Initiation of Coverage

EXEC EDGE RESEARCH

December 15, 2025

VALUATION	
Current Price	$2.29
52 Week Range	$2.07–34.32
Market Cap ($-Mn)	64.03
Ent. Value ($-Mn)	101.53
Shares Out. (Mn)	27.54
Float	76.1%
Avg. 3-Month Volume	0.46Mn
P/BV	0.66x

Source: TIKR

DAT Specific Metrics	
Token Focus	SOL
SOL Balance	526,637
NAV ($-Mn)	69.4
SOL Price ($)	131.85
SOL Per Share	0.019
mNAV	0.92x

Source: Exec Edge, Company Website, TIKR

STOCK PRICE PERFORMANCE

Source: TIKR

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Please refer to the Disclaimer at the end of this report.

SOL Strategies Inc. (STKE)

Much More Than a SOL DAT. The Premier Play on the Solana Economy.

- **STKE is much more than a crypto treasury company. Instead, it is an institutional-grade operator purpose-built for Solana's finance rail**. The company converts public-market capital directly into stakeable SOL and layers validator commissions on top, positioning to outperform passive vehicles that rely solely on token appreciation. The mandate is clear: compound SOL/share while delivering enterprise-grade performance, uptime, and controls that meet institutional requirements.
- **First mover in SOL DAT++ economics**. Two recurring engines drive STKE's model: (1) staking yield on proprietary SOL and (2) validator commissions on AuD. This dual-engine design aims to compound faster than staking-only peers and to generate operating income even in sideways markets. Institutional controls are a moat: ISO 27001, SOC 1 / SOC 2 Type 2 (no exceptions) and a dedicated Trust Center shorten diligence and unlock regulated counterparties.
  - YTD FY25 fundamentals validate STKE's claim of being a Solana economy company developing verticals and revenue stream beyond pure treasury, with validation services and staking rewards contributing to topline and emerging as key growth drivers going forward.
- **A self-funding capital engine built to scale**. Nasdaq listing and a multi-instrument financing stack (convertible debentures, revolving credit, LIFE equity, and ATM) create a disciplined flywheel: raise accretively, deploy rapidly into SOL, stake to company-run validators, and recycle yield into further growth. Recent large spot SOL purchases and immediate staking, demonstrate cycle time from capital to income. The objective is consistent per-share accretion: scale treasury SOL and third-party delegation (AuD) without resorting to dilutive funding or complex equity structures.
- **Embedded, white-label distribution creates balance sheet-light delegation flow**. STKE's channels mirror prime-brokerage reach: validator on BitGo's institutional platform; integration with Tetra Trust for Canada-based custody; Crypto.com for institutional custody routing; Netcoins for regulated retail; a Solana Mobile default route for native wallet flows; and brand-aligned white-label validators (e.g., Pudgy Penguins). Blue-chip validation is growing, with ARK Invest's Digital Asset Revolutions Fund and VanEck's VSOL Solana ETF engaging STKE as a staking provider.
- **Operator scale and leadership**. Targeted acquisitions (Laine/Stakewiz, Orangefin) brought top-tier validator assets, IP, and operator talent under one control and telemetry stack, accelerating scale and reinforcing reliability. With audited controls, embedded channels, and capital velocity, STKE is structured to translate Solana's network growth into recurring cash generation and sustained SOL/share compounding.
- **Valuation re-rating in the cards**. While we do not have a price target or stock recommendation on the stock, our analysis shows that STKE is underappreciated relative to its potential growth trajectory. As staking yield scales and SOL's institutional adoption accelerates, STKE is well positioned to re-rate, given the company's positioning as the premier Solana economy play.

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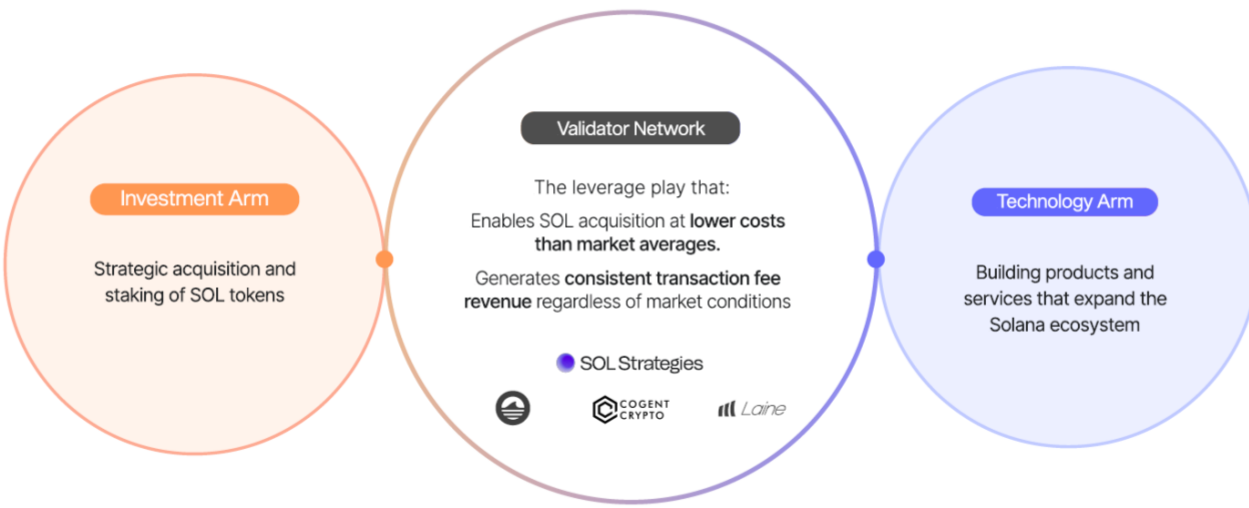
Company Overview

Solana-Native Company Developing Verticals and Revenue Streams Beyond Pure Treasury

- **SOL Strategies Inc. (STKE) is a publicly listed Solana-native infrastructure company that operates high-performance validators and is building a strategic SOL treasury to align economics with network growth**. Incorporated under Ontario law, STKE repositioned its business following the July 9, 2024, appointment of Leah Wald as CEO (now ex CEO), pivoting decisively to the Solana ecosystem to leverage its speed, throughput, and developer traction. Its goal is twofold: scale SOL holdings as a core balance sheet asset and run secure, institutional-grade validators, underpinned by proprietary technologies that improve staking efficiency and accessibility for enterprise and institutional users. The company rebranded to SOL Strategies, Inc. on September 9, 2024, reflecting this focus. In the quarter ended June 30, 2025, STKE completed its first full period with all acquired validators in operation and expanded SOL holdings via capital-raising, positioning the platform among the largest Solana validator businesses. The model monetizes through validator commission fees on delegated stake and staking rewards on the company's SOL treasury, which enables faster, lower-cost treasury growth than peers. The company is also exploring on-chain tokenization of common shares on Solana to enable direct shareholder interaction, which could be a distinguishing step toward giving investors access to institutional-grade, blockchain-native capital markets.
- **STKE is strategically expanding its validator infrastructure through key acquisitions, notably enhancing its position within the Solana ecosystem**. In March 2025, SOL Strategies acquired the Laine validator network and Stakewiz.com for C$35 million. This move boosted the total SOLs delegated to its validator platforms for staking to 3.3 million, a 101% increase since February 2025. In December 2024, it acquired a Solana validator from Orangefin Ventures for $6.5 million (split between cash and stock), adding 1.5 million SOL delegated to its validator platforms. These acquisitions have expanded the company's operational footprint and introduced seasoned leadership.

Chart 1: SOL Strategies' Business Model – Two Arms, One Strategic Advantage



Source: Exec Edge Research, Company Investor Presentation

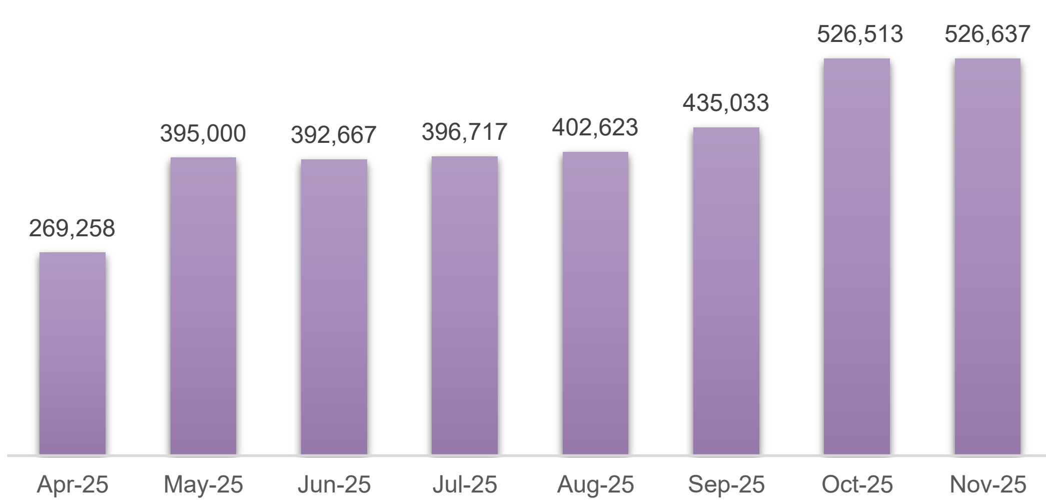
- **The company is focused on building institutional-grade distribution through embedded and custodial partnerships globally**.
  - Since September 30, 2024, STKE has undertaken several strategic initiatives as part of its operations, including 1) becoming a validator on BitGo's institutional staking platform, 2) integrating with Tetra Trust for Canada-based custody clients, and 3) adding shared-revenue and mandate relationships with Neptune Digital Assets (TSXV: NDA) and DigitalX (ASX: DCC) via BitGo.
  - The company broadened white-label reach by operating a dedicated validator for Pudgy Penguins and launching a Solana Mobile validator, creating balance-sheet-light routes from wallets and communities directly to STKE-operated infrastructure. The Solana Mobile white-label validator, embedded as a default route, creates

a balance-sheet-light funnel from native wallets. Within weeks of launch, it scaled rapidly, demonstrating how default placement converts discovery into durable delegation. STKE complements this with the Orangefin retail app, a simple, branded on-ramp for native SOL staking that routes flows to company-operated validators while preserving user custody.

- On July 28, 2025, ARK Invest's Digital Asset Revolutions Fund selected STKE as its staking provider, which gives STKE access to a leading U.S. asset manager.
- On November 17, 2025, STKE was selected as the sole staking provider for VanEck Solana ETF.
- **Together, these channels resemble a prime-brokerage distribution model built on performance, transparency, and trusted custody, allowing institutions and regulated platforms to delegate within existing workflows**. The result is a wider, more durable funnel for assets under delegation and brand-aligned retail flows, supporting recurring validator commissions alongside treasury staking.

- **STKE continues to expand its SOL treasury with an upsized LIFE raise and rapid, accretive deployment into SOL**. In October 2025, STKE closed an upsized C$30.003 million LIFE (listed issuer financing exemption) offering of 4,380,000 units at C$6.85, each with a 36-month warrant exercisable at C$8.90, creating additional C$38.9 million potential proceeds if fully exercised and earmarking net proceeds primarily for SOL purchases and treasury expansion. Less than two weeks later, the company executed on that plan by purchasing 88,433 SOL at an average price of $193.93, including ~79,000 locked tokens acquired from the Solana Foundation at a 15% discount, with all tokens immediately staked to STKE-operated validators and the locked tranche scheduled to unlock after twelve months.
  - **Together, the financing-and-deployment sequence underscore STKE's DAT++ playbook**: convert market access into stakeable assets quickly, capture staking yield on day one, and compound treasury holdings while reinforcing validator-scale led revenues. The structure also preserves optionality via listed warrants while aligning use-of-proceeds with STKE's core strategy of building a SOL-centric, yield-generating balance sheet and infrastructure footprint.

Chart 2: STKE – Continuing Momentum in SOL Treasury Growth



Source: Exec Edge Research, Company Filings

- **The company has also strengthened its institutional posture with a clean SOC 2 Type 2 and SOC 1 Type 2 reports, completed October 27, 2025, validating the effectiveness of security controls over time and reinforcing the reliability of its Solana-staking infrastructure for regulated allocators**. The examinations, with no exceptions noted, build on prior ISO 27001 and Type 1 reports, signaling disciplined risk management across validator operations and corporate security. These audits act as core trust signals for exchanges, custodians, and funds evaluating Solana staking partners, with a dedicated Trust Center providing artifacts to streamline diligence. This compliance stack underpins STKE's business development and channel integrations.

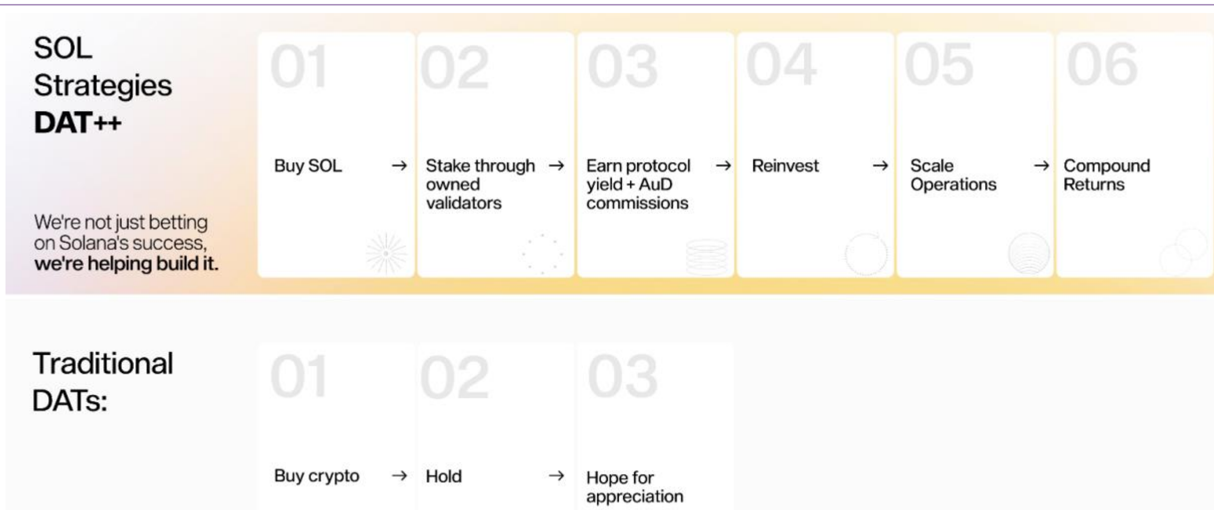
- **STKE now trades on the Nasdaq Global Select Market (NASDAQ: STKE) while retaining its CSE listing (CSE:HODL)**. The Nasdaq cross-listing expands U.S. institutional access, typically deepens liquidity, and can lower cost of capital for follow-ons or ATMs backed by the shelf. Liquidity also improves discovery around the DAT++ strategy and may support options market, giving investors hedging/overlay tools that can broaden participation and facilitate larger raises when mNAV premiums are attractive. Overall, the Nasdaq Global Select platform along with CSE creates a wider investor funnel, better trading infrastructure, and more flexible financing pathways to scale STKE's SOL treasury and validator footprint.
- **The company is also building a retail flywheel by meeting users where they already are and white-labeling the experience**. Community partnerships extend reach beyond traditional crypto channels: a dedicated validator for Pudgy Penguins brings brand-aligned staking to a large Web3 audience, turning community affinity into recurring delegation. On-ramps are reinforced by regulated distribution – Netcoins enables compliant retail staking in Canada – while public Dune telemetry and Stakewiz education improve transparency and conversion. Together, these initiatives lower customer-acquisition costs, broaden the wallet base, and make assets under delegation (AuD) more resilient across market cycles, positioning STKE to compound retail-driven delegation alongside institutional channels.
  - Solana Mobile integrates STKE as a white-label, default validator route, turning device-native wallets into a low-CAC (customer acquisition costs) delegation funnel. Since its August launch, the channel scaled ~450% to ~448,237 SOL by September, driving rapid wallet growth. We note that mobile-native flows are recurring, telemetry-rich, strengthening AuD resilience and validator revenue without impacting balance sheet.

Growth Strategy

DAT++: Turning Solana Exposure into Compounding, Operating Cashflows

- **DAT++ strategy is STKE's operating system for turning capital into compounding Solana economics**. Unlike traditional digital-asset treasury (DAT) companies that buy, hold, and wait for price appreciation, DAT++ adds repeatable operating cashflows and distribution. We believe a granular understanding of this model is important for investors trying to understand STKE's role in the Solana economy and its competitive advantages over pureplay DATs.
  - **The DAT++ model combines a SOL treasury staked to company-run validators with third-party delegation that pays commissions, then recycles those cashflows into more SOL and more capacity**. Each step is designed to tighten the link between balance-sheet exposure and operating scale: accumulate SOL at accretive terms; stake internally to avoid third-party fee drag; harvest protocol yield and assets-under-delegation commissions; reinvest into SOL and tooling; scale validators, automation, and distribution; and let the flywheel compound. The emphasis is execution and control rather than passive exposure. STKE prioritizes full staking, strong validator performance, security certifications, and institutional integrations so dollars raised translate quickly into stakeable assets and recurring income. The result is a Solana-native compounding engine measured by SOL per share, validator revenue density, and delegated stake growth, not only by mark-to-market. In short, DAT++ converts a simple crypto NAV trade into an infrastructure-plus-treasury model that can self-reinforce through cycles.

Chart 3: STKE's DAT++ Strategy Differentiates it from Traditional DATs



Source: Exec Edge Research, Company Website

- **We discuss the key components of STKE's DAT++ strategy in detail below**:
  - **Buy SOL**: **Accretive SOL accumulation is the entry point for the DAT++ flywheel**. STKE raises capital only when it believes accretive SOL per share addition can be achieved. It then channels the proceeds into SOL with a focus on execution speed, custody readiness, and immediate staking. Purchase pacing is matched to market liquidity and internal guardrails on pricing and concentration. The treasury remains SOL-centric, with small sleeves in ecosystem formats only when they improve staking operations or counterparty alignment. Governance and risk policies aim to minimize slippage, custody frictions, and idle balances. The goal is simple: convert fresh capital into staked, yield-generating SOL with minimal leakage. As of 11/30, the company's SOL holdings stand at 526,637, amounting to C$103 million.
  - **Stake through owned validators**: **Full internal staking keeps yield and control inside the platform**. STKE stakes its treasury to company-operated validators to avoid third-party fee drag and to align incentives between validator performance and treasury returns. The validator fleet is engineered for high uptime, low missed-slot rates, and resilience across data centers and providers. Security and controls (e.g., ISO/SOC programs,

change-management discipline, multi-custodian key management) underpin institutional readiness. Immediate staking shortens the time from capital raised to income-producing assets, while internal routing allows dynamic adjustments as protocol economics evolve. Treasury exposure becomes an operating asset rather than a static position, strengthening downstream economics. As of 11/30, STKE's Assets under Delegation (AuD) stood at 3.1 million SOL.

– **Earn protocol yield + AuD commissions**: **Two recurring engines that convert infrastructure into cashflows**. First, staked SOL earns protocol yield that is broadly tied to network economics. Second, third-party AuD pay validator commissions, creating incremental income without consuming balance sheet. This dual-engine structure lifts effective yield versus a staking-only approach and diversifies revenue across treasury size and delegator activity. As distribution scales, commission income becomes a larger share, increasing revenue density per engineering dollar. STKE tracks both sources transparently so investors can compare unit economics with passive DAT peers. The emphasis is steady, repeatable cash generation that can fund the next turn of the flywheel. In 3Q FY25 (quarter ended June 2025), the company earned staking and validation income of C$3.04 million.
– **Reinvest**: **Reinvestment turns income into the next unit of capacity**. STKE intends to reinvest operating profits and capital raises to grow its SOL treasury, expanded validator capacity, and performance tooling. The company may add measured treasury tactics (for example, covered calls) to add basis points while preserving core exposure, with tight risk limits and board visibility. Operating discipline matters and opex is sized to keep validators self-funding so capital formation supports growth, not fixed costs. By reinvesting into both treasury and infrastructure, STKE compounds not only NAV but also throughput, telemetry, and reliability, which support the next wave of delegation and treasury scaling.
– **Scale operations**: **Operational scale increases throughput and distribution without linear cost**. STKE grows validator count and performance tooling, automates workflows to reduce human latency, and expands white-label and embedded channels so wallets and partners route to company-operated validators by default. Institutional integrations with custodians and administrators lower frictions for allocators and create durable funnels for delegation. Capacity additions are prioritized where they improve reliability, latency, or fee capture. The operating stack is designed for measured growth: add nodes, add automation, and extend distribution while maintaining security posture. As capacity and channels expand, revenue per engineer and per dollar of hardware should improve.
– **Compound returns**: **The outcome of DAT++ is compounding measured in SOL per share**. As purchased SOL is staked, rewards and commissions accrue, which are used to fund more capacity. Improved capacity and channels attract additional delegation, lifting commission income and reinforcing the cycle. Transparent telemetry, on-chain reporting, and disciplined capital markets access help synchronize investor capital with growth turns. Risk controls curb drawdowns from custody, counterparty, or protocol changes, protecting compounding during volatile periods. Over time, this design targets a higher trajectory than traditional DATs, which rely almost entirely on price. **DAT++ compounds both balance sheet and operating income**.

Right-to-Win

Well Positioned to Win with Durable Moats Anchored in Execution and Scale

- **We believe STKE's right-to-win rests on execution moats that translate the growth in the Solana economy into per-share compounding for the company**. The company's embedded distribution – default wallet routes, white-label validators, and custodial integrations – sources low-CAC, durable delegation that reinforces validator scale. Dual-engine economics layer validator commissions on top of staking yield, lifting effective returns without proportional capital. Proprietary tooling (automation, client optimizations, telemetry) sustains 100% uptime targets and above-network APY, deepening delegator stickiness. Audited controls (ISO, SOC 1/2 Type 2) compress diligence and unlock regulated partners, while Nasdaq access and a diversified financing stack provide capital velocity to add and stake SOL when windows open. Finally, targeted acquisitions and fast integration consolidate operator IP under one control environment. Together, these moats harden revenue durability, reduce dilution risk, and compound SOL per share over cycles. We discuss these moat elements in detail below.

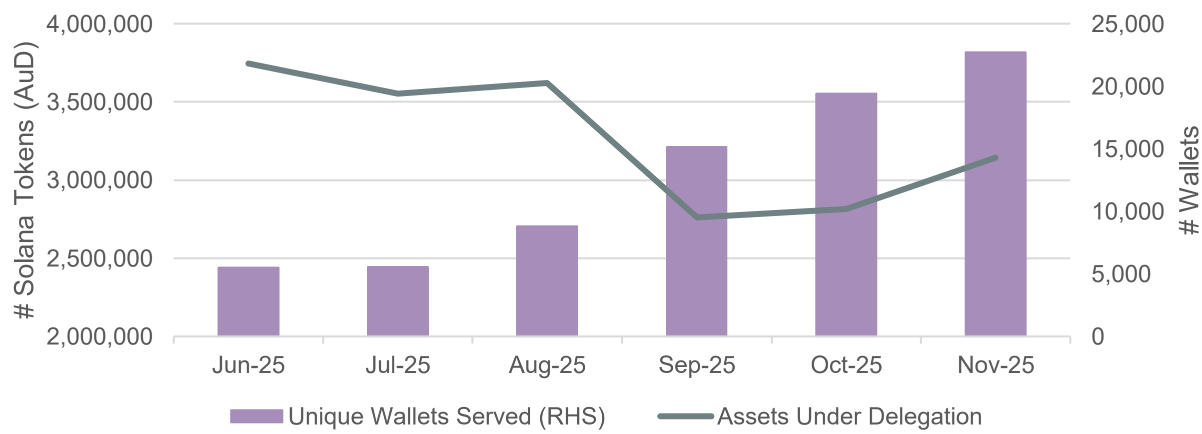
Chart 4: STKE's Six Exponential Pillars to Compound SOL Per Share

Source: Exec Edge Research, Investor Presentation

- **STKE's embedded, white-label channels convert wallet discovery into durable delegation without balance-sheet drag, a key differentiator in the DAT universe**. For a DAT company, distribution moats are built where delegators already are: in wallets, regulated custodians, and exchanges. Default placement and white-label validators turn organic user activity into routed stake at low CAC, while institutional integrations allow large accounts to allocate inside existing control frameworks. This architecture persists across cycles because it is operational rather than promotional. Once embedded, it keeps sourcing flows provided performance and controls stay strong. These components transform distribution into a structural advantage that compounds validator commissions alongside treasury staking income. STKE saw its Assets under Delegation (AuD) decline in the June to September 2025 period, amid increasing competition as new validator operators and institutional entrants forced sector-wide rebalancing. However, in recent months, the company has demonstrated agility by forging strategic partnerships that allow not only propelled its unique wallets but also allowed the AuD to bounce back in November 2025, giving strength to its validation engine.

- The **Solana Mobile** validator, which is embedded as a default route, scaled 450% since its August launch to 448,237 SOL by September, creating a high-intent, balance-sheet-light funnel that continues to mature.
- On the institutional side, **Crypto.com's custody platform** is now exposing STKE's enterprise-grade validators to institutional custody clients, while also serving as a treasury custodian, expanding both distribution and operational resiliency.
- In Canada, **Netcoins selected STKE as its Solana staking validator** partner for retail customer staking. As a regulated exchange, its migration process underscores diligence on performance and controls and should translate into durable retail AuD over time.
- In November 2025, the company was **selected as the sole staking services provider for VanEck Solana ETF**, which gives it access to another large institutional house and underlines its ability to provide staking services to institutional players.

Chart 5: Embedded Distribution Driving Wallet Count and Providing Resilience to AuD

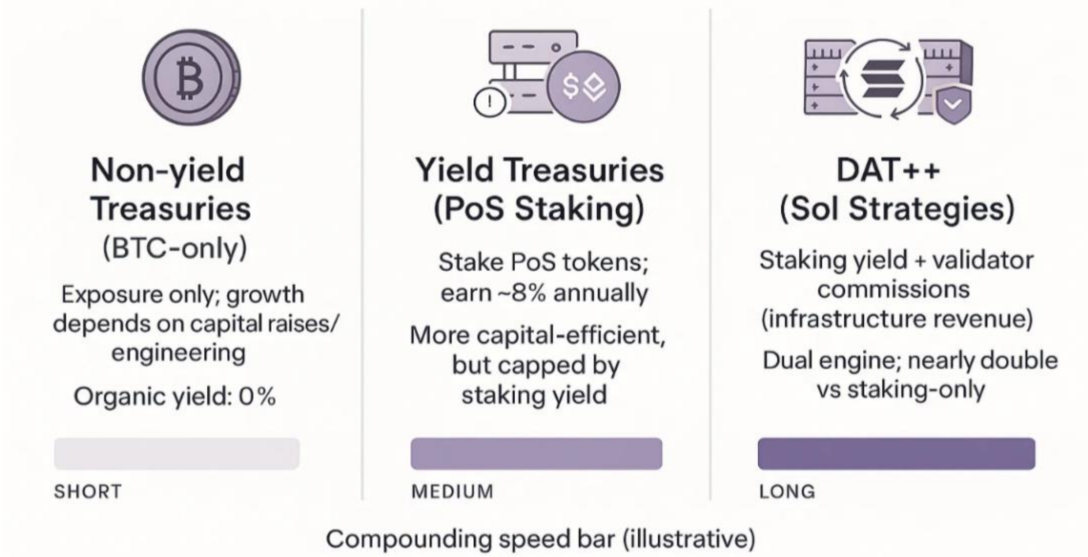


Source: Exec Edge Research, Company Filings

- **Another differentiator is STKE's two revenue engines that deliver superior yield versus passive DATs at lower capital intensity.** Two recurring engines compound faster than staking-only treasuries and diversify cashflows. For a DAT, staking annual percentage yield (APY) alone caps organic growth; however, adding validator commissions creates a second, independent stream tied to assets-under-delegation (AuD). STKE formalizes this with Treasury SOL Equivalent (TSE), translating validator income into the SOL amount that would yield the same return if it were treasury SOL at the prevailing staking rate.
  - **In 3Q FY25, validator commission income of 8,789 SOL equated to 502,236 SOL of TSE using a 7% annual yield**, lifting combined "treasury + TSE" to 894,683 SOL and demonstrating capital-efficient compounding versus passive peers. <u>Staking-only models grow ~8% organically, while DAT++ (staking plus validator commission income) targets roughly double that compounding rate over time, subject to AuD and yield conditions</u>. Accounting-wise, IFRS 15 recognizes retained commissions as revenue, while staking on self-delegated SOL is other income, clarifying the two distinct engines in reported results. Together, this design turns market access, validator performance, and distribution into an accretive growth flywheel rather than a single-yield dependency.
  - **For STKE, this dual engine is a moat because scale and structure amplify effective yield without proportional capital**. In 3Q FY25, STKE's validator business generated 8,789 SOL for the quarter (net $1.75 million) on top of the ~7% treasury staking yield, with Laine at 100% uptime and Orangefin APY above network. This performance attracts and retains AuD and, therefore, commission flow. Validator revenue is ~0.7% of total delegated stake, which relative to the current treasury size is equivalent to ~8% extra yield on the treasury itself, before any price effects.
  - **Capital efficiency is visible in cost-to-capacity.** The combined cost of validator assets was $76.6 million versus $106 million notional value of 3Q FY25 TSE, highlighting the advantage of owning the pipes. As

embedded channels and institutional integrations expand AuD, this second engine scales with minimal incremental cost, reinforcing a compounding profile that staking-only DATs struggle to match.

Chart 6: Three Paths to Digital Asset Treasury Growth

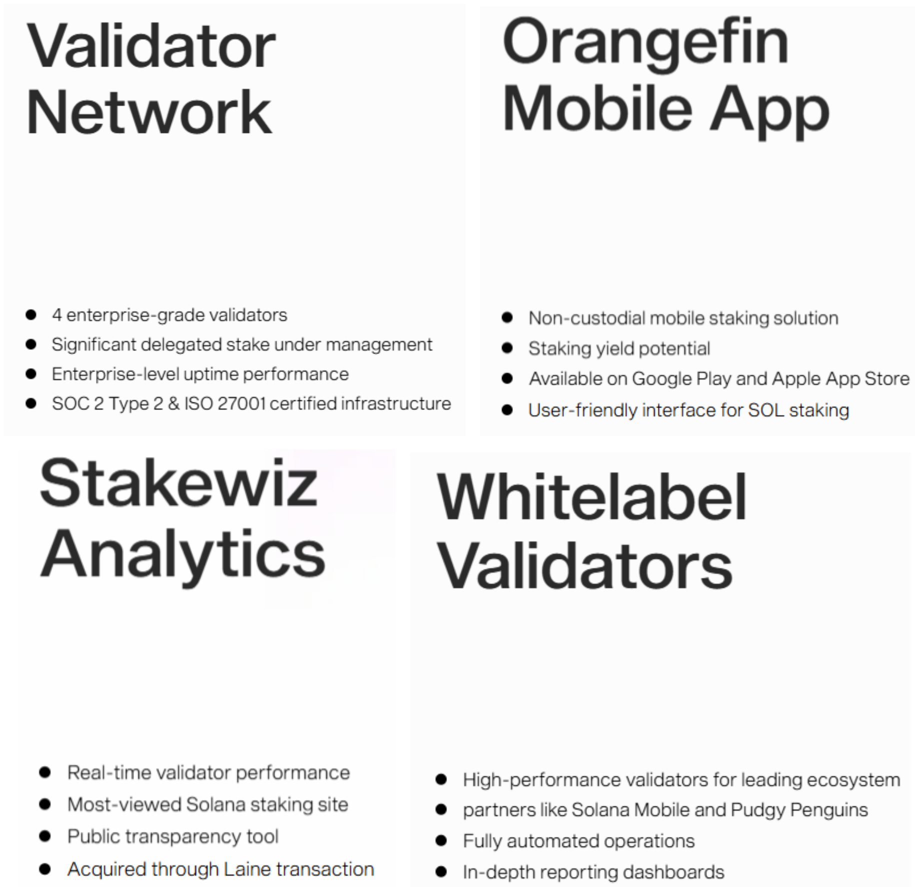


Source: Exec Edge Research

- **STKE's in-house tooling raises APY, uptime, and transparency, thus attracting large, sticky delegation flows**. For a DAT operator, the difference between average and top-quartile economics is largely software: scheduling, client modifications, telemetry, and automated failover. Better software translates into fewer missed slots, higher effective APY for delegators, faster incident response, and credible transparency for institutions. STKE leans into that leverage. Management highlights industry-leading validator performance (e.g., Laine's 100% uptime) and APY outperformance (Orangefin above network) as outcomes of continuous optimization. This matters because delegator routing is reflexive. Performance and visibility attract flows, which compound validator commissions and reinforce treasury compounding without incremental balance sheet. Further, daily, unaudited on-chain revenue dashboards give stakeholders near real-time signal, shortening diligence cycles for allocators that prize verifiable data. Early client diversification (Firedancer pilots) also positions the fleet to benefit from Solana's throughput roadmap as it lands. **We believe STKE's stack is now a moat: owned analytics, modified clients, and automation others will find difficult to build**.
  - **Stakewiz analytics**: Real-time validator and network telemetry, cohort tools, and education. Improves delegator discovery and trust, shortens institutional diligence, and feeds internal tuning that reduces missed slots and lifts effective APY relative to network averages.
  - **Modified validator client**: Selectively tuned client and runtime settings for leader scheduling, priority-fee handling, and vote efficiency. Delivers higher delegator yield at identical commission rates, fewer dropped votes, and steadier epoch performance, strengthening retention and inbound flows.
  - **Automation and orchestration**: Internal automation for config management, health checks, auto-restaking, and incident runbooks across data centers. Scales fleets without linear headcount, enforces SLOs, and lowers opex per SOL delegated, improving revenue density per engineer as AuD and wallets expand.
  - **Failover tooling (open-sourced)**: Watchdogs and automated leader handoffs for rapid recovery. Drives near-zero downtime under provider or regional events, lowers slashing and reward-leakage risk, and creates reputational lift that supports enterprise procurement and community goodwill.
  - **Public Dune telemetry**: Daily on-chain revenue and KPI dashboards in a standardized view. Converts marketing into verifiable data, accelerates institutional diligence cycles, and differentiates transparency versus opaque operators, improving channel conversion and recurring delegation.

- **Firedancer readiness**: Early client-diversity and throughput preparation. Lowers validation latency and improves resiliency as Solana scales, yielding better epoch performance, fewer missed opportunities, and a stronger technical story for performance-focused delegators.
- **Orangefin retail app**: Branded, user-friendly onramp that routes to company validators. Adds incremental retail AuD, yields richer user-behavior data for conversion optimization, and provides an owned surface that reduces reliance on third-party wallets for distribution.

Chart 7: STKE's Strong Proprietary Technology Stack



Source: Exec Edge Research, Company Website

- **Audited controls shorten diligence and unlock regulated counterparties requiring institutional-grade security and governance.** Independent audits matter for DATs like STKE as ISO 27001 signals an enterprise security program; SOC 1 addresses internal controls over financial reporting; and SOC 2 evaluates security, availability, processing integrity, confidentiality, and privacy. Crucially, Type 2 opinions test operating effectiveness over time. These frameworks shorten procurement cycles, satisfy boards and risk committees, and enable integrations where assets actually sit – qualified custodians and regulated platforms.
  - **STKE has positioned compliance as a core pillar**, with ISO 27001 in place and SOC 1/SOC 2 Type 1 completed, reflecting an early institutional posture before the Nasdaq uplist tightened disclosure standards further. Subsequently, on October 27, 2025, the company announced successful completion of SOC 2 Type 2 and SOC 1 Type 2 examinations with no exceptions noted, validating the ongoing effectiveness of its staking infrastructure controls and risk management, setting an unusually high bar in crypto infrastructure.
  - **This control stack is translating into pipes**. Crypto.com integrated STKE's validators for institutional custody clients and also serves as a treasury custodian for part of STKE's digital assets, reducing operational friction for large allocators who already custody there. Netcoins, a regulated Canadian exchange, selected STKE as its Solana staking partner explicitly highlighting compliance and security standards required by Canadian securities regulations, bringing compliant retail and institutional flows onto STKE's enterprise validator stack.

  - In parallel, the company documents diligence on qualified custodians (e.g., Coinbase Custody's SOC 1/SOC 2 posture) within its filings, reinforcing a control-first operating model across vendors and treasury workflows.
- **In practice, few validator operators possess audited Type 2 reports plus exchange/custody integrations and public-company governance; that scarcity compresses RFP timelines, widens partner eligibility lists, and solidifies STKE's position as the default, institution-ready Solana operator**.

Chart 8: Security and Compliance Credentials

Source: Exec Edge Research, Company Website

- **STKE's deep capital access converts market windows into stakeable SOL faster than competitors**. For the DAT++ model, balance-sheet velocity is a moat and operators that can reliably raise, draw, and deploy capital into SOL during favorable windows compound faster than peers constrained by single-source funding. STKE has built multiple, purpose-designed pipes with clear use-of-proceeds for SOL acquisition and validator expansion: a $500 million ATW convertible note facility structured exclusively to purchase and stake SOL on STKE-controlled validators; C$30 million of ParaFi-led convertible debentures earmarked to increase SOL holdings and scale validator operations; a C$25 million unsecured revolver designated solely for SOL purchases; and public-market issuance capacity evidenced by an upsized C$30.0 million LIFE offering.
  - **This breadth translates into execution**: the first $20 million ATW tranche closed May 1 and was fully deployed into 122,524 SOL within days. The October LIFE raise funded a further 88,433 SOL purchase at a disclosed average price of $193.93. STKE also has a preliminary base shelf ($150 million) and a Nasdaq listing, which collectively lower friction for future issuance and broaden the investor base. <u>Together, these elements reduce cost of capital, shorten cycle time from commitment to staking, and provide repeatable access to liquidity across cycles, a structural edge for treasury growth and validator scale</u>.

Chart 9: SOL Strategies Inc's Select Solana Purchase History*

Date	SOLs Purchased	Avg SOL Cost (C$)	Acquisition Cost (C$ million)	Total SOLs Held
Up to Sep 2024	100,763	NA	NA	100,763
Oct 2024 – Jan 16,2025	48,905	NA	NA	149,668
Jan 19–31, 2025	40,300	355.77	14.40	189,968
Feb 1–7, 2025	24,374	298.64	7.28	214,342
Feb 8–14, 2025	12,456	288.48	3.59	226,798
March 2025	24,000	199.00	4.78	267,151
May 6, 2025	122,524	205.89	25.23	395,078
May 29, 2025	26,478	117.50**	4.7**	421,556
Oct 14, 2025	88,433	193.93**	17.15**	526,513

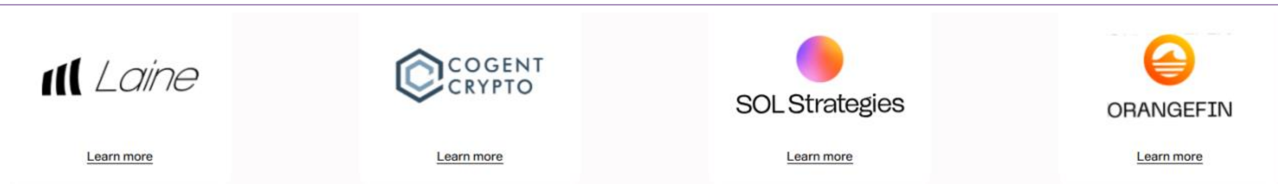
*Source: Exec Edge Research, Company Press Releases. *Based on publicly available information. ** Values in US dollars ($)*

- **Another differentiator for STKE is its focused acquisitions and fast integration that turn third-party validators into enduring advantages.** STKE's acquisition program is deliberately narrow: buy high-quality Solana validator franchises and the IP around them, then integrate quickly under a single control, telemetry, and compliance stack. The 2024-25 program added Cogent, OrangeFin, and Laine/Stakewiz, with identified assets spanning validator accounts, public/private keys, software, domains, and operating agreements. Capitalized as intangible validator assets amortized over five years, these deals totaled $76.6 million at cost and lifted intangible assets to

$70.0 million net by 3Q FY25, reflecting disciplined recognition and useful-life planning. Management explicitly links the acquisitions to validator scale and treasury economics. Following the Laine transaction, total staked SOL reached 3,351,617 (Laine at 1.5 million SOL), and by 3Q FY25 STKE ranked among the 19 largest Solana validator groups, a visibility advantage in delegator routing.

- **The moat is how efficiently STKE absorbs and scales what it buys**. In 3Q FY25, the company operated all acquired validators for a full quarter, evidencing operational continuity, and folded leadership and know-how into the core: Laine’s founder joined as Chief Strategy Officer and OrangeFin’s founder as Head of Staking. Purchase consideration structures also align incentives over time, with scheduled share issuances for OrangeFin and Laine that vest as the combined platform executes. The result is a consolidated fleet that benefits from shared automation, monitoring, and audited controls, lowering unit costs as assets under delegation scale. We believe this is a key moat for STKE, as competitors will find it tough to replicate not only STKE’s asset purchases but also its integration cadence, leadership depth, and control environment that turn acquired validators into sticky AuD and validator commissions.

Chart 10: STKE Validators



Source: Exec Edge Research, Company Website

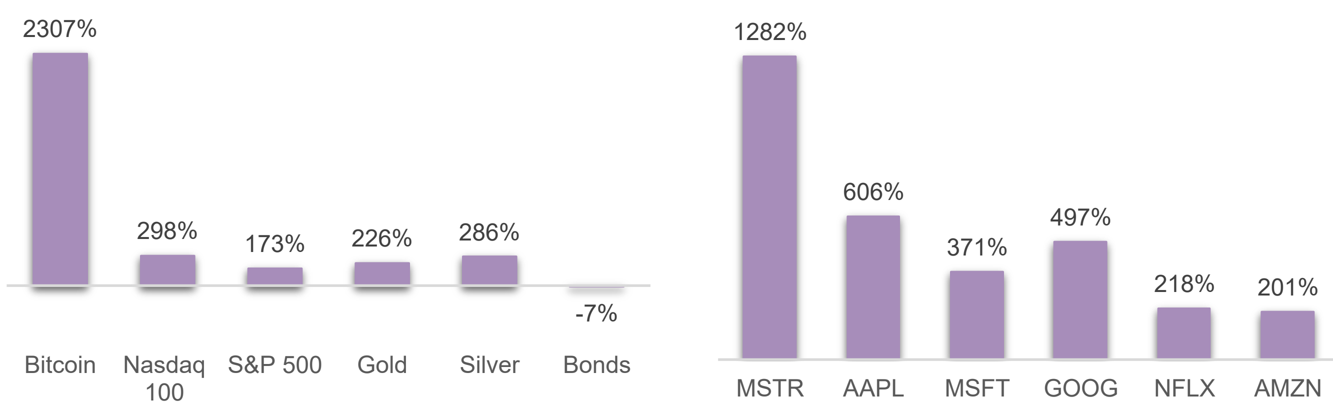
Industry Trends and Company Positioning

STKE Holds First-Mover Advantage as Value Migrates to Staking-Based DAT Strategies

Key Takeaway: Corporate balance sheets are becoming equity-wrapped conduits for digital-asset exposure, exploiting mNAV premiums to convert fiat into tokens and create structural NAV leverage. However, we believe value migration is now underway from passive crypto treasuries to staking-led DATs that add recurring yield and validator fees, improving capital efficiency and per-share durability. With first-mover scale and validator economics, STKE is best positioned to capture outsized share of this shift in the Solana economy.

- **We believe that the use of corporate balance sheets as direct vehicles for cryptocurrency exposure is not a short-term tactic. Rather, it is a deliberate strategy designed to capitalize on investor demand, capital markets inefficiencies, and emerging macroeconomic realities**. Over the last few years, a fundamental shift has been reshaping how companies think about treasury management and long-term capital strategy. What began as fringe interest in Bitcoin and Ethereum has evolved into a growing cohort of publicly listed companies deliberately using crypto assets as core balance sheet holdings. These companies are not simply hedging excess cash; they are positioning themselves as equity-wrapped conduits for investor exposure to digital assets. At the heart of this model is the belief that crypto is not only an investable asset class but one that, when paired with the structural leverage of public equity markets, creates asymmetric upside for shareholders.
- **The appreciation in BTC's value has led to a notable trend in recent years with companies adopting Bitcoin as a treasury asset**. Looking at the price appreciation of popular asset classes between January 1, 2019 and December 12, 2025, we find that BTC has delivered ~8x the returns of Nasdaq during this period. This strategy has yielded substantial benefits for early adopters, positioning them favorably in the evolving financial landscape. Many investors, ranging from institutional LPs to retail buyers, want crypto exposure but face legal, operational, or compliance barriers. Regulated public equities offer a familiar wrapper for digital asset exposure, solving custody, tax, and liquidity friction. Strategy's (MSTR) rapid revaluation post-2020 reflected this demand: equity investors priced MSTR as a liquid, leveraged Bitcoin proxy, despite its legacy software business. This stock delivered returns of 1,282% between January 1, 2019, and December 12, 2025, which is far better than what the blue-chip technology stocks have delivered during the same time frame. Companies integrating Bitcoin into their balance sheets often attract heightened attention from both retail and institutional investors. This move signals a forward-thinking approach, aligning with the growing acceptance of digital assets.

Chart 11: Stock Price Returns – BTC Stands Out Asset Classes and MSTR Among Stocks

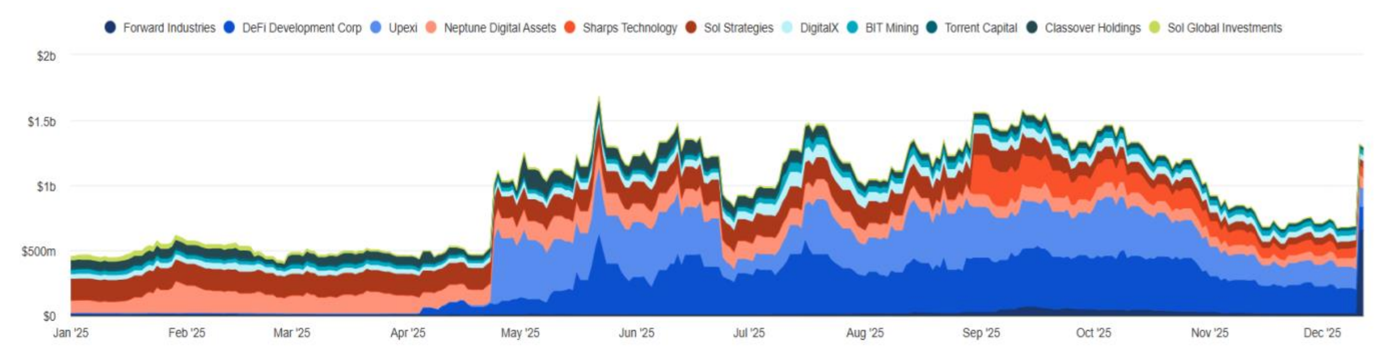


Source: Exec Edge Research. Price data as of as of December 12, 2025.

- **DATs like STKE offer a distinct playbook for value creation**. First, capital-markets engineering: companies raise fiat through ATMs, convertibles, and PIPEs, then convert proceeds into crypto. When shares trade above NAV, issuance can be accretive, by selling expensive equity to buy cheaper tokens, creating structural NAV leverage without margin. Second, tokenomics delivers treasury alpha: beyond price appreciation, SOL can earn ~6-8% staking yield, and validator operators add commission income. Third, early movers gain brand and liquidity advantages, repositioning as crypto-native, NAV-compounding vehicles. Finally, firms that run validators capture delegated yield: strong uptime attracts third-party stake and fees without proportional capital, a SaaS-like operating model exemplified by Solana-focused platforms such as STKE.

- **We believe the DAT universe is experiencing a value migration toward staking-based DAT strategies that create ongoing income and compounding, unlike passive buy-and-hold treasuries**. A passive DAT model concentrates on custodying tokens and waiting for price appreciation. It is simple and low cost, with full upside to market moves, and is led by firms like Strategy (MSTR) and Metaplanet (TYO: 3350). The drawback is structural: no recurring yield, exposure to price volatility, potential impairment noise under GAAP/IFRS, and no operating income to offset opex, interest, or equity dilution. Outcomes hinge almost entirely on favorable market cycles and access to external capital.
  - **On the other hand, a staking-led DAT strategy adds a repeatable income layer. On proof-of-stake (PoS) networks such as Solana and Ethereum, treasuries earn roughly 6–8% by staking or delegating**. Public companies including SOL Strategies (STKE), DeFi Development Corp. (DFDV) and Upexi (UPXI) present this as recurring revenue that can be reinvested, shrinking reliance on fresh equity. The math compounds the token base over time: a $100,000 SOL position earning an 8% APR grows to about $126,000 after three years if price is unchanged, whereas a passive holding would remain flat on the same assumption. That incremental token growth helps preserve NAV per share by counterbalancing dilution and funding costs. Operators that also run validators go further. **STKE exemplifies the model where staking income is paired with validator commissions from third-party delegation**. Those commissions are non-dilutive, scale with assets under delegation (AuD), and provide an operating income engine even in sideways markets. In short, staking-based DATs convert treasuries from static exposures into productive assets, improving capital efficiency, smoothing earnings, and strengthening per-share economics across cycles.
- **Driven by the above trends and the economics of staking DATs, the set of companies implanting this strategy is expanding quickly, led by first-movers like STKE**. As of 12/15, Coingecko's Solana Treasury Holdings tracker lists 18 public companies with SOL treasuries, with a visible rise in aggregated exposure through 2H25. These companies hold ~18.3 million SOLs in their treasuries with total value ~$2.4 billion. The chart below from the Block shows a significant jump in SOL treasury pile-up in 2H25. Upexi (UPXI) illustrates the shift from passive to productive treasuries: management says "substantially all" SOL is staked and disclosed more than 2.0 million SOL by September, with digital-asset revenue now a reportable line. DeFi Development Corp (DFDV) has been regularly topping up its SOL and runs its own validators, pairing staking income with delegated-fee revenue. Forward Industries (FORD) pivoted in September and rapidly accumulated multi-million SOL, framing a Solana-centric treasury with staking at its core. Neptune Digital Assets broadened institutional participation by moving SOL to a revenue-sharing validator mandate, boosting expected annualized returns. Against this backdrop, STKE continues to strengthen its first-mover advantage by adding SOL and capturing validator commissions, reinforcing the stacked-market-cap trend.

Chart 12: Stacked Market Cap of Public Companies Holding SOL



Source: Exec Edge Research, The Block. Data as of 12/15.

Solana's Scale Creates Durable Tailwinds for STKE's DAT++ Engine

Key Takeaway: Solana is evolving into a finance-grade base layer: sub-second finality, ultra-low fees, 20-month 100% uptime, rising client diversity, and industry-leading app revenue reset validator profitability higher. With expanding developer cohorts and resilient AuD economics, activity concentrates on Solana. STKE's validator footprint, distribution channels, and DAT++ model are directly levered to this flywheel, converting network growth into recurring commissions and staking yield.

- **Solana is a high-performance Layer-1 built for scale, designed to be a settlement layer for DeFi, NFTs, payments, gaming, AI and DePIN**. Its core advantage is architectural. Proof of History (PoH) pre-orders transactions like a cryptographic clock, which Tower BFT (Solana's version of Byzantine Fault Tolerance) then finalizes rapidly. Turbine shards data for fast propagation, and Sealevel executes smart contracts in parallel. Together, these components deliver sub-second finality (~400 ms) and persistently low fees (~$0.03), enabling thousands of transactions per second and making market-making, consumer micro-payments, and machine-to-machine commerce economically viable. By contrast, Ethereum optimizes for maximum decentralization and security, with >1 million validators, ~12-second finality, and ~$3.05 average fees, making it the institutional base layer for large, slower-settling value. Sui pairs 480 ms finality with ~$0.006 fees and a move-based design that suits social and gaming, while TON leverages Telegram's reach for social-first retail apps. Solana's niche is speed-driven finance and consumer scale – it consistently processes high-velocity order flow and supports a robust TVL (~$7 billion+), while its throughput and cost profile attract AI agents, DePIN workloads, and high-frequency retail activity. For developers and enterprises that need web-scale performance without forfeiting programmability, Solana offers a mature, end-to-end stack that competes with centralized systems while remaining credibly decentralized.

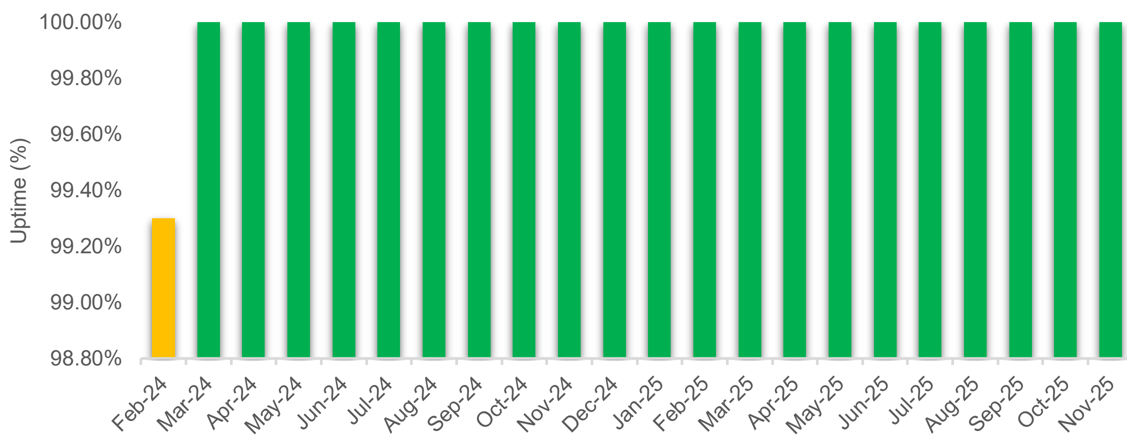
Chart 13: Solana vs. Other Comparable Blockchains

Metrics	Solana	Ethereum	Sui	TON
Consensus	PoH + PoS	PoS	PoS with next-generation parallel execution capabilities via novel consensus Narwhal/Bullshark	PoS + Sharding (Ethereum's long term scaling vision)
Average Gas Fee (12 months)	$0.03	$3.05	$0.006	$0.05
Transaction Speed	Around 0.44 seconds	Around 12 seconds	Around 0.48 seconds	Around 3.54 seconds
Level of Decentralization (Number of Validators)	1,314	1,064,480	113	400
Total Value Locked	$7.90B	$49.70B	$1.50B	$157.00M
Key Strengths	Cheapest gas fees and amongst the fastest settlement networks, dominant ecosystem for AI agents, memecoins and DePIN, and the next provable NASDAQ platform	Most secured settlement network, largest app ecosystem, deepest liquidity, wall-street chain, institutional preferred chain	Predictable gas fees, secure and efficient Move-based network building on Meta's research, a fantastic business development team with vast experience, multi-OS gaming device catering to Web2 & Web3 users	Close relationship with Telegram leading to a super app, biggest total addressable market
Ecosystem Focus	AI, DePIN, Memecoins and retail-focused DeFi	Institutional DeFi and tokenization	DeFi, Social and gaming	Gaming, social apps and user-focused non-crypto native apps

Source: Exec Edge Research, State of the Crypto Report 21-shares, Artemis, Dune. Data as of April 24, 2025

- **Solana's recent operating record points to a maturing, finance-grade network that can support sustained growth in validator economics**. As of November 2025, the chain has delivered ~21 months of 100% uptime while removing prior bottlenecks. According to the Network Health report published by the Solana Foundation in June 2025, the replay times sit below 400 ms and epochs consistently complete just under 48 hours. Developer efficiency and headroom have increased as well. The Pinocchio library meaningfully reduces Compute Unit (CU) usage, and CU limits have risen to 50 million with a planned step to 60 million, enabling more complex programs without congestion. January 2025 provided a real-world stress test. Despite application-layer frictions, such as Jito block-engine degradation, slippage, mis-set priority fees, the base layer recorded multiple days above 200 million transactions, 400k+ new wallet downloads, >$200 million of liquidity inflows, and peak DEX turnover near $39 billion per day, all without downtime. Crucially, those spikes translated into improvements: a new Agave/Jito scheduler lifted fee throughput by ~80%, sharpening the network's ability to process high-value order flow. For a validator-led operator like STKE, this performance profile matters directly. Persistent uptime, rising execution efficiency, and higher fee-throughput capacity support stable staking yields and stronger priority-fee capture, improving the durability and growth potential of validator commissions as on-chain financial activity continues to scale.

Chart 14: Solana Network Uptime (Feb 2024-Nov 2025)



Source: Exec Edge Research, Solana Foundation

- **We believe Solana's validator set and client diversity are trending toward institutional-grade resilience, which directly supports reliable staking economics**. Solana now has two primary implementations, Agave and Firedancer, and two in active development, Mithril and Sig. Agave, maintained by Anza, currently secures ~92% of active stake and continues to improve operationally with a new central scheduler in v1.18, a greedy scheduler in v2.1, higher performance, and a 61% reduction in gossip traffic. Firedancer, built in C++ by Jump Crypto, currently secures ~7% of stake through the hybrid "Frankendancer" release and has demonstrated 1 million TPS in testing while replaying mainnet blocks, with adoption expected to increase as mainnet readiness progresses. Multiple clients reduce single-point software risk, so a rising Firedancer share should enhance fault tolerance and shorten recovery times under stress.
  - **The "Alpenglow" upgrade, which targets dramatic latency gains, shrinking typical finality from multi-second levels to roughly 150 milliseconds, bringing near-Web2 responsiveness with L1 finality for time-sensitive use cases, has been approved by Solana validators**. More than half of validators participated and over 98% supported the change. Alpenglow introduces two core modules: Votor, a faster consensus mechanism that shortens confirmation times, and Rotor, a data-propagation system that replaces proof-of-history's timestamping to streamline validator communication. While rollout timing has not been announced, the vote positions Solana for instant-settlement DeFi and other real-time financial applications.
  - **When it comes to validator count, Solana maintains a large consensus set relative to most proof-of-stake peers: 823 block-producing validators as of 12/15 versus 127 on Sui, 40 on Sei, and 1 on Base, although below Ethereum's 968,100**. The count is lower than Solana's prior ~1,900 peak, yet the Foundation reports the remaining nodes are healthier, with better uptime, hardware, and service levels. The focus is quality

rather than raw quantity, since high-quality consensus nodes create a more predictable block schedule and fewer missed votes, which supports stable staking APRs and fair fee distribution.

- **For operators such as STKE, a healthier, increasingly client-diverse validator set strengthens network reliability, reduces tail risks in peak activity, and supports durable commission revenues as on-chain finance scales**. STKE directly monetizes Solana's improving validator health: its fleet runs Agave/Jito with 100% uptime targets, is preparing for Firedancer, and exposes delegators to above-network APY. Greater client diversity lowers outage risk and missed slots, stabilizing staking rewards and priority-fee capture, which compounds validator commissions and strengthens STKE's AuD-driven revenue durability. According to Solana Beach data, as of 12/15, there are 823 active validators on the Solana network, and the four STKE validators command a cumulative 0.62% of the total staked SOL on the network.

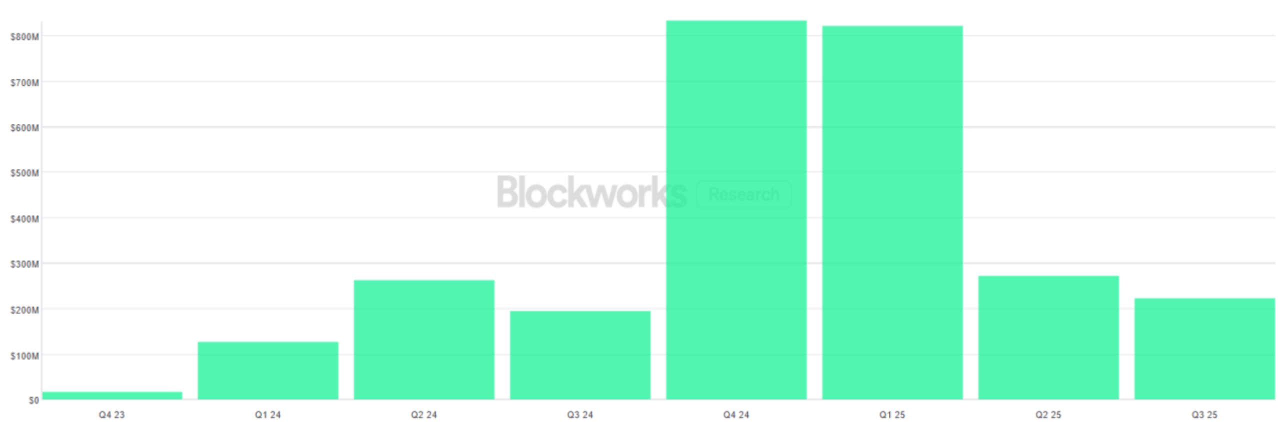
Chart 15: Number of Active Block Producing Validators on Major Blockchains (as of 12/15)

Blockchain	# of Block Producing Validators
Ethereum	968,100
Solana	823
Sui	127
Sei	40

Source: Exec Edge Research, Solana Foundation, Solana Beach, SuiVision, Token Terminal.

- **Validator economic health remains robust, with a much higher post-2023 baseline**. Blockworks' Real Economic Value (REV) data show that Solana validators earned about $17.5 million in 3Q23, then surged to $832.6 million in 4Q24 at the activity peak. While conditions normalized, 2Q25 ($272 million) and 3Q25 ($223 million) still sit significantly above 3Q24 levels, evidence that validator profitability has structurally improved. This uplift reflects diversified revenues: 100% priority fees (SIMD-0096), MEV via Jito block auctions, out-of-protocol tips, plus Timely Vote Credits (SIMD-0033) that reward low-latency, and reliable voting. A fatter, more resilient revenue stack encourages validators to reinvest in hardware, client diversity, and operational tooling, which in turn strengthens network security and reduces churn. For STKE, these economics are directly supportive as high uptime and optimized schedules monetize TVC and MEV better, while rising app activity sustains fee intensity. The takeaway: validator profitability has reset higher, creating durable incentives to operate and scale quality nodes.

Chart 16: Solana: Network Real Economic Value (Transaction Fees and Out-of-protocol Tips)



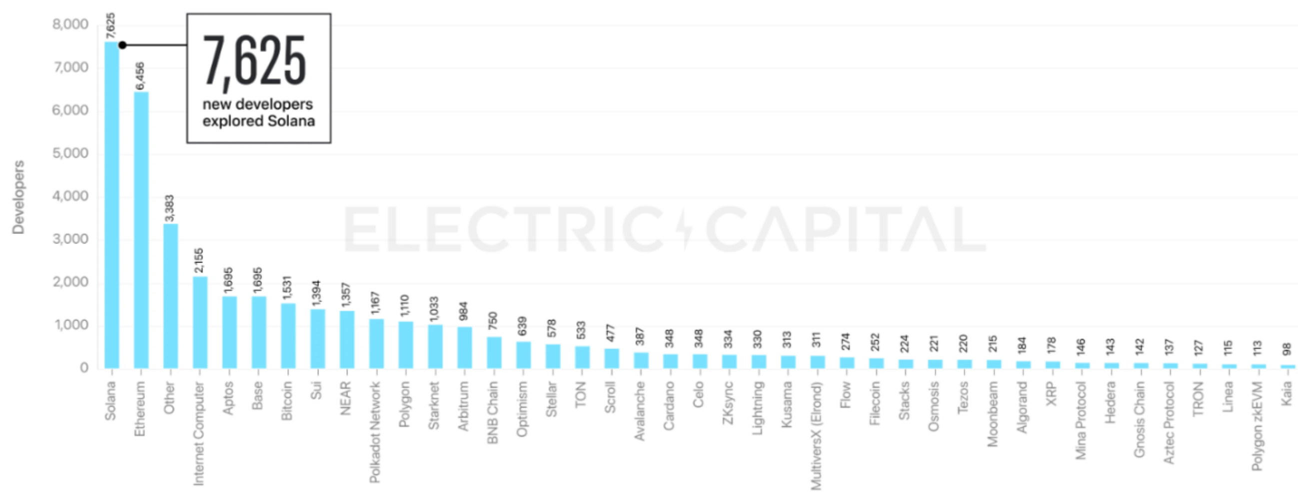
Source: Exec Edge Research, Blockworks.

- **Application revenue is a clean proxy for a chain's "GDP" and Solana's is expanding fast**. According to the Network Health Report by Solana Foundation, since 3Q23, fee revenue generated by apps running on Solana has risen steadily, signaling healthy end-user demand and viable unit economics for developers. For the period ending April 2025, the last two quarters eclipsed prior periods with well over $1 billion in cumulative app revenue each, placing Solana at or near the top of the industry. More recently, in the past 30 days (as of 12/15), Solana was the #1 chain in terms of App revenue with $109.97 million in past 30 days, according to DefiLlama.

- **This is important for sustainability of a blockchain, as robust app revenue attracts and retains high-quality teams, funds ongoing product development, and justifies continued network reinvestment in clients, tooling, and infrastructure**. It also broadens use cases beyond trading, such as payments, consumer apps, and tokenized assets, diversifying fee sources and smoothing cyclicality. Importantly, when app-level revenue outpaces base-layer fees, it implies the ecosystem is generating value that exceeds raw blockspace costs, a strong sign of economic maturity. For STKE, higher app revenue correlates with more transactions and priority-fee intensity, supporting validator earnings as the ecosystem scales.

- **Driven by the above factors, developer momentum on Solana is strong and self-reinforcing**. In 2024, Solana ranked #1 for new developers, adding 7,600+ newcomers, with 3,200+ monthly active developers and 83% y/y growth, evidence of a vibrant builder funnel and improving retention. Low fees and fast finality let teams iterate in production without prohibitive costs, while mature tooling (Anchor, Solana Mobile Stack, Jito/MEV libraries, expanding SDKs) lowers time-to-market. Regular hackathons, grants, and accelerator programs further anchor teams through funding and community support. As developers stay and ship, the ecosystem compounds – more apps attract more users, deepening liquidity and broadening use cases across trading, payments, consumer, and tokenization.

Chart 17: Solana was the Most Popular Ecosystem for New Developers in 2024



Source: Exec Edge Research, Defillama, Electric Capital

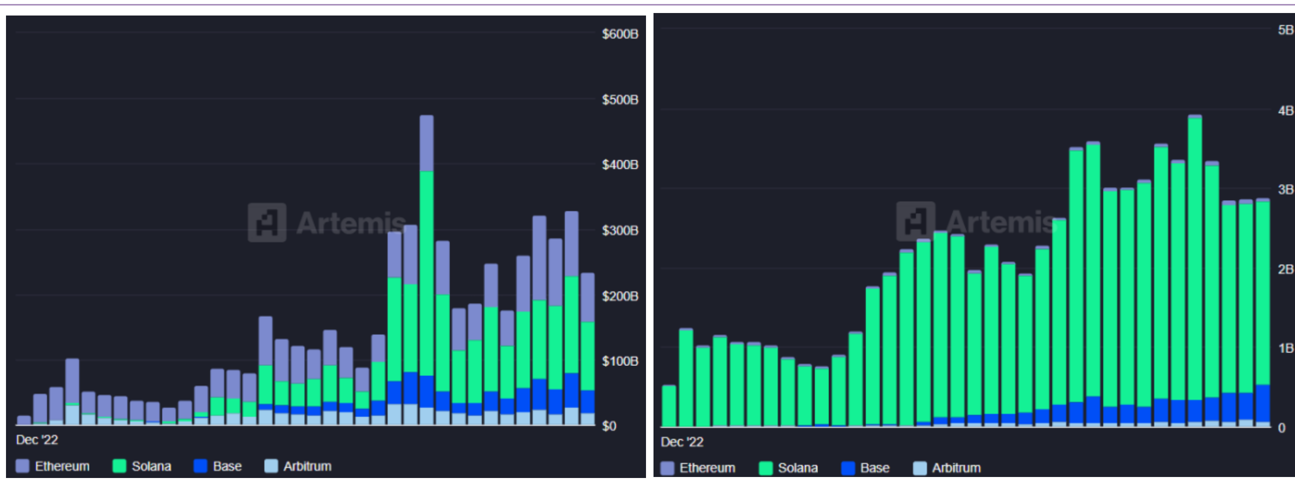
- **STKE, which realized the potential of Solana blockchain and transitioned to a Solana-focused DAT++ strategy, has also come a long way in aligning itself into the Solana infrastructure, which ensures that the company is well positioned to scale along with the Solana economy**. As the ecosystem grows and more financial applications move to Solana blockchain, the network is expected to attract more institutional allocations, and STKE has the potential to emerge as a leading Solana infrastructure player, providing staking and validation services to the network.

Well Positioned to Scale as Solana Becomes Finance's Fastest Rail

Key Takeaway: Solana's cost/latency edge, record DEX activity, and surging stablecoin/tokenization rails (Visa, Stripe) are concentrating financial flows on a single high-throughput L1. Incentives (SIMD-0123), Jito MEV, and Firedancer strengthen reliability and rewards, while ETFs/ETPs broaden access. STKE's DAT++ model through staking plus validator commissions, translates this flywheel into recurring, scalable cash generation, supported further by Nasdaq-enabled capital access and embedded distribution.

- **Our research shows that Solana is emerging as the financial-grade base layer for on-chain markets**. Solana's core design, which includes single global state, sub-second finality, and ultra-low fees, has made it the venue of choice for high-velocity financial activity. Typical fees remain well below one cent, even during congestion, allowing granular market making, RFQ flows, and retail micro-orders that are uneconomic elsewhere. Activity has followed as Solana has repeatedly led monthly DEX volumes in 2025 and matched the combined monthly active addresses of all other L1/L2s in June, a proxy for user traction across trading, payments, and apps. Revenue leadership underscores genuine demand for blockspace as multiple quarters at the top of network revenue reflect both protocol fees and out-of-protocol tips. For treasurers and infrastructure investors, the takeaway is a chain with cost, latency, and liquidity advantages that compound as more order flow migrates on-chain.

Chart 18: Solana Dominates DEX Volume and Total Number of Transactions on Major Chains

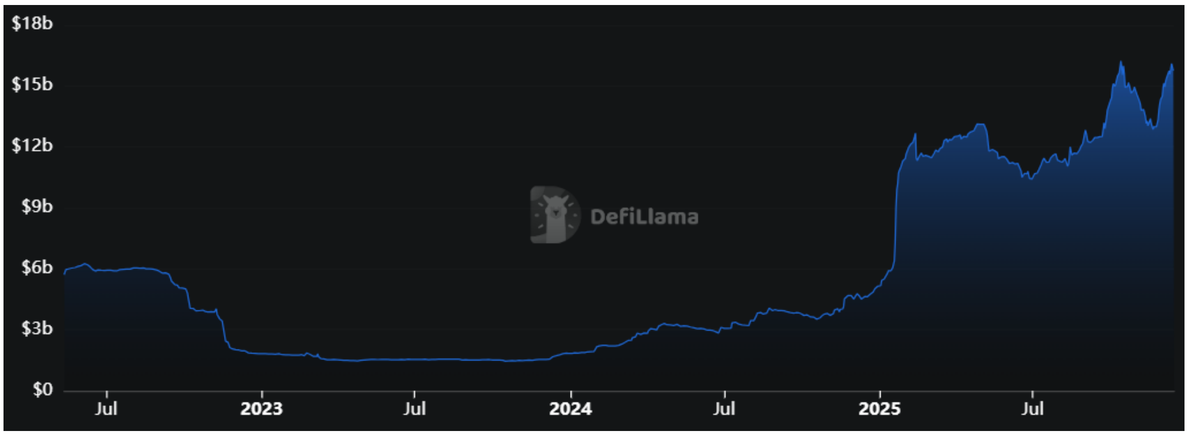


Source: Exec Edge Research, Artemis

- **Payments rails, stablecoins, and tokenization are scaling fastest on Solana**. Financial use cases are moving beyond trading as global payment networks and fintechs adopt stablecoins and they are explicitly integrating Solana. Some recent adoption examples include:
  - **Visa** broadened its stablecoin settlement platform in 2025 to support more USD and EUR stablecoins and additional blockchains, building on its earlier Solana work and signaling that major networks see programmable money as core treasury plumbing.
  - **Stripe** re-enabled stablecoin payments and launched subscription billing so merchants can accept wallets while settling in fiat, turning recurring commerce into an always-on, low-friction flow.
- **Increasing stablecoin depth on Solana is reflective of growing institutional adoption, a positive for SOL-focused names like STKE**. USDC's chain distribution showed ~$10 billion on Solana by March 2025, and Solana's aggregate stablecoin float sits around $16.2 billion as of December 2025, ample liquidity for payroll, B2B, and cross-border settlement use cases. At the macro level, stablecoins hit record market caps in mid-2025 alongside advancing U.S. legislation, a backdrop that improves board comfort and unlocks enterprise use cases. Tokenization is simultaneously moving from pilots to product:
  - **BNY Mellon and Goldman Sachs** launched tokenized money-market fund capabilities on LiquidityDirect, with 24/7 subscription/redemption and improved collateral mobility, clear evidence that institutional cash is going on-chain.

- **We believe this is driving the surge in Solana stablecoin market cap**. First, Solana's cost/latency profile concentrates transactional intensity on a single high-throughput L1 chain rather than fragmented L2 stacks, improving price discovery and pooled liquidity for venues and market makers. Second, stablecoin rails and tokenized cash products give treasurers tools they already understand, such as creditworthy custody, predictable settlement, transparent reserves, which are now delivered with real-time programmability. The combination of depth (stablecoin float), pipes (Stripe/Visa), and performance (finality/uptime) explains why financial applications are scaling disproportionately on Solana versus peers in 2H25.

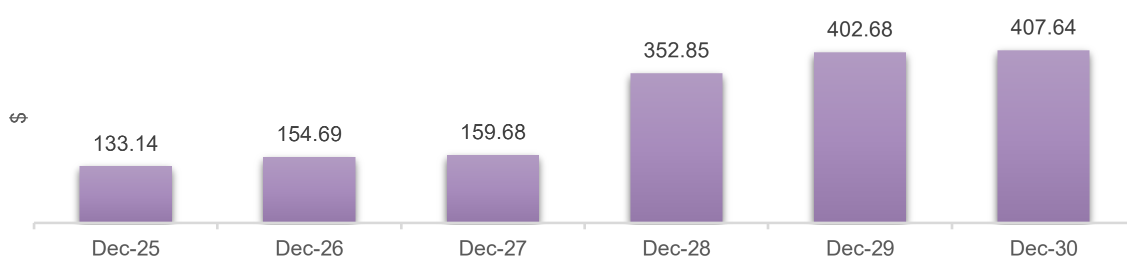
Chart 19: Solana Stablecoin Market Cap has Jumped Multifold in the Last 18 Months



Source: Exec Edge Research, DefiLlama. Data as 12/15.

- **Driven by the above advantages, SOL price is expected to rise by >200% through 2030**. According to Coincodex, SOL's price is estimated to reach $407.64 by 2030 vs. current price of $131.38 (as of 12/15). The structural advantages that SOL possess over other blockchains could make it the blockchain of choice for high-growth crypto projects such as Stablecoins, where issuance volumes could reach $4 trillion by 2030, according to Citigroup. Further, a joint study by Ripple and BCG (2025) projects total tokenized assets to reach $18.9 trillion by 2033, reflecting a 63% CAGR from 2024 levels.

Chart 20: Solana Price Projections 2025-30



Source: Exec Edge Research, Coincodex, Data as of 12/15. The values represent average price for each month.

- **STKE's DAT++ model maps directly to these trends: treasury SOL earns protocol yield while enterprise validators capture commissions and priority-fee-linked revenues from rising on-chain activity**. As Solana's trading and payment rails deepen, validator economics should scale with transaction intensity, benefiting operators with uptime, distribution, and compliance. STKE has built those prerequisites: SOC 1/SOC 2 Type 2 reports with no exceptions, a Nasdaq Global Select listing to access capital swiftly, and embedded distribution via Crypto.com's institutional custody platform and Netcoins' regulated exchange, channels that convert institutional and retail demand into durable delegation without consuming balance sheet. The company's ability to raise and deploy into SOL quickly, then stake to its own validators, tightens the link between network growth and per-share compounding. In a market coalescing around Solana for financial infrastructure, STKE's capital access, control environment, and validator footprint, create operating leverage to rising volumes and fee flows.

ETF Launches to Catalyze Solana Adoption and Delegation Growth

- **We believe that a conducive regulatory environment is set to accelerate Solana ETF demand and adoption**. The U.S. SEC has moved from one-off approvals toward a rules-based listing framework, allowing exchanges to file generic spot-crypto ETF standards rather than asset-specific rule changes. This reduces procedural friction and widens access beyond BTC and ETH. Market precedent shows regulatory clarity mobilizes capital: spot Bitcoin ETFs received approval in January 2024, generated multi-billion-dollar first-day volumes, and supported a strong appreciation in the asset over the year. Spot Ether ETFs launched in July 2024 with positive first-day net inflows. Solana spot ETF proposals are now progressing under the same regime, signaling a more permissive, standardized approach that lowers custody friction, strengthens liquidity formation, and supports broader Solana adoption.
- **Solana spot ETFs have moved from concept to mainstream distribution, unlocking new channels of demand**. Bitwise seized the first-mover advantage, launching its spot Solana ETF on NYSE during an SEC shutdown window and gathered about $420 million in the first week, with JPMorgan estimating altcoin ETFs could draw $14 billion in six months and Solana capturing ~$6 billion of that flow.
  - **Competition is intensifying**: VanEck launched the VSOL Solana ETF with a zero-fee promotion on the first $1 billion of AUM through February 17, 2026, and even the third-party staking service fee is waived over that period, before a 0.30% sponsor fee applies, rolling out an aggressive pricing stance that should deepen liquidity and lower investor friction. Fidelity and Canary are also entering, broadening the issuer set and exchange venues, and signaling institutional intent.
  - **Early flow data across newly listed products points to rapid uptake and the prospect of a multi-quarter adoption cycle as regulated wrappers replace wallet friction for advisors and platforms**. The net effect is tighter tracking, better price discovery, and a larger, more durable buyer base for SOL, tailwinds that should translate into higher on-chain activity, deeper staking participation, and more predictable validator economics over time.
  - **Several other Spot Solana ETFs are on the Pipeline**. In addition to the six Solana Spot ETFs that have already launched as of 12/15, another one from Invesco is in the pipeline.

Chart 21: Status of Various Major Solana Spot ETFs

ETF	Bitwise Solana ETF	VanEck Solana Trust	Canary Solana ETF	Fidelity Solana Fund	21Shares Core Solana ETF	Franklin Solana ETF	Invesco Galaxy Solana ETF
Status As of 12/15	Launched	Launched	Launched	Launched	Launched	Launched	Pending

Source: Exec Edge Research, Multiple Web Sources

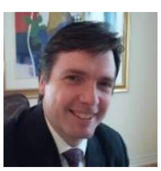
- **VanEck's selection of STKE (via its Orangefin validator) as a staking provider to the VSOL Solana ETF is a high-signal institutional endorsement that should translate into durable, non-dilutive revenue**. It routes regulated, sticky ETF AUM into STKE-operated infrastructure, reinforcing the firm's positioning as an institutional gateway built on ISO 27001/SOC 2-certified controls and large-scale operations securing over C$610 million staked assets. The mandate also arrives alongside a pro-adoption product design: VSOL explicitly stakes SOL through third-party providers, shows very high staking allocation (88.88% as of 12/15), and discloses a gross staking yield snapshot (~5.8%). VanEck is temporarily waiving the sponsor fee and the third-party staking service fee through February 17, 2026 (first $1 billion AUM), a pricing stance that should accelerate asset gathering and, by extension, delegated stake to chosen validators.
  - **As VSOL scales, STKE benefits on two fronts**: validator commissions tied to ETF delegation and rising on-chain activity that supports priority-fee/MEV economics across its fleet. More broadly, a U.S. spot ETF in a blue-chip wrapper expands distribution to advisors and institutions that allocate only via regulated vehicles, creating a repeatable template for additional mandates (and cross-border products) to select audited, performance-proven operators. <u>For STKE, this is a strategically compounding channel: balance-sheet-light AuD growth, stronger brand credibility, and a wider pipeline of institutional partnerships anchored in the ETF ecosystem</u>.

Management Team

Best-In-Class Crypto-Native Team with Institutional Rigor

- **STKE's leadership blends crypto-native operator depth with disciplined finance and execution, well suited to scaling a Solana-focused DAT++ franchise**. Interim CEO Michael Hubbard is a long-time Solana builder who launched an early independent validator and contributes to governance and decentralization strategy, anchoring product vision and ecosystem alignment. CTO Max Kaplan brings exchange-grade engineering from Kraken and founded Orangefin, giving STKE proven validator optimization and the ability to recruit and run high-performance teams. CFO Doug Harris adds rigorous capital allocation and reporting discipline as a CPA (CA) and CBV, with extensive M&A experience exceeding $2 billion in transactions. COO Andrew McDonald complements the bench with platform-scaling, post-merger integration, and process excellence, aligning engineering, BD, and compliance to support reliable, institutional-grade operations. The team is supported by a strong board, which blends global ETF and asset-management leadership, public-market and regulatory expertise, and legal/fintech depth, complemented by entrepreneurial reach and a crypto economist. In addition to the Interim CEO, the board comprises Chairman Luis Berruga (Global X) who anchors capital-markets strategy; Ungad Chadda who adds TSX governance; Rubsun Ho contributes M&A/financing; José Calderón broadens international networks; and Jon Matonis who provides crypto insight.

Chart 22: STKE Management Team

	**Michael Hubbard, Director & Interim Chief Executive Officer** Tech entrepreneur and early blockchain innovator, Michael Hubbard is a founding force in the Solana ecosystem. He launched one of its leading independent validator nodes and has since played a key role in protocol governance and decentralization strategy. With a background spanning SaaS ventures, e-commerce infrastructure, and open-source development, he brings hands-on expertise in scaling Web3 infrastructure and fostering community-driven blockchain ecosystems.
	**Max Kaplan, Chief Technology Officer** A veteran Web3 technologist, Max Kaplan was an early engineer at Kraken, where he rose to lead 60+ engineers across DevOps and Data Engineering. After six years helping scale one of the world's largest crypto exchanges, he founded Orangefin Ventures, a top-tier Solana validator later acquired by SOL Strategies. His expertise lies in blockchain infrastructure, validator optimization, and building secure, high-performance engineering teams in fast-scaling environments.
	**Doug Harris, Chief Financial Officer** Doug Harris is a seasoned finance executive with over two decades of experience spanning private equity, M&A, corporate finance, and accounting. A CPA (CA) and Chartered Business Valuator, he has played the lead role in transactions exceeding $2 billion. He holds an MBA from Rotman and a BSc from Guelph, bringing strong valuation expertise and disciplined financial leadership to high-growth, capital-intensive businesses.
	**Andrew McDonald, Chief Operating Officer** Andrew McDonald is a fintech and blockchain operations leader with deep expertise in scaling platforms, M&A execution, and operational optimization. As former COO of Bitaccess, he drove SaaS revenue growth and led its successful acquisition. Known for combining strategic foresight with executional agility, he brings a strong track record in building high-growth technology businesses across the decentralized finance and crypto infrastructure space.

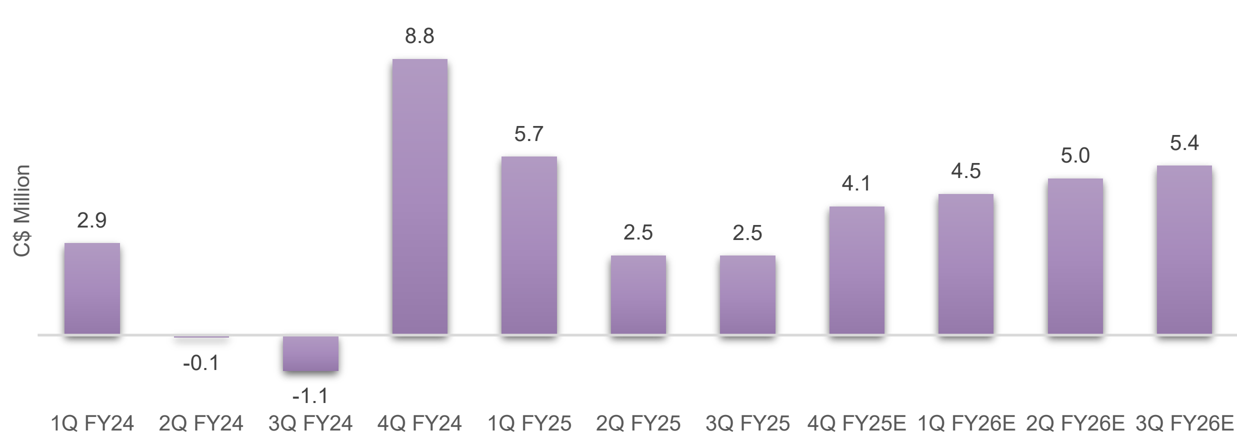
Source: Exec Edge Research, Investor Presentation

Fundamentals & Valuation

DAT++ Strategy Driving Revenue Growth, Balance Sheet Strength, and a Flexible Capital Stack for Scalable Compounding

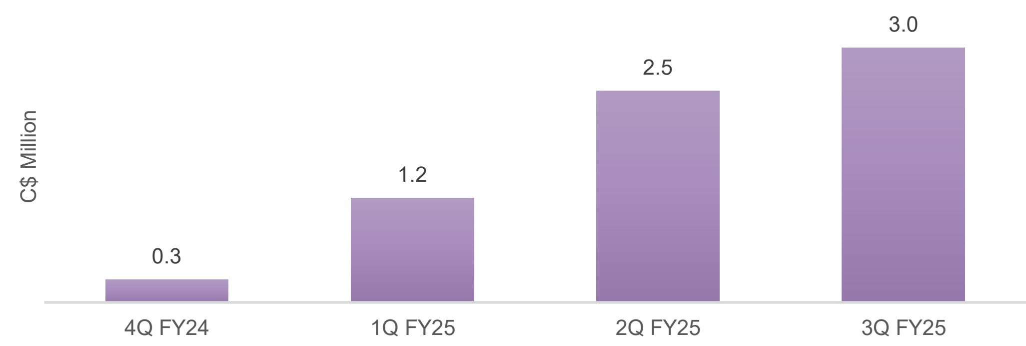
- **We believe STKE's 3Q FY25 performance validates its claim to being a Solana economy company focused on developing verticals and revenue stream beyond pure treasury. Fundamentals confirm the decisive pivot to the DAT++ model, with meaningful YTD top-line acceleration**. STKE's DAT++ strategy comprises of two distinct revenue streams, including 1) staking its own SOL treasury for a ~7-8% yield, and 2) operating validators for third-party delegated SOL from which it generates ~0.7-0.8% of total delegated stake as revenue.
  - **In 3Q FY25 (quarter-ending June 2025), validation services income was C$1.75 million (validator rewards paid in SOL: 8,789) and staking rewards stood at C$1.29 million (6,271 SOLs), reflecting the first full quarter of contributions from the recently acquired validator fleet**. The company considers Treasury SOL Equivalent to be a better matrix for assessing the validator business and the 8,789 validator rewards earned in SOL transform into 502,236 SOL equivalents, valued at $106 million based on SOL price of $154.7 as of June 30.
  - Total revenue and other income of C$2.53 million despite a loss of C$0.5 million on disposition of cryptocurrencies further validates STKE's claim of building a revenue stream around Solana infrastructure rather being a passive allocator to the token.
  - **On a YTD basis, the transformation is even clearer**. 9M FY25 revenue and other income rose to C$10.75 million from C$1.81 million in 9M FY24, driven by validation services revenue of C$3.86 million (16,681 SOL), staking rewards of C$2.96 million (12,680 SOL), and C$3.88 million of realized gains on dispositions earlier in the year. These figures mark the first operating year in which validator commissions and staking rewards became core, recurring revenue streams, tying top line more directly to SOL holdings and assets-under-delegation. We believe that as STKE scales its treasury and third-party delegation, these lines will remain the primary revenue engines, with treasury management providing incremental yield enhancement.
  - **Growth outlook is strong as Street estimates sourced from TIKR shows that the company is expected to close FY25 with a total revenue and other income of C$14.9 million**, compared to a C$10.6 million in FY24. Further, in FY26, STKE's revenue is expected to grow by 39.6% to reach C$20.8 million. On a quarterly basis, Street estimates project a sequential increase in topline – we believe this growth will be driven by combination of growth in SOLs delegated to STKE's validator nodes, expanding activity in the Solana ecosystem, and potential appreciation in SOL price. **We believe STKE's selection as the sole staking provider for the VanEck Solana ETF will also help it attract more institutional players looking for a staking partner thereby helping it expand its validator business**.

Chart 23: STKE Quarterly Revenue – Historical and Street Estimates



Source: Exec Edge Research, Company Filings, TIKR for forward estimates. STKE's FY ends in September. 3QY FY25 = quarter ending June 2025.

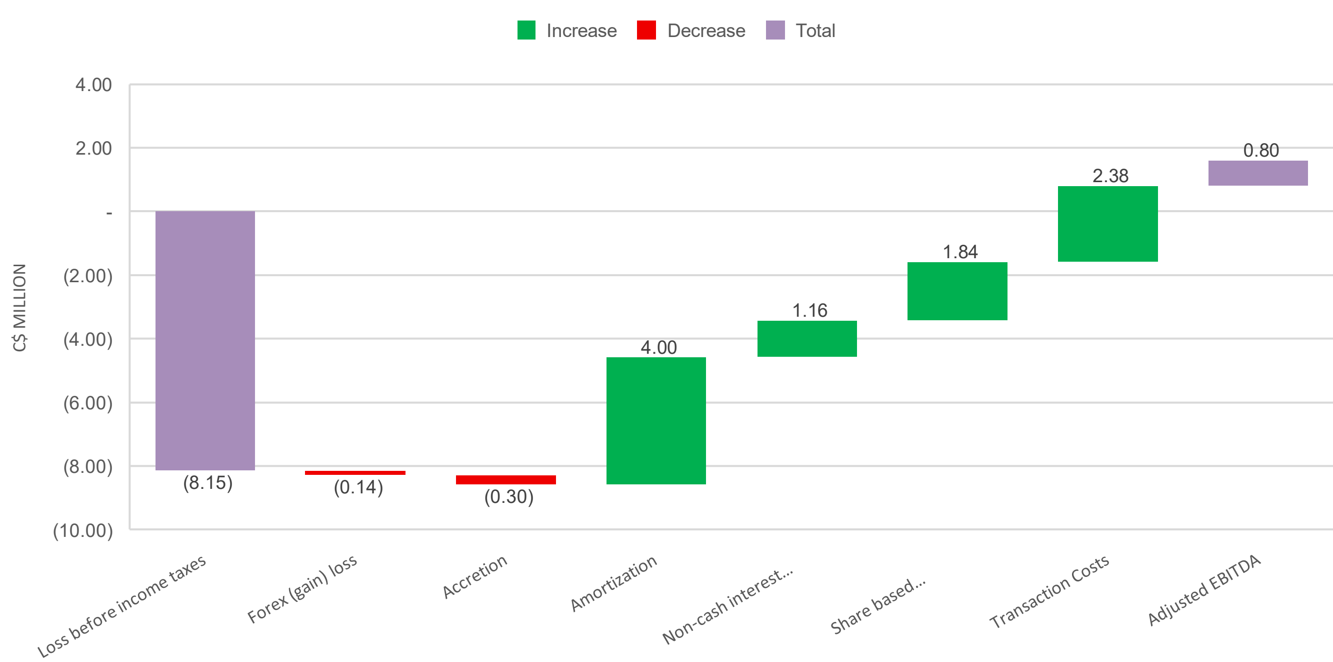
Chart 24: Rapidly Evolving Staking and Validation Income is the Key Growth Driver for STKE



Source: Exec Edge Research, Company Filings. STKE's FY ends in September. 3QY FY25 = quarter ending June 2025.

- **3Q FY25 expenses rose with platform build-out and financing, but underlying earnings indicate strengthening core economics while positive adjusted EBITDA suggests that validator and staking engines are already contributing positive operating earnings**. Operating costs stepped up with platform build-out and first full-quarter consolidation of acquired validators in 3Q FY25. Total expenses were C$10.68 million, driven by (i) amortization of validator intangibles, (ii) transaction costs related to ATW debt financing, (iii) stock-based compensation, (iv) interest expense, and (v) higher professional fees related to acquisitions and the Nasdaq process. (See chart below.) These expenses led to a net loss of C$(8.15) million. On a YTD basis, 9M FY25 expenses stood at C$20.5 million, with a net loss of C$(9.80) million.
  - However, we note that the ~C$0.9 million of legal fees linked to Nasdaq listing and filings, and C$2.4 million of financing transaction costs are non-recurring, while amortization (C$4.0 million) is non-cash. Excluding these line items, underlying opex was ~C$1.7 million for the quarter, and adjusted EBITDA was ~C$0.8 million, indicating that the core validator and staking engines are already contributing positive operating earnings even as STKE absorbs integration and listing costs.

Chart 25: STKE – Adjusted EBITDA Bridge (3Q FY25)



Source: Exec Edge Research, Company Filings. STKE's FY ends in September. 3QY FY25 = quarter ending June 2025.

- **STKE's balance sheet reflects a company undergoing a period of aggressive, strategic growth following a pivot to a DAT++ model focused on the Solana ecosystem**. As of June 30, 2025, total assets were C$164.3 million, representing nearly six-fold growth from C$ 28.9 million at the end of FY24. Total assets were dominated by cryptocurrencies of C$90.3 million (up 250%+ y/y) due to a strategic capital deployment, including the purchase of 309,635 SOL tokens for approximately C$77.5 million. The validator intangibles of C$70.0 million relate to the acquisition of blockchain validator accounts and intellectual property, which are core to the company's business model of generating high-margin validator and staking revenues. Liquidity position remains robust at C$93.3 million intended to enable the acquisition of additional SOL, further infrastructure build-out, and continuous investment in the Solana ecosystem. Overall, we believe the current balance sheet structure validates the company's transition from a traditional holding company to a digital asset infrastructure and treasury platform.
- **Cap structure has been re-engineered to support the scaling of SOL treasury through a balanced mix of credit, convertibles, contingent equity, and common stock**. STKE's debt consists of a C$16.2 million credit facility borrowed under a revolving line of credit with a total commitment account of C$25 million extended by Antanas Guoga, former Chairman of STKE. In addition, it has C$38.6 million outstanding in convertible debentures taking the total debt to ~C$54.8 million. STKE also has a $500 million convertible note facility from ATW Partners, which provides draw-and-deploy flexibility for SOL purchases, while the convertible layer aligns lenders with equity outcomes and preserves cash until conversion or maturity. Of this, $480 million remains available, whenever required. It used a large portion of $20 million drawn under this facility, on May 1, for purchase of 122,524 SOL at an average purchase price of $148.96. Further a shelf registration of $1 billion provides the flexibility to raise capital opportunistically to accelerate the growth of the SOL treasury.
  - **From a financing-capacity perspective, the company has demonstrated access to multiple pipes**: convertible debentures and the credit facility already on balance sheet; and, post-quarter, a LIFE equity offering that broadened the investor base and funded additional SOL, immediately staked to company validators. Management's approach is to raise when market windows and mNAV allow accretive issuance, then deploy quickly into SOL and embedded validator channels, tightening the loop between capital markets and recurring revenues (staking + commissions). Overall, we believe STKE's capital structure supports three objectives central to its thesis:
    - **Velocity**: ability to add SOL rapidly when windows open.
    - **Optionality**: convertibles and contingent equity that flex with outcomes.
    - **Resilience**: sufficient equity cushion and token collateral to manage cycle volatility while validators scale.

Chart 26: STKE – Financial Snapshot

Income Statement (CAD$)	1Q FY24	2Q FY24	3Q FY24	4Q FY24	1Q FY25	2Q FY25	3Q FY25	FY23	FY24
Revenue:									
Realized (loss) gain on dispositions of cryptocurrencies	-	-	-	7,648,448	4,430,368	(3,285)	(546,202)	-	7,648,448
Validation services income	-	-	-	-	-	-	1,746,427	-	-
Staking rewards	-	-	-	-	-	-	1,293,856	-	-
Staking and validating income	-	-	-	271,245	1,244,849	2,527,464	3,040,283	-	271,245
Treasury management income	-	-	-	-	-	-	30,389	-	-
Other income	10,451	90,644	171,890	-124,152	11,990	6,069	4,318	159,599	148,833
Dividend income	2 ,613	88,606	245,798	(12,042)	-	6,331	-	44,068	322,362
Realized gain (loss) on investments	270,661	(630,352)	(1,437,975)	2,958,557	(442)	-	-	(1,178,765)	1,160,891
Unrealized gain (loss) on investments	2,649,011	384,152	(104,813)	(1,863,439)	-	-	-	(4,060,250)	1,064,911
Gain from dissolution of subsidiary after tax	-	-	-	76,096	-	-	-	-	76,096
Total Revenue	**2,932,736**	**-66,950**	**-1,125,100**	**8,930,341**	**5,686,765**	**2,536,579**	**2,528,787**	**(4,498,715)**	**10,671,027**
Expenses									
Share based compensation	38,076	24,693	43,758	1,214,392	6 28,796	3,220,195	1,843,959	430,945	1,320,919
Amortization	7 ,909	7,909	15,818	7,909	50,082	2,541,834	4,000,929	70,885	31,636
Transaction costs	-	-	-	-	-	-	2,380,272	-	-
Professional fees	44,466	41,401	101,856	135,963	2 73,063	9 74,108	836,068	270,058	323,686
Interest expense	-	-	-	-	32,863	6 69,265	1,161,443	-	-
Consulting fees	106,360	88,827	203,877	80,429	2 42,708	3 97,773	433,037	424,735	479,493
Investor relations	-	-	-	-	1 54,350	1 87,629	195,828	-	-
General and administrative	39,407	36,127	111,772	156,790	51,543	2 06,051	249,154	198,052	344,096
Accretion	-	-	-	-	-	1 15,517	(300,492)	-	-
Listing fees	-	-	-	-	56,446	41,952	4,135	-	-
Director fees	10,298	9,702	14,702	-4,702	11,668	14,332	14,640	69,213	30,000
Foreign exchange (gain) loss	44,217	(34,365)	(119,636)	59,059	(203,483)	1 55,229	(139,484)	346,669	-50,725
Total Expenses	**290,733**	**174,294**	**372,147**	**1,641,931**	**1,298,036**	**8,523,884**	**10,679,490**	**1,810,557**	**2,479,105**
Operating Income (Loss)	**2,642,003**	**(241,244)**	**(1,497,247)**	**7,288,410**	**4,388,729**	**(5,987,305)**	**(8,150,703)**		
(Loss) income before taxes	2,642,003	(241,244)	(1,497,247)	7,288,410	4,388,729	(5,987,305)	(8,150,703)	(6,309,272)	8,191,922
Income tax expense	-	-	-	1,584,258	1,163,013	(1,163,013)	49,347	(26,944)	1,584,258
Net (loss) income for the period	**2,642,003**	**(241,244)**	**(1,497,247)**	**5,704,152**	**3,225,716**	**(4,824,292)**	**(8,200,049)**	**(6,282,328)**	**6,607,664**
Other comprehensive income									
Unrealized (loss) gain on cryptocurrencies	4,284,251	7,979,523	6,456,599	-14,987,035	4,600,814	(27,715,115)	9,116,244	(288,197)	3,733,338
Deferred (tax) recovery on unrealized gain on cryptocurrencies	-	-	-	(995,979)	-	-	-	91,351	-995,979
Total comprehensive income (loss)	6 ,926,254	7,738,279	4,959,352	-3,352,608	7,826,530	(32,539,408)	916,194	(6,479,174)	9,345,023
Net (loss) income per share									
Basic	0.02	(0.00)	(0.01)	0.03	0.02	(0.03)	(0.05)	(0.04)	0.04
Diluted	0.02	(0.00)	(0.01)	0.03	0.02	(0.03)	(0.05)	(0.04)	0.04
Weighted average number of shares outstanding									
Basic	152,067,183	151,866,655	151,866,655	149,187,364	147,249,194	151,138,107	164,763,658	156,073,535	149,187,364
Diluted	154,505,683	154,305,155	155,014,780	149,187,364	160,422,415	160,195,173	168,392,659	156,073,535	149,187,364

Balance Sheet-Key Items (CAD$)	1Q FY24	2Q FY24	3Q FY24	4Q FY24	1Q FY25	2Q FY25	3Q FY25	FY23	FY24
Assets									
Cash and cash equivalents	1,940,949	7,596,275	8,550,548	1,808,052	1,279,322	1,692,837	3,164,338	1,927,280	1,808,052
Prepaid expenses and accounts receivable	107,609	102,124	102,839	6,750	58,275	215,832	188,827	117,138	6,750
Cryptocurrencies	12,117,922	16,064,035	16,507,308	25,575,512	38,561,505	48,319,272	90,245,205	7,852,418	25,575,512
Intangible assets				-	33,768,545	73,980,318	69,982,072	-	-
Fixed assets				-	-	17,635	17,626	-	-
Investments	9,113,130	6,902,680	2,524,327	1,513,331	685,662	685,662	685,662	6,464,119	1,513,331
Goodwill				-	278,868	-	-	-	-
Other Assets	52,236	44,327	36,418	-	-	-	-	60,145	-
Deferred Tax Assets	633,145	633,145	633,145	-	-	-	-	633,145	-
Total assets	**23,964,991**	**31,342,586**	**28,354,585**	**28,903,645**	**74,632,177**	**124,911,556**	**164,283,730**	**17,054,245**	**28,903,645**
Current Liabilities									
Accounts payable and accrued liabilities	172,892	173,401	477,337	232,929	561,585	867,427	1,676,769	226,476	232,929
Income taxes payable	-	-	-	1,547,686	2,710,699	1 ,547,686	-	-	1,547,686
Financial liability - future share issuance	-	-	-	-	2,311,793	2 ,352,215	2,191,321	-	-
Credit facility	-	-	-	-	4,156,214	16,180,172	16,164,590	-	-
Long-term liabilities									
Financial liability - future share issuance	-	-	-	-	4,294,768	4 ,369,863	3,090,599	-	-
Convertible debenture	-	-	-	-	-	14,515,168	38,627,184	-	-
Deferred tax liability	-	-	-	399,406	399,406	399,406	399,406	-	399,406
Total liabilities	**172,892**	**173,401**	**477,337**	**2,180,021**	**14,434,465**	**40,231,937**	**62,149,869**	**226,476**	**2,180,021**
Shareholder's Equity									
Capital stock	17,864,782	17,478,896	16,966,421	17,256,668	20,154,351	35,990,304	62,597,628	17,864,782	17,256,668
Reserves	17,707,122	17,731,815	17,731,280	17,297,454	40,047,329	81,232,691	71,163,414	17,669,046	17,297,454
Accumulated other comprehensive (loss) income	4,082,632	9,826,431	5,758,736	2,540,513	7,141,327	(20,573,788)	(11,457,545)	(196,846)	2,540,513
Accumulated deficit	(15,862,437)	(13,867,957)	(12,579,189)	(10,371,011)	(7,145,295)	(11,969,587)	(20,169,636)	(18,509,213)	(10,371,011)
Total stockholders' equity	**23,792,099**	**31,169,185**	**27,877,248**	**26,723,624**	**60,197,712**	**84,679,620**	**102,133,861**	**16,827,769**	**26,723,624**
Total liabilities and stockholders' equity	**23,964,991**	**31,342,586**	**28,354,585**	**28,903,645**	**74,632,177**	**124,911,556**	**164,283,730**	**17,054,245**	**28,903,645**

Source: Exec Edge Research, Company Filings. STKE's FY ends in September. 3QY FY25 = quarter ending June 2025.

Undervalued Play on the Solana Economy

- **Our analysis shows that STKE is an undervalued name**. Please note that at Exec Edge, we do not issue estimates, price targets, or buy/sell/hold ratings. As such, the analysis below is for illustrative purposes and is meant to lay out a theoretical framework on how investors can approach valuing a DAT name like STKE. We use DAT-specific valuation approach for estimating the fair value of the company. **Please note that the price shown in the analysis below is not a stock price target and is just an illustration of the valuation analysis conducted by us**.
- **We believe STKE's focus on developing verticals and revenue streams beyond treasury is likely to emerge as the key source of value creation**. The company's SOL treasury expansion, and the growth in staking and validation rewards, which generates steady income, is likely to remain a key driver of growth.
  - With STKE strengthening institutional partnerships and retail penetration through Solana Mobile app, we assume Assets under Delegation (AuD) to grow 10% q/q to reach 4.6 million (excluding its own tokens) by the end of 2026. STKE's selection as a staking partner by VanEck Solana ETF reinforces our belief that it is well placed to be a preferred partner for institutional players looking to delegate their tokens for staking.
  - Further, we assume that STKE will raise \$250 million at an average price of \$2.50 per share to purchase more SOL tokens, thus boosting its SOL holdings by ~1.7 million tokens by 2026 end. We note that STKE has filed a \$1 billion preliminary short-form base shelf prospectus to provide financing flexibility for future offerings, so the \$250 million capital raise assumption is conservative and within the range.
  - Finally, we assume that STKE will earn more than 129,567 SOL tokens through staking in 2026 (assuming a 7% yield), and another 32,000+ tokens through validation rewards, taking its total SOL holdings to ~2.39 million by end of 2026, which could be valued at \$370 million – based on SOL price of \$155 at 2026 end, per projections from coincodex.
  - Overall, as STKE builds its SOL treasury balance and its staking and validator earnings grow, its book value will rise to \$2.90/share by the end of 2026. **Applying a 1.90x P/B multiple – premium to industry but conservative vs. STKE's current multiple – we arrive at a fair value of \$5.51 per share**.
  - We note that STKE is trading at an mNAV multiple of 0.92x – this is among the highest among comparable SOL DAT peer group. We believe this premium reflects STKE's DAT++ strategy and expect it to sustain given the company's positioning as the premier Solana economy play.

Chart 27: STKE – Valuation

Parameter	Current	CY25E	CY26E
SOL Balance - Opening	526,637	526,637	529,221
Staking Earnings (SOL)	-	1,536	129,567
Validator Earning (SOL)	-	1,048	32,109
New Tokens Added	-	-	1,698,716
SOL Balance - Closing	**526,637**	**529,221**	**2,389,613**
Assets Under Delegation (SOL)	3,144,835	3,144,835	4,604,353
SOL Price (\$)	132	133	155
SOL Value - Closing (\$ million)	**69**	**70**	**370**
Shares Oustanding (million)	28	28	128
Book Value Per Share - DAT++ (\$)	2.52	2.56	2.90
P/BV Multiple (x)			1.90
Fair Price			**5.51**

Source: Exec Edge Research. Current data as of 12/15. SOL price projection sourced from coincodex. All \$ numbers in the chart above are in U.S. Dollars.

Chart 28: STKE – Peer Comparison

Sl No	Ticker	Company Name	Token Focus	Share Price ($)	Market Cap ($M)	Enterprise Value ($M)	Shares Out. (M)	Token Balance	Token Value ($M)	mNAV (x)	Token Per Share (x)	P/B (x)
1	**STKE**	**Sol Strategies Inc.**	**SOL**	**2.29**	**64.03**	**101.53**	**27.54**	**526,637**	**69.4**	**0.92**	**0.0191226**	**0.66x**
2	DFDV	DeFi Development Corporation	SOL	5.56	174.59	296.12	31.40	2,195,926	289.5	0.60	0.0699339	0.63x
3	UPXI	Upexi, Inc.	SOL	2.26	142.85	341.38	63.21	2,018,419	266.1	0.54	0.0319320	0.63x
4	FWDI	Forward Industries, Inc.	SOL	7.56	653.63	618.01	86.46	6,910,568	911.2	0.72	0.0799279	0.44x
5	HSDT	Solana Company	SOL	3.37	139.19	15.13	41.30	2,300,000	303.3	0.46	0.0556901	NM
6	BTCM	SOLAI Limited	SOL	2.73	24.47	31.80	18.68	44,412	5.9	4.18	0.0023775	1.02x
7	FGNX	FG Nexus Inc.	ETH	2.59	102.50	119.29	39.57	40,005	124.7	0.82	0.0010110	0.49x
8	BMNR	BitMine Immersion Technology	ETH	34.86	13,388.60	12,876.61	384.07	3,864,951	12,049.5	1.11	0.0100631	0.94x
9	SBET	SharpLink Gaming, Inc.	ETH	10.51	2,067.25	2,056.12	196.69	859,853	2,680.7	0.77	0.0043716	0.66x
10	ETHM	Dynamix Corporation (Ether Machine)	ETH	10.41	230.41	229.93	22.13	496,712	1,548.6	0.15	0.0224452	NM
11	BTBT	Bit Digital	ETH	2.25	727.98	739.25	323.54	153,546	478.7	1.52	0.0004746	0.81x
12	ETHZ	Ethzilla, (180 Life Sciences Corp.)	ETH	7.92	157.80	642.42	19.94	94,030	293.2	0.54	0.0047156	0.28x
13	BTCS	BTCS, Inc.	ETH	3.23	151.29	216.38	46.84	70,140	218.7	0.69	0.0014974	0.68x
14	MSTR	Strategy Inc.	BTC	176.45	50,703.57	64,657.68	287.35	660,624	59,152.4	0.86	0.0022990	0.97x
15	CEP	Cantor Equity Partners/Twenty One Capital	BTC	14.27	182.66	183.54	12.80	43,514	3,896.3	0.05	0.0033995	NM
16	CEPO	Cantor Equity Partners I/BSTR Holdings Inc.	BTC	10.55	269.03	269.33	25.50	30,021	2,688.1	0.10	0.0011773	NM
17	TYO:3350	Metaplanet Inc.	BTC	2.84	3,238.92	3,250.00	1,142.25	30,823	2,759.9	1.17	0.0000270	0.95x
18	DJT	Trump Media & Technology Group	BTC	10.65	2,981.97	3,086.73	280.00	11,542	1,033.5	2.89	0.0000412	1.31x
19	SMLR	Semler Scientific	BTC	17.97	272.42	378.67	15.16	5,048	452.0	0.60	0.0003330	0.59x
20	BRR	Columbus Circle Capital Corp. I / ProCap BTC	BTC	3.35	308.74	308.74	112.42	4,951	443.3	0.70	0.0000440	NM
21	GME	GameStop Corp.	BTC	21.23	9,508.92	5,070.82	447.90	4,710	421.7	NM	0.0000105	1.79x
22	VLCN	Empery Digital (Volcon, Inc.)	BTC	4.65	175.37	205.41	37.71	4,081	365.4	0.48	0.0001082	0.47x
23	SQNS	Sequans Communications S.A.	BTC	5.95	92.77	197.08	15.59	2,264	202.7	0.46	0.0001452	0.41x
		Average								**0.92**	**0.0135282**	**0.76x**

Source: Exec Edge Research, TIKR. Current data as of 12/15.

Technical Analysis

Downtrend Intact. Oversold Signals Emerging, but Confirmation Lacking.

- **STKE's technical structure points to continuation of bearish set up**. At $2.29, STKE's stock price is well below its 50-DMA (~$3.09) and 200-DMA (~$9.87), with both averages sloping down and capping rebounds. A sustained close above the 50-DMA would be the first sign of repair, while reclaiming the 200-DMA is required for a structural reversal. The daily RSI (~37.1) sits near oversold territory and could attract value buyers. The MACD is flattening near the zero line. A bullish crossover alongside a rising histogram would confirm a shift toward short-term accumulation. On weekly charts, the RSI remains below 32, consistent with a long-term downtrend. A decisive breakout above $3.20 would open room toward the $5.00 congestion zone. Improving breadth/volume on up days, an RSI recovery above 40, and a MACD bullish cross would strengthen a mean-reversion case. In the absence of these, the pattern of lower highs/lows keeps downside risks alive.

Chart 29: STKE – Stock Price and Technical Indicators

Source: Exec Edge Research, Barchart.com. Data as of 12/12 close.

Ownership

Top Institutional Owners

Chart 30: STKE – Top Owners

Owner Name	Date	Shares Held	Change (Shares)	Change (%)	Value (In 1,000s)
Mmcap International Inc. Spc	9/30/2025	250,000	250,000	New	$573
Ubs Group Ag	9/30/2025	172,451	172,451	New	$395
Lighthouse Investment Partners, Llc	9/30/2025	117,500	117,500	New	$269
Jane Street Group, Llc	9/30/2025	78,142	78,142	New	$179
Murchinson Ltd.	9/30/2025	67,701	67,701	New	$155
Invesco Ltd.	9/30/2025	43,575	43,575	New	$100
Pathstone Holdings, Llc	9/30/2025	28,125	28,125	New	$64
Marshall Wace, Llp	9/30/2025	23,013	23,013	New	$53
Toronto Dominion Bank	9/30/2025	21,612	21,612	New	$49
Millennium Management Llc	9/30/2025	20,412	20,412	New	$47
Virtu Financial Llc	9/30/2025	12,469	12,469	New	$29
Simplex Trading, Llc	9/30/2025	7,655	7,655	New	$18
Sjs Investment Consulting Inc.	9/30/2025	4,125	4,125	New	$9
Barclays Plc	9/30/2025	3,750	3,750	New	$9
Bank Of America Corp /De/	9/30/2025	1,711	1,711	New	$4
Group One Trading Llc	9/30/2025	792	792	New	$2
Federation Des Caisses Desjardins Du Quebec	9/30/2025	587	587	New	$1
Royal Bank Of Canada	9/30/2025	511	511	New	$1
Morgan Stanley	9/30/2025	135	135	New	$0
Quarry Lp	9/30/2025	58	58	New	$0
Asset Dedication, Llc	9/30/2025	1	1	New	$0
Ethos Financial Group, Llc	9/30/2025	0	(5,405)	Sold Out	

Source: Exec Edge Research, NASDAQ. Data as of 12/12 close.

Risks

- **Solana concentration risk**. STKE's asset base and operating model are concentrated in Solana and Solana-linked validator economics. This creates outsized sensitivity to the network's price, technical stability, security, and developer traction. Regulatory disruptions, client bugs, consensus changes, or ecosystem incidents could impair staking yields, delegation flows (AuD), and the valuation of treasury tokens, driving volatility in comprehensive income and constraining capital access. While STKE diversifies distribution (custodians, exchanges, wallets) and invests in tooling and uptime to remain a preferred validator, concentration risk remains structural: negative Solana-specific developments may have a disproportionate impact versus multi-token peers. The company continually evaluates exposure, performance telemetry, and partner breadth to mitigate, yet sustained underperformance or adverse events on Solana could materially reduce validator revenue and the carrying value of crypto assets.
- **Regulatory uncertainty**. Digital-asset rules remain fluid across major jurisdictions. New or amended laws affecting staking, custody, token classification, market structure, or disclosures could impact STKE's ability to run validators, stake Solana, or transact efficiently. Changes may also alter liquidity, accounting treatment, or taxation of crypto holdings, and regulated venues may adjust listing or staking policies. Although STKE monitors developments and engages qualified custodians and regulated partners, rulemaking can be rapid and extra-territorial, forcing operational or treasury adjustments on short notice. Adverse outcomes, such as restrictions on staking services, heightened capital requirements, or new reporting burdens could increase costs, compress margins, or limit growth. Conversely, favorable clarity may not arrive in the company's timelines. The net risk is execution friction and valuation volatility driven by evolving policy regimes beyond STKE's control.
- **Custody and counterparty risk**. STKE relies on third-party custodians and OTC liquidity providers. Despite diligence, counterparties could suffer cyber events, insolvency, or operational failures that delay access to assets or cause losses. Exchange commingling and off-chain ledgering increase reconciliation risk. Legal recovery can be uncertain in stress scenarios. STKE seeks diversified venues, SOC-audited providers, balance limits, and contingency plans, but concentrated counterparty events could impair liquidity and valuation.
- **Crypto price volatility**. SOL and other tokens are highly volatile. Remeasurement flows through profit or loss and other comprehensive income, creating significant earnings swings. Sharp drawdowns may reduce NAV, compress mNAV premiums, and make equity issuance uneconomic. Staking accruals help but cannot offset severe short-term declines. Market regimes therefore influence STKE's results, capital access, and the pacing of validator expansion.
- **Liquidity risk**. STKE's revaluation model and operating plans assume deep, functioning markets for Solana and related instruments. Disorderly conditions, exchange outages, venue delistings, or structural liquidity breaks could impede timely liquidation, hedging, or deployment at reasonable prices. A loss of "active market" status would also complicate fair-value measurement and increase audit scrutiny. Working capital planning and diversified trading relationships mitigate day-to-day needs, yet flash events or regulatory interventions can overwhelm normal safeguards. In such periods, spreads may widen, inventory may be trapped at venues, and transaction backlogs may delay redeployment or risk reduction.
- **Capital access and dilution**. DAT++ scaling depends on accretive financing. If mNAV premiums narrow or credit reprices, equity or convertible issuance may become costly or dilutive. Interest expense, transaction costs, and scheduled share considerations from acquisitions add friction. STKE targets issuance during favorable windows and rapid deployment into staked SOL to protect per-share metrics, but external conditions ultimately drive dilution risk and growth pacing.
- **Operational and security risk**. Digital-asset operations carry key risks: private-key loss, irreversible transactions, software defects, configuration errors, and data-center outages. Validators face slashing or reward leakage from missed votes. STKE employs institutional controls, automation, failover, and telemetry, yet residual risk remains, especially during peak activity. A material incident could reduce APY, harm reputation, trigger delegator churn, and increase remediation costs.
- **Protocol and governance**. Solana's roadmap evolves via community governance and Foundation stewardship. Changes to fee distribution, emissions, or client rollout can reshape validator economics and require rapid upgrades. Approved proposals such as priority-fee sharing alter incentives; rejected proposals extend uncertainty. STKE tracks proposals and prepares for client diversity, but governance outcomes could affect competitiveness, AuD, and the effective yield profile of its DAT++ model.

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