- a. Supplier acknowledges Microsoft's interest in improving the efficiency of Supplier's ticketing workflow and providing necessary visibility to metrics and/or logs through Supplier's monitoring solutions. To support this goal, Supplier commits to dedicating engineering resources to collaborate with Microsoft's technical teams. This collaboration will begin with a joint discovery workshop, required to be completed within ninety (90) days of the SOW Effective Date, with the objective of defining current-state challenges and desired future-state requirements. The output of this workshop will be a mutually agreed-upon project plan that outlines the scope, timeline, and resource allocation for developing and implementing a streamlined solution.
- b. Notwithstanding anything to the contrary in the Agreement, a party will not be in breach under the Agreement for any failure to comply with, or achieve any particular result or milestone contemplated under, any such project plan agreed between the parties pursuant to this Section 4.

5. Deployment Phase Project Governance and Communication

- a. **Project Delivery:** Proactive and transparent communication will be provided regarding any technical issues or planned infrastructure changes, such as those to data center equipment, that may materially impact service availability. Furthermore, timely notifications will be issued concerning any material potential feature or engineering delays, including details on the nature of the issue, its potential impact, and revised timelines. The goal is to minimize any potential disruption for Microsoft and enable effective planning through clear and anticipatory communication.
- b. Notwithstanding anything to the contrary in the Agreement, a party will not be in breach of this Section 5 provided it materially complies with its obligations set forth in the table below.

Commitment to Predictable Timelines	Both parties will use good faith efforts to establish a plan within thirty (30) calendar days of the SOW Effective Date
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	to maintain a shared, end-to-end project timeline that includes built-in buffers for key dependencies that will be reviewed weekly.
Proactive Risk Communication	Supplier commits to notifying Microsoft in writing within five (5) business days of identifying any significant risk that will likely impact a Delivery Date. This notification will include a description of the risk, the potential impact to delivery of the GPU Services and a proposed mitigation plan.
Governance Structure	The parties will use good faith efforts to establish a formal written governance plan within thirty (30) days of the SOW Effective Date, including a plan for weekly project status meetings, Monthly Business Reviews (MBRs), and a documented escalation matrix for incidents, including critical "P0" incidents, consistent with Exhibit D.
Status Reporting	Supplier will provide a written weekly status report to Microsoft detailing progress against Delivery Dates and associated risks and upcoming activities.

6. Termination and Suspension

- a. If Microsoft fails or refuses to pay any amount due under this Agreement (but excluding any amounts disputed in good faith in accordance with this Agreement), Supplier may provide written notice to Microsoft that it intends to terminate this Agreement. If Microsoft fails to pay the amount due within thirty (30) calendar days of Supplier providing such notice, Supplier may terminate this Agreement with immediate effect upon written notice to Microsoft.
- b. Subject to Section 6.a., if a party is in material breach of this Agreement, the other party may provide it written notice of such breach. If the party in material breach fails to remedy such breach within sixty (60) calendar days of receiving such notice (the "**Cure Period**"), the other party may terminate this Agreement with immediate effect on expiry of the Cure Period or on a date no later than ninety (90) days following the end of the Cure Period by written notice to the other party. For the avoidance of doubt, the parties agree that: (i) Supplier's late delivery of the GPU Services under the Agreement or failure to comply with Exhibit A will not be considered a material breach for the purposes of this Section 6.b.; and (ii) this Section 6.b. does not in any way alter Microsoft's rights to terminate a GPU Service under Section 3.3.b.
- c. Upon termination or expiry of this Agreement, Microsoft shall immediately (1) discontinue access to, and use of, the Services, including by its Users, (2) pay all fees and other amounts or liabilities that have accrued or become due before such termination or expiry and (3) except for where Microsoft terminates this Agreement pursuant to Section 6.b. or Supplier terminates pursuant to Section 7.g., pay an amount equal to the TCV less: (i) any Service Fees already paid by Microsoft to Supplier as at the date of termination; and (ii) any Service Fees Microsoft was not



obligated to pay, pursuant to Section 6.d, during periods of suspension under Section 9.a or Section 10 of Exhibit E. Where Microsoft terminates this Agreement pursuant to Section 6.b or Supplier terminates this Agreement pursuant to Section 7.g, Supplier will pay Microsoft, within sixty (60) days of such termination, an amount equal to all Upfront Payments made by Microsoft less: (x) any portion of the Upfront Payments that has already been credited against Service Fees due pursuant to Section 3.2.a.iii, refunded pursuant to Section 3.3.d or otherwise applied pursuant to Section 6.e; and (y) any other amounts owing by Microsoft to Supplier.

- d. Notwithstanding anything to the contrary in this Agreement, upon suspension of any Service under Section 9.a or Section 10 of Exhibit E, (1) Microsoft shall immediately discontinue access to, and use of, the applicable Services, (2) Microsoft shall not be obligated to pay any fees for any suspended Services during the period of suspension, (3) Microsoft shall not be entitled to any Delay Credits with respect to any period of suspension and (4) such suspension shall not be deemed Downtime (as defined in Exhibit A).
- e. No expiration, termination or suspension of this Agreement or the Services (as applicable) will entitle Microsoft to any refund, unless otherwise explicitly provided for under this Agreement. Supplier has the right to apply any pre-payments (including any Upfront Payment), security deposits or other collateral in satisfaction of all amounts owing by Microsoft to Supplier; provided, however, that if such application is insufficient to satisfy the full amounts due, Microsoft shall remain liable for the remaining amounts due in accordance with this Agreement.
- f. In the event that this Agreement is terminated before the end of the Total Service Term by Supplier pursuant to Section 6.a or 6.b, Supplier will, solely as strictly required to enable Microsoft to migrate its workloads off of the GPU Services, continue to make all delivered and Accepted GPU Services available to Microsoft for a period of sixty (60) calendar days after the date of termination, provided that (i) Microsoft and its Users do not use such GPU Services for any other purpose, including running any compute workloads (except as strictly required to migrate workloads off of the GPU Services) or any other commercial purpose, (ii) Microsoft must continue to pay for, and continue to comply with its obligations hereunder in connection with, such access and use of the GPU Services and (iii) Partner bears no liability in respect of such access and use of the GPU Services by Microsoft or any of its Users during this period.

7. Limitations of Liability and Indemnities

- a. EXCEPT FOR INFRINGEMENT OF THE OTHER PARTY'S IP OR A BREACH OF ITS CONFIDENTIALITY OBLIGATIONS IN SECTION 9.q. (THE "EXCLUDED CLAIMS"), NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, EXEMPLARY, INCIDENTAL OR PUNITIVE DAMAGES (INCLUDING DAMAGES FOR LOSS OF DATA, REVENUE, USE, REPUTATION AND/OR PROFITS AND BUSINESS INTERRUPTION OR SIMILAR ACTION), WHETHER FORESEEABLE OR UNFORESEEABLE, WHICH ARISE OUT OF THIS AGREEMENT, REGARDLESS OF WHETHER THE LIABILITY IS BASED ON BREACH OF CONTRACT, TORT, STRICT LIABILITY, BREACH OF WARRANTIES OR OTHERWISE, AND EVEN IF THE PARTY IS ADVISED OF THE POSSIBILITY OF THOSE DAMAGES. FOR THE AVOIDANCE OF DOUBT THE FOREGOING SENTENCE DOES NOT LIMIT IN ANY WAY MICROSOFT'S LIABILITY AND OBLIGATION TO PAY ANY AMOUNTS DUE AND PAYABLE UNDER THIS AGREEMENT.
- b. TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL AGGREGATE AND MAXIMUM LIABILITY OF A PARTY, ARISING FROM OR OTHERWISE RELATING TO THIS AGREEMENT (REGARDLESS OF THE FORM OF ACTION OR CLAIM), WITH THE EXCEPTION OF EXCLUDED CLAIMS, A PARTY'S INDEMNIFICATION OBLIGATIONS UNDER THIS SECTION 7 AND ANY PARTY'S PAYMENT



OBLIGATIONS (EXCLUDING DELAY CREDITS), IS LIMITED TO AN AMOUNT EQUAL TO [***] (THE “**GENERAL LIABILITY CAP**”); PROVIDED, HOWEVER, THAT EACH PARTY’S TOTAL AGGREGATE AND MAXIMUM LIABILITY ARISING FROM OR OTHERWISE RELATING TO ANY DATA-RELATED CLAIM AND INFINGEMENT OF THE OTHER PARTY’S IP ARISING UNDER THIS AGREEMENT (REGARDLESS OF THE FORM OF ACTION OR CLAIM) IS LIMITED TO [***].

- c. EXCEPT AS OTHERWISE PROVIDED UNDER THIS AGREEMENT, SUPPLIER MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE REGARDING THE SERVICES, INCLUDING ANY WARRANTY THAT THE SERVICES WILL BE UNINTERRUPTED, ERROR FREE OR FREE OF HARMFUL COMPONENTS, OR THAT ANY CONTENT, INCLUDING PROCESSED MICROSOFT DATA, WILL BE SECURE OR NOT OTHERWISE LOST OR DAMAGED. MICROSOFT ACKNOWLEDGES THAT SUPPLIER DOES NOT CONTROL OR MONITOR THE TRANSFER OF DATA OVER THE INTERNET, AND THAT INTERNET ACCESSIBILITY CARRIES WITH IT THE RISK THAT MICROSOFT’S PRIVACY, CONFIDENTIAL INFORMATION AND PROPERTY MAY BE LOST OR COMPROMISED. EXCEPT AS OTHERWISE PROVIDED UNDER THIS AGREEMENT OR TO THE EXTENT PROHIBITED BY LAW, SUPPLIER DISCLAIMS ALL WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE, NON-INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE, AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE.
- d. Except to extent caused by the gross negligence or willful misconduct of Microsoft or its Users, Supplier will defend, indemnify and hold harmless Microsoft and its Affiliates against all third party claims (other than from a Microsoft Affiliate or any User) arising out of any of the following in connection with this Agreement: (1) actual or alleged infringements of any third-party IP by the Services provided under this Agreement as used within the scope of the license or permitted use granted in this Agreement and unmodified from the form provided by Supplier and not combined with anything else except as otherwise expressly permitted under this Agreement; or (2) a breach of Exhibit E, (3) any act or omission of or failure to comply with tax obligations or Law by Supplier or Supplier’s agents, employees, or subcontractors; (4) the gross negligence or willful misconduct of Supplier or its subcontractors, which results in any bodily injury or death to any person or loss or damage to tangible property; and (5) any claims of Supplier’s employees, its Affiliates or subcontractors in connection with this Agreement.
- e. Except to the extent caused by the gross negligence or willful misconduct of Supplier or its subcontractors, Microsoft agrees to defend, indemnify and hold harmless Supplier and its Affiliates against all third party claims arising out of any of the following in connection with this Agreement: (1) any software, data, or other files provided by Microsoft (including the Microsoft Materials), as used within the scope of the license or permitted use granted in the Agreement and unmodified from the form provided by Microsoft and not combined with anything else, misappropriates a trade secret or infringes a patent, copyright, trademark, or other right of a third-party; (2) Microsoft or any of its Users’ use of the Services in an unlawful manner or in violation of the Agreement; (3) actual or alleged infringements of any third-party IP by Microsoft, (4) any act or omission of or failure to comply with tax obligations or Law by Microsoft or Microsoft’s agents, employees, or subcontractors, (5) the gross negligence or willful misconduct of Microsoft, Microsoft’s Affiliates, any of their personnel or Users, which results in any bodily injury or death to any person or loss or damage to tangible property; (6) any claims of Microsoft’s employees, its Affiliates or Users in connection with the Agreement; and (7) any bodily injury or death to any person or loss or damage to tangible property caused by the acts or omissions of Microsoft, Microsoft’s Affiliates, any of their personnel or Users in connection with such persons’ activities at or around the Premises (as defined in Exhibit E).



- f. The parties will defend each other against the third-party claims described in this Section 7 and will pay the amount of any resulting adverse final judgment or approved settlement. The indemnified party will promptly notify the indemnifying party in writing of the claim and the indemnifying party will have the right to control the defense and any settlement of it, provided that the indemnified party may, in its discretion and at its cost, participate in any such defense or settlement. The indemnified party must provide the indemnifying party with all reasonably requested assistance and information. The indemnifying party will reimburse the indemnified party for reasonable expenses it incurs in providing such assistance. Neither party will stipulate, admit, or acknowledge fault or liability by the other without their prior written consent and the indemnifying party will not publicize any settlement without the other party's prior written consent, unless required by Law or the rules of any stock exchange on which the shares of the relevant party (or any member of its group) are listed.
- g. In addition to all other remedies available to Microsoft, if use of the Services under this Agreement are enjoined, injunction is threatened, or may violate Law, Supplier, at its expense will notify Microsoft and, if the Services are enjoined or violates Law, at its option, promptly replace or modify such Services so they are non-infringing or compliant with applicable law (as applicable). If Supplier cannot replace, modify or cure such Services, then Supplier may terminate this Agreement upon written notice to Microsoft.
- h. This Section 7 states the indemnifying party's sole liability to, and the indemnified party's exclusive remedy against, the other party for any indemnified claim described in this Section 7.

8. Force Majeure

- a. Either party's delay in performing, defective performance, or non-performance of its obligations under this Agreement (other than an obligation to pay any amount) shall be excused as set forth in this Section 8 if such delay, defective performance or non-performance is proximately caused by a Force Majeure Event.
- b. In the event that a party is unable to and fails to comply with its obligations under this Agreement as a result of a Force Majeure Event, then:
 - i. the affected party will not be regarded as in breach of this Agreement for such failure;
 - ii. the affected party's relevant obligations shall be extended by the duration of the relevant Force Majeure Event; and
 - iii. the affected party shall use commercially reasonable efforts to resume performance as soon as practicable.

9. Miscellaneous

- a. Without limiting Supplier's termination rights, Supplier reserves the right, at any time, in Supplier's reasonable discretion, to temporarily suspend access to or use of the Services, without being deemed to be in breach of this Agreement, where no other reasonable alternative exists, in order: (1) to comply with Law or any judicial or other governmental demand or order, subpoena or law enforcement request that requires Supplier to do so, or (2) to maintain the



security or integrity of Supplier's network, hardware or associated systems or those of Supplier's third-party providers or customers; provided that, Supplier shall provide as much advance written notice as possible to Microsoft as soon as Supplier determines that suspension is pending or being implemented, and for so long as such suspension continues, Supplier shall use good faith efforts to recommence its performance hereunder without undue delay. Supplier shall promptly notify Microsoft in writing when the cause of suspension has abated or can be circumvented and will restore Microsoft's access to the Services when the basis for the suspension has been resolved, as determined in Supplier's reasonable discretion. Notwithstanding anything to the contrary in this Agreement, suspension by Supplier as permitted in this Section 9.a. shall not be deemed Downtime (as defined in Exhibit A).

- b. Microsoft shall be responsible for all acts and omissions of its Users (including any act or omission which would constitute a breach of this Agreement if done by Microsoft which, for the purposes thereof, will be deemed to be a breach by Microsoft).
- c. Microsoft represents and warrants that it is, and its Users are, not: (1) located in any country in which the use of the Services or provision of the Services to persons or entities in that country are prohibited by Trade Laws; nor (2) an individual or entity included on any U.S. lists of prohibited parties including, the Treasury Department's List of Specially Designated Nationals List and Sectoral Sanctions List. Additionally, Microsoft agrees not to (directly or indirectly) sell, export, reexport, transfer, divert, or otherwise dispose of any Services received from Supplier in contradiction with Trade Laws.
- d. Microsoft shall employ commercially reasonable and appropriate, in accordance with applicable industry standards, physical, administrative, and technical controls, screening, and security procedures and other safeguards designed to securely administer the distribution and use of its account access credentials and protect against any unauthorized access to or use of the Services.
- e. In the event Microsoft becomes aware of any breach of security relating to the Services, Microsoft shall promptly, and no later than within twenty-four (24) hours, notify Supplier in writing upon learning of such security breach. Microsoft shall assist and cooperate in any investigation or legal action that is taken by authorities and/or by Supplier.
- f. Except as permitted under this Agreement, Microsoft shall not: (1) decipher, decompile, disassemble, reverse engineer or otherwise attempt to derive any source code or underlying algorithms of any part of the Services (except to the extent such restriction is prohibited by Law); (2) modify, translate, or otherwise create derivative works of any software included in the Services; notwithstanding the foregoing, Microsoft is not prohibited from applying patches or updates with respect to such software, as long as such application does not (x) void any warranty provided by the relevant software supplier or claim Supplier would otherwise have but for such application, including any insurance claims, or (y) cause Supplier to be in breach of any contract or Law; (3) copy, rent, lease, resell or otherwise distribute any software included in the Services to any non-affiliate third party unless mutually agreed in writing by the parties; or (4) assign or transfer any of the rights that Microsoft receives hereunder to any third party (other than as expressly permitted hereunder).
- g. Each party will own and retain all rights to its own intellectual property ("IP"). The parties will not jointly develop any IP under this Agreement.
- h. As between Supplier and Microsoft: (1) Supplier will at all times own the Services (including all



GPUs used in connection with the GPU Services) and Usage Statistics, including rights to all IP therein. (2) Microsoft will at all times own the Microsoft Materials, including rights to all IP therein.

- i. Supplier hereby grants Microsoft and its Affiliates an irrevocable, non-exclusive, non-transferable, non-sublicensable (except to its Users), limited right to use Supplier's IP during the Total Service Term solely as necessary for Microsoft and its Users to (i) access and use the Services, (ii) to make commercially available services and products that use the GPU Services, and (iii) for Microsoft's Users to use Microsoft services and products that use the GPU Services, each in accordance with this Agreement.
- j. Microsoft grants to Supplier and its Affiliates a non-exclusive, irrevocable, non-transferable, non-sublicensable (except to its Affiliates and subcontractors) license to use Microsoft's IP rights, including in the Microsoft Materials, solely as necessary for Supplier to provide the Services to Microsoft and create and use, solely for internal purposes, the Usage Statistics.
- k. Microsoft grants to Supplier and its Affiliates a non-exclusive, irrevocable, transferable, sublicensable, royalty-free and fully paid-up license to use and exploit Supplier Feedback (including any Microsoft IP therein). Supplier grants to Microsoft and its Affiliates a non-exclusive, irrevocable, transferable, sublicensable, royalty-free and fully paid-up license to use and exploit the Microsoft Feedback (including any Supplier IP therein).
- l. Each party represents and warrants that:
 - i. it has full rights and authority to enter into, perform under, and grant the rights in accordance with this Agreement and its performance will not violate any agreement or obligation between it and any third party;
 - ii. it will comply with all Laws, including "**Anti-Corruption Laws**" (i.e., all Laws against fraud, bribery, corruption, inaccurate books and records, inadequate internal controls, and/or money-laundering, including the U.S. Foreign Corrupt Practices Act), whether local, state, federal or foreign. The Services and Microsoft Materials provided under this Agreement (collectively, "**Items**") may be subject to applicable trade laws in one or more countries. Such party will comply with all relevant laws and regulations applicable to the import or export of the Items, including but not limited to, trade laws and regulations such as the U.S. Export Administration Regulations or other end-user, end use, and destination restrictions by the U.S. and other governments, as well as sanctions regulations administered by the U.S. Office of Foreign Assets Control or any other similar restricted parties list ("**Trade Laws**");
 - iii. it agrees to provide the other party with the import/export control classifications and information, including documentation, on the applicable import, export, or re-export authorizations, and all necessary information about its Items for any required import, export or re-export procedures mandated by Trade Laws and/or licenses, without additional cost to the other party; and
 - iv. it will comply with all applicable Anti-Corruption Laws and, while performing under this Agreement, it will provide training to its employees on compliance with Anti-Corruption Laws.
- m. The Supplier represents and warrants that:

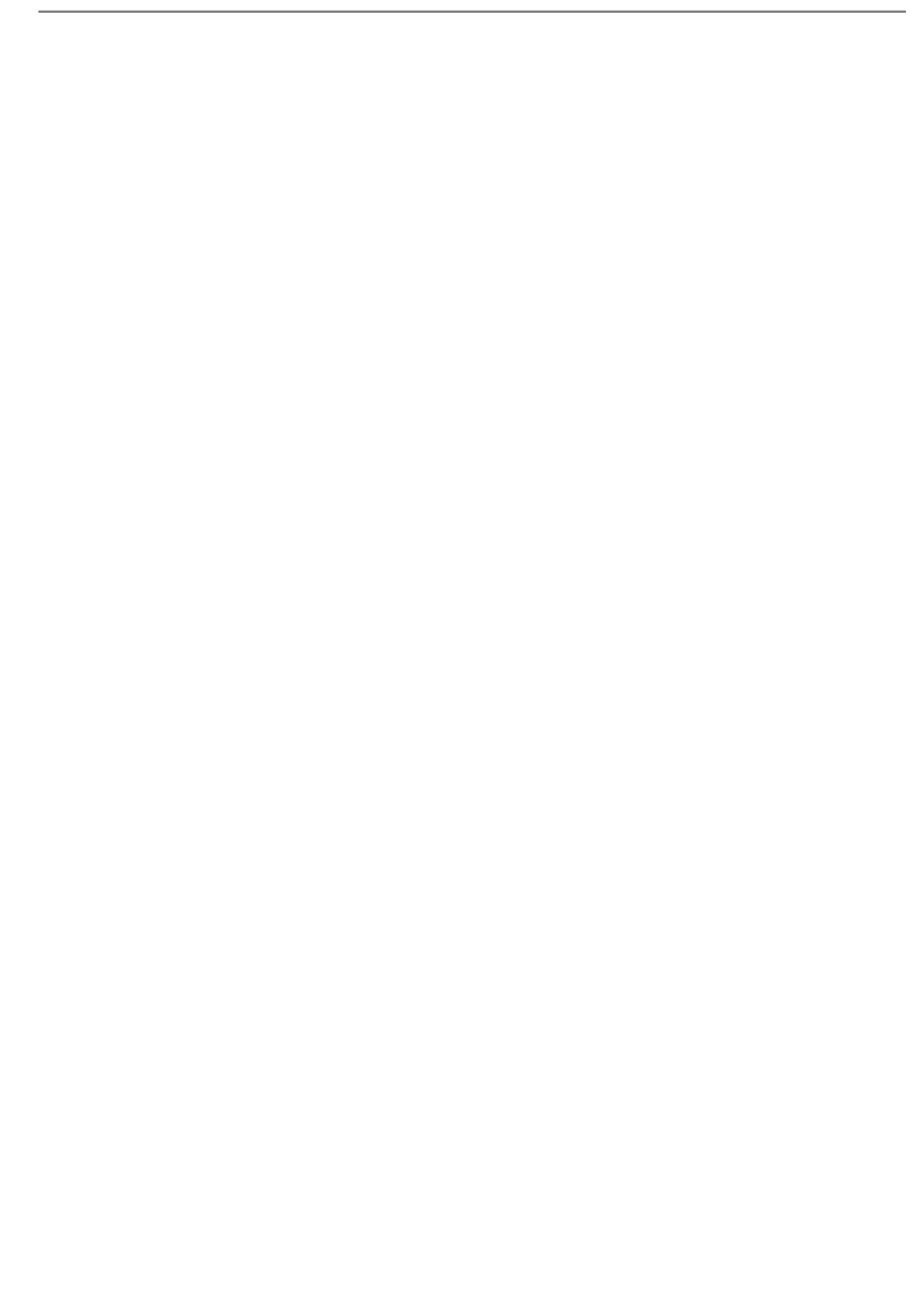


- i. the Services provided to Microsoft under this Agreement:
 - 1. are not governed, in whole or in part, by an Excluded License. “**Excluded License**” means any software license that requires as a condition of use, modification and/or distribution, that the software or other software combined and/or distributed with it be: (i) disclosed or distributed in source code form; (ii) licensed to make derivative works; or (iii) redistributable at no charge; and
 - 2. will not be subject to license terms that require any (i) Microsoft product, service, or documentation, or any Supplier or third-party IP licensed to Microsoft, or documentation which incorporates or is derived from such Services or Supplier or third-party IP, or (ii) Microsoft Materials or Microsoft IP, to be licensed or shared with any third party; and
 - ii. it will implement and maintain policies and procedures designed to prevent the inclusion of any viruses or other malicious code that will degrade or infect the Services, or any other software or Microsoft’s network or systems.
- n. Microsoft represents and warrants that, by providing Processed Microsoft Data to Supplier: (1) to Microsoft’s knowledge its Processed Microsoft Data and use thereof (including by Supplier) will not violate this Agreement or any Law; (2) Microsoft is solely responsible for developing, loading, modifying, processing, operating, maintaining, and supporting the Processed Microsoft Data and its Users’ use of Processed Microsoft Data; (3) to its knowledge, Processed Microsoft Data and its use thereof does not and will not cause Supplier to violate any Law, or the rights of any third party; and (3) except for the specific Services provided under this Agreement, Microsoft is solely responsible for the technical operation and security of Processed Microsoft Data, including on behalf of its Users. SUPPLIER SHALL BEAR NO LIABILITY WITH RESPECT TO PROCESSED MICROSOFT DATA THAT IS LOST OR DAMAGED AS A RESULT OF THE ACTIONS OR INACTIONS OF MICROSOFT, ITS USERS OR THE ACTIONS OF ANY INDIVIDUAL WHO USES THE SERVICES ON MICROSOFT’S OR ITS USERS’ BEHALF EXCEPT TO THE EXTENT CAUSED BY SUPPLIER’S ACTS OR OMISSIONS IN BREACH OF THIS AGREEMENT.
 - o. Supplier will not subcontract with any third party to provide any GPU Services in full without Microsoft’s prior written consent (which shall not be unreasonably withheld, conditioned or delayed). Supplier may subcontract any of its other obligations under this Agreement without Microsoft’s prior written consent. If Supplier subcontracts performance of any of its obligations under this Agreement to any subcontractor, Supplier will be fully liable to Microsoft for any actions or inactions of subcontractor and remain subject to all obligations under this Agreement.
 - p. Each party shall deliver all notices, requests, proposals, consents, claims, demands, waivers, and other communications under this Agreement but excluding any such communications through Partner’s customer support channel(s) in writing and addressed to the other party at its address set forth on the first page of this Agreement (or to such other address that the receiving party may designate from time to time in accordance with this Section).
 - q. The terms and obligations of the Non-Disclosure Agreement entered into between the parties (or their Affiliates) on [***] (the “**NDA**”) are hereby incorporated into this Agreement by reference and shall be deemed to form part of this Agreement. The terms and existence of this Agreement and any other Confidential Information (as defined in the NDA) provided to a party or any of its Affiliates by, or on behalf of, the other party in connection with this Agreement (“**Agreement Information**”), are strictly confidential and shall be treated in accordance with the NDA, and



shall not be disclosed by a party to any other person (other than in accordance with the NDA). Notwithstanding any termination of the NDA, the confidentiality obligations set out therein shall continue in full force and effect in respect of this Agreement Information for the Term; provided, however, that termination of this Agreement will not change any of the rights and duties made while the NDA as incorporated into this Agreement is in effect. Notwithstanding anything to the contrary contained herein or in any other agreement entered into by and between the parties, including the NDA, (a) either party may disclose the terms of this Agreement as required by Law or the rules of any stock exchange on which the shares of the relevant party (or any member of its group) are listed; (b) [***]. Notwithstanding the incorporation of the terms of the NDA pursuant to this Section, the parties agree that the NDA and this Agreement are independent agreements and this Agreement does not confer any rights, remedies or liabilities upon any person other than the parties to this Agreement and their respective successors and permitted assigns.

- r. During the Term and for 4 years after (or a longer term as required to comply with Law), Supplier will keep usual and proper records and books of account and quality and performance reports related to the Services and as otherwise required for legal compliance (“**Supplier Records**”). During this period, Microsoft may audit and/or inspect the applicable records and facilities to verify Supplier’s compliance with this Agreement, no more than once per calendar year and in accordance with the requirements in this Section. Microsoft or its designated independent consultant or certified public accountant (“**Auditor**”) will conduct audits and inspections within normal business hours. Microsoft will provide reasonable written notice (and in any event, at least 15 days’ notice except in emergencies) to Supplier before the audit or inspection and will ensure the Auditor takes all measures to avoid disrupting Supplier’s business and operations, including consolidating audits where practical. Supplier agrees to provide Microsoft’s designated audit or inspection team reasonable access to the Supplier records and facilities. If the auditors determine that Microsoft overpaid Supplier, Supplier will reimburse Microsoft for any such overpayment. If Supplier overcharged Microsoft [***] or more during an audited period, it will immediately refund Microsoft all overpayments plus pay interest at [***] per month on such overcharge. Microsoft will bear the expense of its auditors or inspection team. However, if the audit shows Supplier overcharged Microsoft by [***] or more during such audit period, Supplier will reimburse Microsoft for such expenses.
- s. Except as otherwise provided in this Section and Section 9.o, no right or obligation under this Agreement will be assigned without the prior written consent of the other party and any assignment without such consent will be void. Notwithstanding the foregoing, Supplier shall have the right, without Microsoft’s written consent, to assign this Agreement upon prior written notice to Microsoft to (a) an entity acquiring all or substantially all of the assets or equity of the Supplier; (b) an entity resulting from a merger, consolidation or other corporate reorganization of the Supplier; or (c) an entity obtaining Control of Supplier (each of (a) through (c), a “**Change of Control Event**”), provided in each case such assignee is not a Competitor, as long as it would not be a violation of Law (including Trade Laws) for such party to operate the GPU Services and continue to make them available to Microsoft. Further, either party shall be entitled to assign its rights under this Agreement (via pledge, collateral assignment, or otherwise) for financing purposes (including a collateral assignment to any Financing Parties). “**Financing Parties**” means the banks, lenders, noteholders and/or other financial institutions (or an agent or trustee thereof) party to the Financing Documents, including the successors in interest to such parties. “**Financing Documents**” means any and all loan agreements, credit agreements, reimbursement agreements, notes, indentures, bonds, security agreements, pledge agreements, mortgages, guarantee documents, intercreditor agreements, subscription agreements, equity contribution agreements and other agreements and instruments relating to



the financing (or refinancing) of the acquisition, development, engineering, design, construction, management, operation, ownership and maintenance of the applicable party's activities or business relating to this Agreement.

If a Change of Control Event results in a Competitor Controlling Supplier, then Supplier must promptly provide written notice to Microsoft ("**Notice of Change of Control**"). Microsoft may then terminate this Agreement with immediate effect by providing Supplier with written notice of termination, as long as it provides such written notice within thirty (30) calendar days of receiving the Notice of Change of Control.

- t. In the event of a dispute arising out of or relating to this Agreement, including any question regarding its breach, existence, validity, performance, fees or termination (each, a "**Dispute**"), the parties shall use reasonable efforts to cooperate to reach a resolution of the Dispute satisfactory to both parties. Either party may commence such process by requesting a meeting with the other party, which may take place in person, or remotely. The individuals listed in this Agreement (or their designee) must attend any such meeting and shall attempt in good faith to resolve the Dispute within twenty (20) calendar days of notification of any such Dispute, following which such Dispute must be escalated to a Director or Chief Executive Officer of Supplier and a Corporate Vice President of Microsoft. Nothing in this Section is intended to (a) prevent any party from seeking urgent injunctive or similar relief or (b) affect any other rights or obligations of the parties arising out of or in connection with this Agreement.
- u. No amendment or modification of this Agreement is effective unless it is in writing and signed by each party.
- v. The parties are independent contractors and shall so represent themselves in all regards. Neither party is the agent or partner of the other, and neither may make commitments on the other's behalf.
- w. Notwithstanding anything to the contrary contained in this Agreement, the parties acknowledge and agree that:
 - i. the GPUs and the Data Center Locations are not leased or licensed to Microsoft;
 - ii. Supplier shall have reasonable access to all GPUs used in connection with the GPU Services and all areas of the Data Center Locations at all times during the Term including (i) to perform its obligations under this Agreement and (ii) to grant access to Supplier's representatives including repair personnel, security personnel, insurers and lenders;
 - iii. Supplier is relieved from all of its responsibilities and obligations under this Agreement in the event that Supplier is unable to access the GPUs used in connection with the GPU Services and the Data Center Locations or any spaces, equipment or other assets or resources located therein necessary for Supplier to perform its obligations under this Agreement as a result of Microsoft's restriction or limitations of Supplier's access;
 - iv. Microsoft shall not provide Processed Microsoft Data, or any access thereto, to Supplier, any of its Affiliates or subcontractors; and
 - v. at the end of any applicable Service Term, (i) Microsoft shall restore the applicable Data Center Location to the same condition as at the commencement of the Term, fair wear and tear excepted and (ii) without limiting the foregoing, Microsoft shall remove all its fixtures, fittings and alterations (unless otherwise agreed in writing by Supplier), make



good any damage caused by that installation or removal, and leave the applicable Data Center Locations clean, tidy and in good repair.

x. Definitions.

- i. **"Affiliate"** means a legal entity that Controls, is Controlled by, or is under common Control with a party, where **"Control"** means the possession, directly or indirectly, of the power to direct or cause the direction of the management and operating policies of the entity in respect of which the determination is being made, through the ownership of more than fifty percent (50%) of its voting or equity securities, contract, voting trust or otherwise; the terms **"Controlled"** and **"Controlling"** will be interpreted accordingly.
- ii. **"Competitor"** means Amazon, Oracle or Alphabet.
- iii. **"Data-Related Claim"** means any claim, loss, or liability (regardless of the form of action or claim) arising from Supplier's breach of its security, privacy, or data protection obligations under this Agreement.
- iv. **"Force Majeure Event"** means an event beyond the control of the affected party, not caused by the gross negligence or intentional misconduct of the party claiming a Force Majeure Event. Examples of a Force Majeure Event include acts of God, natural disasters (flood, fire, earthquakes, drought), war, epidemic, pandemic, civil disturbance, action by a governmental entity, acts of terror, strikes, regional or industry-wide shortages or disruptions, or network or device failure that is not within the control of the party claiming a Force Majeure Event. For clarity, Hardware Failures (defined in Exhibit A) and delays solely caused by hardware suppliers are not, in and of themselves, Force Majeure Events.
- v. **"Law"** means all applicable laws, rules, statutes, decrees, decisions, orders, regulations, judgments, codes, enactments, resolutions, and requirements of any government authority (federal, state, local, or international) having jurisdiction.
- vi. **"Microsoft Feedback"** means any comment, question, suggestion, enhancement request, recommendation, correction or other feedback relating to the Microsoft Materials provided by Supplier.
- vii. **"Microsoft Materials"** means any tangible or intangible materials, provided by or on behalf of Microsoft, any of its Affiliates, or their respective Users, to Supplier to perform the Services (including hardware, software, source code, documentation, methodologies, know how, processes, techniques, ideas, concepts, technologies, reports, Processed Microsoft Data and data) but excluding any Feedback or Usage Statistics.
- viii. **"Personnel"** means a party's or one of its Affiliates' employees and contractors directly involved in providing the Services to Microsoft.
- ix. **"Security Incident"** means any: (1) accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to Processed Microsoft Data, transmitted, stored, or otherwise processed by Supplier or its subcontractors; or (2) Security Vulnerability (i) related to Supplier's handling of Processed Microsoft Data, or (ii) impacting Microsoft's use of the Services.



- x. **“Security Vulnerability”** means a weakness, flaw, or error found within a security system of Supplier or its subcontractors that has a reasonable likelihood to be leveraged by a threat agent in a materially impactful way.
 - xi. **“Supplier Feedback”** means any comment, question, suggestion, enhancement request, recommendation, correction or other feedback relating to the Services provided by Microsoft or any of its Users.
 - xii. **“Usage Statistics”** means any data collected, derived and/or generated by Supplier from monitoring Microsoft’s and its Users’ access to, and use of, the Services, including statistical and performance information related to the provision and operation of the Services, provided that Supplier does not access the Processed Microsoft Data in collecting, deriving or generating such data.
 - xiii. **“User”** means any person or entity that obtains access to and/or use of the GPU Services or any other Services through Microsoft (e.g. through Microsoft’s account or other access credentials, as applicable), and in each case whether authorized by Microsoft or not.
- y. **Public Announcement:** Notwithstanding anything to the contrary contained in this Agreement, Microsoft and Partner may each make a public announcement (jointly or separately) in respect of the Services to be delivered under this Agreement on or after the SOW Effective Date, provided that the Confidential Information disclosed in any such announcement(s) is mutually agreed by the parties in writing.
- z. Microsoft may grant exceptions to the requirements set forth in Annex 2 of Exhibit E in writing (including email).



Exhibit A - Service Level Objectives and Support Addendum

[***]



Exhibit B - Supplier Validation

[***]



Exhibit C - Acceptance Criteria

[***]





Exhibit D - RACI, Severity Definitions, Incident Response Times and Escalation Matrix

Supplier RACI Chart

[***]

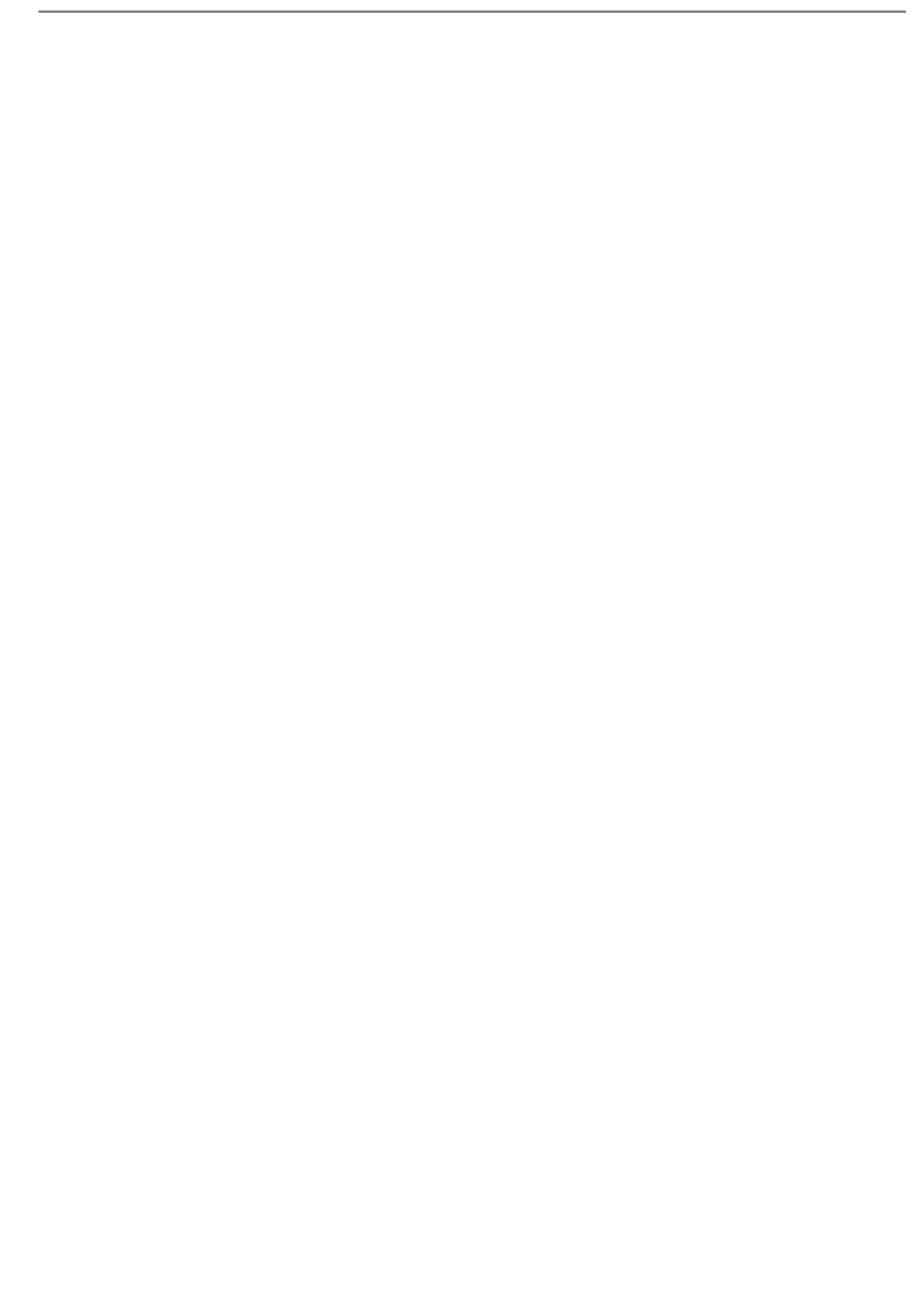


Exhibit E - GPU as a Service Security Standards

[***]



Exhibit F – Amendments to Purchase Order Terms and Conditions

Notwithstanding anything to the contrary in the Agreement, the parties acknowledge and agree that:

(A) Sections 3, 4.a, 5, 7-17, 19-23, 25-28, 30 and Exhibit A of the PO Terms do not apply to this Agreement; and,

(B) the PO Terms are hereby amended as follows:

1. The preamble in Section 1 of the PO Terms is hereby deleted in its entirety and replaced with the following:

1. Acceptance and Effect. These PO Terms are between Microsoft Corporation or any of its US subsidiaries (“**Microsoft**”) and the supplier (“**Supplier**”), each as identified in the applicable SOW and cover:

2. The definition of “SOW” in Section 1 of the PO Terms is hereby deleted in its entirety and replaced with the following:

“**SOW**” means any of the following: (1) statements of work or other order forms signed by both parties’ authorized representatives; or (2) written agreements signed by both parties’ authorized representatives referencing, and subject to, these PO Terms.

3. Section 2 of the PO Terms is hereby deleted in its entirety and replaced with the following:

2. Relationship to Other Agreements. The terms and conditions of these PO Terms are the complete and binding agreement between Microsoft and Supplier except, if the parties mutually executed an agreement, such as a SOW or Microsoft Supplier Services Agreement, which is effective on the effective date of these PO Terms and applies to the Goods, Services, Deliverables, and/or Cloud Services ordered with these PO Terms, and that agreement applies to the relationship of the parties governed by these PO Terms, then the provisions of such agreement are incorporated.

a. If a conflict arises between these PO Terms and such agreement, to the extent of that conflict, the following order of priority will apply: (1) the terms of such agreement, (ii) these PO Terms, and (iii) any documents incorporated by express reference in such agreement. For the purposes of these PO Terms, online terms or agreements that Microsoft accepts to login or access Goods, Services, Deliverables, or Cloud Services, such as installed applications, embedded software, software as a service, or a platform, are not an agreement that has been “mutually executed” and will not replace, supplement or amend the terms in these PO Terms in any way.

b. Except as stated above in this Section 2, and other than changes described in Section 9 and the Termination provisions in Section 14, additional or different terms (for example, online terms or agreements) will not supersede these PO Terms unless the parties mutually execute a written document.

Notwithstanding the provisions of these PO Terms or any SOW, these PO Terms and each SOW shall be an independent agreement, and any right, remedy, obligation, or liability, as applicable, arising under or relating to a SOW shall be limited to the provisions of such SOW (including these PO Terms only as they relate to such SOW), and references therein or in these PO Terms to “the applicable SOW” or “these PO Terms” (other than Sections 1 and 2 of these PO Terms) shall refer to such SOW together with the provisions of these PO Terms as they apply solely with respect to such SOW (and all other similar



references therein or in these PO Terms shall be construed accordingly). For the avoidance of doubt, a breach under a SOW by either party shall not be construed as, or give rise to, breach under any other SOW or other agreement. Neither party shall have any liability under these PO Terms except as it relates to a particular SOW, and any liability arising out of these PO Terms shall be considered liability arising under the SOW relating to the circumstances giving rise to such liability. Termination of these PO Terms does not affect any SOW entered into prior to such termination.

4. Section 4.c. of the PO Terms is hereby deleted in its entirety and replaced with the following:
 - c. Microsoft may dispute any invoice by providing written notice or partial payment, provided it pays the undisputed portion in accordance with the applicable SOW. Microsoft will make commercially reasonable efforts to notify Supplier in writing of any disputed amount within 60 days of receiving the applicable invoice. Neither failing to provide notice nor payment of an invoice is a waiver of any claim or right. Microsoft will pay Supplier within 30 days from the date of dispute resolution in respect of the disputed amount.
5. The following is inserted at the end of Section 6.b. of the PO Terms:

“Supplier will not be involved in the exportation of the Cloud Services, and any responsibilities and obligations in respect of such export, including export taxes, are the responsibility of Microsoft.”
6. In Section 18 of the PO Terms, insert “or Supplier’s” after the reference to “Microsoft’s”.
7. In Section 24 of the PO Terms, insert “provided such activity is not in breach of the intellectual property or confidentiality provisions herein” after the reference to “contemplated by these PO Terms” and delete the words “, or in lieu of,”.
8. In Section 29 of the PO Terms, the reference to “Washington State Law” is replaced with “New York Law” and the reference to “King County, Washington” is replaced with the “the borough of Manhattan in New York, New York”.



Exhibit G – GPU Services Specs

[***]



Exhibit H – Calculating illustrative VR200 pricing

[***]



Exhibit I – Acceptable Use Policy

[***]



Exhibit J – Microsoft Policies



Microsoft Supplier Code of Conduct





Microsoft Supplier Code of Conduct

Microsoft's mission is to empower every person and every organization on the planet to achieve more. Achieving our mission isn't just about building innovative technology. It's also about who we are as a company and as individuals, how we manage our business internally, and how we work with customers, partners, governments, communities, and suppliers.

Through the [Standards of Business Conduct](#), Microsoft has established company standards that include ethical business practices and regulatory compliance. Similarly, Microsoft expects the companies with whom we do business to embrace this commitment to integrity by complying with—and training their employees on—the Microsoft Supplier Code of Conduct (SCoC).

In alignment with the United Nations Guiding Principles on Business and Human Rights, the provisions in this Code are derived from and respect internationally recognized standards including:

- International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- International Labour Organization's Core Conventions (No. 29, 87, 98, 100, 105, 111, 138, 182) and Labor Standards
- United Nations Convention on the Rights of the Child Article 32 OECD Guidelines for Multinational Enterprises
- OECD Due Diligence Guidance for Responsible Business Conduct
- United Nations Global Compact Principles
- International Bill of Human Rights, including the Universal Declaration of Human Rights and the main instruments through which it has been codified: the International Covenant on Civil and Political Rights, and International Covenant on Economic, Social and Cultural Rights.

The SCoC is also aligned with [Microsoft's Global Human Rights Statement](#) and [Supply Chain Human Rights Policy Statement](#). Microsoft is committed to maintaining a high standard on environmental, health and safety, human rights, and ethical practices in its supply chain, including workers' rights to self-determination, physical integrity, and individual liberty, including freedom of movement, thought, conscience, religion, speech, family rights, nationality, and privacy.

1. Compliance with the Supplier Code of Conduct

Suppliers and their employees, personnel, agents, subcontractors, and sub-tier suppliers shall adhere to this Supplier Code of Conduct while conducting business with or on behalf of Microsoft. Suppliers shall require their subcontractors, and sub-tier suppliers to comply with the SCoC in their operations and across their supply chains for work that is directly related to a Microsoft contract. Suppliers shall promptly inform their Microsoft contact, a member of Microsoft management, or the contacts provided at the end of this document when any situation develops that causes the Supplier to operate in violation of this Code of Conduct.





All Microsoft Suppliers shall conduct their practices in full compliance with all applicable laws and regulations and in compliance with this Supplier Code of Conduct, whichever are stricter. Elements of this SCoC may go beyond legal compliance in order to advance social and environmental responsibility and business ethics. In no case can complying with the SCoC violate applicable laws. If, however, there are differing standards between the SCoC and applicable laws, the SCoC defines conformance as meeting the strictest requirements.

Suppliers are responsible for implementing and monitoring improvement programs designed to achieve conformance with the Supplier Code of Conduct. While Microsoft Suppliers are expected to self-assess and demonstrate their compliance with the SCoC, Microsoft may audit Suppliers or inspect Suppliers' facilities to confirm compliance. For suppliers involved in the production of tangible goods, including but not limited to hardware, this may include unannounced audits that require unrestricted access to workers, as needed and based upon risk. Suppliers that behave in a manner that is unlawful or inconsistent with the SCoC, or any Microsoft policy, risk termination of their business relationship with Microsoft. Complying with the SCoC and completing SCoC training are required in addition to meeting any other obligations contained in any contract a Supplier may have with Microsoft.

2. Legal and regulatory compliance

Microsoft Suppliers shall, without limitation, meet the following requirements:

2.1 Trade: Suppliers shall comply with all laws and regulations applicable to the import or export of goods, software, technology, or services subject to any agreement with Microsoft. Suppliers shall meet the following requirements:

- **Notice:** Suppliers shall not provide controlled technologies, products, or technical data to Microsoft, without providing notice of such controls as necessary for Microsoft to maintain compliance with applicable laws.
- **Restricted Parties:** Suppliers shall ensure they are not owned or controlled (directly or indirectly) by any person or entity designated as restricted under Trade Laws. This includes parties located in embargoed jurisdictions or affiliated with military or intelligence organizations prohibited by applicable laws.
- **Trade Compliance Program:** Suppliers shall maintain a trade compliance program with reasonable due diligence standards, as outlined in Microsoft contracts or terms. This includes conducting independent sanctions and ownership screening of all known subcontractors and third parties against Restricted Party lists throughout the business relationship.
- **Violations:** Suppliers shall not take actions that would cause Microsoft to violate trade laws or risk exposure to sanctions, penalties, or legal action, including actions that may require Microsoft to submit a voluntary self-disclosure or defend against government investigations or enforcement actions.

2.2 Antitrust: Suppliers shall conduct business in full compliance with antitrust and fair competition laws that govern the jurisdictions in which they conduct business.

2.3 Anti-Corruption: Microsoft prohibits corrupt payments of all kinds, including facilitating payments. We require that all our Suppliers comply with the [Anti-Corruption Policy for Microsoft](#)





Representatives. Suppliers are expected to conduct themselves with high ethical standards and comply with the [U.S. Foreign Corrupt Practices Act](#) (“FCPA”) and all other applicable Anti-Corruption and anti-money laundering laws.

No Supplier shall, directly or indirectly, promise, authorize, offer, or pay anything of value (including but not limited to gifts, travel, hospitality, charitable donations, or employment) to any Government Official or other party to improperly influence any act or decision of such official for the purpose of promoting the business interests of Microsoft in any respect, or to otherwise improperly promote the business interests of Microsoft in any respect. Suppliers shall prohibit any and all forms of bribery and corruption and their business dealings shall be Suppliers shall implement monitoring, record keeping, and enforcement procedures to ensure compliance with Anti-Corruption laws. Suppliers shall report to Microsoft any signs of any personnel, representative or subcontractor performing unethically or engaged in bribery or kickbacks.

Definitions: “Government Official” refers to any employee of a government entity or subdivision, including elected officials; any private person acting on behalf of a government entity, even if just temporarily; officers and employees of companies that are owned or controlled by the government; candidates for political office; political party officials; and officers, employees and representatives of public international organizations, such as the World Bank and United Nations.

2.4 Accessibility: Over one billion people around the world live with a broad range of disabilities including vision, hearing, mobility, cognitive, speech and mental health conditions. Creating products, apps, and services that are accessible to people of all abilities is part of our DNA at Microsoft as well as our mission of empowering every person and organization on the planet to achieve more.

When creating any deliverable each Microsoft Supplier shall comply with all legal and Microsoft-provided accessibility requirements and standards for creating accessible devices, products, websites, web-based applications, cloud services, software, mobile applications, content, or services. For purchases with a User Interface (UI) this includes conformance to Level A and AA Success Criteria of the latest published version of the Web Content Accessibility Guidelines (“WCAG”), available at https://www.w3.org/standards/techs/wcag#w3c_all, Section 508 of the Rehabilitation act, available at <https://www.section508.gov> and the European standard EN 301 549 available at <https://eur-lex.europa.eu/eli/dir/2016/2102/oj>. Suggested documentation includes the completion of the latest published Voluntary Product Accessibility Template (VPAT) International Edition available at <https://www.itic.org/policy/accessibility/vpat>.

Microsoft is committed to helping our Suppliers create a culture of accessibility and helping everyone get the most out of Supplier deliverables. Explore the Microsoft Supplier Accessibility Resources at <https://www.microsoft.com/en-us/accessibility/resources>.

3. Business practices and ethics

Microsoft Suppliers shall be open, honest, and transparent in all discussions and conduct business interactions and activities with integrity and trust. Suppliers shall, without limitation, meet the following requirements:





3.1 Disclosure of Information: Information regarding Suppliers' and sub-tier suppliers' human rights, health and safety, environmental practices, business activities, structure, financial situation, and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices. Suppliers are to retain all records for a minimum of seven (7) years; any retention beyond seven (7) years is at the discretion of the Supplier. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable and may result in termination of Supplier's business relationship with Microsoft.

When requested by Microsoft, and in accordance with applicable privacy and data protection laws, Supplier shall provide necessary information and supporting documentation to enable Microsoft to perform and complete supply chain due diligence, including providing access to documentation, personnel, and workers for verification of the absence of forced labor indicators, including at the recruitment stage, and disclosure of certain information from subcontractors or sub-tier suppliers. This may include complete lists of workers involved in making product, wage payment, worker residency status and origin, working hours and output consistent with documented workers, voluntary nature of employment, risk assessment and analysis, contractual terms, compliance data such as findings, grievances, remedial action, complaints, and related decision-making.

3.2 Management system: Supplier shall have an environmental, health and safety, human rights and ethics management system with a scope that is related to the content of this Code and aligned with the OECD Due Diligence Guidance for Responsible Business Conduct. The management system shall be designed to ensure: (a) compliance with applicable laws, regulations and customer requirements related to the Supplier's operations and products; (b) conformance with this SCoC; and (c) identification and mitigation of operational risks related to this SCoC. It should also facilitate continual improvement.

The management system should contain the following elements: (1) Supplier commitment, (2) management accountability and responsibility, (3) legal and customer requirements, (4) risk assessment and risk management, (5) improvement objectives, (6) training, (7) communication, (8) stakeholder engagement and feedback, participation and grievance mechanism, (9) audits and assessments, (10) corrective action and effective remedy process for any adverse human rights or labor impacts, including the disclosure of any and all potential violations, (11) documentation and records, and (12) define Supplier responsibility.

Particular attention should be paid to the rights and needs of individuals from groups at heightened risk of vulnerability or marginalization.

3.3 Gifts and entertainment: Suppliers shall use good judgment when exchanging business courtesies. Gifts, meals, entertainment, hospitality, and trips that are lavish or lack transparency or a legitimate purpose may be viewed as bribes, may create the appearance of a conflict of interest, or may be perceived as an attempt to improperly influence decision making. Giving business courtesies to Microsoft employees, if permitted at all, should be modest, infrequent and occur in the normal course of business. Do not offer anything of value to obtain or retain a benefit or advantage for the giver, and do not offer anything that might appear to influence, compromise judgment, or obligate the Microsoft employee. Do not request or accept anything interests in the work you do for Microsoft. Suppliers are prohibited from giving gifts of any value to any member of certain Microsoft organizations, including Microsoft Procurement or its





representatives. Suppliers are required to ask Microsoft employees what the Microsoft gift policy limits are for potential recipients and to not exceed those limits.

3.4 Conflicts of interest: Suppliers shall avoid even the appearance of conflict of interest in their work with Microsoft and shall immediately disclose any known family or other close personal relationship with our employees who may influence their engagement with Microsoft or have any involvement in business dealings between the Supplier and Microsoft.

Be honest, direct, and truthful when answering questions from Microsoft about relationships with Microsoft employees.

3.5 Insider trading: Insider trading is prohibited. Under Federal Securities Laws, Suppliers cannot buy or sell Microsoft or another company's securities when in possession of information about Microsoft or another company that is (1) not available to the investing public, and (2) could influence an investor's decision to buy or sell the security.

3.6 No solicitation: Suppliers shall refrain from initiating any sales-related communication with Microsoft employees unless there exists a documented prior business relationship. Prior business engagement includes any contractual agreement or ongoing collaboration between the supplier and the Microsoft employee. Sales communication includes any attempt to promote, sell, or offer products, services, or business opportunities to Microsoft employees. Unsolicited sales calls, emails, or in-person visits fall under this prohibition.

3.7 Travel: Suppliers seeking reimbursement for their travel incurred during the performance of their obligations under the agreed statement of work or other contractual obligations shall be compliant with the [Travel Guidelines for Suppliers](#).

3.8 Responsible sourcing of raw materials: All Microsoft Suppliers shall, without limitation, design and implement specialized due diligence systems to track and monitor human rights and associated environmental risks linked to the extraction, transport, and use of all raw materials. These systems shall be informed by the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, and shall include appropriate risk identification, mitigation, monitoring, remediation, and reporting mechanisms. If applicable, all Suppliers of batteries to Microsoft shall ensure the design and implementation of their due diligence systems conform to the requirements of Regulation (EU) 2023/1542 Concerning Batteries and Waste Batteries (EU Battery Regulation).

3.9 Traceability: Suppliers shall establish a system of controls showing chain of custody identifying all upstream Suppliers from raw materials to finished product or service being supplied to Microsoft. This system is to be supported by transactional and shipment documents such as purchase orders, invoices, packing lists, payment records, shipping records, bills of records, and manufacturing records such as batch numbers, production quantity and ratios. Suppliers shall, upon request, provide to Microsoft necessary supply chain mapping data to enable Microsoft to meet its supply chain due diligence obligations to demonstrate the origin and control of each raw material or input. (See also Disclosure of Information)

Where raw materials from Supplier are commingled, Suppliers shall have an auditable process and evidence to demonstrate the origin and control of each raw material or input.





4. Human rights and fair labor practices

We strive to ensure that every person who makes our products and services is treated with respect and dignity. Microsoft expects its Suppliers to comply fully with all employment laws, share its commitment to respect all human rights and to provide equal opportunity in the workplace, engage with impacted communities, and take effective measures to remedy any adverse human rights impacts. Without limitation, Suppliers shall meet the following requirements:

4.1 Non-discrimination/non-harassment/humane treatment: Suppliers shall commit to a workforce and workplace free of harassment, unlawful discrimination, and retaliation. There shall be no harsh or inhumane treatment including violence, gender-based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public shaming, or verbal abuse of workers; nor is there to be the threat of any such treatment.

Suppliers should ensure their business practices respect the rights of different demographic groups, including women, and migrant workers. Suppliers shall provide equal opportunity in the workplace and reasonable accommodation, and not infringe on voting rights or political participation, engage in harassment or discrimination in employment on the basis of age, ancestry, ethnic origin, caste, citizenship, color, family or medical care leave, gender identity or expression, genetic information, immigration status, marital or family status, minority status, pay, medical condition, national origin, physical or mental disability, political affiliation, union membership, protected veteran status, race, religion, sex (including pregnancy), sexual orientation, or any other characteristic protected by applicable local laws, regulations, and ordinances. Suppliers shall not require workers or potential workers to undergo medical tests including pregnancy tests, except where required by applicable laws or regulations or prudent for workplace safety and shall not discriminate based on test results. Suppliers shall accommodate all disabilities to the extent required by law.

4.2 Prohibit the use of child labor: Child labor shall not be used under any circumstance. Suppliers shall not employ anyone under the age of 15, or under the age for completing compulsory education, or under the legal minimum working age for employment, whichever requirement is greatest. Suppliers shall implement an appropriate mechanism to verify the age of workers. Microsoft only supports the use of legitimate workplace learning or apprenticeship programs for the educational benefit of young people, which comply with all laws and regulations, and will not do business with those who abuse such systems. Workers under the age of 18 shall not perform work that is likely to jeopardize their health or safety, including night shifts or overtime. Suppliers shall ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable laws and regulations. Suppliers shall provide appropriate support and training to all student workers. In the absence of local law, the wage rate for student workers, interns, and apprentices shall be at least the same wage rate as other entry-level workers performing equal or similar tasks. If child labor is identified, remediation is required. When developing a remediation strategy to address child labor, suppliers shall give due consideration to and consider strategies to minimize potential loss of income to families that may result from measures taken to eliminate the use of child labor.





4.3 Prohibit the use of forced labor, prison labor, and trafficking in persons: Forced, bonded (including debt bondage) or indentured labor, prison labor, the procurement of commercial sex acts, slavery or trafficking of persons is not permitted. This includes support for or engagement in transporting, harboring, recruiting, transferring, or receiving persons by means of threat, force, coercion, abduction or fraud for labor or services.

There shall be no unreasonable restrictions on workers' freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting Supplier provided facilities including, if applicable, workers' dormitories or living quarters. Workers will be free from arbitrary arrest and detention.

All work shall be voluntary, and workers shall be free to leave work at any time or terminate their employment without penalty if reasonable notice is given, which shall be clearly stated in the worker's contract. Documentation shall be maintained on all leaving workers.

Workers shall not be required to pay employers', agents', or sub-agents' recruitment fees or other related fees for their employment. If any such fees are found to have been paid by workers, such fees shall be immediately repaid to the worker.

Suppliers shall have a labor compliance plan in place that (1) relies on the International Labour Organization's (ILO) indicators of Forced Labour in the supply chain, (2) provides provisions for training Supplier personnel and raising their awareness of issues related to forced labor, and (3) details what remediation the Supplier will provide in case of any violations. Suppliers shall inform employees, agents, sub-agencies, recruiters, contractors, subcontractors, and sub-tier suppliers about Supplier's policies that prohibit human trafficking, prison labor, forced labor, and other forms of slavery and provide training and programs to promote awareness, risk identification, employee reporting, corrective action, and potential penalties for violations.

If forced labor is identified, remediation is required. When developing a remediation strategy to address forced labor, suppliers shall give due consideration to and consider strategies to minimize potential loss of income to families that may result from measures taken to eliminate the use of forced labor.

4.4 Ensure workers have access to identity-related and personal documents: Suppliers, agents, and sub-agents may not hold or otherwise destroy, conceal, or confiscate identity or immigration documents, such as government-issued identification, passports, driver's license, or work permits. Employers can only hold documentation for the time needed to obtain or renew work permits and other legal documents. Suppliers or their agents shall provide proper documentation (stating the reason for holding of passport/ travel document and expected duration to hold such documents). In addition, if requested by workers, the company needs to have a process in place to return the documentation to workers in less than 12 hours.

4.5 Provide return transportation for foreign migrant workers: When hiring foreign workers who are not nationals of the country in which the work is taking place and who are recruited and who migrate from their home country to another country for the specific purpose of working for the Supplier, Suppliers shall provide or pay for return transportation upon the end of their employment. This requirement does not apply to workers with permanent residency of professional employees who are on short-term or long-term assignments.





4.6 Use appropriately trained recruiters to support compliance: Suppliers shall use recruiters, employment agencies, and recruiting companies that are trained and which comply with international standards, local labor laws of the countries in which the recruitment takes place, or Microsoft requirements, whichever are stricter. Recruitment fees shall not be charged to workers.

4.7 Make conditions of employment clear when hiring: All Suppliers, including recruiters, employment agencies, sub-agencies, and recruitment firms, are prohibited from using misleading or fraudulent practices during the recruitment of employees or offering of employment, such as failing to disclose, in a format and language accessible to the worker, basic information or making material misrepresentations during the recruitment of employees regarding the key terms and conditions of employment, including wages and fringe benefits, the location of work, the living conditions, housing and associated costs (if employer or agent provided or arranged), any significant cost to be charged to the employee, and, if applicable, the hazardous nature of the work.

4.8 Provide written employment contracts or agreements when necessary: As part of the hiring process, all workers shall be provided with a written employment agreement in their native language that contains a description of terms and conditions of employment, including work descriptions, wages, prohibitions on charging recruitment fees, work locations, living accommodations and associated costs, time off, roundtrip transportation arrangements, grievance processes, and the content of applicable laws and regulations that prohibit trafficking in persons. Foreign migrant workers shall receive the employment agreement at least prior to the worker departing from his or her country of origin and there shall be no substitution or change(s) allowed in the employment agreement upon arrival in the receiving country unless these changes are made to meet local law and provide equal or better terms.

4.9 Provide fair compensation: Suppliers shall ensure the payment of wages in accordance with applicable wage laws and provide legally mandated benefits within the jurisdiction where the Supplier operates or engages workers, including employees who are permanent, temporary, or dispatched, migrant workers, apprentices, or contract workers. Suppliers are expected to comply with the new and existing applicable living wage requirements or regulations. All workers shall receive equal pay for equal work and qualification. In compliance with local laws, workers shall be compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure shall not be permitted. For each pay period, workers shall be provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed. All use of temporary, dispatch and outsourced labor will be within the limits of the local law. Workers with disabilities whose wages are governed by section 14(c) of the Fair Labor Standards Act shall receive no less than the full minimum wage rate as defined by Executive Order 13658.

4.10 Treat employees with dignity and respect: Suppliers shall not engage in any harsh or inhumane treatment, including violence, gender-based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, or public shaming, verbal abuse or other forms of intimidation of workers; nor is there to be the threat of any such treatment. Suppliers shall have a humane treatment policy and monitor supervisors to ensure





appropriate conduct. Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to workers.

4.11 Meet working hours and rest day requirements: Working hours are not to exceed the maximum set by local law. Further, a work week should not be more than 60 hours per week, including overtime, except in emergency or unusual situations. All overtime shall be voluntary. Workers shall be allowed to have at least one day off every seven days.

4.12 Ensure freedom of association and right to collective bargaining: Open communication and direct engagement between workers and management are the most effective ways to resolve workplace and compensation issues. Workers and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation or harassment. In alignment with these principles, suppliers shall respect the right of all workers to form and join trade unions of their own choosing, to bargain collectively, and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities. When local laws or circumstances restrict this right, Suppliers should pursue other ways of engaging in meaningful dialogue with their workers on employment issues and workplace concerns.

4.13 Provide effective grievance procedures and work in partnership with Microsoft to remedy any identified human rights violations: Suppliers shall provide an anonymous, impartial, and confidential method for all employees and their supply chains to raise concerns to senior level management without fear of retaliation. Grievances and the progress of their resolution shall be tracked and recorded. Grievance channels shall be accessible and culturally appropriate. Suppliers shall review these reporting procedures periodically. Workers and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation, or harassment. Suppliers shall periodically provide workers with information and training on all grievance procedures. Suppliers agree to work in partnership with Microsoft to remedy any identified human rights violations and associated adverse impacts. Suppliers shall provide their sub-tier suppliers with information regarding their own reporting channels, as well as Microsoft's reporting channels, described in the "Raising concerns and reporting questionable behavior" section of this SCoC.

4.14 Use of security forces: Suppliers are prohibited from using private or public security forces that result in torture, inhumane or degrading treatment, bodily harm, or limitation on freedom of association.

4.15 Community engagement and indigenous people: Suppliers are prohibited from unlawfully evicting and taking land and forests, and limiting access to water for communities and indigenous people that rely on them. Consultation with all affected parties is required.

4.16 Retaliating against human rights defenders: Suppliers are prohibited from retaliating against human rights defenders.





5. Health and safety

At Microsoft, we seek to empower every person and every organization on the planet to achieve more—and one way we do that is by ensuring the health and safety of people who work on behalf of Microsoft. We realize our commitment to health and safety through our investment in injury and illness prevention, hazard elimination, and risk reduction, all of which help provide an environment where all individuals can thrive. Microsoft Suppliers are required to develop and implement health and safety management practices in all aspects of their business. Without limitation, Suppliers shall meet the following requirements:

5.1 Occupational health and safety: Worker potential for exposure to health and safety hazards (chemical, electrical and other energy sources, fire, vehicles, lone work, and fall hazards, etc.) are to be identified and assessed, mitigated using the Hierarchy of Controls, which includes eliminating the hazard, substituting processes or materials, controlling through proper design, implementing engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tagout), and providing ongoing occupational health and safety training. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well-maintained, personal protective equipment, and educational materials about risks to them associated with these hazards. Gender responsive measures shall be taken, such as avoiding the assignment of pregnant women and nursing mothers to work environments that could be hazardous to them or their child and providing reasonable accommodations for nursing mothers.

5.2 Provide a safe and healthy work environment for all employees at any work location: Suppliers shall ensure that their workers performing services under a Microsoft contract at any location have access to a secure and healthy work environment, in accordance with applicable laws, regulations, and the health and safety procedures outlined in their Microsoft contract. Suppliers shall take action to manage and minimize the causes of hazards inherent in the working environment and implement controls to protect sensitive populations.

5.3 Provide safe housing when the Supplier intends to provide accommodation: Worker dormitories or housing provided by the Supplier shall meet the host country housing and safety standards and are to be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate lighting, heat and ventilation, individually secured accommodations for storing personal and valuable items, and reasonable personal space along with reasonable entry and exit privileges. Workers are to be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities. Sanitation shall include methods, procedures and cleaning materials used to clean food processing equipment, facilities, and workers.

5.4 Prohibit the use, possession, distribution, or sale of illegal drugs.

5.5 Industrial hygiene: Worker exposure to chemical, biological, and physical agents is to be identified, evaluated, and controlled according to the Hierarchy of Controls. If any potential hazards were identified, Supplier shall look for opportunities to eliminate and/or reduce the potential hazards. If elimination or reduction of the hazards is not feasible, potential hazards are to be controlled through proper design, engineering, and administrative controls. When hazards





cannot be adequately controlled by such means, workers are to be provided with and use appropriate, well-maintained, personal protective equipment free of charge. Protective programs shall be ongoing and include educational materials about the risks associated with these hazards, also covering the preventive exposure to biological agents.

5.6 Physically demanding work: Worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing, and highly repetitive or forceful assembly tasks are to be identified, evaluated, and controlled.

5.7 Machine safeguarding: Production and other machinery shall be evaluated for safety hazards, using the appropriate Hierarchy of Controls. Physical guards, interlocks, emergency stop devices, light curtains, and barriers are to be provided and properly maintained where machinery presents an injury hazard to workers.

5.8 Health and safety communication: Suppliers shall provide workers with appropriate workplace health and safety information and training in the language of the worker or in a language the worker can understand for all identified workplace hazards that workers are exposed to, including but not limited to mechanical, electrical, chemical, fire, and physical hazards. Health and safety related information shall be clearly posted in the facility or placed in a location identifiable and accessible by workers. Health information and training shall include content on specific risks to relevant demographics, such as gender and age, if applicable. Training is provided to all workers prior to the beginning of work and regularly thereafter. Workers shall be encouraged to raise any health and safety concerns without retaliation.

5.9 Emergency preparedness: Potential emergency situations and events are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures including emergency reporting, employee notification and evacuation procedures, worker training, and drills. Emergency drills shall be executed at least annually or as required by local law, whichever is more stringent. Emergency plans should also include appropriate fire detection and suppression equipment, clear and unobstructed egress, adequate exit facilities, contact information for emergency responders, and recovery plans. Such plans and procedures shall focus on resilience, minimizing harm to life, the environment, and property. Suppliers must conduct regular reviews and updates of their emergency plans and procedures to ensure they remain effective and relevant.

5.10 Occupational injury and illness: Suppliers must ensure their workers are fit for work and undergo necessary occupational medical exams based on role and Supplier's local regulations. Procedures and systems are to be in place to prevent, manage, track and report occupational injury and illness, including provisions to encourage worker reporting, classify and record injury and illness cases, provide necessary medical treatment, investigate cases, and implement corrective actions to eliminate their causes, and facilitate the return of workers to work. Suppliers shall allow workers to remove themselves from imminent harm, and not return until the situation is mitigated, without fear of retaliation.

Any injury, illness, or near miss event involving a Supplier employee and a Microsoft employee at a contracted location must be reported to Microsoft via aka.ms/safetyhubreport. If the reporting party is unable to access the aforementioned link, they should report the incident to





Microsoft Global OHS (globalohs@microsoft.com). For the avoidance of doubt: in any situation, any individual in need of first aid or assistance should dial their local emergency services.

6. Environmental protection and compliance

Microsoft recognizes its social responsibility to protect the environment, conduct environmental due diligence, and promote environmental sustainability. We expect Suppliers to share our corporate commitments to proactively reduce carbon emissions, reduce water consumption, and minimize waste generation. Without limitation, Suppliers shall meet the following requirements:

6.1 Comply with all applicable environmental laws, regulations, reporting requirements and international treaties, including but not limited to those that mandate Environmental, Social and Governance (ESG) related reporting and/or regulate hazardous materials, air, and water emissions, noise pollution, waste, and land degradation.

6.2 Pollution prevention and resource conservation: Emissions and discharges of pollutants, harmful soil change, generation of waste and noise pollution that impairs human rights and other ecosystem or land degradation are to be minimized or eliminated at the source or by practices such as adding pollution control equipment; modifying production, maintenance, and facility processes; or by other means. The use of natural resources, including water, fossil fuels, minerals, and virgin forest products, is to be conserved by practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling, water and waste circularity or other means.

6.3 Water management: Suppliers shall implement a water management program that documents, characterizes, and monitors water sources, use and discharge; seeks opportunities to conserve water; and controls channels of contamination. All wastewater is to be characterized, monitored, controlled, and treated as required prior to discharge or disposal. Suppliers shall conduct routine monitoring of the performance of their wastewater treatment and containment systems to ensure optimal performance and regulatory compliance.

6.4 Air emissions: Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting substances, and combustion byproducts generated from operations are to be characterized, routinely monitored, controlled, and treated as required prior to discharge. Ozone-depleting substances are to be effectively managed and phased out in accordance with the Montreal Protocol and phase out emissions of hydrofluorocarbons (HFC) in accordance with the Kigali Amendment, and applicable regulations. Suppliers shall conduct routine monitoring of the performance of their air emission control systems.

6.5 Hazardous substances: Chemicals, waste, and other materials posing a hazard to humans, or the environment are to be identified, labeled, and managed to ensure their safe handling, movement, storage, use, recycling or reuse, and disposal, including in products or services. Hazardous waste data shall be tracked and documented.

6.6 Materials restrictions: Suppliers shall adhere to all applicable laws, regulations, and customer requirements regarding the prohibition or restriction of specific substances in products, packaging, and manufacturing, including labeling for recycling and disposal.





6.7 Product and packaging: Supplier agrees to conform to all Microsoft requirements regarding product and packaging marking and labeling, material content and restrictions, recycling, and disposal as directed by Microsoft in their business contracts.

6.8 Environmental permits and reporting: All required environmental permits (e.g. discharge monitoring), approvals, and registrations are to be obtained, maintained, and kept current and their operational and reporting requirements are to be followed.

6.9 Waste: Suppliers shall prevent or eliminate waste of all types, including solid waste, water discharges and energy losses, by implementing appropriate conservation measures in Supplier facilities through (1) the use of conservation-minded maintenance and production processes, (2) by implementing strategies to reduce, reuse, and recycle materials (in that order), whenever possible, prior to disposal, and (3) seek and use renewable energy whenever possible.

6.10 Identify threats: Identify any chemicals, waste, or other materials that may be released, and which may pose a threat to the environment, and manage such chemicals or materials appropriately to ensure their safe handling, movement, storage, use, reuse, recycling, and disposal.

6.11 ESG disclosure and greenhouse gas (GHG) reduction: Upon request Suppliers shall:

- Disclose complete, consistent, and accurate scope 1, 2 and 3 greenhouse gas (GHG) emissions data and/or components required to calculate GHG emissions data, as well as any relevant ESG data that is reasonably necessary for Microsoft to meet its ESG reporting requirements. Suppliers may also be required to provide independent third-party assurance over such disclosed emissions data.
- Provide and achieve plans to reduce Microsoft delivered goods and services absolute GHG emissions by a minimum of 55% by 2030 or an alternative reduction target pursuant to the baseline established in their Supplier contract or in other written communication with Microsoft.
- Transition to 100% carbon-free electricity for their Microsoft delivered goods and services and target utilizing Sustainable Aviation Fuel (SAF), where possible, for Microsoft business related airline travel by 2030, as part of the above plan. For further information and guidance on carbon-free criteria and use of SAF for Microsoft business related airline travel, please visit the [Environmental Protection FAQs](#).

We recognize the challenges some suppliers may face in disclosing and reducing GHG emissions and we're committed to working with suppliers. Additional details, including specific requirements for data disclosure, method, assurance, alternative timelines and/or targets, and achievement of planned reductions will be set forth in the Supplier's contract or in other written communication sent by Microsoft to Supplier.

7. Protecting information

Microsoft Suppliers shall respect intellectual property rights, protect confidential information, comply with security standards, policies, and controls, and comply with privacy rules and regulations. Without limitation, Suppliers shall meet the following requirements:





7.1 Intellectual property: Intellectual property rights are to be respected, transfer of technology and know-how is to be done in a manner that protects intellectual property rights, and customer and Supplier information is to be safeguarded.

7.2 Security: Suppliers shall maintain a security program in accordance with Microsoft requirements such as but not limited to: the PO Terms and Conditions, Principal Agreement (or other applicable agreements), or the Microsoft Supplier Security and Privacy Assurance Data Protection Requirements (SSPA). Suppliers shall report any potential incident that involves Microsoft customer data (whether internally or through a partner or Supplier) as soon as possible.

7.3 Privacy: At Microsoft, we value, protect, and defend privacy. Suppliers shall (1) comply with all local privacy and data protection laws, (2) have appropriate processes and practices to secure and protect Personal data, (3) use Personal data only as agreed to by Microsoft representatives or Microsoft's customers, and (4) cooperate with Microsoft compliance efforts.

7.4 Retention of corporate records and internal business information created managed or used (all formats): The requirements below apply to all formats of information assets, globally and enterprise wide:

- a. Work conducted within Microsoft premises or with Microsoft equipment/tools: All business records created, managed, or used on Microsoft premises or with Microsoft equipment/tools will be retained in full compliance with the Microsoft Document Retention Policy, Corporate Retention Schedule, and other Microsoft-directed practices.
- b. Work conducted outside of Microsoft's premises and/or Microsoft equipment/tools: Unless otherwise specified, Microsoft will retain all rights of ownership, and control of all information created, managed, or used outside of Microsoft's premises and/or Microsoft equipment/tools as described in the contract with Microsoft.
- c. Specific instances: Supplier may be required to retain, pull, or otherwise provide data to Microsoft for a prescribed amount of time as established in the contract or in the case of a legal or audit matter a hold may require data be retained beyond that obligation.

8. Supplier Code of Conduct Training

Training compliance: Suppliers shall ensure their employees, subcontractors, and sub-tier suppliers working on Microsoft matters understand and comply with the contents of the Supplier Code of Conduct, the applicable laws and regulations and generally recognized standards.

- a. On an annual basis, an authorized representative from the Supplier shall review and acknowledge the SCoC, and complete [Microsoft's SCoC training course](#). Confirmation of this shall be attested to annually in Microsoft's [SupplierWeb](#) platform.
- b. On an annual basis, Suppliers shall train all employees, subcontractors, and sub-tier suppliers working on Microsoft matters on the content of this SCoC. Suppliers may use the [SCoC training course](#) to meet this requirement.

In addition to Supplier's training obligations noted above, all external staff requiring access credentials to the Microsoft corporate network and/or buildings are required to complete SCoC





training before they obtain their access rights. This training will be managed and provided by Microsoft.

9. Requirements related to Microsoft network or building access

When Supplier workers require access to Microsoft's network or facilities, the following conditions apply: [Supplier Pre-Placement Policy](#), [Supplier's use of Microsoft Facilities and Network](#), and [Supplier Benefit Requirements for Applicable US-based Workers](#).

10. Raising concerns and reporting questionable behavior

To report questionable behavior or a possible violation of the SCoC, Suppliers are encouraged to work with their primary Microsoft contact in resolving their concern. If that is not possible or appropriate, please contact Microsoft through any of the methods described at: <http://www.microsoftintegrity.com/>.

Microsoft's reporting channels may be used to report possible non-compliance with the SCoC by any entity or individual. Microsoft will maintain confidentiality to the extent possible and will not tolerate any retribution or retaliation taken against any individual who has, in good faith, sought out advice or reported questionable behavior or a possible violation of the SCoC.



Anti-Corruption Policy for Microsoft representatives

Microsoft Corporation, and all of its subsidiaries and joint ventures worldwide ("Microsoft"), requires its channel partners (for example, resellers, software advisors, original equipment manufacturers, and distributors), suppliers, vendors, consultants, lobbyists, and any other third-party representative (collectively, "Microsoft Representatives") to comply with this anti-



Compliance with anti-corruption laws

Each Microsoft Representative is expected to conduct itself with high ethical standards and comply with the FCPA and all other applicable anti-corruption laws. No Microsoft Representative shall, directly or indirectly, promise, authorize, offer, or pay anything of value (including but not limited to gifts, travel, hospitality, charitable donations, or employment) to any Government Official or other party to improperly influence any act or decision of such official for the purpose of promoting the business interests of Microsoft in any respect, or to otherwise improperly promote the business interests of Microsoft in any respect.

No retaliation

Microsoft will not tolerate retaliation against anyone who has, in good faith, reported a possible violation of this Policy or who refused to participate in activities that violate this Policy.

Enforcement

In addition to its rights and remedies under applicable agreements, Microsoft may refer any representative who violates this policy to US or foreign authorities for criminal prosecution or other enforcement action or bring suit for damages.

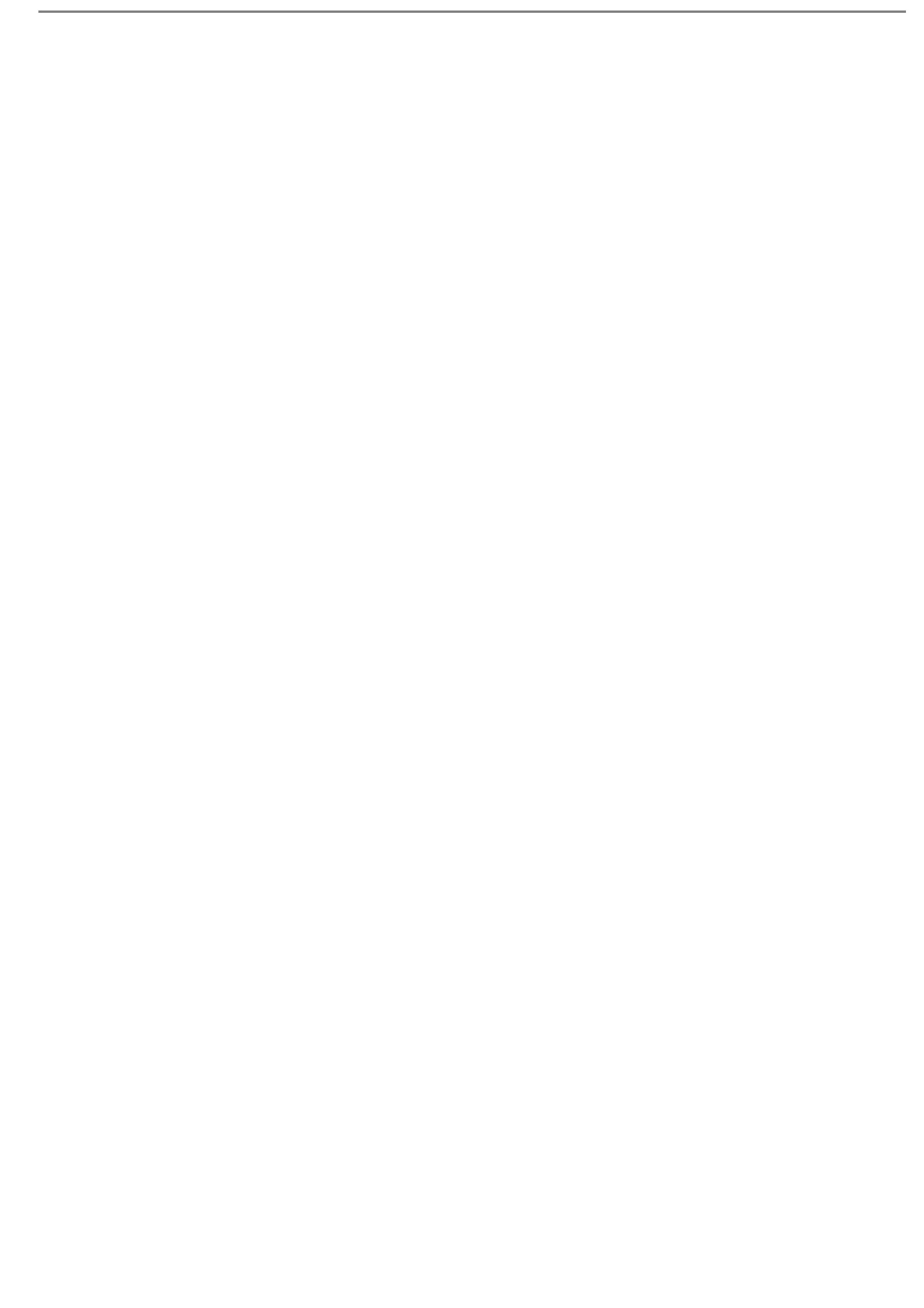


Exhibit K – PO Terms



Microsoft Corporation Purchase Order Terms & Conditions (“PO Terms”)

1. **Acceptance and Effect.** These PO Terms are between Microsoft Corporation or any of its US subsidiaries (“Microsoft”) and the supplier identified in the applicable SOW (“Supplier”) and cover:
 - a. **“Cloud Services”:** the services, websites (including hosting), solutions, platforms, and products that Supplier makes available under or in relation to these PO Terms, including the software, mobile apps, equipment, technology, and services necessary for Supplier to provide the foregoing.
 - b. **“Deliverables”:** all work product developed by Supplier (or Supplier’s approved subcontractor) for Microsoft as part of the delivery of Goods, Services or Cloud Services, including intellectual property (“IP”) in connection with these PO Terms. Deliverables are “work made for hire” for Microsoft as that term is defined under copyright law.
 - c. **“Goods”:** software and/or tangible goods licensed or purchased by Microsoft under these PO Terms.
 - d. **“Services”:** professional services, advertising, consulting services, and support and maintenance services purchased by Microsoft under these PO Terms.
 - e. **“SOW”** means any of the following: (1) Microsoft purchase orders; (2) statements of work or other order forms signed by both parties’ authorized representatives; or (3) written agreements signed by both parties’ authorized representatives referencing, and subject to, these PO Terms.

These PO Terms are effective upon Supplier’s commencement of performance or the date of Supplier’s signature on the applicable SOW, whichever is earlier. Except as set forth in Section 2 below, Supplier’s acceptance of these PO Terms is expressly limited to these terms and conditions without counterproposal.

2. **Relationship to Other Agreements.** The terms and conditions of these PO Terms are the complete and binding agreement between Microsoft and Supplier except:
 - a. If the parties mutually executed an agreement, such as a Microsoft Supplier Services Agreement, which is effective on the date of these PO Terms and applies to the Goods, Services, Deliverables, or Cloud Services ordered with these PO Terms, and that agreement applies to the relationship of the parties governed by these PO Terms, then the provisions of such agreement are incorporated. If a conflict arises between these PO Terms and such agreement, to the extent of that conflict, the terms of such agreement will apply. For the purposes of these PO Terms, online terms or agreements that Microsoft accepts to login or access Goods, Services, Deliverables, or Cloud Services, such as installed applications, embedded software, software as a service, or a platform, are not an agreement that has been “mutually executed” and will not replace, supplement or amend the terms in these PO Terms in any way.



- b. If multiple agreements with similar or contradictory provisions could apply to these PO Terms, the parties agree the terms most favorable to Microsoft will apply, unless the result would be unreasonable, unconscionable, or prohibited by law.
 - c. Except as stated above in this Section 2, and other than changes described in Section 9 and the Termination provisions in Section 14, additional or different terms (for example, online terms or agreements) will not supersede these PO Terms unless the parties mutually execute a written document.
3. Packing, Shipment and Returns of Goods or Deliverables. Unless specifically provided in these PO Terms:
- a. **Packing.**
 - (1) Price based on weight will include net weight only.
 - (2) Supplier will not charge Microsoft for packaging or pre-shipping costs, such as boxing, crating, handling damage, drayage, or storage.
 - b. **Shipping.**
 - (1) Supplier will mark all containers with necessary handling and shipping information, PO number(s), date of shipment, and names of the consignee and consignor.
 - (2) An itemized invoice and packing list, and other documentation required for domestic or international transit, regulatory clearance or identification of the Goods or Deliverables will accompany each shipment.
 - (3) Microsoft will only pay for the quantity received, not to exceed the maximum quantity ordered.
 - (4) Microsoft or its agent will hold over-shipments at Supplier's risk and expense for a reasonable time awaiting Supplier's shipping instructions.
 - (5) Microsoft will not be charged for shipping or delivery costs.
 - (6) Unless otherwise agreed, Goods and Deliverables will be delivered on the 10th day after the purchase order date:
 - (1) FOB to the Microsoft designated delivery location if the Goods and Deliverables originate in the same jurisdiction as the Microsoft designated delivery location; or
 - (2) DDP (Incoterms 2010) to the Microsoft designated delivery location for cross border delivery of Goods and Deliverables to the Microsoft designated delivery location.



(7) Supplier will bear all risk of loss, damage, or destruction to the Goods or Deliverables, in whole or in part, occurring before final acceptance by Microsoft at the designated delivery location. Microsoft is responsible for any loss caused by the gross negligence of its employees before acceptance.

c. **Returns.** Supplier will bear the expense of return shipping charges for over-shipped quantities or rejected items.

4. **Invoices.**

a. Unless otherwise agreed, Supplier will invoice Microsoft monthly in arrears and only for accepted Goods, Services, Deliverables, and Cloud Services.

b. Supplier will invoice Microsoft as per instructions received in their PO email notification. Therefore, Supplier will invoice Microsoft:

- Either using [SupplierWeb \(microsoft.com\)](https://supplierweb.microsoft.com);
- [Or, using the SAP Business Network Supplier for purchase orders sent via Ariba.](#)

The Microsoft invoicing process is an electronic invoice submission process. MS Invoice (<https://einvoice.microsoft.com>) is a web-based application, provided by Microsoft to its payees, which allows payees to submit electronic invoices directly to Microsoft. The MS Invoice tool supports electronic invoice submissions on a one-on-one basis or via mass upload if there are multiple invoices. Payee should contact the Microsoft Accounts Payable Help Desk at <https://www.microsoft.com/en-us/procurement/contracting-apsupport.aspx> with any questions or utilize the self-help sections within SupplierWeb or the SAP Business Network for invoice guidance. Invoices must contain the following information: PO number, item number, description of item, quantities, unit prices, extended totals, packing slip number, shipping, ship to city and state, taxes, and any other information reasonably required by Microsoft. Supplier will not charge Microsoft for researching, reporting on, or correcting any errors relating to its invoices.

c. Microsoft may dispute any invoice by providing written notice or partial payment. Microsoft will make commercially reasonable efforts to notify Supplier in writing of any disputed amount within 60 days of receiving the applicable invoice. Neither failing to provide notice nor payment of an invoice is a waiver of any claim or right.

5. **Payment Terms, Cash Discounts, Offset, and Expenses.**

a. After Microsoft accepts the Goods, Services, Deliverables, or Cloud Services and receives a correct and undisputed invoice (the "Create Date"), Microsoft will release payment by net 10 days less a 2% discount on the invoiced amount or by net 60 days with no discount if Microsoft does not issue payment within 10 days following the Create Date.

b. Microsoft is not obligated to pay any invoice received from Supplier more than 120 days after Microsoft accepts the Goods, Services, Deliverables, or Cloud Services.



- c. Payment of an invoice will not constitute acceptance under these PO Terms, and is subject to adjustment for errors, shortages, defects, or other failure of Supplier to meet the requirements of these PO Terms.
- d. Microsoft may set-off amounts owed to Microsoft against an amount Microsoft owes Supplier or Supplier's affiliated companies. Microsoft will provide notice to Supplier within a reasonable time after the set-off.
- e. Unless otherwise agreed, Supplier is responsible for all expenses incurred providing the Goods, Services, Deliverables, or Cloud Services and performing under these PO Terms.

6. Taxes.

- a. Except as otherwise provided below, the amounts to be paid by Microsoft to Supplier do not include taxes. Microsoft is not liable for any taxes that Supplier is legally obligated to pay, including net income or gross receipts taxes, franchise taxes, and property taxes. Microsoft will pay Supplier any sales, use or value added taxes it owes due to these PO Terms and which the law requires Supplier to collect from Microsoft.
- b. Microsoft will not be involved in the importation of the Goods, Services, Deliverables, or Cloud Services, and import taxes are the responsibility of the Supplier unless otherwise agreed in a SOW.
- c. If Microsoft provides Supplier a valid exemption certificate, Supplier will not collect the taxes covered by such certificate.
- d. If the law requires Microsoft to withhold taxes from payments to Supplier, Microsoft may withhold those taxes and pay them to the appropriate taxing authority. Microsoft will deliver to Supplier an official receipt for such taxes. Microsoft will use reasonable efforts to minimize any taxes withheld to the extent allowed by law.

7. Inspection and Acceptance.

- a. Microsoft may cancel these PO Terms or the applicable SOW if Supplier fails to comply with the standards and specifications in these PO Terms.
- b. All Goods and Services will be subject to Microsoft's inspection and testing, at any time and place, including the period of manufacture and before final acceptance. If Microsoft inspects or tests at Supplier's premises, Supplier, without additional charge, will provide all reasonable facilities and assistance for the safety and convenience of Microsoft's inspectors. No inspection or testing done or not done before final inspection and acceptance will relieve the Supplier from responsibility for defects or for other failure to meet the requirements of these PO Terms.
- c. If any item provided under these PO Terms is defective in materials or workmanship or not in conformity with the requirements, then Microsoft may reject it without correction, require its correction within a specified time, accept it with an adjustment in price, or return it to Supplier for full credit. When Microsoft provides notice to Supplier, Supplier will promptly replace or correct, at their expense, any item rejected or



requiring correction. If, after Microsoft's request, Supplier fails to promptly replace or correct a defective item within the delivery schedule, Microsoft may, at its sole option: (1) replace or correct such item and charge the cost to Supplier; (2) without further notice terminate these PO Terms or the applicable SOW for default, return the rejected item to Supplier at Supplier's expense and Supplier will promptly refund any amounts paid by Microsoft for the returned item; or (3) require a reduction in price.

- d. Notwithstanding any prior inspections or payments made, all Goods and Services will be subject to final inspection and acceptance at Microsoft's designated location within a reasonable time after delivery or performance. Records of all inspection work will be complete and available to Microsoft during performance of these PO Terms and for such further period as Microsoft determines.

8. **Additional Cloud Services Requirements.**

- a. **Service Levels.** Supplier will schedule any Cloud Services upgrades or maintenance during the Maintenance Window defined in the applicable SOW. Supplier will provide Cloud Services in accordance with the service levels and terms specified at https://aka.ms/CS_SLA (or any successor link), which is deemed part of documentation (e.g., specifications) and incorporated and made part of these PO Terms.
- b. **Business continuity.** Supplier will be responsible for establishing, implementing, testing, and maintaining an effective enterprise-wide business continuity program (including disaster recovery and crisis management procedures) to provide continuous access to, and support for, the Cloud Services to Microsoft. At a minimum, Supplier must, at all times: (1) back up, archive and maintain duplicate or redundant systems that: (i) are located at a secure physical location (other than the location of primary system(s) used to provide Cloud Services); (ii) are updated and tested at least annually; and (iii) can fully recover the Cloud Services and all Microsoft Materials on a daily basis; and (2) establish and follow procedures and frequency intervals for transmitting backup data and systems to Supplier's backup location. On request, Supplier will provide Microsoft with an overview of Supplier's enterprise business continuity program and will promptly and in good faith provide written responses to Microsoft's inquiries in connection with that program to enable Microsoft to review the adequacy of the program.
- c. **Transition.** If the applicable SOW terminates or expires, or if Microsoft requests in writing, Supplier will provide:
 - (1) backup media to Microsoft (as reasonably requested by Microsoft) containing all Microsoft Materials unless the Cloud Services provide this as a self-service function to Microsoft); and (2) all assistance Microsoft reasonably requires (at Microsoft's expense) to timely and smoothly transition from the Cloud Services.

9. **Changes.** Microsoft may suspend Supplier's performance, increase or decrease the ordered quantities, or make changes for Microsoft's reasonable business needs (each, a "Change Order"), by written notice to Supplier, including via e-mail, and without any notice to Supplier sureties, subcontractors, or assignees. Unless mutually agreed, a Change Order does not apply to change the Goods and Services timely and fully delivered before the date of the Change Order. If any change causes an increase or decrease in the cost of, or the time required for,



Supplier's performance, an equitable adjustment may be made in the price or delivery schedule or both, if Microsoft agrees to such adjustment in writing.

10. **Tools and Equipment.** All tools, equipment or materials acquired by Supplier for use in providing the Goods and Services, which have been furnished to, paid for by or charged against Microsoft, including specifications, drawings, tools, dies, molds, fixtures, patterns, hobs, electrodes, punches, artwork, screens, tapes, templates, special test equipment, gauges, content, data, and software, will remain or become Microsoft's property, treated as Microsoft Confidential Information, and delivered in good condition, normal wear and tear excepted, by Supplier to Microsoft's designated delivery location per Section 3, immediately upon demand and without cost to Microsoft. Supplier warrants the item(s) and information will not be used for any work or production of any materials or parts other than for Microsoft, without Microsoft's prior written permission. Supplier will identify for Microsoft all third- party IP or software used in conjunction with the Services.
11. **Reports.** Upon request from Microsoft, Supplier will promptly provide Microsoft with a Software Bill of Materials ("SBOM") for all software provided under these PO Terms. Each SBOM will meet the minimum requirements established by the U.S. Department of Commerce or otherwise set forth by Law.
12. **Ownership and Use of the Parties' Respective IP.**
 - a. Each party will own and retain all rights to its pre-existing IP and any IP developed independently of the Goods, Services, Deliverables, and Cloud Services under these PO Terms, including any of such party's IP rights therein.
 - b. Microsoft will own all Deliverables, including all IP rights, all media in any format, hardware, and other tangible materials created by Supplier while delivering the Services. Any Supplier work which is a written or customized product or report related to, or to be used in, a Deliverable is regarded as IP.
 - c. If Deliverables do not qualify as a work made for hire, Supplier assigns to Microsoft all right, title, and interest in and to the Deliverables, including all IP rights. Supplier waives all moral rights in Deliverables.
 - d. If Supplier uses any Supplier or third-party IP in any Good or Service, Supplier will continue to own Supplier's IP rights. Supplier will grant Microsoft a worldwide, nonexclusive, perpetual, irrevocable, royalty- free, fully paid up right and license, under all current and future IP rights, to use Supplier's and third-party IP consistent with Microsoft's ownership interests under this Section 12.
 - e. Supplier grants to Microsoft and its affiliated companies (including their employees, contractors, consultants, outsourced workers, and interns engaged by Microsoft or any of its affiliated companies to perform services) a worldwide, irrevocable, nonexclusive, perpetual, paid-up and royalty free license for any Goods that include software or other IP not subject to a mutually executed separate license (including installed applications). The license allows Microsoft to use such software and IP in connection with Goods. Microsoft may transfer this license to a Microsoft affiliated company, or a successor owner by sale or lease.



- f. Supplier grants to Microsoft and its affiliated companies (including their employees, contractors, consultants, outsourced workers, and interns engaged by Microsoft or any of its affiliated companies to perform services) and their end users (if any), to the limited extent necessary to the performance of the Cloud Services, a worldwide, nonexclusive, unlimited, paid-up and royalty free right to access and use, during the term, Cloud Services, in each case for Microsoft's business purposes. Access to the Cloud Services is unlimited unless otherwise specified in a SOW.
- g. Pass through warranties and indemnities. Supplier assigns and passes through to Microsoft all of the third-party manufacturers' and licensors' warranties and indemnities for the Goods.
- h. Title to the Goods (other than licensed software) will pass from Supplier to Microsoft on final acceptance.
- i. Microsoft IP.
 - (1) Supplier may use "Microsoft Materials," meaning any tangible or intangible materials, provided by or on behalf of Microsoft, any of its affiliated companies, or their respective end users, to Supplier to perform Services, Deliverables, or Cloud Services, or obtained or collected by Supplier in connection with the Goods, Services, Deliverables, or Cloud Services (e.g., usage data) (including hardware, software, source code, documentation, methodologies, know how, processes, techniques, ideas, concepts, technologies, reports and data). Microsoft Materials may include any modifications to, or derivative works of, the foregoing materials, (i) Personal Data, (ii) trademarks, (iii) inputs and prompts to and outputs generated by an AI Model (as defined below), and any data entered into any Supplier database as part of the Services or Cloud Services. Microsoft Materials do not include Microsoft products obtained by Supplier outside of and unrelated to these PO Terms.
 - (2) Microsoft grants Supplier a nonexclusive, non-sublicensable (except to subcontractors approved by Microsoft in accordance with these PO Terms), revocable license (i) under Microsoft's IP rights in the Microsoft Materials to copy, use and distribute Microsoft Materials provided to it only as necessary to perform the Services in accordance with these PO Terms, and (ii) to use Microsoft Materials only as necessary to perform the Cloud Services in accordance with these PO Terms. Supplier will not Sell, share, license, or otherwise commercialize any Microsoft Materials.
 - (3) Microsoft retains all other interest in Microsoft Materials and related IP rights. Supplier has no right to sublicense Microsoft Materials except to approved subcontractors as required to perform the delivery of Goods, Services, Deliverables, and CloudServices. If the Microsoft Materials come with a separate license, the terms of that license will apply and those terms control in the case of conflict with these PO Terms. Supplier will obtain a separate license to any Microsoft products or services used in connection with the Good, Services, Deliverables, or Cloud Services.



- (4) Supplier will take reasonable precautions to protect and ensure against loss or damage, theft, or disappearance of Microsoft Materials.
- (5) Microsoft may revoke the license to Microsoft Materials at any time for any reasonable business reason. The license will terminate automatically on the earlier of the expiration or termination of these PO Terms or an applicable SOW. Supplier will promptly return any Microsoft Materials on request or termination of Supplier's license.
- (6) Regarding Supplier's use of Microsoft Materials:
 - (i) Supplier will not modify, reverse engineer, decompile, or disassemble Microsoft Materials except as allowed by Microsoft;
 - (ii) Supplier will leave in place, and not alter or obscure proprietary notices and licenses contained in Microsoft Materials;
 - (iii) Microsoft is not obligated to provide technical support, maintenance, or updates for Microsoft Materials;
 - (iv) all Microsoft Materials are provided "as-is" without warranty; and
 - (v) Supplier assumes the risk of loss, damage, unauthorized access or use, or theft or disappearance of Microsoft Materials in Supplier's (or subcontractor's) care, custody, or control.
- (7) No Microsoft Materials, IP or Confidential Information, may be used by Supplier or an AI Model to customize, train, or improve, directly or indirectly, any artificial intelligence model or product, including any AI Model, (collectively, "AI Training") without Microsoft's express prior written consent. Any AI Training without obtaining such consent is a material breach and Supplier's limitation of liability in Section 19 will not apply to claims based on a breach of this section. If Microsoft provides such consent, the parties will first enter into a separate written agreement that addresses the terms governing the AI Training. "AI Model" means any artificial intelligence model (which includes any deep learning or machine learning model) used in connection with or incorporated into the Goods, Services, Cloud Services, or any Deliverable.

13. **Representations and Warranties.** Supplier represents and warrants that:

- a. it has full rights and authority to enter into, perform under, and grant the rights in according to these PO Terms and its performance will not violate any agreement or obligation between it and any third party;
- b. Services will be performed professionally and be at or above industry standard;
- c. Goods, Services, Cloud Services, and Deliverables must meet the standards and specifications in these PO Terms and be suitable for the intended use;



- d. it will provide to Microsoft all Goods, Services, and Deliverables free from: (1) any defects in design, workmanship, and materials; (2) any liability for royalties; and (3) any mechanic's liens or any other statutory lien or security interest or encumbrance;
- e. the Goods, Services, Cloud Services, Deliverables and any Supplier or third-party IP provided to Microsoft under these PO Terms:
 - (1) are not governed, in whole or in part, by an Excluded License. "Excluded License" means any software license that requires as a condition of use, modification and/or distribution, that the software or other software combined and/or distributed with it be: (i) disclosed or distributed in source code form; (ii) licensed to make derivative works; or (iii) redistributable at no charge; and
 - (2) will not be subject to license terms that require any (i) Microsoft product, service, or documentation, or any Supplier or third-party IP licensed to Microsoft, or documentation which incorporates or is derived from such Goods, Services, Cloud Services, Deliverables, or Supplier or third-party IP, or (ii) Microsoft Materials or Microsoft IP, to be licensed or shared with any third party;
- f. the Goods, Services, Cloud Services, Deliverables and any Supplier or third-party IP provided to Microsoft under these PO Terms will not:
 - (1) to the best of Supplier's knowledge, infringe any third-party patent, copyright, trademark, trade secret or other proprietary right of any third party; or
 - (2) contain any viruses or other malicious code that will degrade or infect any Goods, Deliverables, products, services, or any other software or Microsoft's network or systems;
- g. Supplier will comply with all Laws, rules, and regulations, including Data Protection Law (as defined in Exhibit A), AI Laws (as defined in Section 15(f)), and Anti-Corruption Laws (i.e., all Laws against fraud, bribery, corruption, inaccurate books and records, inadequate internal controls, and/or money-laundering, including the U.S. Foreign Corrupt Practices Act), whether local, state, federal or foreign. The Goods, Services, Deliverables, Cloud Services, parts, components, devices, software, technology, and other materials provided under these PO Terms (collectively, "Items") may be subject to applicable trade laws in one or more countries. The Supplier will comply with all relevant laws and regulations applicable to the import or export of the Items, including but not limited to, trade laws and regulations such as the U.S. Export Administration Regulations or other end-user, end use, and destination restrictions by the U.S. and other governments, as well as sanctions regulations administered by the U.S. Office of Foreign Assets Control ("Trade Laws"). Microsoft may suspend or terminate these PO Terms immediately to the extent that Microsoft reasonably concludes that continued performance would violate Trade Laws or put it at risk of becoming subject to sanctions or penalties under Trade Laws. Supplier is responsible for ensuring compliance with the transfer or re-transfer of intangible items, such as technology. Supplier agrees to provide Microsoft with the import/export control classifications and information, including documentation, on the applicable import, export, or re-export authorizations,





- b. Supplier will, at its expense, implement and maintain appropriate technical and organizational measures to protect Confidential Information, including Personal Data, against accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, Confidential Information, including Personal Data, transmitted, stored or otherwise processed, and will, as soon as commercially and technologically practicable, remediate any material vulnerabilities of which Supplier becomes aware. Supplier's security procedures must include risk assessment and controls for: (1) system access; (2) system and application development and maintenance; (3) change management; (4) asset classification and control; (5) incident response, physical and environmental security; (6) disaster recovery/business continuity; and (7) employee training. Those measures will be set forth in a Supplier security policy. Supplier will make that policy available to Microsoft, along with descriptions of the security controls in place for the Services and Cloud Services, upon Microsoft's request and other information reasonably requested by Microsoft regarding Supplier security practices and policies.
- c. When Supplier provides Cloud Services: (1) At Supplier's cost, Supplier will maintain a valid certification under the International Organization for Standardization standard ISO 27001 or a valid SOC 2 Type II attestation report ("Supplier Certification"). Supplier will promptly provide to Microsoft upon Microsoft's request a full copy of the Supplier Certification and report on which the Supplier Certification is based. The Supplier Certification will cover all Cloud Services, except cloud infrastructure services provided by cloud infrastructure providers other than Supplier or its affiliates. (2) Supplier will only use the cloud infrastructure provider ("CIP") identified in the applicable SOW in providing Cloud Services and will notify Microsoft at least 90 days before it changes, adds, or undertakes any plan to change, the CIP and at least 30 days before any change in location of Microsoft Materials. If Microsoft rejects the change, it may terminate the applicable SOW immediately, with no further obligations.
- d. Supplier will comply with the privacy and data protection requirements in Exhibit A.
- e. Without limiting Supplier's obligations under these PO Terms, including the DPR, on becoming aware of any Security Incident (defined below), Supplier will:
 - (1) notify Microsoft without undue delay of the Security Incident (in any case no later than it notifies any similarly situated customers of Supplier and in all cases before Supplier makes any general public disclosure (e.g., a press release));
 - (2) promptly investigate or perform required assistance in the investigation of the Security Incident and provide Microsoft with detailed information about the Security Incident, including a description of the nature of the Security Incident, the approximate number of Data Subjects affected, the Security Incident's current and foreseeable impact, and the measures Supplier is taking to address the Security Incident and mitigate its effects; and
 - (3) promptly take all commercially reasonable steps to mitigate the effects of the Security Incident, or assist Microsoft in doing so.

"Security Incident" means any: (1) accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to Confidential Information, including Personal



Data, transmitted, stored, or otherwise processed by Supplier or its subcontractors; or (2) Security Vulnerability (i) related to Supplier's handling of Confidential Information, including Personal Data, or (ii) impacting Microsoft products, services, software, network, or systems. "Security Vulnerability" means a weakness, flaw, or error found within a security system of Supplier or its subcontractors that has a reasonable likelihood to be leveraged by a threat agent in an impactful way. Supplier will comply with this Section 15(e) at Supplier's cost unless the Security Incident arose from Microsoft's negligent or willful acts or Supplier's compliance with Microsoft's express written instructions.

Supplier must obtain Microsoft's written approval before notifying any governmental entity, individual, the press, or other third party of a Security Incident that affected or reasonably could affect Microsoft, including any Confidential Information that Supplier received from Microsoft or Processed on behalf of Microsoft.

- f. **Artificial Intelligence.** Supplier will not use any AI System in connection with or incorporate any AI System into the Goods, Services, Cloud Services, or any Deliverable without Microsoft's prior written consent. Supplier will, at its expense, implement and maintain appropriate technical and organizational measures to ensure any AI System used or developed in connection with or incorporated into the Goods, Services, Cloud Services, or any Deliverable, and any Goods, Services, Cloud Services, or Deliverables intended to be used with or incorporated into an AI System, complies with AI Laws and Policies, including all Policies related to the ethical or responsible use of artificial intelligence technology. Supplier's artificial intelligence program must include processes and controls sufficient to meet the requirements mandated under applicable AI Laws and Policies. Those measures will be set forth in a Supplier artificial intelligence policy, including all documentation needed to demonstrate compliance with AI Laws. Supplier will make that policy available to Microsoft on Microsoft's request along with descriptions of the controls in place for the artificial intelligence technology, and will provide any other information reasonably requested by Microsoft regarding Supplier's responsible artificial intelligence practices and policies. Supplier will cooperate with Microsoft, upon request, to assist Microsoft in responding to an AI Inquiry, including providing Microsoft will all necessary information regarding any AI System used or developed in connection with or incorporated into the Goods, Services, Cloud Services, or any Deliverable, or any Goods, Services, Cloud Services, or Deliverables intended to be used with or incorporated into an AI System. "AI System" means an engineered system that applies an optimized model so that the system can, for a given set of human-defined objectives, make predictions, recommendations, or decisions influencing the environments it interacts with. AI Systems include AI Models. "AI Laws" means any Laws applicable to Supplier or Microsoft, relating to artificial intelligence systems and technology, including Regulation (EU) 2024/1689 of the European Parliament and of the Council, Executive Order 14110 on Safe, Secure and Trustworthy Artificial Intelligence and any implementing, derivative or related legislation, rule, regulation, and regulatory guidance, as amended, extended, repealed and replaced, or re-enacted. "AI Inquiry" means an inquiry by a governmental body, standards body, or similar entity relating to (1) any AI System used or developed in connection with or incorporated into the Goods, Services, Cloud Services, or any Deliverable, or (2) any



Goods, Services, Cloud Services, or Deliverables intended to be used with or incorporated into an AI System.

g. **Notifications.**

- (1) Supplier must obtain Microsoft's written approval before (i) notifying any governmental entity, individual, the press, or other third party of a Security Incident that affected or reasonably could affect Microsoft, including any Confidential Information that Supplier received from Microsoft or Processed on behalf of Microsoft, or (ii) responding to, or notifying any governmental entity, individual, the press, or other third party of, an AI Inquiry. As part of its notification to Microsoft, Supplier will disclose the identity of the third party and a copy of the notification (if the notification to the third party has not been sent, Supplier will provide a draft to Microsoft). Supplier will permit Microsoft to offer edits or updates to the notification.
- (2) Supplier may notify a third party about a Security Incident affecting Personal Data if Supplier is under a legal obligation to do so, provided that Supplier makes every effort to give Microsoft prior notification, as soon as possible and if prior notification is not possible, notify Microsoft immediately once it becomes possible to give notification.

16. **Supplier Code of Conduct.** Supplier will comply with the most current Supplier Code of Conduct at <https://aka.ms/scoc> and the most current Anti-Corruption Policy for Microsoft Representatives at <http://aka.ms/microsoftethics/representatives>, and any other Policies (e.g., those related to physical or information security or artificial intelligence) or training identified by Microsoft in a SOW or otherwise during the Term (and will provide such training).
17. **Accessibility.** Any device, product, website, web-based application, cloud service, software, mobile applications, or content developed or provided by or on behalf of Supplier or Supplier's Affiliate under these PO Terms must comply with all legal accessibility requirements. For purchases with a User Interface (UI) this includes conformance to Level A and AA Success Criteria of the latest published version of the Web Content Accessibility Guidelines ("WCAG"), available at https://www.w3.org/standards/techs/wcag#w3c_all, Section 508 of the Rehabilitation Act, available at <https://www.section508.gov> and the European standard EN 301 549 available at <https://eur-lex.europa.eu/eli/dir/2016/2102/oj>. Suggested documentation includes completion of the VPAT 2.4 INT: which incorporates all three of the above standards and is available at <https://www.itic.org/policy/accessibility/vpat>.
18. **No Waiver.** Microsoft's delay or failure to exercise any right or remedy will not result in a waiver of that or any other right or remedy.
19. **Insolvency; Limitations of Liability.**
 - a. The insolvency or adjudication of bankruptcy, filing a voluntary petition in bankruptcy, or making an assignment for the benefit of creditors by either party will be a material breach of these PO Terms. For these PO Terms, "insolvency" means either (1) the party's liabilities exceed its assets, each fairly stated, or (2) the party's failure to pay its business obligations on a timely basis in the regular course of business.



- b. **Limitations of Liability.** EXCEPT FOR THE INDEMNIFICATION OBLIGATIONS STATED IN SECTION 21, A BREACH OF A PARTY'S ARTIFICIAL INTELLIGENCE, CONFIDENTIALITY, SECURITY, PRIVACY, DATA PROTECTION, AND PUBLICITY OBLIGATIONS UNDER THESE PO TERMS, INFRINGEMENT, MISUSE, OR MISAPPROPRIATION OF IP RIGHTS IN CONNECTION WITH THESE PO TERMS, OR FRAUD, NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES (INCLUDING DAMAGES FOR LOSS OF DATA, REVENUE, AND/OR PROFITS), WHETHER FORESEEABLE OR UNFORESEEABLE, WHICH ARISE OUT OF THESE PO TERMS, REGARDLESS OF WHETHER THE LIABILITY IS BASED ON BREACH OF CONTRACT, TORT, STRICT LIABILITY, BREACH OF WARRANTIES OR OTHERWISE, AND EVEN IF THE PARTY IS ADVISED OF THE POSSIBILITY OF THOSE DAMAGES.
20. **Subcontracting.** Supplier will not subcontract with any third party to furnish any Goods, Services, Deliverables, or Cloud Services without Microsoft's prior written consent. If Supplier subcontracts any Services or Cloud Services to any subcontractor, Supplier will be fully liable to Microsoft for any actions or inactions of subcontractor, remain subject to all obligations under these PO Terms, require the subcontractor to agree in writing that Microsoft is an intended third-party beneficiary of its agreement with Supplier and require the subcontractor to agree in writing to terms no less protective of Microsoft than the terms of these PO Terms applicable to the work performed by the subcontractor, including the privacy and data protection terms in Section 15 of these PO Terms and Exhibit A.
21. **Indemnification and Other Remedies.**
- a. Supplier will defend, indemnify and hold harmless Microsoft and Microsoft affiliates companies against all claims, demands, loss, costs, damages, and actions for: (1) actual or alleged infringements of any third-party IP or IP rights or Microsoft IP or IP Rights, which arise from the Goods, Services, Deliverables, or Cloud Services provided under these PO Terms; (2) any claim that, if true, would constitute a breach of Section 15, Exhibit A, or any Supplier warranty contained herein; (3) any act or omission of or failure to comply with tax obligations or Law by Supplier or Supplier's agents, employees, or subcontractors; (4) any breach by Supplier or its subcontractors of any artificial intelligence, confidentiality, security, or privacy, data protection, or publicity obligations under these PO Terms; (5) the negligent or willful acts or omissions of Supplier or its subcontractors, which results in any bodily injury, including mental injury, or death to any person or loss, disappearance or damage to tangible or intangible property; and (6) any claims of its employees, affiliated companies or subcontractors regardless of the basis, including, but not limited to, the payment of settlements, judgments, and reasonable attorneys' fees.
- b. In addition to all other remedies available to Microsoft, if use of the Goods, Services, Deliverables, or Cloud Services under these PO Terms are enjoined, injunction is threatened, or may violate applicable law, Supplier, at its expense will notify Microsoft and immediately replace or modify such Goods, Services, Deliverables, and Cloud Services so they are non-infringing, compliant with applicable law, and useable to Microsoft's satisfaction. If Supplier does not comply with this Section 21(b), then in addition to any amounts reimbursed under this Section 21 (Indemnification and Other Remedies), Supplier will refund all amounts paid by Microsoft for infringing or non-



compliant Goods, Services, Deliverables, and Cloud Services and pay reasonable costs to transition Services and Cloud Services to a new supplier.

22. **Insurance.** Supplier will maintain sufficient insurance coverage to meet obligations required by these PO Terms and by Law. Supplier’s insurance must include the following coverage (or the local currency equivalent) to the extent these PO Terms or the applicable SOW creates risks generally covered by these insurance policies:

Table A1 – Required Insurance Coverage

Coverage	Form	Limit ¹
Commercial general liability, including contractual and product liability ²	Occurrence	\$2,000,000 USD
Automobile liability	Occurrence	\$2,000,000 USD
Privacy and cybersecurity liability, as reasonably commercially available (including costs arising from data destruction, hacking or intentional breaches, crisis management activity related to data breaches, and legal claims for security breach, privacy violations, and notification costs)	Per claim	\$2,000,000 USD
Workers’ compensation	Statutory	Statutory
Employer’s liability	Occurrence	\$500,000 USD
Professional liability/E&O, covering third-party proprietary rights infringement (e.g., copyright and trademark) if reasonably commercially available	Per claim ³	\$2,000,000 USD

NOTES:

- 1 All limits per claim or occurrence unless statutory requirements are otherwise may be converted to local currency.
- 2 Supplier will name Microsoft, its subsidiaries, and their respective directors, officers, and employees as additional insureds in the Commercial general liability policy, to the extent of contractual liability assumed by Supplier in Section 21.
- 3 With a retroactive coverage date no later than the effective date of these PO Terms or the applicable SOW or Order. Supplier will maintain active policy coverage or an extended reporting period providing coverage for claims first made and reported to the insurer within 12 months after these PO Terms terminate or expire or the applicable SOW or Order is fulfilled.

Supplier must obtain Microsoft’s prior written approval for any deductible or retention in excess of \$100,000 USD per occurrence or accident. Supplier will deliver to Microsoft proof of the insurance coverage required under these PO Terms on request. Supplier will promptly

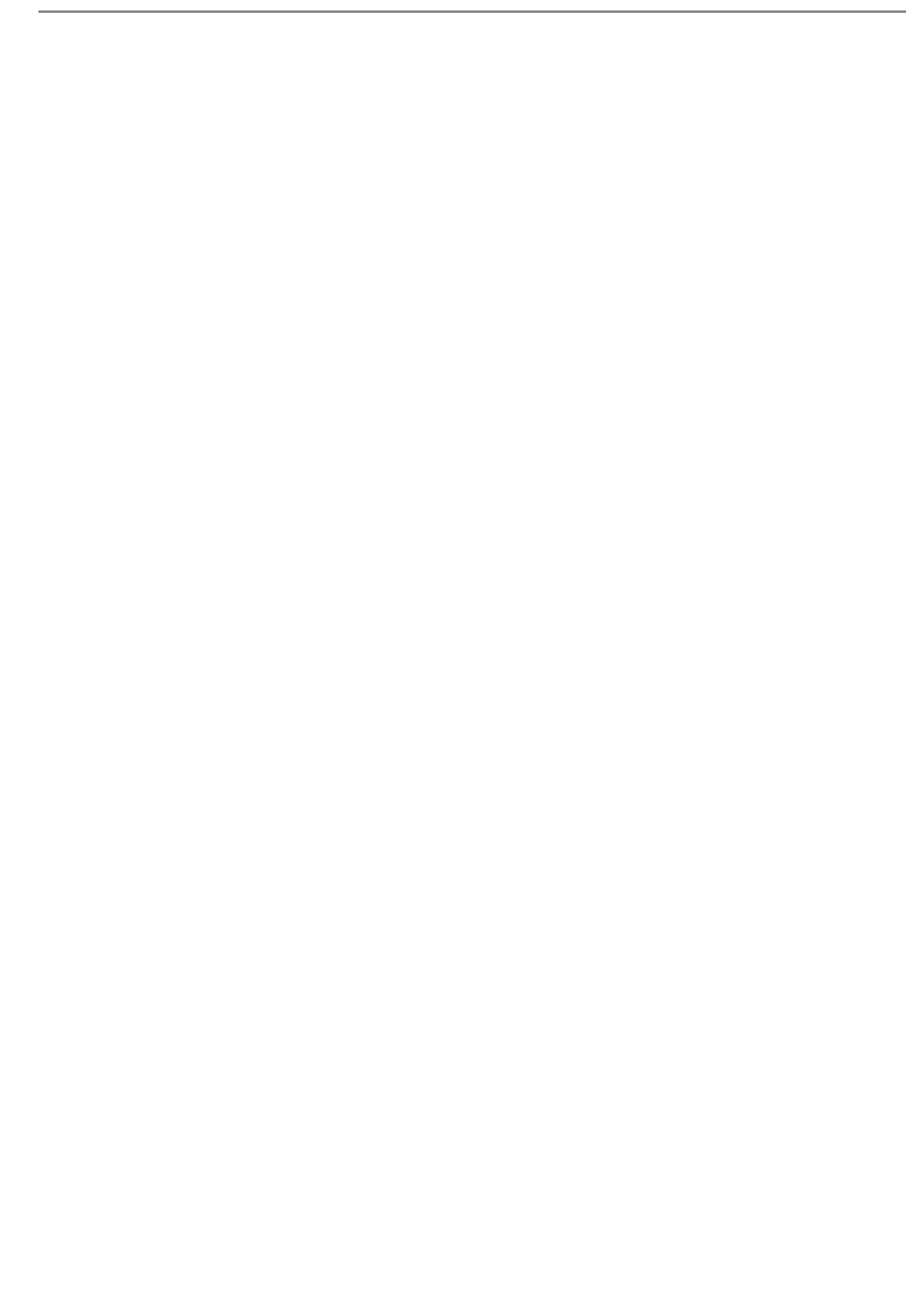


buy additional coverage, and notify Microsoft in writing, if Microsoft reasonably determines Supplier's coverage is less than required to meet its obligations.

23. **Non-Disclosure of Confidential Matters.** If the parties have entered into a standard Microsoft Non-Disclosure Agreement, the terms of such agreement will apply to and be incorporated in these PO Terms and the existence of and all terms and conditions of these PO Terms and Microsoft Materials will be deemed Microsoft Confidential Information. If the parties have not entered into a standard Microsoft Non-Disclosure Agreement, then Supplier agrees that during the term of these PO Terms and for 5 years thereafter, Supplier will hold in strictest confidence, and will not use or disclose to any third party (except to a Microsoft Affiliate), any Microsoft Confidential Information. The term "Microsoft Confidential Information" means all nonpublic information that Microsoft or an affiliated company designates in writing or orally as being confidential, or which, under the circumstances of disclosure would indicate to a reasonable person that it ought to be treated as confidential. Notwithstanding anything to the contrary in these PO Terms, all Personal Data shared with Supplier or a Supplier affiliate and in connection with these PO Terms is Microsoft Confidential Information. If Supplier has questions regarding what comprises Microsoft Confidential Information, Supplier will consult Microsoft. Microsoft Confidential Information will not include information known to Supplier before Microsoft's disclosure to Supplier, or information publicly available through no fault of Supplier.

On expiration or termination of these PO Terms or the applicable SOW, or on request by Microsoft or Microsoft's Affiliate, Supplier will without undue delay: (i) return all Microsoft Confidential Information (including copies thereof) to Microsoft or the applicable Microsoft Affiliate; or (ii) where requested by Microsoft or its Affiliate, destroy the Microsoft Confidential Information (including copies thereof) and certify its destruction, in each case unless the Law expressly requires otherwise. For any Microsoft Confidential Information that Supplier retains after expiration or termination of these PO Terms or the applicable SOW (for example, because Supplier is legally required to retain the information), Supplier will continue to comply with all terms of these PO Terms applicable to that Confidential Information, including all confidentiality obligations, and those applicable terms will survive such termination or expiration.

24. **Independent Development.** Nothing in these PO Terms restricts Microsoft's ability to, directly or indirectly, acquire, license, develop, manufacture, or distribute, same or similar technology or services to the Goods, Services, Deliverables, or Cloud Services contemplated by these PO Terms. Microsoft may use, market, and distribute such similar technology or services in addition to, or in lieu of, the technology or services contemplated by these PO Terms, including any software or cloud services (in whole or in part).
25. **Audit.** During the term of these PO Terms and for 4 years after (or a longer term as required to comply with Law), Supplier will keep usual and proper records and books of account and quality and performance reports related to Goods, Services, Deliverables, or Cloud Services, the Processing of Personal Data, and as otherwise required for legal compliance ("Supplier Records"). During this period, Microsoft may audit and/or inspect the applicable records and facilities to verify Supplier's compliance with these PO Terms, including privacy, security, export compliance, accessibility, and taxes. Microsoft or its designated independent consultant or certified public accountant ("Auditor") will conduct audits and inspections.



Microsoft will provide reasonable notice (15 days except in emergencies) to Supplier before the audit or inspection and will instruct the Auditor to avoid disrupting Supplier's operations, including consolidating audits where practical. Supplier agrees to provide Microsoft's designated audit or inspection team reasonable access to the Supplier records and facilities. If the auditors determine that Microsoft overpaid Supplier, Supplier will reimburse Microsoft for any such overpayment. If Supplier overcharged Microsoft 5% or more during an audited period, it will immediately refund Microsoft all overpayments plus pay interest at 0.5% per month on such overcharge. Microsoft will bear the expense of its auditors or inspection team. However, if the audit shows Supplier overcharged Microsoft by 5% or more during such audit period, Supplier will reimburse Microsoft for such expenses. Nothing in this Section limits Microsoft's right to audit Supplier under any other Section of these PO Terms, including Exhibit A.

26. **Assignments.** No right or obligation under these PO Terms (including the right to receive monies due) will be assigned without the prior written consent of Microsoft. Any assignment without such consent will be void. Microsoft may assign its rights under these PO Terms.
27. **Notice of Labor Disputes.** Whenever an actual or potential labor dispute delays or threatens to delay the timely performance of these PO Terms, Supplier will immediately notify Microsoft in writing of such dispute and furnish all relevant details. Supplier will include a provision identical to the above in each subcontract and, immediately upon receipt of such notice, give written notice to Microsoft.
28. **Patent License.** Notwithstanding other conditions stated herein, if Supplier fails in performance according to the terms of these PO Terms, Supplier, as part of the consideration for these PO Terms and without further cost to Microsoft, automatically grants to Microsoft an irrevocable, non-exclusive, royalty-free right and license to use, sell, manufacture, and cause to be manufactured any and all products, which embody any and all inventions and discoveries made, conceived, or actually reduced to practice by or on behalf of Supplier in connection with a Deliverable under these PO Terms.
29. **Jurisdiction and Governing Law.** Where Goods, Services, Deliverables, or Cloud Services are provided to Microsoft in the United States, these PO Terms are governed by Washington State Law (disregarding conflicts of law principles), and the parties consent to exclusive jurisdiction and venue in the state and federal courts in King County, Washington. All Cloud Services are deemed provided in the United States if any access or use of Cloud Services by Microsoft occurs in the United States. In all other instances, these PO Terms are governed by the Laws of the country where Microsoft (i.e., the entity other than Supplier who is the contracting entity to these PO Terms) is incorporated or otherwise formed and the parties consent to exclusive jurisdiction and venue in that country. Neither party will claim lack of personal jurisdiction or forum non conveniens in the courts agreed above. In any action or suit related to these PO Terms, the prevailing party is entitled to recover its costs including reasonable attorneys' fees.
30. **Publicity; Use of Trademarks.** Supplier will not issue press releases or other publicity related to Supplier's relationship with Microsoft or these PO Terms without prior written approval from Microsoft. If written approval is granted, Supplier may only use Trademarks for



Services, Cloud Services and Deliverables in compliance with the guidelines at <https://www.microsoft.com/en-us/legal/intellectualproperty/Trademarks/Usage/General.aspx>.

31. **Severability, URLs.** If a court of competent jurisdiction determines that any provision of these PO Terms is illegal, invalid, or unenforceable, the remaining provisions will remain in full force and effect. URLs also refer to successors, localizations, and information or resources linked from within websites at those URLs. Neither party has entered into these PO Terms in reliance on anything not contained or incorporated in these PO Terms. These PO Terms will be interpreted according to their plain meaning without presuming that they should favor either party.
32. **Survival.** The provisions of these PO Terms which, by their terms, require performance after the termination or expiration or have application to events that may occur after the termination or expiration of these PO Terms or the applicable SOW, will survive the termination or expiration of these PO Terms and the applicable SOW. All indemnity obligations and indemnification procedures will survive the termination or expiration of these PO Terms and the applicable SOW.

[Remainder of this page is intentionally left blank]



Exhibit A – Data Protection

SECTION 1 Scope, Order of Precedence, and Term

- (a) This Exhibit modifies and supplements the terms and conditions in the PO Terms as they relate to Supplier's Processing of Personal Data and compliance with Data Protection Law. The SOW (if any) designates the Supplier's status as a Controller or a Processor. Notwithstanding anything to the contrary in the PO Terms, if there is a conflict between this Exhibit and the PO Terms, this Exhibit will control. This Exhibit will be attached to and incorporated into the PO Terms.
- (b) This Exhibit applies only to the extent that Supplier receives, stores, or Processes Personal in connection with the Goods, Services, Deliverables, or Cloud Services.

SECTION 2 Definitions

- (a) All capitalized terms not defined in this Exhibit will have the meanings set forth in the PO Terms.
- (b) The following terms have the definitions given to them in the CCPA: "**Business**," "**Business Purpose**," "**Sale**," "**Share**," "**Service Provider**," "**Contractor**," and "**Third Party**."
- (c) "**Controller**" means the entity that determines the purposes and means of the Processing of Personal Data. "Controller" includes a Business, Controller (as that term is defined in the GDPR), and equivalent terms in Data Protection Laws, as context requires.
- (d) "**Data Exporter**" means the party that (1) has a corporate presence or other stable arrangement in a jurisdiction that requires an International Data Transfer Mechanism and (2) transfers Personal Data, or makes Personal Data available to, the Data Importer.
- (e) "**Data Importer**" means the party that is (1) located in a jurisdiction that is not the same as the Data Exporter's jurisdiction and (2) receives Personal Data from the Data Exporter or is able to access Personal Data made available by the Data Exporter.
- (f) "**Personal Data Incident**" means any:
 - (1) destruction, alteration, use, loss, disclosure of, or access to Personal Data transmitted, stored, or otherwise processed by Supplier or its subcontractors that is not authorized by law or these PO Terms or any other breach of the protection of Personal Data; or
 - (2) Security Vulnerability related to Supplier's handling of Personal Data. "**Security Vulnerability**" means a weakness, flaw, or error found within a security system of Supplier or its subcontractors that has a reasonable likelihood to be leveraged by a threat agent in an impactful way.
- (g) "**Data Protection Law**" means any Law applicable to Supplier or Microsoft, relating to data security, data protection, and/or privacy, including Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to processing of personal data and the free movement of that data ("**GDPR**"), Cal. Civ. Code Title 1.81.5, § 1798.100 et seq. (California Consumer Privacy Act) ("**CCPA**"), and any other U.S. federal, U.S. state, or foreign data privacy laws, and any implementing, derivative or related



legislation, rule, regulation, and regulatory guidance, as amended, extended, repealed and replaced, or re-enacted.

- (h) **“Data Subject”** means an identifiable natural person who can be identified, directly or indirectly, in particular by referencing an identifier such as a name, an identification number, location data, an online identifier, or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural, or social identity of that natural person.
- (i) **“De-identified Data”** means information that cannot reasonably be linked to an identified or identifiable individual.
- (j) **“EEA”** means the European Economic Area.
- (k) **“Personal Data”** means any information relating to an identified or identifiable natural person (**“Data Subject”**) and any other data or information that constitutes personal data or personal information under any applicable Data Protection Law. An identifiable natural person is one who can be identified, directly or indirectly, in particular by referencing an identifier such as a name, an identification number, location data, an online identifier, or one or more factors specific to the physical, physiological, genetic, mental, economic, cultural, or social identity of that natural person.
- (l) **“Process”** or **“Processing”** means any operation or set of operations that a party performs on Personal Data, whether or not by automated means, including collection, recording, organization, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, blocking, erasure or destruction.
- (m) **“Processor”** means an entity that processes Personal Data on behalf of another entity. **“Processor”** includes Service Provider, Contractor, Processor (as that term is defined in the GDPR), and equivalent terms in Data Protection Laws, as context requires.
- (n) **“Protected Health Information”** or **“PHI”** means Microsoft Personal Data that is protected by the Health Information Portability and Accountability Act (HIPAA).
- (o) **“Pseudonymous Data”** means information that cannot be attributed to a specific individual without the use of additional information provided that it is kept separately and subject to appropriate technical and organizational measures to ensure that it is not attributed to the individual.
- (p) **“Sensitive Data”** means the following types and categories of data: (1) data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, immigration or citizenship status, or trade union membership; genetic data; (2) biometric data; (3) data concerning health, including protected health information governed by the Health Insurance Portability and Accountability Act; (4) data concerning a natural person’s sex life or sexual orientation; (5) government identification numbers (e.g., SSNs, driver’s license); (6) payment card information; (7) nonpublic personal information governed by the Gramm Leach Bliley Act; (8) an unencrypted identifier in combination with a password or other access code that would permit access to a data subject’s account; (9) personal bank account numbers; (10) data related to



children; (11) precise geolocation; and (12) any other data defined as “sensitive data,” “sensitive information,” or similar terms under Data Protection Law.

- (q) **“Standard Contractual Clauses”** means the European Union standard contractual clauses for international transfers from the European Economic Area to third countries, Commission Implementing Decision (EU) 2021/914 of 4 June 2021, available at https://ec.europa.eu/info/law/law-topic/data-protection/international-dimension-data-protection/standard-contractual-clauses-scc_en or other applicable country-specific standard contractual clauses or equivalent.
- (r) **“Subprocessor”** means a Processor engaged by a party who is acting as a Processor.

SECTION 3 Description of the Parties’ Personal Data Processing Activities and Statuses of the Parties

- (a) Schedule 1 describes the purposes of the parties’ Processing, the types or categories of Personal Data involved in the Processing, and the categories of Data Subjects affected by the Processing.
- (b) Schedule 1 lists the parties’ statuses under relevant Data Protection Law.
- (c) The subject matter and duration of the Processing, the nature and purpose of the Processing, and the type of Personal Data and categories of Data Subjects may be more specifically described in a statement of work, Microsoft purchase order, or written agreement signed by the parties’ authorized representatives, which forms an integral part of the PO Terms; if this is the case, the more specific description will control over Schedule 1.

SECTION 4 International Data Transfer

- (a) Some jurisdictions require that an entity transferring Personal Data to a recipient in another jurisdiction take extra measures to ensure that the Personal Data has special protections if the law of the recipient’s jurisdiction does not protect Personal Data in a manner equivalent to the transferring entity’s jurisdiction (an **“International Data Transfer Mechanism”**). The parties will comply with any International Data Transfer Mechanism that may be required by applicable Data Protection Law, or agreed upon by the parties, including the Standard Contractual Clauses, the Data Privacy Framework and Binding Corporate Rules.
- (b) If the International Data Transfer Mechanism on which the parties rely is invalidated or superseded, the parties will work together in good faith to find a suitable alternative.
- (c) With respect to Personal Data of Data Subjects located in a jurisdiction that requires an International Data Transfer Mechanism, (e.g., the EEA, Switzerland, or the United Kingdom) that Microsoft transfers to Supplier or permits Supplier to access, the parties agree upon these PO Terms becoming effective they also execute the Standard Contractual Clauses, which will be incorporated by reference and form an integral part of the PO Terms. The parties agree that, with respect to the elements of the Standard Contractual Clauses that require the parties’ input, Schedules 1 and 2 contain information relevant to the Standard Contractual Clauses’ Annexes. The parties agree that, for Personal Data of Data Subjects in the United Kingdom, Switzerland, or another country specified in Schedule 1, they adopt the modifications to the Standard



Contractual Clauses listed in Schedule 1 to adapt the Standard Contractual Clauses to local law, as applicable.

SECTION 5 Mutual Obligations of the Parties

- (a) **Compliance.** The parties will comply with their respective obligations under applicable Data Protection Laws and their privacy notices, including by providing the same level of privacy protection that is required by applicable Data Protection Laws, when acting as Controllers or Processors.
- (b) **Information.** Upon request, Supplier will provide reasonably relevant information to demonstrate Supplier's compliance with its obligations under applicable Data Protection Law, and to enable Microsoft to demonstrate Supplier's compliance with its obligations under applicable Data Protection Law, and fulfill its obligations (if any) to conduct data protection assessments or prior consultations with data protection authorities and any other regulatory bodies.
- (c) **Notification.** Supplier will notify Microsoft if it determines that it can no longer meet its obligations under applicable Data Protection Law.
- (d) **Cooperation.** If Supplier receives any type of request or inquiry from a governmental, legislative, judicial, law enforcement, or regulatory authority, or faces an actual or potential claim, inquiry, or complaint in connection with Parties' Processing of Personal Data provided to Supplier by or on behalf of Microsoft, its affiliates, or its respective end users, or obtained or collected by Supplier in connection with the purposes described in Schedule 1 (collectively, an "**Inquiry**"), then Supplier will notify Microsoft without undue delay, but in no event later than ten (10) business days, unless such notification is prohibited by applicable law. Supplier will promptly provide Microsoft with information relevant to the Inquiry, including any information relevant to the defense of a claim, to enable Microsoft to respond to the Inquiry.
- (e) **Confidentiality.** Supplier will ensure that persons authorized to Process the Personal Data have committed themselves to confidentiality obligations no less protective than those set forth in the PO Terms or are under an appropriate statutory obligation of confidentiality.
- (f) **Security Controls.** Supplier will abide by Schedule 2 and take all measures required in accordance with good industry practice and by Data Protection Law relating to data security (including pursuant to Article 32 of the GDPR). Supplier will implement appropriate technical and organizational measures to ensure a level of security appropriate to the risk, considering as well any additional measures to ensure an appropriate level of protection with regards to Sensitive Data that may be subject to these PO Terms.
- (g) **Obligations Related to PHI.** If Supplier's engagement involves the Processing of PHI, Supplier must have a Business Associate Agreement and/or other required agreement in place with Microsoft.

SECTION 6 Supplier's Obligations as Independent Controller (if applicable).

If Supplier is a Controller of Personal Data that is collected, exchanged, or otherwise Processed in connection with Supplier's performance of the PO Terms (see Schedule 1), then:



- (a) Supplier acknowledges and agrees that Supplier is independently responsible for compliance and will comply with applicable Data Protection Law (e.g., obligations of Controllers);
- (b) Supplier will not Sell or Share Personal Data;
- (c) Supplier agrees to be responsible for providing notice to Data Subjects as may be required by applicable Data Protection Law (e.g., GDPR Articles 13 and 14, as applicable) and responding, as required by Data Protection Laws such as Chapter III of GDPR, to Data Subject's requests to exercise their rights and identifying the lawful basis on which Processing of their personal data is based (e.g., consent or legitimate interest);
- (d) Supplier agrees that it will keep Pseudonymous Data separate from any additional information necessary to prevent such Pseudonymous Data from being attributable to a specific individual and will subject such Pseudonymous Data to appropriate technical and organizational measures to ensure that it is not attributed to specific individual; and
- (e) Supplier agrees that it will take reasonable measures to ensure that De-identified Data and Pseudonymous Data cannot be associated with a specific individual or household, publicly commit to maintain the De- identified Data and Pseudonymous Data in de-identified form and not attempt to reidentify it, implement technical and organizational measures as required by these PO Terms, and contractually commit any Subprocessors to do the same and take all other actions necessary to maintain the information's status as De- identified Data or Pseudonymous Data under Data Protection Laws.

SECTION 7 Supplier's Obligations as Third Party (if applicable).

If Supplier Processes Personal Data as a Third Party under the CCPA or equivalent term under applicable U.S. state data privacy laws and other Data Protection Laws in connection with Supplier's performance of the PO Terms (see Schedule 1), then:

- (a) Supplier will Process Personal Data only for the limited and specific business purpose(s) described in Schedule 1.
- (b) Supplier agrees that the Personal Data is made available only for the limited and specified purpose(s) set forth in the contract, and that Supplier may use the information only for those purposes;
- (c) Supplier will not Sell or Share Personal Data made available to it by Microsoft;
- (d) Supplier will allow Microsoft to take reasonable and appropriate steps to ensure that Supplier uses the Personal Data that it received from, or on behalf of, Microsoft in a manner consistent with Microsoft's obligations under the CCPA and applicable U.S. state data privacy laws and other Data Protection Laws; and
- (e) Supplier will allow Microsoft, upon notice, to take reasonable and appropriate steps to stop and remediate any unauthorized use of Personal Data.



SECTION 8 Supplier's Obligations as a Processor, Contractor, Subprocessor, or Service Provider.

Supplier will have the obligations set forth in this Section 8 if it Processes the Personal Data of Data Subjects in its capacity as Microsoft's Processor, Contractor, or Service Provider; for clarity, these obligations do not apply to Supplier in its capacity as an Independent Controller, Business, or Third Party.

(a) Scope of Processing

- (1) Supplier will Process Personal Data solely to (i) provide Services to Microsoft (and where applicable for the Business Purposes specified in the applicable SOW, (ii) carry out its obligations under the PO Terms, and (iii) carry out Microsoft's documented instructions. Supplier will not Process Personal Data for any other purpose, unless required by applicable law, and will not Sell or Share Personal Data that it collects or obtains pursuant to the PO Terms.
- (2) Processing any Personal Data outside the scope of the PO Terms and this Exhibit will require prior written PO Terms between Supplier and Microsoft by way of written amendment to the PO Terms.
- (3) Supplier will notify Microsoft if it believes that it cannot follow Microsoft's instructions or fulfill its obligations under the PO Terms because of a legal obligation to which Supplier is subject, unless Supplier is prohibited by law from making such notification.
- (4) Supplier is prohibited from retaining, using, or disclosing the Personal Data (1) for any purpose other than the Business Purposes specified in Schedule 1, including retaining, using, or disclosing the Personal Data for a commercial purpose other than carrying out Microsoft's instructions; (2) outside of the Parties' direct business relationship, unless permitted by applicable Data Protection Law, or (3) by combining Personal data that Supplier receives from, or on behalf of, Microsoft with Personal Data that it receives from, or on behalf of, another person or persons, or collects from its own interaction with the Data Subject, provided that Supplier may combine Personal Data to perform any Business Purposes permitted by applicable Data Protection Law. Supplier certifies that it understands with and will comply with the prohibitions set forth in this Section (8)(a)(4).
- (5) Supplier will allow Microsoft, upon notice, to take reasonable and appropriate steps to stop and remediate any unauthorized use of Personal Data.

(b) Obligations Regarding Pseudonymous Data and De-identified Data

- (1) Supplier agrees that will keep Pseudonymous Data separate from any additional information necessary to prevent such Pseudonymous Data from being attributable to a specific individual and will subject such Pseudonymous Data to appropriate technical and organizational measures to ensure that it is not attributed to specific individual;
- (2) Supplier agrees that it will (i) take reasonable measures to ensure that De-identified Data and Pseudonymous Data cannot be associated with a specific individual or household, (ii) publicly commit to maintain the De-identified Data and Pseudonymous



Data in de-identified form and not attempt to reidentify it, (iii) implement technical and organizational measures as required by these PO Terms (iv) contractually commit any Subprocessors to do the same and (v) take all other actions necessary to maintain the information's status as De-identified Data or Pseudonymous Data under Data Protection Laws.

- (c) **Data Subjects' Requests to Exercise Rights.** Supplier will promptly inform Microsoft if Supplier receives a request from a Data Subject to exercise their rights with respect to their Personal Data under applicable Data Protection Law. Supplier will not respond to such Data Subjects except to acknowledge their requests. Supplier will provide Microsoft with assistance, upon request, to help Microsoft to respond to a Data Subject's request, including by stopping the Processing of Personal Data where required in accordance with a Data Subject's request. Microsoft will notify the Supplier of any Data Subject request that the Supplier must comply with and will provide information necessary for compliance.
- (d) **Supplier's Subprocessors.** Supplier will not engage a Subprocessor without Microsoft's prior written authorization. Supplier will be liable for the acts or omissions of its Subprocessors to the same extent as Supplier would be liable if performing the services of the Subprocessor directly under this Exhibit, except as otherwise set forth in the PO Terms. Supplier will require Subprocessors to agree in writing to terms no less protective than the terms in this Exhibit.
- (e) **Personal Data Incident**
 - (1) Without limiting Supplier's obligations under the PO Terms, including the DPR and this Exhibit with respect to Personal Data, on becoming aware of any Personal Data Incident, Supplier will:
 - (i) keep a register of all Personal Data Incidents;
 - (ii) notify Microsoft without undue delay of the Personal Data Incident (in any case no later than it notifies any similarly situated customers of Supplier and in all cases before Supplier makes any general public disclosure (e.g., a press release));
 - (iii) promptly investigate or perform required assistance in the investigation of the Data Incident and provide Microsoft with detailed information about the Personal Data Incident, including a description of the nature of the Personal Data Incident, the approximate number of Data Subjects affected, the Personal Data Incident's current and foreseeable impact, and the measures Supplier is taking to address the Personal Data Incident and mitigate its effects; and
 - (iv) promptly take all commercially reasonable steps to mitigate the effects of the Data Incident, or assist Microsoft in doing so.
 - (2) Supplier will comply with this Section 8(e) at Supplier's cost unless the Personal Data Incident arose from Microsoft's negligent or willful acts or Supplier's compliance with Microsoft's express written instructions.



- (3) Supplier must obtain Microsoft's written approval before notifying any governmental entity, individual, the press, or other third party of a Data Incident that affected or reasonably could affect Personal Data that Supplier received from Microsoft or Processed on behalf of Microsoft. Notwithstanding anything to the contrary in this Exhibit, Supplier may notify a third party about a Personal Data Incident affecting Personal Data if it is under a legal obligation to do so, provided that Supplier must: (i) make every effort to give Microsoft prior notification, as soon as possible, if it intends to disclose the Personal Data Incident to a third party; and (ii) if it is not possible to give Microsoft such prior notification, notify Microsoft immediately once it becomes possible to give notification. For any disclosure of a Personal Data Incident to a third party, Supplier will, as part of its notification to Microsoft, disclose the identity of the third party and a copy of the notification (if the notification to the third party has not been sent, Supplier will provide a draft to Microsoft). Supplier will permit Microsoft to offer edits or updates to the notification.
- (f) **Deletion and Return of Personal Data.** On expiration or termination of the applicable statement of work, cloud order, purchase order, or other written agreement between the parties, or upon request by Microsoft or Microsoft's Affiliate, Supplier will, without undue delay: (1) return all Personal Data (including copies thereof) to Microsoft or the applicable Microsoft Affiliate; or (2) on request by Microsoft or its Affiliate, destroy all Microsoft Personal Data (including copies thereof), and certify its destruction, in each case unless the Law expressly requires otherwise. For any Microsoft Personal Data that Supplier retains after expiration or termination of the applicable statement of work, cloud order, purchase order, or other written agreement between the parties (for example, because Supplier is legally required to retain the information), (A) Supplier will continue to comply all terms of the PO Terms applicable to that Personal Data, including all with the data security and privacy provisions in this Exhibit and those applicable terms will survive such expiration or termination and (B) Supplier must De-identify or aggregate Personal Data (if any) to the extent feasible. All Personal Data is Microsoft Confidential Information.
- (g) **Audits.** Without limiting any of Microsoft's existing audit rights under the PO Terms (if any), Supplier will make available to Microsoft all information necessary to demonstrate compliance with Data Protection Law and allow for and contribute to audits, including inspections, conducted by Microsoft or another auditor mandated by Microsoft.

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Schedule 1: Description of the Processing and Subprocessors

Processing Activity	Status of the Parties	Categories of Personal Data that May Be Processed	Categories of Sensitive Data that May Be Processed	Applicable SCCs Module
Supplier Processes Personal Data to provide the Goods, Services, Deliverables, or Cloud Services.	Microsoft is a Controller. Supplier is a Processor.	Captured in SOW	Captured in SOW	Module 2 Module 3, if Microsoft acts as a Processor to another Controller
The parties Process Personal Data of their employees to, e.g., administer and provide the Goods, Services, Deliverables, or Cloud Services; manage invoices; manage the PO Terms and resolve any disputes relating to it; respond and/or raise general queries; comply with their respective regulatory obligations; and create and administer web-based accounts.	Microsoft is a Controller. Supplier is a Processor.	Captured in SOW	Captured in SOW	Module 2 Module 3, if Microsoft acts as a Processor to another Controller
Supplier collects or receives Personal Data as a Controller/Third Party.	Microsoft is a Controller. Supplier is a Controller/Third Party.	Captured in SOW	Captured in SOW	Module 1

Subprocessors

Supplier uses the Subprocessors listed in a statement of work or written agreement signed by the parties' authorized representatives when it acts as a Processor.



Information for International Transfers

Frequency of Transfer

Continuous for all Personal Data.

Retention Periods

As Controllers, the parties retain Personal Data for as long as they have a business purpose for it or for the longest time allowable by applicable law.

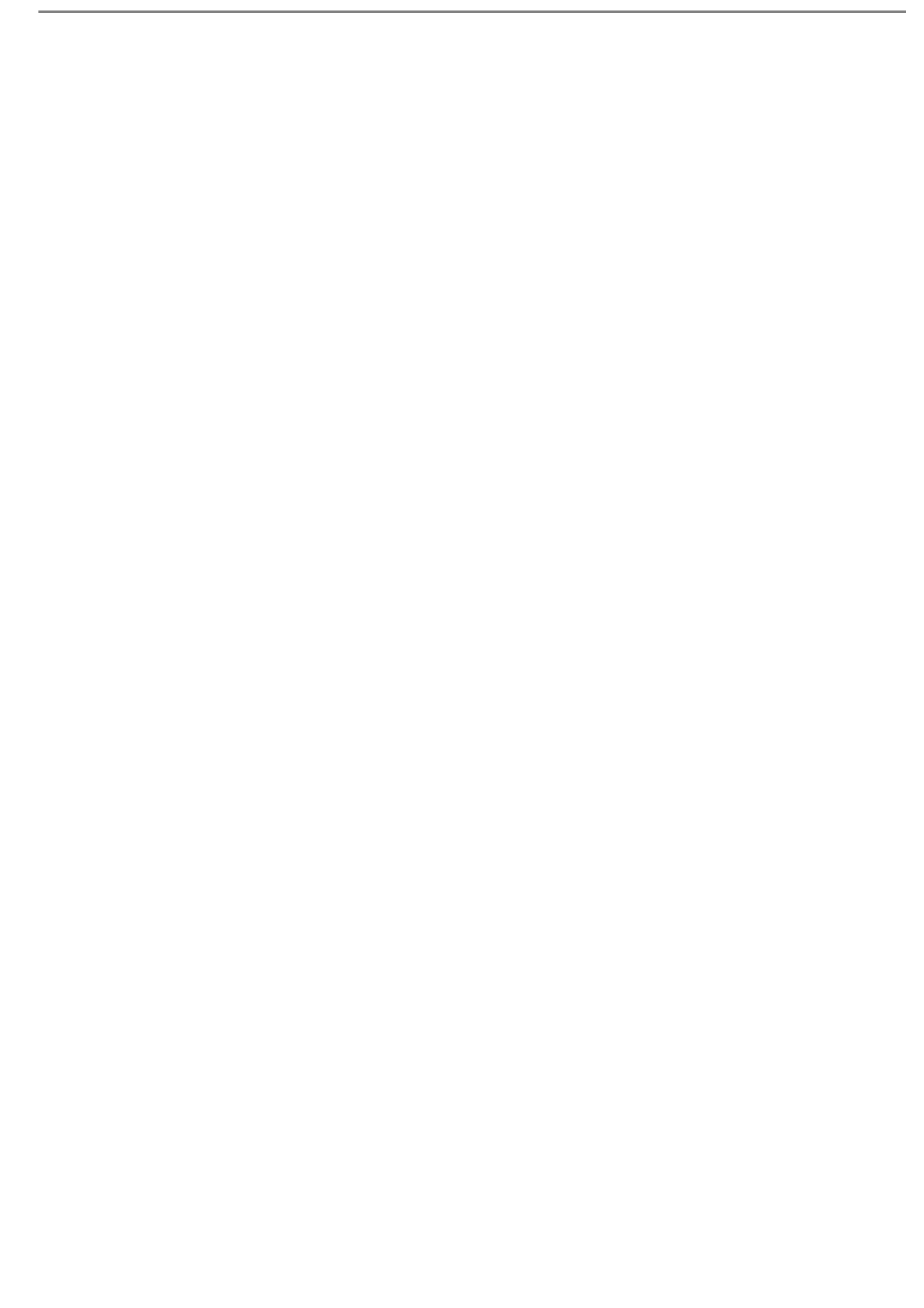
As a Processor, Supplier retains Personal Data it collects or receives from Microsoft for the duration of the PO Terms and consistent with its obligations in this Exhibit.

For the purpose of the Standard Contractual Clauses:

- Clause 7: The parties do not adopt the optional docking clause.
- Clause 9, Module 2(a), if applicable: The parties select Option 1. The time period is 30 days.
- Clause 9, Module 3(a), if applicable: The parties select Option 1. The time period is 30 days.
- Clause 11(a): The parties do not select the independent dispute resolution option.
- Clause 17: The parties select Option 1. The parties agree that the governing jurisdiction is Republic of Ireland.
- Clause 18: The parties agree that the forum is the High Court in Dublin, Ireland.
- Annex I(A): The data exporter is the Data Exporter (defined above) and the data importer is the Data Importer (defined above).
- Annex I(B): The parties agree that Schedule 1 describes the transfer.
- Annex I(C): The competent supervisory authority is the Irish Data Protection Commission.
- Annex II: The parties agree that Schedule 2 describes the technical and organizational measures applicable to the transfer.

For the purpose of localizing the Standard Contractual Clauses:

- **Switzerland**
 - The parties adopt the GDPR standard for all data transfers.



- Clause 13 and Annex I(C): The competent authorities under Clause 13, and in Annex I(C), are the Federal Data Protection and Information Commissioner and, concurrently, the EEA member state authority identified above.
- Clause 17: The parties agree that the governing jurisdiction is Republic of Ireland.
- Clause 18: The parties agree that the forum is the High Court in Dublin, Ireland. The parties agree to interpret the Standard Contractual Clauses so that Data Subjects in Switzerland are able to sue for their rights in Switzerland in accordance with Clause 18(c).
- The parties agree to interpret the Standard Contractual Clauses so that “Data Subjects” includes information about Swiss legal entities until the revised Federal Act on Data Protection becomes operative.
- **United Kingdom**
 - “UK SCC Addendum” means the International Data Transfer Addendum to the EU Commission Standard Contractual Clauses issued by the UK’s Information Commissioner’s Office under S119A(1) Data Protection Act 2018, as modified by the Information Commissioner’s office from time to time, available at <https://ico.org.uk/for-organisations/guide-to-data-protection/guide-to-the-general-data-protection-regulation-gdpr/international-data-transfer-agreement-and-guidance/>.
 - For transfers from the United Kingdom that are not subject to an adequacy decision or exception, the parties hereby incorporate the UK SCC Addendum by reference and, by signing the PO Terms, also enter into and agree to be bound by the Mandatory Clauses of the UK SCC Addendum.
 - The parties agree that the following information is relevant to Tables 1 – 4 of the UK SCC Addendum and that by changing the format and content of the Tables neither party intends to reduce the Appropriate Safeguards (as defined in the UK SCC Addendum).
 - Table 1: The parties’ details, key contacts, data subject contacts, and signatures are in the signature block of the PO Terms.
 - Table 2: The selected SCCs, Modules and Selected Clauses are described in Schedule 1.
 - Table 3: The list of parties, description of transfer, and list of sub-processors are described in Schedule 1. The Technical and Organizational measures to ensure the security of the data are described in Schedule 2.
 - Table 4: Neither party may end the UK SCC Addendum when the Approved Addendum changes.



- Clause 17 of the Standard Contractual Clauses: The parties agree that the governing jurisdiction is the United Kingdom.
- Clause 18 of the Standard Contractual Clauses: The parties agree that the forum is the courts of England and Wales. The parties agree that Data Subjects may bring legal proceedings against either party in the courts of any country in the United Kingdom.
- **Brazil**
 - “Brazilian Standard Contractual Clauses” means the Standard Contractual Clauses contained in Annex II of Resolution CD/ANPD No. 19/2024, of August 23, 2024.
 - For transfers from Brazil to countries that are not subject to an adequacy decision issued by the Brazilian national data protection authority or are not otherwise permitted in accordance with the General Data Protection Law 13.709/2018 of Brazil (“LGPD”), the parties hereby incorporate the Brazilian Standard Contractual Clauses by reference and, by signing these PO Terms, also enter into and agree to be bound by the Mandatory Clauses of the Brazilian Standard Contractual Clauses.
 - Clause 2: The parties agree that Schedule 1 of these PO Terms describes the transfer.
 - Clause 3.1: As stated in Schedule 1, Supplier may use the Subprocessors listed in a statement of work or written agreement signed by the parties’ authorized representatives when it acts as a Processor in accordance with this Exhibit. Where the parties have not agreed to a transfer of personal data by Supplier to a Subprocessor per this Exhibit, the parties agree that OPTION A of Clause 3.1 governs. OPTION B of Clause 3.1 governs where the parties agree Supplier may use the Subprocessors listed in a statement of work or written agreement signed by the per the PO Terms.
 - Clause 4: The Status of Parties are detailed in Schedule 1. Where Microsoft is a Controller under this Exhibit, it shall be the Designated Party for the purposes of Clause 14 (Transparency), Clause 15 (Data Subject Rights), and Clause 16 (Incident Reporting). Supplier remains responsible for compliance with Clauses 14 to 16 for any data to which it may otherwise be the data controller.
 - Clause 24: In accordance with SECTION IV, the parties agree that the governing forum is São Paulo. The parties agree that transfer and processing of Brazilian data subjects’ personal data is in accordance with and governed under the LGPD.



Schedule 2: Technical and Organizational Security Measures

Supplier will comply with Microsoft's DPR as agreed in Section 15(a) of the PO Terms.

[Remainder of this page is intentionally left blank]



Certain confidential information contained in this document, marked by [*], has been omitted because IREN Limited (the “Company”) has determined that the information (i) is not material and/or (ii) contains personal information.**

Private & Confidential

November 2, 2025

IE US Hardware 3 Inc.
620 FM 1033
Childress, TX 79201
USA

Attention: William Roberts and Kent Draper

Dear William and Kent:

Re: Purchase Agreement between IE US Hardware 3 Inc. and Dell Marketing L.P. (USA) (Non-Financed)

This purchase agreement between IE US Hardware 3 Inc. (“**Customer**”) and Dell Marketing L.P. (“**Dell**”) sets out the terms and conditions upon which Customer will purchase and/or use Products, Third Party Products (if applicable) and Services from Dell (“**Purchase Agreement**”).

- 1) Customer and Dell (collectively, the “**Parties**”, and each a “**Party**”) have agreed to use and adopt the Commercial Terms of Sale, attached hereto as Exhibit “A” (the “**CTS**”) as the basis of an evergreen commercial agreement between the Parties, as amended and modified below.
- 2) Unless otherwise defined in this Purchase Agreement, all capitalized terms used herein will have the meanings ascribed to them in the CTS.
- 3) Notwithstanding anything to the contrary contained in the CTS (and as contemplated by **clause 2.5** of the CTS), the Parties desire to deviate from the terms of the CTS and hereby agree to the following amendments to the CTS:
 - A. For the purposes of the CTS and this Purchase Agreement, references to the “Customer” shall be references to IE US Hardware 3 Inc..
 - B. **Clause 1.1** is hereby deleted in its entirety and replaced with the following:

“1.1 **Scope**. The CTS governs Customer’s purchase and/or use and Supplier’s provisioning of Products, Services and Third Party Products (if applicable) (collectively, the “**Offerings**”), for Customer’s own internal use which will include, Customer’s (or its Affiliates’) use as part of service offerings for its customers on a software-as-a-service, infrastructure-as-a-service, platform-as-a-service, hosted, turn-key, on-demand, service bureau or other similar basis.”
 - C. **Clause 1.4** is hereby deleted in its entirety and replaced with the following:

“1.5 Affiliates. With respect to Customer, “Affiliate” means any other entity that directly or indirectly controls, is owned by, controlled by or under common ownership or control with Customer, and with respect to Supplier, “Affiliate” means Dell Inc. and its wholly-owned or wholly- controlled subsidiaries. “Control” means the ability to control more than 50% of the voting power or ownership interests of the applicable entity.”

D. In **clause 2.1**, (i) add the words “with a delivery address” in front of the words “based in the same country” to the first line and (ii) replace the words “Orders are subject to availability and are cancellable only by Supplier except as expressly permitted in a Schedule. Supplier is not responsible for pricing, typographical or other errors in any offer and may cancel Orders affected by such errors.” with “Supplier may cancel any Quotes due to pricing, typographical or other errors in the Quote. Additionally, Supplier may cancel any Order if Customer is in material breach of the Agreement and fails to cure such breach within [***] days following written notice from Supplier specifying the nature of the breach.”

E. In **clause 2.4**, insert the words “duly executed by Supplier and Customer” at the end of the clause.

F. In **clause 2.5**, delete the words “Subject to the foregoing” at the beginning of the second sentence.

G. **Clause 2.6** is hereby deleted in its entirety.

H. In **clause 3.1**, Replace the words “the invoice date” in the fourth line with [***] and insert the following at the end: “Unless indicated otherwise in a Quote or an Order but notwithstanding anything else to the contrary herein, Supplier will manage [***] for Equipment and for physical media containing licensed Software associated with the transportation of any such Offerings until they arrive at Customer’s facility, including freight and insurance, until the relevant Offering is delivered to Customer’s designated shipping address. Supplier will also handle applicable export and import documentation and, where applicable, remit the applicable duties, taxes, and related fees required for import into the U.S.”

I. Clause 3.2 is hereby deleted in its entirety and replaced with the following:

“3.2 Transfer of Risk and Title; Costs. Title to Equipment and for physical media containing licensed Software transfers to Customer upon Delivery. “Delivery” as used in this **clause 3.2** means when the Equipment or physical media containing licensed Software is delivered to the Customer’s designed shipping address. Notwithstanding the foregoing but subject to the requirements in clause 3.1, during the last two weeks of Dell’s fiscal quarter, “Delivery” for Equipment occurs when Supplier provides it to the carrier at Supplier’s designated point of shipment and “Delivery” for software occurs when Supplier provides physical media (or the hardware on which it is



installed) to the carrier at Supplier's designated point of shipment. The cost of transit insurance on behalf of Customer shall be included in the total price stated on the Quote.

J. In **clause 5.2A** replace the word "SOW" with "duly executed SOW" in the first sentence.

K. In **clause 5.2B(2)**:

- a. replace the words "or any breach of this CTS or any applicable Service Specification" in the third sentence with "or any material breach of this CTS or any applicable Service Specification that has not been cured in accordance with clause 5.4";
- b. add the words ", which business purposes includes the activities contemplated in clause 1.1," after the words "for Customer's internal business purposes" in the fourth sentence; and
- c. add the words "which business purposes includes the activities contemplated in clause 1.1" after the words ", solely for Customer's internal business purposes," in the sixth sentence.

L. In **clause 6.2** add " and payable as at the date of termination or expiration (as applicable) nor Supplier's obligation to provide any Offerings prepaid for by Customer; provided, however, that Customer shall have a period of [***] calendar days following the due date noted on Supplier's invoice (or if not noted, then [***] days after the date of the invoice) to cure any non-payment prior to Supplier being entitled to take the actions in the foregoing (i) and (ii)" at the end of the third sentence.

M. In **clause 7.1** add "For greater certainty, any costs or expenses incurred by Dell in connection with its obligations to repair or replace defective products covered under warranty as described above will in no way be counted against the cap identified in clause 8.1A" at the end of the paragraph.

N. In **clause 7.2** insert the words "to Customer" after "pro-rata refund".

O. In **clause 7.4(ii)**, delete the words "or other causes beyond Supplier's control".

P. In **clause 10.2** delete the final sentence.

Q. In **clause 10.3(3)**, add the words "including for the avoidance of doubt the existence of this Purchase Agreement and total contract value therein" at the end of the sentence.

R. **Clause 12.1** is hereby deleted in its entirety and replaced with the following:



“12.1 Governing Law; Jurisdiction. The CTS and any Dispute are governed by the laws of Delaware (excluding the conflicts of law rules) and the federal laws of the United States. The U.N. Convention on Contracts for the International Sale of Goods does not apply. The parties hereby agree that any suit, action, or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, the CTS or the transactions contemplated hereby shall be brought in the US District Court for the District of Delaware or in the Court of Chancery of the State of Delaware (or, if such court lacks subject-matter jurisdiction, in the Superior Court of the State of Delaware), and agree to waive any and all objections to the exercise of jurisdiction over the parties by those courts and to venue in those courts. EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL ACTION, PROCEEDING, CAUSE OF ACTION, OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THE CTS OR THE TRANSACTIONS CONTEMPLATED HEREBY.”

S. **Clause 12.2** is hereby deleted and replaced with the following:

Customer is subject to and responsible for compliance with the export control and economic sanctions laws of the United States, the European Union and other jurisdictions, in each case to the extent applicable to Customer (collectively, “Applicable Trade Laws”). Offerings may not be used, sold, leased, exported, imported, re-exported, or transferred except in compliance with the Applicable Trade Laws. Customer represents and warrants that it is not the subject or target of, or located in a country or territory that is the subject or target of economic sanctions under the Applicable Trade Laws. Customer will defend and indemnify Supplier and Supplier Affiliates against any third party claim resulting from a breach of any of the foregoing. Trade Compliance requirements available at www.dell.com/tradecompliance contain further information and requirements on compliance with Applicable Trade Laws and additional restrictions under law which Dell requires Customer to adhere to.

T. In **clause 12.7** add “, in each case not caused by the gross negligence or intentional misconduct of the applicable non-performing or terminating party” at the end of the clause.

U. In **clause 12.8**, delete the word “and” before “(ii)”; and insert the words “; and (iii) either party may assign, transfer or novate the CTS to an Affiliate by providing advance written notice to the other party, provided that the successor entity or assignee: (1) is located in North America; (2) is not a competitor of or affiliated to a competitor of the other party; (3) assumes in writing all of such party’s obligations under the CTS and agrees in writing to be bound by the CTS, and (4) has sufficient credit as determined solely by Dell and the applicable parent company enters into a written corporate guaranty regarding the obligations of the successor entity or assignee in substantially the same form as entered into by IREN Limited with respect to this Purchase Agreement on or around the date



hereof. For greater certainty, in no event will any assignment, transfer or novation occur unless (4) above is first met.” at the end of the clause.

- 4) Notwithstanding anything to the contrary in the CTS, prior to any purchase made from Dell, Dell will communicate to Customer in writing any unique or non-standard payment requirements, including any requirements to prepay for certain types of Products (i.e. AI Servers).
- 5) Unless expressly agreed to otherwise in writing as contemplated in **clause 2.5A** of the CTS, this Purchase Agreement will apply to each purchase and sale of Products, Third Party Products and/or Services made between the Parties and any other terms, including on any Quote or other ordering document issued by Dell, or made available online through www.dell.com or any other online process made available by Dell, will not apply.
- 6) Except as amended by the terms of this Purchase Agreement the terms of the CTS will remain in force unamended between the Parties.
- 7) The Purchase Agreement and any Dispute (as defined in the CTS) are governed by the laws of Delaware (excluding the conflicts of law rules) and the federal laws of the United States. The U.N. Convention on Contracts for the International Sale of Goods does not apply. The Parties hereby agree that any suit, action, or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Purchase Agreement or the transactions contemplated hereby shall be brought in the US District Court for the District of Delaware or in the Court of Chancery of the State of Delaware (or, if such court lacks subject-matter jurisdiction, in the Superior Court of the State of Delaware), and agree to waive any and all objections to the exercise of jurisdiction over the Parties by those courts and to venue in those courts. EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL ACTION, PROCEEDING, CAUSE OF ACTION, OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS PURCHASE AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.
- 8) This Purchase Agreement may be signed in counterparts. An electronic signature using a qualified electronic certificate or facsimile signature will be treated in all respects as having the same effect as an original signature.



If Customer is in agreement with the foregoing terms and conditions, please so indicate by executing a copy of this Purchase Agreement where indicated below.

Sincerely,

Dell Marketing L.P.

By: /s/ Robert Gasiorowski
Name: Robert Gasiorowski
Title: Global Chief Credit Officer

Customer understands and agrees with the terms and conditions set out above.

IE US Hardware 3 Inc.

By: /s/ William Roberts _____
Name: William Roberts
Title: Director

By: /s/ Kent Draper _____
Name: Kent Draper
Title: Authorized Signatory



Exhibit A
Commercial Terms of Sale



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Commercial Terms of Sale

Commercial Terms of Sale

These Commercial Terms of Sale ("CTS") apply to orders for hardware, software, and services by direct commercial and public sector purchasers and to commercial end-users who purchase through a reseller ("Customer"), unless Customer and Suppliers (defined below) have entered into a separate written agreement that applies to Customer's orders for specific products or services, in which case, the separate written agreement governs Customer's purchase and use of such specific products or services.

The term "Supplier(s)" means, as applicable:

EMC Corporation ("EMC")

176 South Street

Hopkinton, Massachusetts 01748

and

Dell Marketing LP. or Dell Federal Systems LP. (for purchases through the U.S. Federal Sales Team) ("Dell")

One Dell Way

Round Rock, Texas 78682

Legal Notices:

Dell_Legal_Notices@Dell.com

1. Subject Matter and Parts of CTS.

1.1 Scope. This CTS governs Customer's procurement and Supplier's provisioning of Products, Services and Third Party Products (if applicable) (collectively "Offerings"), for Customer's own internal use.

1.2 Products and Services. "Products" are either: (i) Supplier-branded IT hardware products ("Equipment") or (ii) Supplier-branded generally available software, whether microcode, firmware, operating systems or applications ("Software"). "Services" are: (a) Supplier's standard service offerings for maintenance and support of Products ("Support Services") and (b) consulting, deployment, implementation and any other services that are not Support Services ("Professional Services"). "Third Party Products" means hardware, software, products, or services that are not "Dell" or "Dell EMC" branded. Products exclude Services and Third Party Products.

1.3 Framework. This CTS consists of the main body with the terms and conditions applicable to all Offerings that are in scope, as may be supplemented by additional schedules, containing terms applicable to all or only specific Offerings and shall form an integral part of this CTS ("Schedule(s)"). This CTS does not establish a commitment of Customer to procure, nor an obligation of Supplier or Affiliate to supply, any Offerings unless the parties have agreed on an Order (as defined below).

1.4 Affiliates. Transactions under this CTS may also involve Dell Inc. or Dell Inc.'s direct or indirect subsidiaries ("Affiliates").

2. Quoting and Ordering.

2.1 Process. Customer or its Affiliates based in the same country as Customer may request a quote from Supplier or its Affiliate (depending on the Offerings purchased), either in the form of a written quotation or online via www.dell.com or any other online process ("Quote"). Quoted prices are effective until the expiration date of the Quote but may change due to shortages in materials or resources, increase in the cost of manufacturing, or other factors. Customer may order the Offerings quoted by: (i) issuing a Customer purchase order that references such Quote and, if applicable, contract code; (ii) executing Supplier or Affiliate order forms; (iii) ordering online through either www.dell.com or other online process; or (iv) ordering through an authorized reseller. Orders are subject to credit approval and are subject to acceptance by Supplier; unless Supplier has already otherwise accepted an order, shipment of the Offerings shall be deemed Supplier's acceptance of the order. An accepted order is hereinafter referred to as an "Order." Supplier may split an Order into separate transactions, each of which will form an Order. Orders may contain charges for shipping and handling. Orders are subject to availability and are cancellable only by Supplier except as expressly permitted in a Schedule. Supplier is not responsible for pricing, typographical or other errors in any offer and may cancel Orders affected by such errors. Customer may change or cancel an Order only as expressly permitted in a Quote or Schedule.

2.2 Orders Submitted Through Reseller. If Customer's purchase is made through a reseller, then clauses 2.1, 3, and 6 do not apply and all credit, invoicing, payment, returns, ordering, pricing and cancellation terms for the purchase will be as agreed between Customer and reseller.

2.3 Incorporation by Reference. Each Order which covers the procurement and sale of any Offering that is within the scope of a Schedule listing certain specific Offerings and signed under this CTS shall be deemed to incorporate by reference the terms of this CTS.

2.4 Product and Service-Specific Terms. Scope and details of Services and Product-specific terms are specified in the applicable standard service description that is attached to or referred in a Schedule or Quote, or is made available through the then-current Supplier website for product- or service- specific terms,



currently located at www.dell.com/offerspecific/terms. Such standard descriptions are from time to time referred to as "Service Description(s)", "Product Notices" or "Service Briefs." The version of the applicable document that is effective as of the date of the applicable Quote, shall be deemed incorporated into the Order. Scope and details of customized Professional Services not covered by such a standard description shall be documented in a mutually agreed Statement of Work ("SOW").

2.5 Order of Precedence. This CTS including the documents referenced herein shall apply to the exclusion of all other general terms and conditions incorporated in or referred to in any documentation submitted by Customer to Supplier.

Subject to the foregoing, in case of any conflict or inconsistency the following order of precedence shall apply:

A. The terms of the Order, where either: (i) this CTS expressly provides for the parties to optionally deviate from the relevant provision of this CTS; or (ii) where the Order states that the parties wish to deviate from the terms of this CTS for the purpose of the individual transaction and the parties expressly accept the deviation;

B. The terms of any Schedule to this CTS; and

C. The main body of this CTS.

2.6 Revision of Offerings. Supplier may revise its Offerings, including after Customer places an Order but prior to Supplier's shipment or performance. As a result, Offerings Customer receives may differ from those ordered, as long as they still substantially meet or exceed the specifications as per the documentation of the originally ordered Offerings.

3. Product Delivery.

3.1 Shipment. Unless otherwise agreed, Supplier shall arrange for shipment of the ordered Products to the ship-to address indicated in the Order, through a common carrier designated by Supplier. Delivery dates are indicative. Software may be provided by delivery of physical media or through electronic means. Customer shall notify Supplier within 21 days of the invoice date if Customer believes any Product included in its Order is missing, wrong, or damaged, and shall ensure that the intended installation site meets the specifications as per the product documentation.

3.2 Transfer of Risk and Title; Costs. Risk of loss for Equipment and for physical media containing licensed Software transfers to Customer upon Delivery. Title to sold Equipment passes to Customer upon Delivery. "Delivery" for Equipment occurs when Supplier provides the Equipment to the carrier at Supplier's designated point of shipment; "Delivery" for Software occurs either when Supplier provides physical media (or the Equipment on which it is installed) to the carrier at Supplier's designated point of shipment, or the date Supplier notifies Customer that Software is available for electronic download. Unless otherwise agreed, cost of transit insurance on behalf of Customer shall be included in the total price stated on the Quote.

3.3 Acceptance. All Products and Third Party Products will be deemed to be accepted upon Delivery. Notwithstanding such acceptance, Customer retains all rights and remedies under the warranty terms stated below. Customer may only return Products to Supplier that are permitted to be returned pursuant to the return policy at www.dell.com/returns/policy.

4. Software Licenses.

Customer's rights to use the Software delivered by Supplier are governed by the terms of the applicable end-user license agreement. Unless different terms have been agreed between the parties, the terms posted on www.dell.com/eula (the "EULA") shall apply. Supplier will provide a hard copy of the applicable terms upon request. Unless expressly otherwise agreed, microcode, firmware or operating system software required to enable the Equipment with which it is shipped to perform its basic or enhanced functions, is licensed for use solely on such Equipment.

5. Services.

5. 1 Support Services.

A. Scope and Term. Supplier shall provide Support Services in accordance with the applicable Service Description or Product Notice, for the (initial or renewal) period agreed in the applicable Order. Unless otherwise agreed therein, the initial Support Services procured together with the purchase of a Product start on the commencement date of the applicable warranty period (as specified in clause 7).

B. Support Availability and Release Cycles. Availability of Support Services is governed by Supplier's "End-of-Service-Life" policies, to be made available to Customer upon request. Subject to such policies, Support Services for Software apply to the current and the immediately prior release of the Software.

C. Limitations. Support Services do not cover any of the following: (i) problems that are excluded from warranty coverage according to clause 7 .4, below; (ii) problems that cannot be reproduced at Supplier's facility or via remote access to Customer's facility; (iii) onsite activities for Equipment that is located outside of the applicable service area (unless otherwise provided in a Service Description); (iv) providing media replacement, operating supplies, cosmetic accessories or parts such as frames, and cover or support on those items; or (v) repairing damage or defects in Equipment that are purely cosmetic and do not affect device functionality.

D. Maintenance Tools and Spare Parts. Supplier may, at its discretion, store tools and spare parts used by Supplier to perform diagnostic or remedial activities in connection with Products at the Customer's site or on Customer's systems, and Customer agrees that such are for use only by Supplier authorized personnel and further authorizes Supplier to remove and/ or disable them when no longer needed by Supplier to provide its Services.

E. Replacements. All replaced Equipment or components thereof shall be returned to Supplier and become the property of Supplier upon receipt of the replaced Equipment or components at the specified Supplier facility unless specifically agreed otherwise in an Order. If Customer does not return a replaced component or Equipment within 15 days after receipt of Supplier's request, then Customer must pay Supplier at the then-current spare parts list price for the Equipment or portions that Customer has failed to return. If Supplier determines that a component of a defective Equipment product is "customer-replaceable", i.e. one that is easily disconnected and reconnected, or if the Supplier determines that the Equipment should be replaced as a whole, Supplier reserves the right to send Customer a component or whole replacement Equipment for exchange.



F. Data Responsibility. Supplier shall not access or use any Customer production data stored on the Products, unless Customer has expressly authorized Supplier to do so. Unless a data deletion service is expressly ordered from Supplier, Customer is responsible for removing all information and data stored on replaced parts, or on any other items or Product before it is returned to Supplier.

G. Customer-Initiated Changes. If the Product is covered by Support Services and Customer intends: (i) to relocate Equipment to a different installation site (where applicable to the Product); (ii) to change the hardware configuration on its own; or (iii) to deny the activation or to disable remote support features of a Product, Customer shall notify Supplier in advance. Where any of such action limits Supplier's ability to provide Support Services for the affected Product or increases the Supplier's cost of providing Support Services, Supplier is entitled to make the continuation of Support Services dependent on Customer paying a reasonable adjustment of the ongoing fees and a reasonable charge for any re-certification services Supplier reasonably considers necessary for continued support; agreed upon proactive support capabilities, response times, or other service levels may no longer apply.

5.2 Professional Services.

A. Scope of Services. Supplier shall provide Professional Services including any Deliverables (as defined below) in accordance with the applicable Service Description, SOW or other agreed upon documentation containing the specifics of such services ("Service Specification"). Professional Services are provided as a separate and independent service even if mentioned together with the sale or licensing of Products by Supplier in the same Order. Supplier is not providing legal or regulatory advice in any Professional Services.

B. Grant of License Rights in Deliverables.

(1) "Deliverables" means any reports, analyses, scripts, code, or other work results that Supplier delivers to Customer within the framework of fulfilling obligations under a Service Specification. "Proprietary Rights" mean all patents, copyrights, trademarks, trade secrets, or other intellectual property rights of a party.

(2) Subject to Customer's compliance with the terms of this CTS and any applicable Service Specification, Customer's payment of applicable amounts due, and Supplier's Proprietary Rights in any underlying intellectual property incorporated into any Deliverables or used by Supplier to perform Professional Services, Supplier grants Customer a non-exclusive, non-transferable, revocable (in case of non-payment, or any breach of this CTS or any applicable Service Specification) license to use (without the right to sublicense) the Deliverables provided by Supplier for Customer's internal business purposes, only and solely in accordance with the applicable Service Specification and subject to this CTS. Customer may authorize its service providers to use the Deliverables, but solely on Customer's behalf, solely for Customer's internal business purposes, and Customer shall be responsible for service provider's compliance with these restrictions.

(3) Supplier reserves for itself all Proprietary Rights that it has not expressly granted to Customer herein. The license granted in this clause 5.2B. does not apply to: (i) any Products; or (ii) items licensed or otherwise provided under a separate agreement. Supplier is not limited in developing, using, or marketing services or products that are similar to the Deliverables or Professional Services provided hereunder, any Service Specification, or, subject to Supplier's confidentiality obligations to Customer, in using the Deliverables or performing similar Professional Services for any other projects.

C. Customer Furnished Materials. Customer retains its Proprietary Rights in materials it furnishes to Supplier for use in connection with the performance of Professional Services. Customer grants Supplier a non-exclusive, non-transferable right, under Customer's Proprietary Rights, to use the Customer-provided materials solely for the benefit of Customer in fulfilling Supplier's obligations under this CTS.

D. Responsibility for Personnel. Supplier is solely responsible for personnel placement as well as for all other human resource issues (e.g. vacation) concerning its personnel.

5.3 Customer Responsibilities. In connection with Support Services or Professional Services (if applicable), at no charge to Supplier, Customer shall: (i) provide Supplier personnel with timely access to appropriate facilities, space, power, documentation, files, data, information, additional software (if needed); (ii) use skilled and authorized Customer personnel to assist and cooperate with Supplier in the provision of the Services as reasonably requested by Supplier; (iii) be responsible for physical and network security and all conditions in its business necessary for due performance of Services; (iv) allow Supplier remote and onsite access to the Products and Customer's infrastructure environment, as required; and (v) where applicable, promptly notify Supplier when Products fail and provide Supplier with sufficient details of the failure such that the failure can be reproduced by Supplier. For Professional Services, details may be set forth in the Service Specification.

5.4 Termination of Services. A termination for convenience of Services shall only be permitted if expressly agreed between the parties. Either party may terminate Services for material breach by the other party if such other party has failed to cure such breach within a reasonable grace period of no less than 30 days as set forth by the other party in writing.

6. Invoicing; Payment Terms and Taxes.

6.1 Invoicing. Supplier shall invoice the Offerings to Customer in the currency agreed in the Order. If Supplier is obligated by applicable law to collect and remit any taxes or fees, then Supplier will add the appropriate amount to Customer's invoices as a separate line item in accordance with statutory requirements. Supplier may invoice parts of an Order separately or together in 1 invoice. All invoice terms will be deemed accurate unless Customer advises Supplier in writing of a material error within 10 days following receipt. If Customer advises Supplier of a material error, (a) any amounts corrected by Supplier in writing must be paid within 14 days of correction, and (b) all other amounts shall be paid by Customer by the due date. If Customer withholds payment because Customer believes an invoiced amount is incorrect, and Supplier concludes that the amount is accurate, Customer must pay interest on the unpaid disputed amount from the due date until Supplier's receipt of payment. Customer may not offset, defer or deduct any invoiced amounts that Supplier determines are correct following the notification process stated above.

6.2 Payment Terms. Customer shall pay Supplier's invoices in full and in the same currency as Supplier's invoice within the time noted on Supplier's invoice, or if not noted, then within 30 days after the date of the invoice, with interest accruing after the due date at the lesser of 1.5% per month or the highest lawful rate. In case of Customer's default in payment Supplier shall, until arrangements as to payment or credit have been established, be entitled to: (i) cancel or suspend its performance of such Order and/or (ii) withhold performance under this CTS. Termination or expiration of this CTS shall not affect Customer's obligation to pay all amounts due hereunder.

6.3 Taxes. The charges due hereunder are exclusive of, and Customer shall pay or reimburse Supplier for all value added (VAT), sales, use, excise, withholding, personal property, goods and services and other similar taxes, governmental fees, levies, customs and duties resulting from Customer's purchase, except for



taxes based on Supplier's net income, gross revenue, or employment obligations. If Customer qualifies for a tax exemption, Customer must provide Supplier with a valid certificate of exemption or other appropriate proof of exemption. If Customer is required to withhold taxes, then Customer will within 60 days of remittance to the applicable tax authority provide Supplier with satisfactory evidence (e.g., official withholding tax receipts) that Customer has accounted to the relevant authority for the sum withheld or deducted, otherwise Supplier will charge Customer for the amount that Customer has deducted for the transaction.

7. Warranty.

7.1 Equipment Warranty. Supplier warrants that Equipment, under normal usage and with regular recommended service, will be free from material defects in material and workmanship, and that Equipment will perform substantially in accordance with the corresponding standard documentation issued by Supplier for the applicable Equipment. Unless provided otherwise in a Schedule, additional terms governing the limited warranties for Equipment are found at www.dell.com/warrantyterms or in the applicable documentation or Product Notice for the specific Equipment. Supplier's entire liability for a breach of this warranty shall be for Supplier, at its option and cost, to repair or to replace the affected Equipment, and, if Supplier is unable to effect such within a reasonable time, then Supplier will refund the amount Customer paid for the affected Equipment as depreciated on a straight-line basis over a 5 year period, upon return of such Equipment to Supplier.

7.2 Software Warranty. The following terms apply to the specific Software ("Warranted Software") listed in the table located at www.dell.com/content/dam/digitalassets/active/en/unauth/manual-warranty-informations/h4276-emc-prod-warranty-maint-table.pdf (the "Software Warranty Table"). Supplier warrants that Warranted Software will substantially conform in all material respects to its then-current documentation during the applicable warranty period specified in the Software Warranty Table (the "Software Warranty Period"). Any breach of this warranty must be reported to Supplier during the Software Warranty Period. Customer's sole and exclusive remedy and Supplier's entire liability for a breach of this warranty is for Supplier, at its sole discretion, to either use commercially reasonable efforts to remedy the non-conformance or to terminate the license for the affected Software and provide a pro-rata refund of the license fees received by Supplier for such Software.

7.3 Services Warranty. Supplier will perform Services in a workmanlike manner in accordance with generally accepted industry standards. Customer must notify Supplier of any failure to so perform within 10 days after the date on which such failure first occurs. In such case, Supplier will use reasonable efforts to correct such failure within a reasonable period of time. If, after reasonable efforts, Supplier is not able to correct such deficiencies for reasons for which Supplier is responsible, then Customer may terminate the affected Services for cause by providing written notice to Supplier.

7.4 Limitations. The warranties set forth in this clause 7 do not cover problems that arise from: (i) accident or neglect by Customer or any third party; (ii) any third party items or services with which the Product is used or other causes beyond Supplier's control; (iii) installation, operation or use not in accordance with Supplier's instructions and the applicable documentation; (iv) use in an environment, in a manner or for a purpose for which the Product was not designed; (v) modification, alteration or repair by anyone other than Supplier personnel or (vi) causes attributable to normal wear and tear. Supplier has no obligation for: (1) Software installed or used beyond the licensed use, or (2) Product whose original identification marks have been altered or removed. Products and Services are not fault-tolerant and are not designed or intended for use in hazardous environments requiring fail-safe performance, such as any application in which the failure of the Products or Services could lead to death, bodily injury, or physical or property damage (collectively, "High-Risk Activities"), Supplier expressly disclaims any express or implied warranty of fitness for High-Risk Activities.

7.5 Warranty Disclaimer. Other than the warranties set forth in this clause 7 and the Schedules, and to the maximum extent permitted by applicable law, Supplier and Supplier Affiliates: (i) make no other express warranties; (ii) disclaim all implied warranties, including merchantability, fitness for a particular purpose, title and non-infringement; and (iii) disclaim any warranty arising by statute, operation of law, course of dealing or performance or usage of trade.

8. Limitation of Liability.

8.1 Limitations on Damages. The limitations, exclusions and disclaimers stated below apply to all disputes, claims or controversies (whether in contract, tort (including negligence) or otherwise) related to or arising out of the CTS or any Quote or Order ("Dispute"). The terms of this clause are agreed allocations of risk constituting part of the consideration for Supplier's and its Affiliates' sale of Products and Services to Customer and will apply even if there is a failure of the essential purpose of any limited remedy, and regardless of whether a party has been advised of the possibility of the liabilities.

A. Limitation on Direct Damages. Except for Customer's obligations to pay for Offerings, Customer's violation of the restrictions on use of Products and Services or Supplier's or its Affiliates' Intellectual property rights, Supplier's (including its suppliers) and Customer's total liability arising out of any Dispute or any matter under this CTS, is limited to the amount Customer paid to Supplier during the 12 months before the date that the matter or Dispute arose for the Product, Services or both that are the subject of the Dispute, but excluding amounts received as reimbursement of expenses or payment of taxes. Notwithstanding anything otherwise set forth above, Supplier (and its suppliers) shall have no liability for any direct damages resulting from Customer's use or attempted use of Third Party Software, Free Software or Development Tools, all defined in the EULA described in clause 4 above, or Third Party Products.

B. Disclaimer of Certain Other Damages. Except for Customer's payment obligations and violation of Supplier's or its Affiliates' intellectual property rights, neither Supplier (and its suppliers) nor Customer has liability to the other for special, consequential, exemplary, punitive, incidental or indirect damages, or for lost profits, loss of revenue, loss or corruption of data, loss of use or procurement of substitute products or services.

8.2 Prevention and Mitigation. Customer is solely responsible for its data. Customer shall implement IT architecture and processes enabling Customer to prevent and mitigate damages in line with the criticality of the systems and data for Customer's business and its data protection requirements, including a business recovery plan. In that regard, Customer shall: (i) provide for a backup process on a regular (at least daily) basis and backup relevant data before Supplier performs any remedial, upgrade or other works on Customer's IT systems; (ii) monitor the availability and performance of its IT environment during the performance of Services; and (iii) promptly react to messages and alerts received from Supplier or through notification features of the Products and immediately report any identified issue to Supplier. To the extent that Supplier has any liability for data loss, Supplier shall only be liable for the cost of commercially reasonable and customary efforts to recover the lost data from Customer's last available backup.

8.3 Limitation Period. Except as stated in this clause, all claims must be made within the period specified by applicable law. If the law allows the parties to specify a shorter period for bringing claims, or the law does not provide a time at all, then claims must be made within 18 months after the cause of action accrues.

9. Third Party Products.

Supplier may offer to supply Third Party Products that are provided by a third party manufacturer/supplier, e. g. under Supplier's "Dell EMC Select" program, Supplier's "Brokerage" program or Supplier's Software & Peripherals (S&P) program, and may include offerings from Supplier Affiliates using different brands



other than "Dell" or "Dell EMC". Notwithstanding any other provisions herein, such Third Party Products are subject to the standard license, services, warranty, indemnity and support terms of the third party manufacturer/supplier (or an applicable direct agreement between Customer and such manufacturer/supplier), to which Customer shall adhere. Even if support fees are invoiced through Supplier, such Third Party Products are not supported by Supplier and Customer shall contact such third party directly for support. Any warranty, damages or indemnity claims against Supplier in relation to such Third Party Products are expressly excluded. References to warranty and support information for Dell EMC Select products is currently available through www.dell.com/offeringspecificterms.

10. Confidentiality.

10.1 Scope. "Confidential Information" shall mean any information, pricing, technical data or know-how furnished in connection with the scope of this CTS, whether in written, oral, electronic, website-based, or other form, by a Customer or a Customer Affiliate to Supplier or a Supplier Affiliate or vice versa and that: (i) is marked, accompanied or supported by documents clearly and conspicuously designating such documents as "confidential", "internal use" or the equivalent; (ii) is identified by the discloser as confidential before, during or promptly after the presentation or communication; or (iii) should reasonably be known by the recipient to be confidential. Confidential Information does not include information that is: (a) rightfully in the receiving party's possession without prior obligation of confidentiality from the disclosing party; (b) a matter of public knowledge (or becomes a matter of public knowledge other than through breach of confidentiality by the other party); (c) rightfully furnished to the receiver by a third party without confidentiality restriction; or (d) independently developed by the receiver or its Affiliates without reference to the discloser's Confidential Information.

10.2 Protection. Each party shall ensure that, where it or one of its Affiliates is the receiver of Confidential Information hereunder, the receiver shall (a) use Confidential Information of the discloser only for the purposes of exercising rights or performing obligations in connection with this CTS or any Order hereunder; and (b) protect from disclosure to any third parties any Confidential Information disclosed by the discloser, both for a period commencing upon the date of disclosure until 3 years thereafter. Subject to the terms of this Section 10, the foregoing obligations shall never expire in relation to technical information about a discloser's products and services or any information about possible unreleased products or services, and shall survive any termination or expiration of this CTS.

10.3 Exceptions. Notwithstanding the foregoing, either party and its Affiliates may disclose Confidential Information (1) to an Affiliate, or to a subcontractor used by Supplier to provide Services under this Agreement, as long as the Affiliate or subcontractor has a need-to-know and complies with the foregoing; (2) to either party's directors, officers, employees, and professional advisors and those of its Affiliates, and (3) if required by law or regulatory authorities provided the receiver has given the discloser prompt notice. For the purposes of this clause 10.3, "Affiliates" of Supplier include other members of Dell Technologies group.

11. Term and Termination of this CTS.

This CTS is effective upon the earlier of an Order or Customer's acceptance of the CTS and continues until it is terminated in accordance with this clause. Either party may terminate this CTS for material breach by the other party if such other party has failed to cure the breach within a reasonable grace period of no less than 30 days as set forth by the other party in writing. A termination of this CTS shall not affect any previously placed Orders.

12. General.

12.1 Governing Law; Jurisdiction. The CTS and any Dispute is governed by the laws of the State of Texas (excluding the conflicts of law rules) and the federal laws of the United States. The U.N. Convention on Contracts for the International Sale of Goods does not apply. To the extent permitted by law, the state and federal courts located in Texas will have exclusive jurisdiction for any Disputes. Customer and Supplier agree to submit to the personal jurisdiction of the state and federal courts located within Travis or Williamson County, Texas, and agree to waive any and all objections to the exercise of jurisdiction over the parties by those courts and to venue in those courts.

12.2 Trade Compliance. Customer's purchase of Offerings and access to related technology (collectively, the "Materials") are intended for its own use, not for resale, export, re-export, or transfer. Customer is subject to and responsible for compliance with the export control and economic sanctions laws of the United States, the European Union and other applicable jurisdictions. Materials may not be used, sold, leased, exported, imported, re-exported, or transferred except in compliance with such laws, including, without limitation, export licensing requirements, end user, end-use, and end-destination restrictions, prohibitions on dealings with sanctioned individuals and entities, including but not limited to persons on the Office of Foreign Assets Control's Specially Designated Nationals and Blocked Persons List, or the U.S. Department of Commerce Entity List, Denied Persons List, Military End User List and Military Intelligence End User List. Customer represents and warrants that it is not the subject or target of, and that Customer is not located in a country or territory (including without limitation, North Korea, Cuba, Iran, Syria, Crimea and the so-called Donetsk People's Republic and Luhansk People's Republic) that is the subject or target of, economic sanctions of the United States, European Union or other applicable jurisdictions.

12.3 Customer Responsibility. Customer agrees that it will obtain all necessary rights, permissions and consents associated with: (a) technology or data (including personal data) that Customer and its Affiliates provide to Supplier or its Affiliates, and (b) non-Supplier software or other components that Customer and its Affiliates direct or request that Supplier or its Affiliates use with, install, or integrate as part of the Supplier's Offerings. Customer is solely responsible for reviewing data that will be provided to or accessed by Supplier in the provision of the Offerings to ensure that it does not contain: (i) data that is classified, ITAR (International Traffic in Arms Regulations) related data, or both; or (ii) articles, services, and related technical data designated as defense articles and defense services. Customer will defend and indemnify Supplier and its Affiliates against any third party claim resulting from a breach of the foregoing, or from Customer's infringement or misappropriation of intellectual property rights of Supplier, its Affiliates or third parties.

12.4 Encryption. Customer is solely responsible for reviewing data that it will provide to Supplier (or to which Supplier will have access) and certifies that all items (including hardware, software, technology and other materials) it provides to Supplier for any reason that contain or enable encryption functions either (a) satisfy the criteria in the Cryptography Note (Note 3) of Category 5, Part 2 of the Wassenaar Arrangement on Export Controls for Conventional Arms (Wassenaar Arrangement) and Dual-Use Goods and Technologies and Category 5, Part 2 of the U.S. Commerce Control List (CCL) or (b) employ key length of 56-bit or less symmetric, 51 2-bit asymmetric or less, and 11 2-bit or less elliptic curve or (c) are otherwise not subject to the controls of Category 5, Part 2 of the Wassenaar Arrangement and Category 5, Part 2 of the CCL. Supplier is not responsible for determining whether any third party product to be used in the products and services satisfies regulatory requirements of the country to which such products or services are to be delivered or performed. Supplier shall not be obligated to provide any product or service where the product or service is prohibited by law or does not satisfy the local regulatory requirements.

12.5 U.S. Government Restricted Rights. The software and documentation provided are "commercial products" as defined in Federal Acquisition Regulation ("FAR") Section 2.101, consisting of "commercial computer software" and "commercial computer software documentation" as these terms are used in FAR 12.212 and Defense Federal Acquisition Regulation Supplement ("DFARS") Section 227.7202, as applicable. Consistent with FAR 12.212 and DFARS Section 227.7202, all U.S. Government end users acquire the software and documentation with only those rights set forth herein.



12.6 Entire Agreement. This CTS, the Schedules and each Order hereunder comprise the complete statement of the agreement of the parties regarding the subject matter thereof and may be modified only by written agreement. Pre-printed terms on any Order or any term or condition on a Customer form, have no legal effect and do not modify or supplement the CTS, even if Supplier does not expressly object to those terms when accepting a Customer Order. The Schedule(s) and information which are incorporated by reference (including reference to information contained in a URL or policy) form an integral part of this CTS.

12.7 Force Majeure. Neither party shall be liable to the other for any delay or failure to perform any of its obligations (other than for the payment of fees) caused by Force Majeure. If such delay or failure lasts longer than 30 days, then the other party may immediately terminate, in whole or in part, the relevant Order by giving written notice to the delayed party. "Force Majeure" refers to circumstances beyond a party's reasonable control including, without limitation, act of God, war, riot, civil commotion, terrorist acts, malicious damage, governmental or regulatory actions, accident, breakdown of plant or machinery, local or national emergency, explosions, fire, natural disasters, severe weather or other catastrophes, epidemics/pandemics, general import/ export/ customs process problems affecting supplies to Supplier or to Customer, shortages in materials, failure of a utility service or transport network, embargo, strike, lock out or other industrial dispute (whether involving Supplier's workforce or any other party), or default of suppliers or subcontractors due to any of the preceding events.

12.8 Assignment and Subcontracting. Neither party shall assign, transfer or novate this CTS, any Order, or any right or obligation thereunder or delegate any performance without the other party's prior written consent, which consent shall not be unreasonably withheld. Notwithstanding the foregoing: (i) Supplier may use Affiliates or other qualified subcontractors to perform its obligations hereunder, provided that the relevant party to the Order shall remain responsible for the performance thereof; and (ii) either party may assign rights to payments arising under any Order without consent of the other party.

12.9 Independent Contractors. The parties are independent contractors for all purposes under this CTS and cannot obligate any other party without prior written approval. The parties do not intend anything in this CTS to allow any party to act as an agent or representative of a party, or the parties to act as joint venturers or partners for any purpose. No party is responsible for the acts or omissions of any other.

12.10 Third Party Rights. There are no third party beneficiaries to this CTS or any Order under any laws.

12.11 Waiver and Severability. Failure to enforce a provision of this CTS will not constitute a waiver of that or any other provision of this CTS. If any part of this CTS or an Order is held unenforceable, the validity of the remaining provisions shall not be affected.

12.12 Notices. The parties will provide all notices under this CTS in writing. Customer must provide notices to Supplier at the Dell email address on the first page of the CTS.

Commercial Terms of Sale (United States)
Revision Date 01 SEPT2022

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Certain confidential information contained in this document, marked by [***], has been omitted because IREN Limited (the "Company") has determined that the information (i) is not material and/or (ii) contains personal information.

Dell Customer Communication - Confidential

Non-Cancellable Non-Returnable (NCNR) and Supplemental Terms Agreement

This Non-Cancellable Non-Returnable and Supplemental Terms Purchase Agreement between IE US Hardware 3 Inc. ("Customer") and Dell Marketing L.P. ("Dell" or "Supplier") ("NCNR Agreement") is effective as of the date of the last signature below ("Effective Date") and confirms and sets out certain supplementary terms and conditions that will apply to the purchase and use of the products and services set out in the purchase order (CHD_DELL_GB300_103125), including the related quote(s) and proposal attached hereto as **Exhibit 1** and/or any related updated, revised or replacement quotes, proposals or purchase orders as agreed between the parties in writing (the "Order"). Capitalized terms used but not defined in this NCNR Agreement have the meaning given to them in the Supply Contract (as defined below).

1. By signing this NCNR Agreement, Customer is expressly accepting the conditions set forth herein and the parties agree that (a) this NCNR Agreement shall constitute terms of the Order for the purposes of clause 2.5A of the CTS (as defined below) and (b) they wish to deviate from the terms of the CTS for the purposes of the Order and the parties expressly accept this deviation. Subject to **Section 2** and **Section 4.D.ii.** (with respect to an extended warranty period) below, the Order is designated as non-cancelable, non-returnable ("NC/NR") and may not be cancelled, rescheduled, or modified without Supplier's prior written consent, and none of the products may be returned to Supplier for any reason except in accordance with any applicable product warranty, which remains unaffected by this NCNR Agreement. Customer acknowledges that the foregoing conditions set forth in this NCNR Agreement shall supersede any return or cancellation rights contained in the Supply Contract. The discounts set out in the Order may not be aggregated or combined with any other discounts.
2. Customer hereby agrees to provide Dell with a fully signed copy of the agreement between the Customer and its third-party customer that will be the end-user of the products contemplated by the Order (the "Final End User Agreement") by no later than close of business (Eastern Time) on November 5, 2025, and such Final End User Agreement shall be substantially consistent with, or upon terms more favorable to Customer than, the draft previously shared with Dell prior to the date hereof. Dell reserves the right to review the Final End User Agreement to confirm the foregoing prior to proceeding with the transaction. If the Customer fails to meet the requirement in the first sentence of this **Section 2**, either Dell or Customer may decline to process the Order and the transaction will not proceed. Subject to and except as identified in the first paragraph of **Section 4**, but notwithstanding anything else to the contrary contained herein or in any other agreement entered into between the parties or any non-disclosure agreements entered into by their respective affiliates, Customer may disclose this NCNR Agreement (including its Exhibits) and the information contemplated in **Section 4.A.ii.1.** to the end-user of the products contemplated by the Order on a confidential basis; provided that any Dell pricing, penalties or credits referenced in this NCNR Agreement (including in **Section 4.D.** and the Exhibits) is either removed or redacted, and that the Customer has a non-disclosure agreement in place with its end-user containing confidentiality terms that are generally as protective as those agreed upon between Dell and the Customer.
3. **Governing and Amended Terms:**
 - A. Governing Terms

This NCNR Agreement and Customer's Order and use of products and services is subject to the Purchase Agreement dated November 2, 2025 between Customer and Dell (the "Supply Contract") which incorporates and amends certain Commercial Terms of Sale ("CTS") and the amending terms and supplementary terms referenced herein (collectively, the "Governing Terms"). The Governing Terms, this NCNR Agreement and the Order apply to the exclusion of all terms and conditions incorporated in or referred to in any documentation submitted by Customer to Supplier or Supplier to Customer (including in any Customer submitted purchase order other than the Order, even if such purchase order is signed by Dell, quote provided by Supplier or other ordering document issued by Supplier, terms made available online through www.dell.com or terms in any other online process made available by Supplier).
 - B. Amended Limitation on Liability

Solely for the purposes of the transaction identified herein, including the Order, clause 8.1A of the CTS incorporated into and amended by the Supply Contract will be deleted and replaced with the following:

"A. Limitation on Direct Damages. Except for Customer's obligations to pay for Offerings, Customer's violation of the restrictions on use of Products and Services or Supplier's or its Affiliates' intellectual property rights, and Supplier's obligations with respect to providing a depreciated refund under clause 7, Supplier's (including its suppliers) and Customer's total liability arising out of the transaction governed by the NCNR Agreement, including the Order, is limited to [***]. Notwithstanding anything otherwise set forth above, Supplier (and its suppliers) shall have no liability for any direct damages resulting from Customer's use or attempted use of Third Party Software, Free Software or Development Tools, all defined in the EULA described in clause 4 above, or Third Party Products."
4. The following additional terms will also apply with respect to the Order:
 - A. Delivery Commitments for the Order.

The commitments made by Dell to Customer in **Sections 4.A** through **4.C** constitute Dell's Confidential Information and, notwithstanding anything to the contrary herein, may not be disclosed to any third party or used for any purpose other than as expressly permitted below or in accordance with [***]

- i) Dell shall use commercially reasonable efforts to deliver the quantity of racks of GB300 based GPU server products (the "**GPU Server Products**") to the Customer location listed in the Order by the final shipment end delivery date (the "**Delivery Date**") associated with four phases, each as outlined in the table below (each, a "**Phase**").

Phase	Racks of GPU server products	Final shipment end delivery date
"Phase 1"	[***]	[***]
"Phase 2"	[***]	[***]
"Phase 3"	[***]	[***]
"Phase 4"	[***]	[***]

- ii) Notwithstanding **Section 4.A.i.** above, Dell's delivery obligations may be impacted by factors beyond its reasonable control, including: (1) delivery or other delays caused by [***]; and (B) a revised delivery timeline; (2) Force Majeure; (3) industry wide component shortages; (4) delays or discrepancies attributable to Customer; and (5) breaches of contractual obligations or failure by Customer to make timely payments in accordance with the Governing Terms, including any cure periods specified therein (collectively, the "**Excusable Events**" and each, an "**Excusable Event**").
- iii) In relation to each Phase, in the event that delivery of the relevant GPU Server Products are delayed by more than [***] business days beyond the relevant Delivery Date [***], Dell shall provide Customer with written notice of the delay and whether the proximate cause of Dell's delay was one or more Excusable Events.
- iv) [***]
- v) [***]
- vi) Dell shall remain committed to working in good faith and shall continue to engage proactively with the Customer to facilitate timely delivery and to resolve any issues that may arise during the course of the project.

B. Reduction in Cost [*] for Phase 3 and 4 of the Order**

- i) [***]

C. Substitutions of [*] for Phase 3 and 4 of the Order**

- i) [***]
 - (a) Customer provides Dell with sufficient (but no less than 4 months) advance written notice of the requested substitution;
 - (b) [***]
 - (c) the portion of the existing Order related to Phase 3 or Phase 4 (as applicable) is formally cancelled by mutual agreement of the parties duly executed in writing using a process specified by Dell;
 - (d) Customer issues a new purchase order for the substituted [***], with a total value that must be equal to or greater than the portion of the Order being cancelled;
 - (e) [***] sufficient supply;
 - (f) [***]
 - (g) **Section 4.A.** above will not apply to any GPU Server Products or Phases that are substituted with [***]. In such cases, the parties will work together in good faith to mutually agree on a revised planned delivery schedule for the affected GPU



Server Products or Phases.

The parties agree to use good faith efforts with respect to such a request.

D. ProSupport and Professional Services

- i) Quotes provided by Dell make reference to certain Support Services (as defined in the CTS) that may be included as part of the purchases called "ProSupport One for Data Center", along with the "Supplemental Services for Cloud Service Providers and AI." Such Support Services will be provided by Dell in accordance with the relevant terms of the Supply Contract and the Service Description documents attached hereto as **Exhibit 2**. Notwithstanding anything to the contrary in **Exhibit 2**, Dell acknowledges and agrees that (A) Dell should not require access to any end user data stored on the hardware or systems to perform the Support Services; and (B) if Dell does require such access, Dell will notify Customer in writing and work collaboratively with both Customer and Customer's customer to minimize or eliminate any such access to the extent possible.
- ii) Customer may elect to receive an additional limited warranty for XE9712 during years four and five of the Order as described in further detail in pages 49-52 of the proposal attached as Annexure A to **Exhibit 1** (the "**Additional Limited Warranty**") by providing written notice to Dell no later than [***] (the "**Election Deadline**"), upon which election Dell will provide Customer the Additional Limited Warranty. If Customer does not provide such notice by the Election Deadline, the Additional Limited Warranty shall be deemed to have been removed from the Order and Customer has no further obligations (including payment obligations) in respect of the Additional Limited Warranty.
- iii) Quotes provided by Dell make reference to certain rack integration services and field deployment services which are considered Professional Services (as defined in the CTS). Such Professional Services will be provided by Dell in accordance with the relevant terms of the Supply Contract and a Statement of Work to be mutually agreed to and executed by the Parties acting in good faith (the "**Statement of Work**"); provided, however, that such Statement of Work shall include at least those services identified and described in **Exhibit 3** and the price for such Professional Services will not exceed the amount of [***] as specified in the Order; provided that [***]

E. Compliance

- i) Insofar as they do not conflict with or materially deviate from Dell's own code of conduct and related policies, Dell will use commercially reasonable efforts to (A) comply, and (B) ensure all Dell personnel involved in the provision of products and services to Customer comply, with all reasonable Customer and Customer's end user policies, procedures, protocols and requirements relevant to Dell as a supplier, including, without limitation, those related to safety and quality assurance or requirements of Customer's customers, as provided by Customer to Dell in writing from time to time with sufficient time to review; and
- ii) Dell will instruct any Dell personnel on-site at any of Customer's facilities or sites to comply with any lawful and reasonable directions of Customer or any of its affiliates.

Please indicate Customer's acceptance of the above by signing and returning this document to your account representative. Customer's Order will not be processed until this accepted NCNR Agreement is received by Supplier.

IN WITNESS WHEREOF, the parties have caused this NCNR Agreement to be duly executed as of the Effective Date.



Dell Marketing L.P.

By: /s/ Robert Gasiorowski

Name: Robert Gasiorowski

Title: Global Chief Credit Officer

Date: 02-Nov-25 | 1:55:58 AM PDT

IE US Hardware 3 Inc.

By: /s/ William Roberts

Name: William Roberts

Title: Director

Date: 02-Nov-25 | 1:57:30 AM PDT

By: /s/ Kent Draper

Name: Kent Draper

Title: Authorized Signatory

Date: 02-Nov-25 | 1:56:24 AM PDT



Dell Customer Communication - Confidential

Exhibit 1

Purchase Order (CHD_DELL_GB300_103125)



IREN Purchase Order: CHD_DELL_GB300_103125

Purchase Order Details

This purchase order (CHD_DELL_GB300_103125), as may be updated upon mutual agreement of the parties in writing from time to time ("PO") is entered into pursuant to the Purchase Agreement between Customer and Dell (each as defined below) dated on or around 2 November 2025 (the "Agreement") and is governed by the terms and conditions of the Agreement and the Non-Cancellable Non-Returnable (NCNR) and Supplemental Terms Agreement between Customer and Dell dated on or around 2 November 2025 (the "NCNR Agreement"). Capitalized terms used but not defined in this PO have the meaning given to them in the Agreement or the NCNR Agreement (as applicable).

Customer	IE US Hardware 3 Inc. Project Manager: Denis Skrinnikoff Email: [***] with copy to [***]
Dell	Dell Marketing L.P. 1 Dell Way, Round Rock, TX 78682 USA Steven Fleischmann Email: [***]
Proposal	Refer to Annexure A. The Proposal may be updated upon mutual agreement by the parties in writing from time to time.
Total Order Value/Contract Price and Breakdown:	"Total Order Value": [***] Total Order Value excluding cost of Additional Limited Warranty: [***] Cost of Additional Limited Warranty: [***]
Payment Terms:	Net 30 days of the later of invoice date or shipping (to be invoiced per shipment) All invoices by email to: [***]
Planned Delivery Date	Phase 1 - [***] Phase 2 - [***] Phase 3 - [***] Phase 4 - [***]
Shipments	Partial shipments acceptable
Ship-to Address	[***], Childress, Texas 79201 USA



Exhibit 2
ProSupport One Service Description

[**]



Exhibit 3
Scope of Professional Services

[**]



**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO EXCHANGE ACT RULE
13A-14(A)/15D-14(A) AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT
OF 2002**

I, Daniel Roberts, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of IREN Limited (the “Company”);
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 Company as of, and for, the periods presented in this report;
4. The Company’s other certifying officers 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company 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 Company, 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Company’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 Company’s internal control over financial reporting that occurred during the Company’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting; and
5. The Company’s other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company’s auditors and the audit committee of the Company’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 Company’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 Company’s internal control over financial reporting.

Date: February 5, 2026

/s/ Daniel Roberts

Name: Daniel Roberts

Title: Co-Chief Executive Officer

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO EXCHANGE ACT RULE
13A-14(A)/15D-14(A) AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT
OF 2002**

I, William Roberts, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of IREN Limited (the “Company”);
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 Company as of, and for, the periods presented in this report;
4. The Company’s other certifying officers 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company 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 Company, 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Company’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 Company’s internal control over financial reporting that occurred during the Company’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting; and
5. The Company’s other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company’s auditors and the audit committee of the Company’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 Company’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 Company’s internal control over financial reporting.

Date: February 5, 2026

/s/ William Roberts

Name: William Roberts

Title: Co-Chief Executive Officer

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO EXCHANGE ACT RULE
13A-14(A)/15D-14(A) AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT
OF 2002**

I, Anthony Lewis, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of IREN Limited (the “Company”);
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 Company as of, and for, the periods presented in this report;
4. The Company’s other certifying officers 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company 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 Company, 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Company’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 Company’s internal control over financial reporting that occurred during the Company’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting; and
5. The Company’s other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company’s auditors and the audit committee of the Company’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 Company’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 Company’s internal control over financial reporting.

Date: February 5, 2026

/s/ Anthony Lewis

Name: Anthony Lewis

Title: Chief Financial Officer

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO 18 U.S.C.
SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY
ACT OF 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Daniel Roberts, the Co-Chief Executive Officer of IREN Limited (the "Company"), hereby certify, that, to my knowledge:

1. The Quarterly Report on Form 10-Q for the period ended December 31, 2025 (the "Report") of the Company fully complies with the requirements of Section 13(a) 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: February 5, 2026

/s/ Daniel Roberts

Name: Daniel Roberts

Title: Co-Chief Executive Officer

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO 18 U.S.C.
SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY
ACT OF 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, William Roberts, the Co-Chief Executive Officer of IREN Limited (the “Company”), hereby certify, that, to my knowledge:

1. The Quarterly Report on Form 10-Q for the period ended December 31, 2025 (the “Report”) of the Company fully complies with the requirements of Section 13(a) 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: February 5, 2026

/s/ William Roberts

Name: William Roberts

Title: Co-Chief Executive Officer

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO 18 U.S.C.
SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY
ACT OF 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Anthony Lewis, the Chief Financial Officer of IREN Limited (the “Company”), hereby certify, that, to my knowledge:

1. The Quarterly Report on Form 10-Q for the period ended December 31, 2025 (the “Report”) of the Company fully complies with the requirements of Section 13(a) 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: February 5, 2026

/s/ Anthony Lewis

Name: Anthony Lewis

Title: Chief Financial Officer

