
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q**

(Mark One)

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

For the quarterly period ended **March 31, 2026**

OR

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

For the transition period from to
Commission file number **001-40046**

Core Scientific, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

86-1243837
(I.R.S. Employer Identification No.)

838 Walker Road
Suite 21-2105
Dover, Delaware
(Address of Principal Executive Offices)
19904
(Zip Code)
(512) 402-5233
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.00001 per share	CORZ	The Nasdaq Global Select Market
Warrants, each whole warrant exercisable for one share of common stock at an exercise price of \$6.81 per share	CORZW	The Nasdaq Global Select Market
Warrants, each whole warrant exercisable for one share of common stock at an exercise price of \$0.01 per share	CORZZ	The Nasdaq Global Select Market

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

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

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

Large accelerated filer Accelerated filer Emerging growth company
Non-accelerated filer Smaller reporting company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for

complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No

As of May 1, 2026, 317,885,292 shares of common stock, par value \$0.00001, were outstanding.

[Table of Contents](#)

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q, including, without limitation, statements under Part I. Item 2. — "Management's Discussion and Analysis of Financial Condition and Results of Operations," includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended, (the "Exchange Act"). Forward-looking statements may be identified by the use of words such as "ability," "aim," "assume," "estimate," "plan," "possible," "project," "forecast," "goal," "opportunity," "intend," "will," "expect," "anticipate," "believe," "enable," "seek," "target" or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding projections, estimates and forecasts of revenue and other financial and performance metrics, projections of market opportunity and expectations, the Company's ability to scale and grow its business, successfully complete construction of its data centers, and source sufficient electrical energy, necessary long lead infrastructure components, supplies and equipment, the advantages and expected growth of the Company, the Company's ability to source and retain talent, the Company's ability to source and consummate acquisitions of entities holding suitable land and power, and the intended use of proceeds from the offering of senior secured notes by Core Scientific Finance I LLC. These statements are provided for illustrative purposes only and are based on various assumptions, whether or not identified in this Quarterly Report on Form 10-Q, and on the current expectations of the Company's management. These forward-looking statements are not intended to serve, and must not be relied on by any investor, as a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of the Company.

These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions, known or unknown, that could cause actual results to vary materially from those indicated or anticipated. These risks, assumptions and uncertainties include those described in Part I, Item 1A. — “Risk Factors” of the Company’s Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on March 2, 2026. If one or more of these risks or uncertainties materializes, or if underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. There may be additional risks that the Company could not presently know or that the Company currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect the Company’s expectations, plans or forecasts of future events and views as of the date of this Quarterly Report on Form 10-Q and should not be relied upon as representing the Company’s assessments as of any date subsequent to the date of this Quarterly Report on Form 10-Q. The Company anticipates that subsequent events and developments will cause the Company’s assessments to change. However, while the Company may elect to update these forward-looking statements at some point in the future, the Company specifically disclaims any obligation to do so. Accordingly, you should not place undue reliance on these forward-looking statements, which speak only as of the date they are made.

[Table of Contents](#)

TABLE OF CONTENTS

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited)	
Condensed Consolidated Balance Sheets	6
Condensed Consolidated Statements of Operations	7
Condensed Consolidated Statements of Stockholders’ Equity	8
Condensed Consolidated Statements of Cash Flows	9
Notes to Condensed Consolidated Financial Statements	10
1 — Organization and Description of Business	10
2 — Summary of Significant Accounting Policies	10
3 — Property, Plant, and Equipment	15
4 — Balance Sheet Components	16
5 — Leases	17
6 — Debt	19
7 — Warrant Liabilities	21
8 — Fair Value Measurements	21
9 — Commitments and Contingencies	23
10 — Income Taxes	25
11 — Stock-Based Compensation	25
12 — Net Loss Per Share	27
13 — Segment Reporting	28
14 — Supplemental Cash Flow and Noncash Information	30
15 — Subsequent Events	31
Item 2.	Management’s Discussion and Analysis of Financial Condition and Results of Operations 32
Item 3.	Quantitative and Qualitative Disclosures About Market Risk 44
Item 4.	Controls and Procedures 44

PART II — OTHER INFORMATION		Page
Item 1.	Legal Proceedings	46
Item 1A.	Risk Factors	46
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	47
Item 3.	Defaults Upon Senior Securities	47
Item 4.	Mine Safety Disclosures	47
Item 5.	Other Information	47
Item 6.	Exhibits	48
	Signatures	49

[Table of Contents](#)

Part I. FINANCIAL INFORMATION

Item 1. Financial Statements

Core Scientific, Inc.
Condensed Consolidated Balance Sheets
(in thousands, except par value)

	March 31, 2026	December 31, 2025
Assets	(Unaudited)	
Current Assets:		
Cash and cash equivalents	\$ 1,005,148	\$ 311,378
Restricted cash, current portion	60,244	—
Digital assets	37,312	222,000
Customer funding receivable and other current assets	352,128	362,159
Total Current Assets	1,454,832	895,537
Property, plant and equipment, net	1,344,924	1,293,299
Operating lease right-of-use assets	105,986	108,484
Restricted cash, net of current portion	80,593	—
Other noncurrent assets	83,229	50,324
Total Assets	\$ 3,069,564	\$ 2,347,644
Liabilities and Stockholders' Deficit		
Current Liabilities:		
Accounts payable	\$ 218,857	\$ 126,106
Accrued expenses	364,479	511,957
Deferred revenue	219,555	127,561
Notes payable, current portion	993,944	—
Warrant liabilities, current portion	844,752	—
Other current liabilities	20,196	15,777
Total Current Liabilities	2,661,783	781,401
Convertible and other notes payable, net of current portion	1,061,651	1,060,325
Warrant liabilities, net of current portion	116,495	936,107
Deferred revenue, net of current portion	434,672	428,290
Other noncurrent liabilities	100,649	104,261
Total Liabilities	4,375,250	3,310,384
Commitments and contingencies (Note 9)		
Stockholders' Deficit:		
Preferred stock; \$0.00001 par value; 2,000,000 shares authorized; none issued and outstanding at March 31, 2026 and December 31, 2025	—	—
Common stock; \$0.00001 par value; 10,000,000 shares authorized at March 31, 2026 and December 31, 2025; 316,949 and 314,231 shares issued and outstanding at March 31, 2026 and December 31, 2025, respectively	3	3
Additional paid-in capital	3,188,202	3,183,960
Accumulated deficit	(4,493,891)	(4,146,703)
Total Stockholders' Deficit	(1,305,686)	(962,740)
Total Liabilities and Stockholders' Deficit	\$ 3,069,564	\$ 2,347,644

Certain prior year amounts have been reclassified for consistency with the current year presentation.

See accompanying notes to unaudited condensed consolidated financial statements.

Core Scientific, Inc.
Condensed Consolidated Statements of Operations
(in thousands, except per share amounts)

	Three Months Ended March 31,	
	2026	2025
Revenue:		
Colocation revenue	\$ 77,539	\$ 8,573
Digital asset self-mining revenue	30,105	67,179
Digital asset hosted mining revenue from customers	7,600	3,773
Total revenue	115,244	79,525
Cost of revenue:		
Cost of colocation services	33,618	8,106
Cost of digital asset self-mining	47,189	61,170
Cost of digital asset hosted mining services	4,331	2,036
Total cost of revenue	85,138	71,312
Gross profit	30,106	8,213
Decrease in fair value of digital assets	6,558	10,688
Loss on disposal of property, plant and equipment	13,638	6
Impairment of property, plant and equipment	266,488	—
Colocation organizational and site startup costs	8,665	11,667
Advisor fees	333	603
Selling, general and administrative	44,846	32,287
Operating loss	(310,422)	(47,038)
Non-operating expenses (income), net:		
Interest expense (income), net	4,857	(2,187)
Change in fair value of warrants and contingent value rights	30,799	(621,464)
Loss on legal settlements	500	—
Other non-operating expense, net	10	157
Total non-operating expense (income), net	36,166	(623,494)
(Loss) income before income taxes	(346,588)	576,456
Income tax expense	600	205
Net (loss) income	\$ (347,188)	\$ 576,251
Net (loss) income per share		
Basic	<u>\$ (1.06)</u>	<u>\$ 1.42</u>
Diluted	<u>\$ (1.06)</u>	<u>\$ 1.24</u>
Weighted average shares outstanding		
Basic	<u>322,911</u>	<u>315,186</u>
Diluted	<u>322,911</u>	<u>363,314</u>

See accompanying notes to unaudited condensed consolidated financial statements.

Core Scientific, Inc.
Condensed Consolidated Statements of Changes in Stockholders' Deficit
(in thousands)

For the Three Months Ended March 31, 2026

Shares Amount

Balance at January 1, 2026	314,231	3	3,183,960	(4,146,703)	(962,740)
Net loss	Common Stock		—	(347,188)	Total Stockholders' Deficit
Stock-based compensation	—	—	Additional Paid-In Capital	—	387
Restricted stock awards issued	3,690	—	655	—	655
Restricted stock awards withheld for tax withholding obligations	(1,359)	—	(21,651)	—	(21,651)
Exercise of warrants	387	—	6,851	—	6,851
Balance at March 31, 2026	316,949	\$ 3	\$ 3,188,202	\$ (4,493,891)	\$ (1,305,686)

For the Three Months Ended March 31, 2025

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount			
Balance at January 1, 2025	292,606	3	2,915,035	(3,858,087)	(943,049)
Net income	—	—	—	576,251	576,251
Stock-based compensation	—	—	16,405	—	16,405
Restricted stock awards issued	2,981	—	(50)	—	(50)
Exercise of warrants	3,500	\$ —	41,625	—	41,625
Balance at March 31, 2025	299,087	\$ 3	\$ 2,973,015	\$ (3,281,836)	\$ (308,818)

See accompanying notes to unaudited condensed consolidated financial statements.

Core Scientific, Inc.
Condensed Consolidated Statements of Cash Flows
(in thousands)

	2026	2025
Cash flows from Operating Activities:		
Net (loss) income	\$ (347,188)	\$ 576,251
Adjustments to reconcile net (loss) income to net cash provided by (used in) operating activities:		
Depreciation and amortization	16,648	19,731
Loss on disposal of property, plant and equipment	13,638	6
Impairment of property, plant and equipment	266,488	—
Change in right-of-use assets	3,169	2,676
Stock-based compensation	17,761	16,185
Digital asset self-mining	(30,119)	(67,441)
Proceeds from sales of digital assets generated by self-mining revenues ¹	208,249	—
Decrease in fair value of digital assets	6,558	10,688
Change in fair value of warrant liabilities	31,835	(634,280)
Change in fair value of contingent value rights	(1,036)	12,816
Amortization of debt discount	1,675	1,732
Changes in operating assets and liabilities:		

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Customer funding receivable and other current assets	10,107	(10,463)
Accounts payable	—	—
Accrued expenses	(16,361)	2,712
Deferred revenue from colocation services	98,832	42,005
Deferred revenue from hosted mining services	(456)	734
Other noncurrent assets and liabilities, net	(35,797)	(4,098)
Net cash provided by (used in) operating activities	249,877	(45,041)
Cash flows from Investing Activities:		
Purchases of property, plant and equipment	(389,226)	(83,980)
Proceeds from sales of property and equipment	2,629	—
Purchase of equity investments	—	(5,000)
Investments in intangible assets	(55)	(36)
Net cash used in investing activities	(386,652)	(89,016)
Cash flows from Financing Activities:		
Principal repayments of finance leases	(1,095)	(509)
Principal payments on debt	—	(3,955)
Taxes paid related to net share settlement of equity awards	(21,722)	—
Proceeds from exercise of warrants	81	266
Proceeds from the issuance of term loan facility, net	995,000	—
Issuance costs for term loan facility	(882)	—
Net cash provided by (used in) financing activities	971,382	(4,198)
Net increase (decrease) in cash, cash equivalents and restricted cash	834,607	(138,255)
Cash, cash equivalents and restricted cash—beginning of period	311,378	836,980
Cash, cash equivalents and restricted cash—end of period	\$ 1,145,985	\$ 698,725

Certain prior year amounts have been reclassified for consistency with the current year presentation.

See accompanying notes to unaudited condensed consolidated financial statements.

Core Scientific, Inc.

Notes to Unaudited Condensed Consolidated Financial Statements

1. ORGANIZATION AND DESCRIPTION OF BUSINESS

Core Scientific, Inc. (“Core Scientific” or the “Company”) is a leader in designing, building and operating large scale, purpose-built data centers for high-density colocation (“HDC”) services. Core Scientific operates facilities for high-density colocation services serving artificial intelligence-related (“AI”) workloads and is a premier provider of digital infrastructure, software solutions and services to its third-party customers. The majority of the Company's revenue is derived from high-density colocation services, with the remainder derived from earning digital assets for the Company's own account and from digital asset mining hosting services. The Company is in the process of repurposing its remaining mining facilities to support its high-density colocation services business as circumstances allow. Core Scientific's facilities are located in Alabama (1), Georgia (2), Kentucky (1), North Carolina (1), North Dakota (1), Oklahoma (1), and Texas (4).

The Company had historically focused on designing, building and operating digital infrastructure to engage in digital asset mining for its own account and providing hosting solutions for third-party digital asset miners. In 2024, the Company announced its first high-density colocation contract with CoreWeave, Inc. (“CoreWeave”), a provider of high-performance computing (“HPC”) services.

Core Scientific operates in three segments: “Colocation,” consisting of providing high-density colocation services to customers employing AI and HPC related workloads, “Digital Asset Self-Mining,” consisting of performing digital asset mining for its own account, and “Digital Asset Hosted Mining,” consisting of providing hosting services to third parties for digital asset mining.

The Company's high-density colocation services provide space, power, cooling, facilities operations, security and other services to third-party colocation customers to support workloads for machine learning and AI. Colocation segment revenue is concentrated with a single customer; see Note 13 — Segment Reporting.

The Company's digital asset hosted mining business provides a full suite of services to digital asset mining customers. The Company provides deployment, monitoring, troubleshooting, optimization and maintenance of customers' digital asset mining equipment and provide necessary electrical power, repair and other infrastructure services necessary for customers to operate, maintain and efficiently mine digital assets.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying unaudited interim condensed consolidated financial statements reflect the application of certain significant accounting policies as described below and elsewhere in these notes to the unaudited interim condensed consolidated financial

statements.

Basis of Presentation

The unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”). All intercompany balances and transactions have been eliminated in consolidation.

The results for the unaudited interim condensed consolidated statements of operations are not necessarily indicative of results to be expected for the year ending December 31, 2026 or for any future interim period. The unaudited interim condensed consolidated financial statements do not include all the information and notes required by GAAP for complete financial statements. The accompanying unaudited interim financial statements should be read in conjunction with the consolidated financial statements and related notes included in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Use of Estimates

The preparation of the Company’s condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Some of the more significant estimates include assumptions used in property, plant and equipment, the initial measurement of lease liabilities, stock-based compensation, the fair value of derivative liabilities, and income taxes. These estimates are based on information available as of the date of the financial statements; therefore, actual results could differ from management’s estimates.

Core Scientific, Inc. Notes to Unaudited Condensed Consolidated Financial Statements

Cash, Cash Equivalents, and Restricted Cash

Cash and cash equivalents include all cash balances and highly liquid investments, including money market funds, with original maturities of three months or less from the date of acquisition. As of March 31, 2026 and December 31, 2025, substantially all cash and cash equivalents exceeded Federal Deposit Insurance Corporation insured limits. Restricted cash as of March 31, 2026, consisted of funds held in escrow in connection with utility and other contractual arrangements.

Digital Assets

The Company’s digital assets have active markets with observable prices and their fair value measurements are considered Level 1. The following table presents a roll-forward of total digital assets for the three months ended March 31, 2026 and 2025 (in thousands):

	March 31, 2026	March 31, 2025
Digital assets, beginning of period	\$ 222,000	\$ 23,893
Digital asset self-mining revenue, net of receivables ¹	30,119	67,441
Proceeds from sales of digital assets and shared hosting	(208,249)	—
Decrease in fair value of digital assets	(6,558)	(10,688)
Digital assets, end of period	<u>\$ 37,312</u>	<u>\$ 80,646</u>

¹ As of March 31, 2026, and December 31, 2025, there was \$0.3 million and \$0.4 million, respectively, of digital asset receivable included in Customer funding receivable and other current assets on the Company’s condensed consolidated balance sheets.

The following table presents the Company’s bitcoin holdings (in thousands, except for quantity):

	Quantity	Cost Basis	Fair Value
March 31, 2026	547	\$ 43,725	\$ 37,312
December 31, 2025	2,537	\$ 254,694	\$ 222,000

Property, Plant and Equipment, Net

Property, plant, and equipment includes the cost of land, buildings, and improvements for datacenter and support facilities and the Company’s corporate office space. Property and equipment further consists of computer, mining, network, electrical and other equipment, including property and equipment under finance leases. Property, plant and equipment, net is stated at cost less accumulated depreciation and amortization. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are capitalized at cost and amortized over the shorter of their estimated useful lives or the lease term. Future obligations related to finance leases are presented as Finance lease liabilities, current portion and Finance lease liabilities, net of current portion in the Company’s condensed consolidated balance sheets. Depreciation expense, including amortization of assets held under finance leases, is primarily included in Cost of revenue in the Company’s condensed consolidated statements of operations.

Property, plant and equipment capitalized costs include the directly identifiable costs incurred to acquire, construct, install, or otherwise prepare the asset for its intended use and to put it into service. Directly identifiable costs include construction payroll and benefits and other direct capital project costs.

When management decides to abandon long-lived assets before the end of their previously estimated useful life, the Company considers whether an impairment of the related asset group has been triggered. If that asset group is no longer recoverable, an impairment is recognized for any excess of the asset group's carrying value above its fair value. Thereafter, the estimated useful life, salvage value, and prospective depreciation of the affected assets are revised to reflect their shortened remaining useful life. The historical cost of assets, and related accumulated depreciation, are written off at the time that assets are removed from service.

Long-Lived Asset Impairments

The Company tests long-lived asset groups for recoverability whenever events or changes in circumstances have occurred that may affect recoverability or the estimated useful lives of long-lived assets. Long-lived assets include property, plant and equipment

Core Scientific, Inc. Notes to Unaudited Condensed Consolidated Financial Statements

and intangible assets subject to amortization. A long-lived asset may be impaired when the estimated future undiscounted cash flows are less than the carrying amount of the asset. If that comparison indicates that the asset's carrying value may not be recoverable, the impairment is measured based on the difference between the carrying amount and the estimated fair value of the asset. Long-lived assets to be disposed of are reported at the lower of the carrying amount or estimated fair value less costs to sell.

Deferred Revenue

Deferred revenue from colocation services relate to prepaid base license fees for colocation lease arrangements which are accounted for under Accounting Standards Codification ("ASC") 842, *Leases* ("ASC Topic 842"). Prepaid base license fees relate to capital expenditures on colocation facility site development funded by the customer. Deferred revenue from hosted mining services relates to customer contracts for digital asset hosted mining services which are accounted for under ASC 606, *Revenue Recognition* ("ASC Topic 606"). Advanced payments are typically recognized in the following month for hosted mining services and are generally recognized within 30 months of license order commencement for colocation services.

The following table presents a rollforward of deferred revenue for the periods presented (in thousands):

	Deferred Revenue from Colocation Services	Deferred Revenue from Hosted Mining Services	Total Deferred Revenue
Balance at December 31, 2024	\$ 17,785	\$ 349	\$ 18,134
Revenue recognized that was included in the deferred revenue balance as of the beginning of the year	(5,124)	(329)	(5,453)
Base license fee earned, not yet due	(13,633)	—	(13,633)
Additional customer funding received	554,850	1,953	556,803
Balance at December 31, 2025	<u>\$ 553,878</u>	<u>\$ 1,973</u>	<u>\$ 555,851</u>
Revenue recognized that was included in the deferred revenue balance as of the beginning of the year	(22,530)	(1,973)	(24,503)
Base license fee earned, not yet due	(8,590)	—	(8,590)
Additional customer funding received	129,952	1,517	131,469
Balance at March 31, 2026	<u>\$ 652,710</u>	<u>\$ 1,517</u>	<u>\$ 654,227</u>
Current portion at March 31, 2026			\$ 219,555
Non-current portion at March 31, 2026			\$ 434,672

Revenue Recognition - Colocation Revenue

The Company's Colocation segment generates revenue by licensing data center space to customers under licensing agreements. These arrangements contain lease components for the right to use data center space and nonlease components for power delivery, physical security, and maintenance services. The Company has elected the practical expedient available under ASC Topic 842, to combine the nonlease revenue components that have the same pattern of transfer as the related operating lease components into a single combined component. The single combined component is accounted for under ASC Topic 842 as an operating lease if the lease components are the predominant components and is accounted for under ASC Topic 606 if the nonlease components are the predominant components. The lease components are the predominant components in the Company's current licensing arrangements and the single combined component in these arrangements is accounted for under the operating lease guidance of ASC Topic 842.

The Company has concluded that it is probable that substantially all of the payments will be collected over the term of the arrangements and recognizes the total combined component license payments under the agreements on a straight-line basis over the non-cancellable term. The difference between straight-line license revenue and amounts billed or received is recorded as deferred revenue in the condensed consolidated balance sheets. Certain arrangements include options to extend the term. These extension options are not reasonably certain to be exercised and are excluded from the lease term and calculation of lease payments at lease commencement.

Certain licensing arrangements provide for variable payments for power delivery services and maintenance services on customer assets and reimbursements for lessor costs such as taxes. Payments for physical security and other routine maintenance services are included in the fixed lease payments. Power delivery services represent a stand ready obligation to make power available

Core Scientific, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements

to the customer over the coterminous lease term and have the same pattern of transfer as the related operating lease components. Customers may request and the Company may provide maintenance services on customer assets during the coterminous lease term. Customers are charged monthly for fees incurred on these maintenance services delivered and actual power costs incurred at current utility or fuel cost rates. These payments from customers for power delivery and maintenance services are recognized as variable lease payments in accordance with the practical expedient elected. Variable lease payments are presented on a gross basis and are included in Colocation revenue in the condensed consolidated statements of operations.

Revenue From Contracts With Customers - Digital Asset Self-Mining Revenue

The Company recognizes revenue in accordance with ASC Topic 606.

One of the Company's ongoing major or central operations is to provide hash calculations to third-party pool operators as a participant in mining pools. The Company considers the third-party mining pool operators to be its customers under ASC Topic 606. Contract inception and the Company's enforceable right to consideration begin when the Company commences providing hash calculation services to the mining pool operators. Each party to the contract has the unilateral right to terminate the contract at any time without any compensation to the other party for such termination. As such, the duration of a contract is less than a day and may be continuously renewed multiple times throughout the day. The implied renewal option is not a material right because there are no upfront or incremental fees in the initial contract and the terms, conditions, and compensation amount for the renewal options are at the then market rates.

The Company is entitled to non-cash compensation based on the Full-Pay-Per-Share ("FPPS") model of the mining pool in which it participates. FPPS pools pay block rewards and transaction fees, net of mining pool fees, and participants are entitled to non-cash consideration even if a block is not successfully validated by the mining pool operator. The Company is entitled to compensation once it begins to perform hash calculations for the pool operator in accordance with the operator's specifications over a daily 24-hour period beginning 00:00:00 UTC and ending 23:59:59 UTC. The non-cash consideration for providing hash calculations to the pool operator under the FPPS payout method is comprised of block rewards and transaction fees net of pool operator fees, determined as follows:

- The non-cash consideration in the form of a block reward is based on the total blocks expected to be generated on the Bitcoin Network for the daily 24-hour period beginning 00:00:00 UTC and ending 23:59:59 UTC in accordance with the following formula: the daily hash calculations that the Company provided to the pool operator as a percent of the Bitcoin Network's implied hash calculations as determined by the network difficulty, multiplied by the total Bitcoin Network block rewards expected to be generated for the same daily period.
- The non-cash consideration in the form of transaction fees paid by transaction requestors is based on the share of total actual fees paid over the daily 24-hour period beginning 00:00:00 UTC and ending 23:59:59 UTC in accordance with the following formula: total actual transaction fees generated on the Bitcoin Network during the 24-hour period as a percent of total block rewards the Bitcoin Network actually generated during the same 24-hour period, multiplied by the block rewards the Company earned for the same 24-hour period noted above.
- The block reward and transaction fees earned by the Company are reduced by mining pool fees charged by the operator for operating the pool based on a rate schedule per the mining pool contract. The mining pool fee is only incurred to the extent the Company performs hash calculations and generate revenue in accordance with the pool operator's payout formula during the same daily 24-hour period.

The above non-cash consideration is variable, since the amount of block reward earned depends on the amount of hash calculations the Company performs; the amount of transaction fees the Company is entitled to depends on the actual Bitcoin Network transaction fees over the same 24-hour period; and the operator fees for the same 24-hour period are variable since they are determined based on the total block rewards and transaction fees in accordance with the pool operator's agreement. The Company estimates variable consideration at contract inception and includes amounts for which it is probable that a significant reversal in the amount of revenue recognized will not occur when the uncertainty is subsequently resolved. The Company recognizes the non-cash consideration on the same day that control is transferred of the underlying bitcoin, which is the same day as contract inception.

The Company measures the non-cash consideration using the spot rate for Bitcoin as quoted on Coinbase Global, Inc., the Company's principal market. The Company recognizes non-cash consideration on the same day that control of the contracted service is transferred to the pool operator, which is the same day as the contract inception.

Core Scientific, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements

Direct expenses associated with providing hash calculation services to a third-party operated mining pool are recorded as cost of revenues. Depreciation and amortization expenses on fixed and right-of-use assets, including digital asset mining equipment, used to provide the services are also recorded as a component of cost of revenues.

Revenue From Contracts With Customers - Digital Asset Hosted Mining Services

The Company generates revenue from contracts with customers from digital asset hosted mining services. The Company recognizes revenue when the promised service is performed. Revenue excludes any amounts collected on behalf of third parties, including sales and indirect taxes.

Hosting Services

The Company regularly enters contracts that include hosting services, for which revenue is recognized as services are performed on a variable basis. The Company performs hosting services that enable customers to run blockchain and other HPC operations. The Company's performance obligation related to these services is satisfied over time. The Company recognizes revenue for services that are performed on a consumption basis, such as the amount of electricity used in a period, based on the customer's use of such resources. The Company recognizes variable consumption usage hosting revenue each month as the uncertainty related to the consideration is resolved, hosting services are provided to the Company's customers, and its customers utilize the hosting services (the customer simultaneously receives and consumes the benefits of the Company's performance). The Company generally bills its customers in advance based on estimated consumption under the contract. The Company recognizes revenue based on actual consumption in the period and invoices adjustments in subsequent periods or retains credits toward future consumption. The term between invoicing and when payment is due typically does not exceed 30 days.

Stock-Based Compensation

The Company grants performance and market conditioned restricted stock units ("PSUs") to certain executives as part of its long-term equity compensation program. Each PSU has service conditions and either market or performance conditions that are subject to respective graded vesting schedules. Each tranche in the respective graded vesting schedule is a separate award for accounting purposes and the Company applies the accelerated attribution method to recognize compensation expense. Compensation expense is recognized over the longer of the explicit service period or the performance measurement period of each tranche.

PSU tranches with market conditions, such as the relative total shareholder return ("RTSR") metric, are measured on the grant date using a Monte Carlo simulation model. PSU tranches with performance conditions are measured using the grant date fair value of the Company's common stock and are expensed only when the performance condition is deemed probable of achievement. The Company reassesses the probability of achieving performance conditions at each reporting date and adjusts for actual forfeitures as they occur.

Recently Adopted Accounting Standards

In November 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2024-04, *Debt—Debt with Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments* ("ASU 2024-04"), which clarifies the accounting for certain settlements of convertible debt instruments as induced conversions versus extinguishments. The guidance is effective for fiscal years beginning after December 15, 2025. The Company adopted ASU 2024-04 as of January 1, 2026, and will apply the guidance prospectively. The adoption of ASU 2024-04 did not have a material impact on the Company's consolidated financial statements and related disclosures.

Accounting Standards Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* ("ASU 2024-03"), which requires disaggregation of certain expense captions into specified categories in disclosures within the footnotes to the financial statements. In January 2025, the FASB issued ASU 2025-01 to clarify the effective date of ASU 2024-03 for all public business entities. The amendments are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted. The amendments should be applied prospectively; retrospective application is also permitted. The Company is currently evaluating the impact these ASUs will have on its consolidated financial statements and related disclosures.

Core Scientific, Inc.

Notes to Unaudited Condensed Consolidated Financial Statements

3. PROPERTY, PLANT, AND EQUIPMENT

Property, plant and equipment, net as of March 31, 2026 and December 31, 2025 consist of the following (in thousands):

	March 31, 2026	December 31, 2025	Estimated Useful Lives
Land and improvements ¹	\$ 74,906	\$ 21,769	20 years
Building and improvements	295,367	275,186	10 to 39 years
Mining equipment	314,357	393,623	3 years
Electrical and mechanical equipment	91,015	80,384	15 years
Other property, plant and equipment	16,178	18,164	5 to 7 years
Total	791,823	789,126	
Less: accumulated depreciation and amortization	372,193	406,893	
Total	419,630	382,233	
Add: Construction in progress	925,294	911,066	
	<u>\$ 1,344,924</u>	<u>\$ 1,293,299</u>	

¹ Estimated useful life of improvements. Land is not depreciated.

Depreciation expense for the three months ended March 31, 2026 and 2025 was \$16.4 million and \$19.5 million, respectively.

During the three months ended March 31, 2026 and 2025, \$140.5 million and \$1.6 million, respectively, of construction in progress was placed into service.

As of March 31, 2026 and December 31, 2025, property, plant and equipment, net being leased to customers consisted of the following (in thousands):

	March 31, 2026	December 31, 2025
Land and improvements	\$ 63,809	\$ 5,546
Building and improvements	261,208	146,082
Electrical and mechanical equipment	41,735	19,146
Other property, plant and equipment	224	226
Total	366,976	171,000
Less: accumulated depreciation and amortization	11,502	9,856
Property, plant and equipment, net leased to customers	<u>\$ 355,475</u>	<u>\$ 161,144</u>

Depreciation expense for assets leased to customers for the three months ended March 31, 2026, was \$2.6 million. There were no assets leased to customer for the three months ended March 31, 2025.

During the three months ended March 31, 2026, the Company identified indicators of impairment of its mining equipment and mining infrastructure asset groups, including sustained declines in bitcoin prices, declines in bitcoin hashprice, and significant decreases in secondary market values for digital asset mining equipment. As a result, the Company performed a recoverability assessment of its mining-related asset groups in accordance with ASC Topic 360-10. The undiscounted future cash flows for each asset group was less than its carrying amount, indicating the assets were not recoverable.

The Company measured the fair value of its mining equipment using a market approach based on observable secondary market pricing data for similar assets. The Company measured the fair value of its mining infrastructure assets using an income approach based on a discounted cash flow analysis reflecting the estimated future cash flows a market participant would expect from operating the assets as mining hosting facilities.

During the three months ended March 31, 2026, the Company recognized impairment charges of \$266.5 million, consisting of \$151.6 million related to mining equipment and \$114.9 million related to mining infrastructure, which are included in Impairment of

Core Scientific, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements

property, plant and equipment in the condensed consolidated statements of operations. No impairment charges were recognized during the three months ended March 31, 2025.

4. BALANCE SHEET COMPONENTS

Customer funding receivable and other current assets as of March 31, 2026 and December 31, 2025 consisted of the following (in thousands):

	March 31, 2026	December 31, 2025
Customer funding receivable	\$ 315,667	\$ 337,158
Other	36,461	25,001
Total customer funding receivable and other current assets	<u>\$ 352,128</u>	<u>\$ 362,159</u>

Customer funding receivable represents amounts due from the Company's customer for construction-related payables and accrued expenses incurred on their behalf. The Company collects these amounts from the customer prior to payment to vendors. Obligations related to customer items are paid soon after reimbursement. As of March 31, 2026, \$187.7 million of the related obligations were included in accrued expenses and \$128.0 million were included in accounts payable, compared with \$290.6 million in accrued expenses and \$46.6 million in accounts payable as of December 31, 2025.

Accrued expenses as of March 31, 2026 and December 31, 2025 consisted of the following (in thousands):

	March 31, 2026	December 31, 2025
Accrued customer funded construction	\$ 193,669	\$ 290,603
Accrued capital expenditures	118,681	197,888
Other	52,129	23,466
Total accrued expenses	<u>\$ 364,479</u>	<u>\$ 511,957</u>

Other noncurrent liabilities as of March 31, 2026 and December 31, 2025 consisted of the following (in thousands):

	March 31, 2026	December 31, 2025
Operating lease liabilities, net of current portion	\$ 86,181	\$ 89,011
Customer security deposit, net of current portion	11,040	11,040
Other	3,428	4,210
Total other noncurrent liabilities	<u>\$ 100,649</u>	<u>\$ 104,261</u>

16

Core Scientific, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements

5. LEASES

Lessee Accounting

The components of operating and finance leases are presented on the Company's condensed consolidated balance sheets as follows (in thousands):

	Financial statement line item	March 31, 2026	December 31, 2025
Assets:			
Operating lease right-of-use assets	Operating lease right-of-use assets	\$ 105,986	\$ 108,484
Finance lease right-of-use assets	Other noncurrent assets	\$ 1,748	\$ 1,843
Liabilities:			
Operating lease liabilities, current portion	Other current liabilities	\$ 12,873	\$ 12,343
Operating lease liabilities, net of current portion	Other noncurrent liabilities	\$ 86,181	\$ 89,011
Finance lease liabilities, current portion	Other current liabilities	\$ —	\$ —
Finance lease liabilities, net of current portion	Other noncurrent liabilities	\$ 860	\$ 844

The components of lease expense were as follows (in thousands):

	Financial statement line item	Three Months Ended March 31,	
		2026	2025
Operating lease expense	Cost of colocation services	\$ 3,786	\$ 3,407
Operating lease expense	Cost of digital asset self-mining	102	85
Operating lease expense	Cost of digital asset hosted mining services	12	5
Operating lease expense	Selling, general and administrative	163	1,207
Short-term lease expense	Cost of digital asset self-mining	142	286
Variable lease expense	Cost of colocation services	385	269
Finance lease expense:			
Amortization of right-of-use assets	Cost of digital asset self-mining	95	226
Interest on lease liabilities	Interest expense, net	16	49
Total finance lease expense		111	275
Total lease expense		<u>\$ 4,701</u>	<u>\$ 5,534</u>

Information relating to the lease term and discount rate is as follows:

Weighted Average Remaining Lease Term (Years)

Operating leases	7.3	8.3
Finance leases	4.7	5.3
	<u>March 31, 2026</u>	<u>March 31, 2025</u>
Weighted Average Discount Rate		
Operating leases	8.5 %	8.5 %
Finance leases	7.4 %	12.6 %

17

Core Scientific, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements

Information relating to lease payments is as follows (in thousands):

	<u>Three Months Ended March 31,</u>	
	<u>2026</u>	<u>2025</u>
Lease Payments		
Operating cash flows from operating leases	\$ 5,058	\$ 3,052
Operating cash flows from finance leases	\$ 5	\$ 40
Financing cash flows from finance leases	\$ 1,095	\$ 509
Supplemental Noncash Information		
Operating lease right-of-use assets obtained in exchange for lease obligations	\$ 1,988	\$ —
Decrease in operating right-of-use assets due to lease modification	\$ —	\$ (593)
Decrease in operating right-of-use assets due to termination	\$ (1,318)	\$ —

The Company's minimum payments under noncancelable operating and finance leases having terms in excess of one year are as follows at March 31, 2026, and thereafter (in thousands):

	<u>Operating Leases</u>	<u>Finance Leases</u>
Remaining 2026	\$ 15,418	\$ —
2027	20,926	—
2028	21,215	257
2029	20,938	440
2030	21,079	403
Thereafter	33,239	—
Total lease payments	<u>132,815</u>	<u>1,100</u>
Less: imputed interest	33,761	240
Total	<u>\$ 99,054</u>	<u>\$ 860</u>

Lessor Accounting

We generate revenue by leasing property to a customer under licensing agreements. The manner in which the Company recognizes these transactions in its financial statements is described in Note 2 — Summary of Significant Accounting Policies, *Revenue Recognition — Colocation Segment*.

The components of lease revenue were as follows (in thousands):

	<u>Three Months Ended March 31,</u>	
	<u>2026</u>	<u>2025</u>
Lease Revenue		
Operating lease revenue	\$ 59,196	\$ 5,995
Variable lease revenue	10,219	2,578
Total lease revenue	<u>\$ 69,415</u>	<u>\$ 8,573</u>

18

Core Scientific, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements

The following table represents the maturity analysis of operating lease payments expected to be received at March 31, 2026, and thereafter (in thousands):

	Operating Leases ¹
Remaining 2026	\$ 111,933
2027	153,848
2028	231,487
2029	302,930
2030	313,402
Thereafter	2,277,488
Total	<u>\$ 3,391,088</u>

¹ Operating lease payments expected to be received exclude \$5.8 billion in total future noncancellable operating lease payments expected to be received for operating leases that have not yet commenced as of March 31, 2026, which have initial lease terms of 12 years from commencement.

6. DEBT

Debt as of March 31, 2026 and December 31, 2025 consisted of the following (in thousands):

	Stated Interest Rate	Effective Interest Rates	Maturities	March 31, 2026	December 31, 2025
Term Loan Facility ¹	6.2%	6.9%	2027	\$ 1,000,000	\$ —
2029 Convertible Notes	3.0%	3.7%	2029	460,000	460,000
2031 Convertible Notes	—%	0.4%	2031	625,000	625,000
Notes payable				2,085,000	1,085,000
Less: Unamortized discounts				29,405	24,675
Total notes payable, net				2,055,595	1,060,325
Less: current portion				993,944	—
Convertible and other notes payable, net of current portion				<u>\$ 1,061,651</u>	<u>\$ 1,060,325</u>

¹ Interest rate is variable and resets monthly based on SOFR plus an applicable margin of 2.50% per annum. As of March 31, 2026, the stated rate was 6.2% and the effective interest rate was 6.9%, which includes the amortization of debt issuance costs.

Interest expense on the Company's debt was as follows (in thousands):

	Three Months Ended March 31,	
	2026	2025
Coupon interest	\$ 6,810	\$ 3,450
Amortization of debt discount and issuance costs	1,675	1,297
Interest incurred	8,485	4,747
Less: Capitalized interest	(325)	—
Interest expense	<u>\$ 8,160</u>	<u>\$ 4,747</u>

Core Scientific, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements

Maturities on debt, gross of unamortized discounts, as of March 31, 2026, are as follows (in thousands):

Remaining 2026	\$	—	\$	—
2027		—		1,000,000

2028 2029	460,000	—
	Convertible Notes	Term Loan Facility
2030	—	—
Thereafter	625,000	—
Total	\$ 1,085,000	\$ 1,000,000

Convertible Notes

On August 19, 2024, the Company issued \$460.0 million in aggregate principal amount of 3.00% Convertible Senior Notes due 2029 (the "2029 Convertible Notes"). The 2029 Convertible Notes mature on September 1, 2029, unless earlier converted, redeemed, or repurchased. The 2029 Convertible Notes are convertible at the option of the holders only upon the occurrence of certain events, including if the Company's common stock price exceeds 130% of the conversion price (approximately \$14.30 per share, based on the initial conversion price of approximately \$11.00 per share) for at least 20 trading days (whether or not consecutive) during the 30 consecutive trading day period ending on, and including, the last trading day of the immediately preceding calendar quarter. The stock price conversion condition for the 2029 Convertible Notes was first satisfied during the fourth quarter of 2025. As a result, the 2029 Convertible Notes were convertible at the option of the holders during the three months ended March 31, 2026. No holders elected to convert during the period. This condition was also satisfied during the first quarter of 2026, and accordingly, the 2029 Convertible Notes remain convertible during the second quarter of 2026.

On December 5, 2024, the Company issued \$625.0 million aggregate principal amount of 0.00% Convertible Senior Notes due 2031 (the "2031 Convertible Notes"). The 2031 Convertible Notes mature on June 15, 2031, unless earlier converted, redeemed, or repurchased. The 2031 Convertible Notes are convertible at the option of the holders only upon the occurrence of certain events, including if the Company's common stock price exceeds 130% of the conversion price (approximately \$29.24 per share, based on the initial conversion price of approximately \$22.49 per share) for at least 20 trading days (whether or not consecutive) during the 30 consecutive trading day period ending on, and including, the last trading day of the immediately preceding calendar quarter. The stock price conversion condition for the 2031 Convertible Notes was not satisfied during any measurement period through March 31, 2026.

Term Loan Facility

On March 4, 2026, the Company entered into a loan facility Credit Agreement (the "Credit Agreement") with the lenders party thereto from time to time and Morgan Stanley Senior Funding, Inc., as administrative agent and collateral agent ("MSSF"). The Credit Agreement provides for a senior secured loan facility (the "Term Loan Facility") in an aggregate principal amount of \$500.0 million, with an accordion feature that allowed up to an additional \$500.0 million. The Company borrowed the full \$500.0 million initially available on March 5, 2026. On March 18, 2026, the Company entered into Amendment No. 1 to the Credit Agreement (the "Incremental Amendment") with MSSF and JPMorgan Chase Bank, N.A. as Amendment No. 1 Term Lender, which amended the Credit Agreement to increase the term loan commitments by \$500.0 million, to \$1.0 billion, pursuant to the accordion feature of the Credit Agreement. The Company borrowed the full \$500.0 million incremental commitment on March 18, 2026.

Loans under the Term Loan Facility bear interest at Term Secured Overnight Financing Rate ("SOFR") (subject to a 0% floor) plus an applicable margin of 2.50% per annum. The Term Loan Facility matures 364 days after the closing date. The Company's obligations are guaranteed by certain direct or indirect, wholly owned material domestic subsidiaries and secured by a first-priority lien on substantially all assets of the Company and the guarantors. As of March 31, 2026, \$1.0 billion was outstanding under the Term Loan Facility. In connection with the Credit Agreement and the Incremental Amendment, the Company incurred approximately \$6.4 million of debt issuance costs, which are being amortized over the term of the Term Loan Facility.

Secured Notes Offering

On April 22, 2026, the Company's indirect wholly-owned subsidiary, Core Scientific Finance I LLC ("Core Scientific Finance"), priced a private offering of \$3.30 billion aggregate principal amount of 7.75% senior secured notes due 2031 at an issue price of 99.25% of the principal amount. Core Scientific Finance used the net proceeds from the offering to fund a debt service reserve account, and the remaining proceeds to make a distribution to the Company, a portion of which the Company used to repay in full the

Core Scientific, Inc. Notes to Unaudited Condensed Consolidated Financial Statements

outstanding borrowings under the Term Loan Facility, including accrued interest thereon and fees and expenses in connection therewith. The offering closed on May 6, 2026. Upon such repayment, the Company terminated the Term Loan Facility.

7. WARRANT LIABILITIES

On January 23, 2024, the Company entered into a warrant agreement (the "Warrant Agreement") providing for the issuance of 98,313,313 warrants, each exercisable for one share of common stock at an exercise price of \$6.81 per share (the "Tranche 1 Warrants"), and 81,927,898 warrants, each exercisable for one share of common stock at an exercise price of \$0.01 per share (the "Tranche 2 Warrants" and, together with the Tranche 1 Warrants, the "Warrants"). The Tranche 1 Warrants expire on January 23, 2027, and the Tranche 2 Warrants expire on January 23, 2029.

During the three months ended March 31, 2026, nominal Tranche 1 Warrants were exercised, which resulted in cash receipts of \$0.1 million. As of March 31, 2026, there were 96.7 million unexercised Tranche 1 Warrants.

During the three months ended March 31, 2026, 0.4 million Tranche 2 Warrants were exercised, which resulted in immaterial cash receipts. As of March 31, 2026, there were 7.8 million unexercised Tranche 2 Warrants.

8. FAIR VALUE MEASUREMENTS

Recurring Fair Value Measurements

During the three months ended March 31, 2026 and 2025, a decrease of \$1.0 million and an increase of \$12.8 million, in fair value of CVRs, respectively, was included in Change in fair value of warrants and contingent value rights in the Company's condensed consolidated statements of operations.

During the three months ended March 31, 2026 and 2025, an increase of \$31.8 million and a decrease of \$634.3 million, in fair value of Warrants, respectively, was included in Change in fair value of warrants and contingent value rights in the Company's condensed consolidated statements of operations.

The following presents the levels of the fair value hierarchy for the Company's assets and liabilities measured at fair value on a recurring basis as of March 31, 2026 (in thousands):

	Fair Value Hierarchy			
	Level 1	Level 2	Level 3	Fair value
Assets:				
Cash and cash equivalents				
Money market funds	\$ 1,000,384	\$ —	\$ —	\$ 1,000,384
Digital assets	37,312	—	—	37,312
Total assets measured at fair value on a recurring basis	<u>\$ 1,037,696</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,037,696</u>
Liabilities:				
Contingent value rights ¹	\$ 2,330	\$ —	\$ —	\$ 2,330
Warrant liabilities, current portion	844,752	—	—	844,752
Warrant liabilities, net of current portion	116,495	—	—	116,495
Total liabilities measured at fair value on a recurring basis	<u>\$ 963,577</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 963,577</u>

¹ The fair value of contingent value rights is included within Other current liabilities and Other noncurrent liabilities on the Company's condensed consolidated balance sheets, based on the expected timing of settlement.

Core Scientific, Inc. Notes to Unaudited Condensed Consolidated Financial Statements

The following presents the levels of the fair value hierarchy for the Company's assets and liabilities measured at fair value on a recurring basis as of December 31, 2025 (in thousands):

	Fair Value Hierarchy			
	Level 1	Level 2	Level 3	Fair value
Assets:				
Cash and cash equivalents				
Money market funds	\$ 267,721	\$ —	\$ —	\$ 267,721
Digital assets	222,000	—	—	222,000
Total assets measured at fair value on a recurring basis	<u>\$ 489,721</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 489,721</u>
Liabilities:				
Contingent value rights ¹	\$ 3,366	\$ —	\$ —	\$ 3,366
Warrant liabilities, net of current portion	936,107	—	—	936,107
Total liabilities measured at fair value on a recurring basis	<u>\$ 939,473</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 939,473</u>

¹ The fair value of contingent value rights is included within Other current liabilities and Other noncurrent liabilities on the Company's condensed consolidated balance sheets, based on the expected timing of settlement.

Financial Instruments Not Carried at Fair Value

The Convertible Notes are recorded at amortized cost in the condensed consolidated balance sheets. The fair value is disclosed for informational purposes only in accordance with ASC Topic 825-10, *Financial Instruments*, and is determined using trading activity in over-the-counter markets. The following tables present the carrying amounts and estimated fair values of the Convertible Notes as of March 31, 2026 and December 31, 2025 (in thousands):

March 31, 2026

	Carrying Amount	Fair Value	Fair Value Hierarchy
3.00% Convertible Senior Notes due 2029	\$ 460,000	\$ 738,262	Level 1
0.00% Convertible Senior Notes due 2031	\$ 625,000	\$ 686,413	Level 1

December 31, 2025

	Carrying Amount	Fair Value	Fair Value Hierarchy
3.00% Convertible Senior Notes due 2029	\$ 460,000	\$ 718,609	Level 1
0.00% Convertible Senior Notes due 2031	\$ 625,000	\$ 657,735	Level 1

Nonrecurring Fair Value Measurements

The Company measures certain non-financial assets at fair value on a nonrecurring basis when events or circumstances indicate that the carrying amount may not be recoverable. During the three months ended March 31, 2026, the Company measured the fair value of its mining-related long-lived asset groups in connection with the impairment charges described in Note 3 — Property, Plant, and Equipment.

Core Scientific, Inc. Notes to Unaudited Condensed Consolidated Financial Statements

The following table presents the fair value of assets measured on a nonrecurring basis during the three months ended March 31, 2026 (in thousands):

	Level 1	Level 2	Level 3	Fair value
Mining equipment	\$ —	\$ 30,564	\$ —	\$ 30,564
Mining infrastructure	\$ —	\$ —	\$ 42,772	\$ 42,772

The fair value of mining equipment was determined using a market approach based on observable pricing from published secondary market indices for digital asset mining hardware, classified as Level 2 within the fair value hierarchy.

The fair value of mining infrastructure was determined using an income approach based on a discounted cash flow analysis of a hypothetical colocation hosting arrangement, classified as Level 3 within the fair value hierarchy. The following table presents the significant unobservable inputs used in the Level 3 measurement:

Significant Unobservable Input	Value
Discount rate	15% - 18%
Hosting rate (\$/kW)	\$2.25 - \$2.50
Projection period	10 years

The Company's financial instruments, which are not subject to recurring fair value measurements, include cash and cash equivalents (other than money market funds), restricted cash, accounts receivable, accounts payable, leases, debt and certain accrued expenses and other liabilities. Except for the 2029 Convertible Notes and 2031 Convertible Notes, the carrying amounts of these financial instruments materially approximate their fair values.

9. COMMITMENTS AND CONTINGENCIES

Commitments

As of March 31, 2026, the Company had approximately \$1.47 billion of expected future cash expenditures under its outstanding purchase and construction commitments, primarily related to infrastructure development costs, power utility deposits, equipment procurement, and labor. These commitments relate to the remaining build out at existing customer conversion sites, and new greenfield development undertaken for prospective customers. Of this amount, \$434.0 million will be passed through to the Company's customer as invoiced. Substantially all of these expenditures are expected to occur within the next 12 months.

The Company routinely engages with construction vendors for the construction of its facilities. These engagements are governed by contracts containing standard terms and conditions, including certain milestones that obligate the Company to pay as work is completed. In the event of termination of any of these contracts by the Company, the Company would be liable for all work that has been completed or is in process, plus any applicable fees. The Company generally has the right to cancel open purchase orders prior to delivery or terminate the contracts without cause.

Legal Proceedings

The Company is subject to legal proceedings arising in the ordinary course of business. The Company accrues losses for a legal

proceeding when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated. However, the uncertainties inherent in legal proceedings make it difficult to reasonably estimate the costs and effects of resolving these matters. Accordingly, actual costs incurred may differ materially from amounts accrued and could materially adversely affect the Company's business, cash flows, results of operations, financial condition and prospects. Unless otherwise indicated, the Company is unable to estimate reasonably possible losses in excess of any amounts accrued.

Purported Shareholder Class Action ("Pang")

On November 14, 2022, Plaintiff Mei Pang filed a purported class-action complaint against Core Scientific, Inc., its former chief executive officer, Michael Levitt, and others in the United States District Court, Western District (Austin) of Texas asserting that the Company violated the Securities Act and Exchange Act by allegedly failing to disclose to investors that among other things the

23

Core Scientific, Inc. Notes to Unaudited Condensed Consolidated Financial Statements

Company was vulnerable to litigation given its decision to pass power costs to its customers, that certain clients had breached their contracts, and that this impacted the Company's profitability and ability to continue as a going concern. The complaint seeks monetary damages. Core filed a notice of suggestion of bankruptcy stating that its petition for bankruptcy—filed on December 21, 2022—operates as a stay to the continuation of this matter. Plaintiff subsequently withdrew its claims against Core. A lead plaintiff was appointed in April 2023 and proofs of claim were filed in the Company's Chapter 11 Cases. After the Company filed its motion to dismiss and a subsequent motion for consideration with respect to remaining claims not dismissed, all remaining claims in the complaint against the individual defendants were subsequently dismissed without prejudice in April 2024.

On December 7, 2023, the United States Bankruptcy Court for the Southern District of Texas in Houston, sustained the Company's objection to the filed class proof of claim without prejudice to re-file a proof of claim on an individual basis by December 20, 2023; and denied plaintiff's Motion for Class Treatment under Fed. R. Bankr. P. 7023. No individual proof of claim was filed by any of the class representatives of the purported class action by December 20, 2023, and a separately filed objection to confirmation of Debtors' Fourth Amended Chapter 11 Plan and Disclosure Statement was overruled by the Bankruptcy Court on January 16, 2024. On January 29, 2024, plaintiff filed a notice of appeal of the order confirming the Company's Plan of Reorganization.

On June 7, 2024, Plaintiff refiled its complaint asserting that the individual defendants violated the Securities Exchange Act by allegedly failing to disclose to investors that among other things the Company failed to disclose known trends or uncertainties that would have an impact on the Company's financial performance. The Company's motion to dismiss the refiled complaint is pending with the United States District Court in Austin, Texas.

On March 7, 2025, the United States District Court for the Western District (Austin) of Texas referred Plaintiff's complaint to the United States Bankruptcy Court for the Southern District of Texas in Houston for determination of the issues raised by the Company's motion to dismiss, dismissed without prejudice Company's motion to dismiss as moot and administratively closed the case. On March 19, 2025, the United States Bankruptcy Court Southern District of Texas Houston Division dismissed Plaintiff's appeal of the order confirming the Company's Plan of Reorganization as it related to the Plaintiffs as moot in light of the administrative closure of the securities case brought by the Plaintiffs in the United States District Court Western District of Texas. On April 2, 2025, the Plaintiff's filed a Motion for Reconsideration of the orders entered in each of the United States District Court for the Southern District of Texas Houston Division and the United States District Court for the Western District of Texas (Austin) each of which was denied and as to which Plaintiff has appealed.

Shareholder Class Action ("Ihle")

On July 24, 2023, Plaintiff Brad Ihle filed a class action complaint against certain officers and directors of Power & Digital Infrastructure Acquisition Corp. (the former name of the current corporate entity operating our business, or "XPDI") and XMS Sponsor LLC et al, in the Court of Chancery State of Delaware. The complaint alleges breach of fiduciary duties arising out of the merger of XPDI and the entity that conducted our business operations prior to the merger and the marketing and solicitation of shareholders pursuant to that merger agreement dated July 20, 2021. Certain of the defendants have notified the Company of their intention to seek defense and indemnification in this matter pursuant to Delaware law and the Company's bylaws. The matter was settled during the quarter ended December 31, 2025, with the Company's payment in satisfaction of its existing indemnification obligation. This payment is reflected in the Loss on legal settlements in the Company's condensed consolidated statements of operations.

Patent Infringement Claim

Malikie Innovations Ltd and Key Patents Innovations Ltd. ("Malikie"), filed suit in the United States District Court Eastern District of Texas Marshall Division against Core Scientific, Inc. (the "Company") alleging infringement in the Company's bitcoin mining business of U.S. Patent Nos. 8,788,827; 10,284,370; 8,666,062; 7,372,960; and 8,532,286. On July 20, 2025 the Company filed a motion to dismiss the claims on the basis that the patents are invalid under 35 U.S.C §101 and on July 25, 2025 the Company filed a motion to transfer the case to the United States District Court for the Western District of Texas (Austin). On November 14, 2025 Malikie filed a motion to amend the complaint to add allegations of infringement of U.S. Patent No. 8,712,039 by the Company's bitcoin mining business and its HPC business. Malikie also asserted infringement of the previously asserted 8,532,286 patent against the Company's HPC business. All motions are pending. The court set a trial date of January 25, 2027.

Leases—See Note 5 — Leases for additional information.

Core Scientific, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements

10. INCOME TAXES

Current income tax expense represents the amount expected to be reported on the Company's income tax returns, and deferred tax expense or benefit represents the change in net deferred tax assets and liabilities. Deferred tax assets and liabilities are determined based on the difference between the financial statement and tax basis of assets and liabilities as measured by the enacted tax rates that will be in effect when these differences reverse. Valuation allowances are recorded as appropriate to reduce deferred tax assets to the amount considered likely to be realized.

The income tax expense and effective income tax rate for the three months ended March 31, 2026 and 2025 were as follows:

	Three Months Ended March 31,	
	2026	2025
	(in thousands, except percentages)	
Income tax expense	\$ 600	\$ 205
Effective income tax rate	(0.2)%	— %

For the three months ended March 31, 2026, the Company recorded \$0.6 million of income tax expense which consisted of discrete state taxes. The Company's estimated annual effective income tax rate without consideration of discrete items is (0.2)%, compared to the U.S. federal statutory rate of 21.0% due to projected changes in the valuation allowance (17.5)%, state taxes 0.7%, non-deductible loss on warrant and contingent liabilities (3.2)% and other items (1.2)%. The Company has a full valuation allowance on its net deferred tax asset as evidence indicates that it is not more likely than not expected to realize such asset.

For the three months ended March 31, 2025, the Company recorded \$0.2 million of income tax expense which consisted of discrete state taxes. The Company's estimated annual effective income tax rate without consideration of discrete items is 0.0%, compared to the U.S. federal statutory rate of 21.0% due to projected changes in the valuation allowance 2.8%, state taxes (0.1)%, non-deductible loss on warrant and contingent liabilities (24.6)% and other items 0.9%. The Company has a full valuation allowance on its net deferred tax asset as evidence indicates that it is not more likely than not expected to realize such asset.

11. STOCK-BASED COMPENSATION

Incentive Plan

The Company adopted an equity-based management incentive plan on April 26, 2024 (the "Incentive Plan"), which was amended and restated on May 12, 2025 to increase the number of shares authorized for issuance from 40,000,000 to 48,000,000. Under the Incentive Plan, certain executives have been granted market condition restricted stock units ("MSUs") which are subject to the achievement of market-based share price goals and the executives' continued service until the relevant vesting date. The number of shares which vest as of the end of each measurement period on each vesting date are conditioned on the highest 20-day volume weighted average price of the Company's share price achieved during the tranche's measurement vesting period since grant. The MSU vesting schedule is proportionate over a three-year service period where such proportions are identified as tranches with separate service conditions and measurement periods for the market conditions. If certain market-based share price goals are not met during certain tranche measurement periods, the ability to satisfy such goals apply in subsequent measurement periods and permit vesting if such market conditions are then met (and the service conditions are then satisfied). The following table presents additional information relating to each MSU award:

	Share Price Goal	Incremental Units	Tranche Cumulative Units
December 31, 2026 Vesting:			
\$	3.14	142,049	142,049
\$	5.00	142,049	284,099
\$	8.00	142,049	426,148
\$	10.00	142,049	568,197
\$	12.00	142,049	710,247
\$	14.00	142,049	852,296

Core Scientific, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements

Performance Share Units

In April 2025, the Company granted PSUs to certain executive officers under the Incentive Plan. The PSUs are eligible to vest in three equal installments on April 15, 2026, March 15, 2027, and March 15, 2028, subject to satisfaction of the service condition and the achievement of three separate market or performance conditions during the respective performance measurement period (for a total of nine tranches). The performance measurement period is generally the calendar year preceding each vesting date. The number of

shares earned at each vesting date range from 0% to 300% of target based on measures of satisfaction of the market or performance condition for each tranche. Market conditions include RTSR metric, which is a measure of the performance of the Company's own stock relative to the Russell 2000. Performance conditions include aggregate energized MW growth and colocation customer acquisition targets.

Stock-Based Compensation

Restricted Stock Units — RSUs granted in 2026 and 2025 generally vest over a 3-year service period.

Market Condition Restricted Stock Units — See “*Incentive Plan*” above for the vesting conditions of the MSUs.

A summary of RSU, MSU and PSU activity for the three months ended March 31, 2026, is as follows (amounts in thousands, except per share amounts):

	Restricted Stock Units		Market Condition Restricted Stock Units		Performance Restricted Stock Units	
	Number of Shares	Weighted-Average Grant Date Fair Value	Number of Shares	Weighted-Average Grant Date Fair Value	Number of Shares	Weighted-Average Grant Date Fair Value
Unvested - January 1, 2026	13,270	\$ 8.58	844	\$ 6.14	5,519	\$ 11.57
Granted	928	16.36	8	3.99	—	—
Performance adjustment	—	—	—	—	(1,472)	11.57
Vested	(1,846)	9.99	—	—	(1,840)	15.71
Forfeited	(77)	7.11	—	—	—	—
Unvested - March 31, 2026	<u>12,275</u>	\$ 8.90	<u>852</u>	\$ 6.14	<u>2,207</u>	\$ 13.18

As of March 31, 2026, unrecognized compensation cost and the related weighted-average period over which the cost is expected to be recognized for each award type were as follows (in thousands):

	Unrecognized Compensation Cost	Weighted-Average Recognition Period
RSUs	\$ 91,517	1.9 years
PSUs	18,178	2.0 years
MSUs	1,485	0.8 years
Total	<u>\$ 111,180</u>	

Core Scientific, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements

Stock-based compensation expense for the three months ended March 31, 2026 and 2025, is included in the Company's condensed consolidated statements of operations as follows (in thousands):

	Three Months Ended March 31,	
	2026	2025
Cost of revenue	\$ 853	\$ 1,382
Colocation organizational and site startup costs	4,224	—
Selling, general and administrative	12,684	14,803
Stock-based compensation expense, net of amounts capitalized	17,761	16,185
Capitalized stock-based compensation ¹	626	220
Total stock-based compensation cost	<u>\$ 18,387</u>	<u>\$ 16,405</u>

¹ Represents the amounts of stock-based compensation capitalized to property, plant, and equipment.

12. NET (LOSS) INCOME PER SHARE

Basic earnings per share (“EPS”) is measured as the income or loss available to common stockholders divided by the weighted

average common shares outstanding for the period. Upon exercise of the Tranche 2 Warrants, shares are issuable for little or no consideration, sometimes referred to as “penny warrants”. Under ASC 260-10-45-13, those issuable shares are considered outstanding in the computation of basic EPS whether or not related warrants have been exercised. At March 31, 2026, approximately 7.8 million shares of common stock remain issuable upon the exercise of the Tranche 2 Warrants and are included in the number of outstanding shares used for the computation of basic EPS for the three months then ended. Additionally, the basic EPS numerator includes an adjustment to eliminate the changes in fair value that have been recognized in net (loss) income.

Diluted EPS includes and presents the dilutive effect on EPS from the potential issuance of shares from unvested restricted stock units, conversion of convertible securities, or the exercise of options and/or warrants. The potentially dilutive effect of convertible securities is calculated using the if-converted method. The potentially dilutive effect of options or warrants are computed using the treasury stock method. When potentially dilutive securities have an anti-dilutive effect (i.e., increase income per share or decrease loss per share), they are excluded from the diluted EPS calculation.

The following table sets forth reconciliations of the numerators and denominators used to compute basic and diluted (loss) income per share (in thousands, except per share amounts):

	Three Months Ended March 31,	
	2026	2025
Numerator:		
Net (loss) income	\$ (347,188)	\$ 576,251
Add: Change in fair value of Tranche 2 Warrants	4,750	(127,372)
Basic and diluted net (loss) income	<u>\$ (342,438)</u>	<u>\$ 448,879</u>
Denominator:		
Weighted average shares outstanding - basic	322,911	315,186
Effect of dilutive securities:		
Tranche 1 Warrants	—	39,232
RSUs, PSUs, and MSUs	—	8,896
Weighted average shares outstanding - diluted	<u>322,911</u>	<u>363,314</u>
Net (loss) income per share - basic	\$ (1.06)	\$ 1.42
Net (loss) income per share - diluted	\$ (1.06)	\$ 1.24

Core Scientific, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements

Potentially dilutive securities include securities excluded from the calculation of diluted EPS because to do so would be anti-dilutive. Shares which may be issued from potentially dilutive securities are as follows (in thousands):

	Three Months Ended March 31,	
	2026	2025
Convertible Notes	69,611	69,611
RSUs, PSUs, and MSUs	15,334	1,249
Stock options	344	321
Tranche 1 Warrants	96,654	—
Total shares issuable from potentially dilutive securities	<u>181,943</u>	<u>71,181</u>

13. SEGMENT REPORTING

The Company’s operating segments are aggregated into reportable segments only if they exhibit similar economic characteristics and have similar business activities.

The Company has three operating segments: “Colocation”, consisting of providing high-density colocation services to customers employing AI and HPC related workloads; “Digital Asset Self-Mining”, consisting of performing digital asset mining for its own account; and “Digital Asset Hosted Mining”, consisting of providing hosting services to third-parties for digital asset mining. The Colocation operation generates revenue through licensing agreements and orders with licensees that include fixed and variable payments on a recurring basis. The Digital Asset Self-Mining segment generates revenue from operating owned digital infrastructure and computer equipment as part of a pool of users that process transactions conducted on one or more blockchain networks. In exchange for these services, the Company receives digital assets. The Digital Asset Hosted Mining business generates revenue through the sale of consumption-based contracts for its digital asset hosted mining services which are recurring in nature.

The Company’s Chief Executive Officer is the chief operating decision maker (“CODM”). The CODM uses gross profit to evaluate performance and allocate resources. Gross profit is used to evaluate actual results against expectations, which are based on comparable prior results, current budget, and current forecast. Gross profit is also used in deciding how profits and cash flows will be reinvested or otherwise deployed. The CODM does not evaluate performance or allocate resources based on segment asset or liability

same as those described in the summary of significant accounting policies. The Company excludes certain operating expenses and other expenses from the allocations to operating segments.

Core Scientific, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements

The following table presents revenue and gross profit by reportable segment for the periods presented (in thousands):

	2026	2025
	(in thousands, except percentages)	
Colocation Segment		
Colocation revenue:		
License fees	\$ 59,195	\$ 5,995
Power fees passed through to customer	21,059	2,586
Maintenance and other	(2,715)	(8)
Total colocation revenue	77,539	8,573
Cost of colocation services:		
Power fees passed through to customer	21,059	2,586
Depreciation expense	2,075	67
Employee compensation	2,986	1,295
Facility operations expense	6,755	3,852
Other segment items	743	306
Total cost of colocation services	33,618	8,106
Colocation gross profit	\$ 43,921	\$ 467
Colocation gross margin	57 %	5 %
Digital Asset Self-Mining Segment		
Digital asset self-mining revenue	\$ 30,105	\$ 67,179
Cost of digital asset self-mining:		
Power fees	27,271	30,319
Depreciation expense	13,909	19,259
Employee compensation	3,527	7,335
Facility operations expense	1,972	3,280
Other segment items	510	977
Total cost of digital asset self-mining	47,189	61,170
Digital Asset Self-Mining gross profit	\$ (17,084)	\$ 6,009
Digital Asset Self-Mining gross margin	(57)%	9 %
Digital Asset Hosted Mining Segment		
Digital asset hosted mining revenue from customers	\$ 7,600	\$ 3,773
Cost of digital asset hosted mining services:		
Power fees	3,303	1,367
Depreciation expense	306	145
Employee compensation	427	332
Facility operations expense	234	148
Other segment items	61	44
Total cost of digital asset hosted mining services	4,331	2,036
Digital Asset Hosted Mining gross profit	\$ 3,269	\$ 1,737
Digital Asset Hosted Mining gross margin	43 %	46 %

Consolidated	Three Months Ended March 31,	
	2026	2025
Consolidated total revenue	\$ 115,244	\$ 79,525
Consolidated cost of revenue	\$ 85,138	\$ 71,312
Consolidated gross profit	\$ 30,106	\$ 8,213
Consolidated gross margin	26 %	10 %

Core Scientific, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements

A reconciliation of the reportable segment gross profit to (loss) income before income taxes included in the Company's condensed consolidated statements of operations for the three months ended March 31, 2026 and 2025, is as follows (in thousands):

	Three Months Ended March 31,	
	2026	2025
Reportable segment gross profit	\$ 30,106	\$ 8,213
Decrease in fair value of digital assets	6,558	10,688
Loss on disposal of property, plant and equipment	13,638	6
Impairment of property, plant and equipment	266,488	—
Colocation organizational and site startup costs	8,665	11,667
Advisor fees	333	603
Selling, general and administrative	44,846	32,287
Operating loss	(310,422)	(47,038)
Non-operating expenses (income), net:		
Interest expense (income), net	4,857	(2,187)
Change in fair value of warrants and contingent value rights	30,799	(621,464)
Loss on legal settlements	500	—
Other non-operating expense, net	10	157
Total non-operating expense (income), net	36,166	(623,494)
(Loss) income before income taxes	\$ (346,588)	\$ 576,456

Concentrations of Revenue and Credit Risk

Financial instruments that potentially subject the Company to concentration of credit risk consist primarily of cash and cash equivalents and accounts receivable. Credit risk with respect to accounts receivable is concentrated with a small number of customers. The Company places its cash and cash equivalents with major financial institutions, which management assesses to be of high credit quality, in order to limit the exposure to credit risk. As of March 31, 2026 and December 31, 2025, all of the Company's fixed assets were located in the United States. For the three months ended March 31, 2026 and 2025, all of the Company's revenue was generated in the United States. For the three months ended March 31, 2026 and 2025, 26% and 84%, respectively, of the Company's total revenue was generated from one customer in the Digital Asset Self-Mining segment. For the three months ended March 31, 2026 and 2025, 67% and 11%, respectively, of the Company's total revenue was generated from one customer in the Colocation segment. As of March 31, 2026 and December 31, 2025, substantially all of the Company's digital assets were held by one third-party digital asset service.

14. SUPPLEMENTAL CASH FLOW AND NONCASH INFORMATION

The following table presents supplemental cash flow and non-cash information for the periods presented (in thousands):

	Three Months Ended March 31,	
	2026	2025
Supplemental disclosure of other cash flow information:		
Cash paid for interest	\$ 6,905	\$ 7,822
Income tax (refunds) payments	\$ (1)	\$ 1
Supplemental disclosure of noncash investing and financing activities:		
Purchases of PP&E in accounts payable and accrued expense	\$ 205,232	\$ 48,668
Noncash exercise of warrants	\$ 483	\$ 18,776
Noncash asset retirement obligation addition	\$ 976	\$ —

Core Scientific, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements

15. SUBSEQUENT EVENTS

Hunt County Acquisition

On May 5, 2026, the Company completed its acquisition of 100% of the membership interests of Telios Quinlan One, LLC, a Delaware limited liability company that owns approximately 260 acres of land in Hunt County, Texas, together with a related electric service agreement with Farmers Electric Cooperative, Inc. for an approximately 430 MW project, which the Company intends to develop as a future data center site. The aggregate purchase price was approximately \$232.5 million in cash, of which a \$2.0 million deposit was paid in January 2026 and is included in Other current assets on the condensed consolidated balance sheet as of March 31, 2026. In January 2026, in connection with the related electric service agreement, the Company posted \$33.0 million of cash collateral to Farmers Electric Cooperative, Inc., which is included in Other noncurrent assets on the condensed consolidated balance sheet as of March 31, 2026.

Polaris DS LLC Merger Agreement

On May 5, 2026, the Company entered into an Agreement and Plan of Merger to acquire Polaris DS LLC, which owns an approximately 40-acre site adjacent to the Company's existing Muskogee, Oklahoma data center operations and electric service agreements providing for up to 440 MW of gross utility power capacity. The aggregate purchase price is approximately \$421 million in cash, subject to customary adjustments and certain contingent payments. Concurrently with execution, the Company deposited an additional \$60 million into the existing escrow account, bringing the total deposit (recorded in restricted cash) to \$120 million, which will be applied to the purchase price at closing. The transaction is subject to customary closing conditions and is expected to close in the third quarter of 2026.

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

Unless the context otherwise requires, all references in this section to "we," "us," "our," the "Company," "Core Scientific," or "Core" refer to Core Scientific, Inc. and its subsidiaries.

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is

intended to promote understanding of the results of operations and financial condition of the Company. This MD&A is provided as a supplement to, and should be read in conjunction with, our unaudited condensed consolidated financial statements and the accompanying notes to unaudited condensed financial statements (Part I, Item 1 of this Form 10-Q) as well as the financial and other information included in our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the Securities and Exchange Commission on March 2, 2026. This section generally discusses the results of operations for the three months ended March 31, 2026, compared to March 31, 2025.

As discussed in the section titled “Cautionary Note Regarding Forward-Looking Statements,” the following discussion and analysis contains forward-looking statements that involve risks and uncertainties, as well as assumptions that, if they never materialize or prove incorrect, could cause our results to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those identified below, and those discussed in the section titled “Risk Factors” under Part I, Item 1A in our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the Securities and Exchange Commission on March 2, 2026.

Overview

Core Scientific, Inc. (“we,” “us,” “our,” the “Company,” “Core Scientific,” or “Core”) designs, builds and operates large-scale purpose-built data centers that support high-density colocation services and digital asset mining for both our own account and to a lesser extent, third-party customers. Our data centers are optimized for power-intensive, mission-critical computing workloads, with a focus on artificial intelligence (“AI”) and other high-performance computing (“HPC”) applications.

In 2024, we announced our first high-density colocation contract with CoreWeave, Inc. (“CoreWeave”), a provider of HPC services, which was subsequently expanded to 590 megawatts (“MW”) of leased customer power capacity over the exercise of several contractual options. We believe leveraging our existing infrastructure for high-density colocation services will provide more stable and predictable revenue streams and represents substantially less risk over time than our traditional hosted bitcoin mining or self-mining operations.

We are constructing, refurbishing, reallocating or converting our 11 facilities in Alabama (1), Georgia (2), Kentucky (1), North Carolina (1), North Dakota (1), Oklahoma (1), and Texas (4) to support artificial intelligence related workloads, in support of our existing colocation customer, but also to support our commitment to meeting the growing demand for high-density colocation solutions and diversifying our customer base. This will be done as circumstances allow and, in a manner, designed to retain access to electrical power under our control, maximize the value of our digital asset mining equipment to third parties, and fulfill existing obligations to suppliers and customers. In addition to converting our existing portfolio, we are actively pursuing the acquisition of new sites, including land and power capacity, to expand our data center footprint beyond our current facilities.

We will continue to mine digital assets and manage our self-mining fleet with a focus on power expense coverage and cash generation while we convert our data centers for alternative high-density colocation service business opportunities. We expect to increase revenue derived from high-density colocation (“HDC”) services as capacity gets delivered to our current end customer as well as when we sign and begin generating revenue from new colocation customers.

As of March 31, 2026, we operated a diversified portfolio of ten data centers across seven U.S. states, representing approximately 1.9 gigawatts (“GW”) of gross utility power capacity, or approximately 1.3 GW of total leasable customer power capacity. We continue to be in active discussions with both our existing and future potential utility providers regarding additional power allocations.

For the three months ended March 31, 2026, total revenue increased to \$115.2 million from \$79.5 million for the prior period, primarily due to higher colocation revenue from incremental billable customer power capacity, partially offset by lower digital asset self-mining revenue driven by reduced bitcoin production and lower average bitcoin prices. Operating loss was \$310.4 million for the three months ended March 31, 2026, compared to \$47.0 million in the prior period, primarily driven by \$266.5 million of non-cash impairment charges on mining-related property, plant and equipment. Net loss was \$347.2 million during the three months ended March 31, 2026, compared to net income of \$576.3 million in the prior period, and included significant non-cash items, including

changes of \$30.8 million in the fair value of warrants and contingent value rights. Adjusted EBITDA increased to \$4.4 million from \$(6.1) million in the prior period. Adjusted EBITDA is a non-GAAP financial measure. See “*Key Business Operating Metrics and Non-GAAP Financial Measures*” below for our definition of, and additional information related to Adjusted EBITDA.

Recent Developments

Term Loan Facility

On March 4, 2026, we entered into a loan facility Credit Agreement (the “Credit Agreement”), by and among us, as borrower, the lenders party thereto from time to time (the “Lenders”) and Morgan Stanley Senior Funding, Inc. (“MSSF”), as administrative agent and collateral agent. The Credit Agreement provides for a senior secured loan facility (the “Term Loan Facility”) in an aggregate principal amount of \$500.0 million. The Credit Agreement also provides for an accordion feature that allowed us to request an increase in commitments under the Credit Agreement by up to an additional \$500.0 million. Subject to certain customary conditions, we may borrow funds available under the Term Loan Facility, in up to ten separate advances, during the period commencing on May 4, 2026 and ending on the date that is one business day prior to the Maturity Date (as defined below). We borrowed the full \$500.0 million initially available under the Credit Agreement on March 5, 2026.

On March 18, 2026, we entered into an Amendment No. 1 to the Credit Agreement (the “Incremental Amendment”) with MSSF and JPMorgan Chase Bank, N.A. (“JPM”), as Amendment No. 1 Term Lender, which amends the Credit Agreement to increase

the term loan commitments thereunder by \$500.0 million to \$1.0 billion total, pursuant to the accordion feature. We borrowed the full \$500.0 million incremental commitment on March 18, 2026.

The Term Loan Facility will mature, and all obligations thereunder will become due and payable, on March 3, 2027 (the "Maturity Date"). Loans under the Term Loan Facility bear interest at a rate equal to term SOFR (subject to a 0% floor), plus an applicable margin of 2.50% per annum.

Our obligations under the Credit Agreement are guaranteed by certain of our direct or indirect, wholly owned material domestic subsidiaries and are secured by a first-priority lien on substantially all our and the guarantors assets.

In connection with the offering of \$3.3 billion aggregate principal amount of 7.75% senior secured notes due 2031 by our indirect wholly-owned subsidiary, Core Scientific Finance I LLC, as described below, we used a portion of the proceeds from such offering that was distributed to us to repay in full the outstanding borrowings under the Term Loan Facility, including accrued interest thereon and fees and expenses in connection therewith, and upon such repayment, we terminated the Term Loan Facility.

Senior Secured Notes Offering

On April 22, 2026, our indirect wholly-owned subsidiary, Core Scientific Finance I LLC ("Core Scientific Finance"), priced a private offering of \$3.30 billion aggregate principal amount of 7.75% senior secured notes due 2031 at an issue price of 99.25% of the principal amount. Core Scientific Finance used the net proceeds from the offering to fund a debt service reserve account, and the remaining proceeds to make a distribution to us, a portion of which we used to repay in full the outstanding borrowings under the Term Loan Facility, including accrued interest thereon and fees and expenses in connection therewith. The Offering closed on May 6, 2026.

The Notes are guaranteed by each of Core Scientific Austin LLC, Core Scientific Denton LLC, Core Scientific Dalton LLC, Core Scientific Marble LLC and Core Scientific Muskogee LLC, which collectively represent Core Scientific Finance's only subsidiaries (the "Subsidiary Guarantors").

In connection with the Offering, we have commenced a series of restructuring transactions intended to transfer or grant all assets and rights reasonably necessary for the development and operation of specified data center facilities to Core Scientific Finance and the Subsidiary Guarantors.

The Notes and related guarantees are secured by first-priority liens on (i) substantially all assets of Core Scientific Finance and the Subsidiary Guarantors, other than certain excluded property, (ii) all equity interests of Core Scientific Finance held by the direct parent of Core Scientific Finance, Core Scientific Finance Holding LLC ("Holdco"), and (iii) certain of our assets and rights to be transferred or granted, as applicable, to Core Scientific Finance and the Subsidiary Guarantors pursuant to the restructuring described above that have not yet been transferred or granted as of the date hereof.

In addition, in connection with the issuance of the Secured Notes, we provide a customary, uncapped completion guarantee for the benefit of the holders of the Notes with respect to the completion of the data center development projects. The completion guarantee will require that we provide Core Scientific Finance with funds necessary to ensure the completion of such projects in the event that the proceeds of the offering of Secured Notes and other available funds are insufficient to do so.

CoreWeave Special Purpose Vehicle

The Company received notice from its counterparty, CoreWeave, Inc., of its intention to enter into assignment and assumption agreements for our Dalton 1 and Denton North Colocation License Agreements and Orders, as amended, ("License Agreements") with a special purpose vehicle that is an indirect subsidiary of CoreWeave, Inc. ("CW SPV"). We understand that CW SPV received certain commitments from a customer sufficient for the debt issued by CW SPV to obtain an investment grade rating. While CoreWeave remains a primary obligor under the terms of the License Agreements, as a result of the assignment and assumption agreements, CW SPV is now the Licensee under the License Agreements.

Key Factors Affecting Our Financial Performance

Our results of operations, liquidity and cash flows are affected by a number of factors, including (i) our ability to execute our strategic transition toward high-density colocation services, (ii) bitcoin market conditions and network fundamentals that drive self-mining economics, (iii) broader macroeconomic and regulatory developments, (iv) power prices and curtailment activity, and (v) the competitive landscape for our industry. The factors below highlight key drivers that have affected, and may continue to affect, our financial performance.

Our financial performance depends in part on our ability to operate our self-mining fleet profitably and, as we transition our business, to execute and expand our colocation operations and attract and retain colocation customers. Increases in power costs, inability to mine digital assets efficiently and to sell digital assets at favorable prices will reduce our operating margins and could have a material near-term adverse effect on our business, financial condition and results of operations. In addition, sustained declines in bitcoin prices or adverse changes in network conditions could reduce cash generated from self-mining during periods where self-mining remains a significant contributor to our results.

Strategic Transition to High-Density Colocation Services

As we grow our Colocation operations over the next several years by converting the remaining bitcoin mining sites and adding

new infrastructure and customers, we expect Colocation to represent a larger share of our results and gradually reduce our exposure to bitcoin spot price volatility. The Colocation segment is characterized by the implementation of long-term contracts with customers spanning 10+ years with terms and conditions resulting in stable, predictable revenue and cash flows over each period.

The pace of this transition, and the timing of related revenue and cash flows, depends on (i) customer deployment schedules under existing and future contracts and (ii) the timing and cost of converting and commissioning incremental billable customer power capacity. Conversion capital expenditures and timelines are sensitive to equipment lead times and availability, labor constraints, permitting and interconnection sequencing, and supply chain and logistical challenges. Changes in these inputs can affect when incremental capacity becomes billable and therefore may affect the timing of colocation revenue, cost of services and related cash flows.

Bitcoin Market Conditions

Our Digital Asset Self-Mining segment is heavily dependent on the spot price of bitcoin. The prices of digital assets, specifically bitcoin, have experienced substantial volatility, meaning that high or low prices may have little or no relationship to identifiable market forces, may be subject to rapidly changing investor sentiment, and may be influenced by factors such as technology, regulatory developments and enforcement actions. Bitcoin (as well as other digital assets) may have value based on various factors, including their acceptance as a means of exchange by consumers and others, scarcity, and market demand. Changes in the market price of bitcoin can materially affect (i) revenue recognized from self-mining, (ii) the fair value of digital assets we hold and related gains or losses recognized in our results of operations, and (iii) liquidity to the extent we sell bitcoin as part of our treasury strategy. Bitcoin miners also receive a transaction fee in the form of a portion of bitcoin for validating transactions on the Bitcoin network. The transaction fee can vary in value over time, with higher fees prioritizing certain transactions over those with lower fees. An increase in Bitcoin network transaction fees increases mining proceeds.

Higher power costs, lower realized bitcoin prices, or reduced mining efficiency would reduce self-mining margins and cash generation during periods when self-mining remains a significant contributor to our results. As we transition, the timing of colocation conversions and customer deployments, and our ability to execute and scale colocation operations and retain colocation customers, will increasingly influence our revenue mix and profitability.

Bitcoin Network Fundamentals

Our business is not only impacted by the volatility in digital asset prices and transaction fees, but also by increases in the competition for digital asset production. For bitcoin, this increased competition is described as the network hash rate resulting from the growth in the overall quantity and quality of miners working to solve blocks on the bitcoin blockchain, and the difficulty index associated with the secure hashing algorithm employed in solving the blocks. Increases in network hash rate generally increase network difficulty over time, which can reduce the amount of bitcoin earned for a given level of deployed hash rate and power consumption.

Increased difficulty reduces the mining proceeds of the equipment proportionally and eventually requires bitcoin miners to upgrade their mining equipment to remain profitable and compete effectively with other miners. Difficulty and network conditions are outside of our control and can materially affect our self-mining revenue and margins.

Tariffs

Beginning on February 1, 2025, the United States government announced a series of additional tariffs on goods imported to the United States, raising concerns about material price inflation and delivery delays with respect to equipment and materials needed for our high-density colocation data center conversions and also with respect to parts, machinery and hardware used in our digital asset mining business. During the three months ended March 31, 2026, tariffs contributed to higher costs for certain equipment and materials procured directly by the Company for non-customer-funded projects. Our agreement with our HDC customer is funded almost entirely by the customer, and our financial contribution is capped at a fixed dollar amount, limiting our exposure to tariff-related cost increases on customer-funded capital expenditures.

We could experience additional impacts from tariffs on our results of operations in future periods. We continue to analyze the additional impact of these tariffs on our business and actions we can take to minimize any current and future impact. Sustained or further increases in tariffs on key equipment and materials could affect conversion economics, timelines and/or operating costs, which could affect the timing and profitability of our colocation expansion.

Electricity Costs

Electricity cost is the major operating cost for our mining fleet, as well as for the hosted mining services provided to customers. The cost and availability of electricity are affected primarily by changes in seasonal demand, with peak demand during the summer months driving higher costs and increased curtailments to support grid operators. Severe winter weather can increase the cost of electricity and the frequency of curtailments when it results in damage to power transmission infrastructure that reduces the grid's ability to deliver power. Geopolitical and macroeconomic factors, such as overseas military or economic conflict between states, can adversely affect electricity costs by raising the cost of power generation inputs such as natural gas. Other events out of our control can also impact electricity costs and availability. In our self-mining and hosted mining operations, increases in power prices and/or increased curtailments can materially reduce margins and cash generation. In our colocation operations, power costs are passed through to customers and changes in power prices may increase revenue and cost of colocation services without a corresponding change in gross profit.

Our Competition and Customers

In addition to factors underlying our mining business growth and profitability, the success of our Colocation business greatly depends on our ability to retain and develop opportunities with our existing customers, secure additional infrastructure and attract new customers.

Competition in digital asset mining is driven in part by access to low-cost power, scale, fleet efficiency and capital availability, and can contribute to increases in network hash rate and difficulty. We face significant competition in every aspect of our business, including, but not limited to, the acquisition of new miners, the ability to raise capital, obtaining low-cost electricity, obtaining access to sites with reliable sources of high power, and evaluating new technology developments in the industry.

Based on available data, we believe that an increase in the scale and sophistication of competition in the digital asset mining industry has continued to increase network hash rate, with new entrants and existing competitors increasing the number of miners mining for bitcoin.

Despite this trend, our ability to compete in self-mining will depend on managing fleet efficiency, power costs and capital allocation as we shift resources toward colocation.

In our Colocation operations, we compete with other providers of high-power data center capacity, such as major data center real estate investment trusts, developers of data centers, hyperscalers and bitcoin miners with capacity suitable for high-density colocation services. This competition focuses primarily on the identification and acquisition of new, high-power sites, but also includes competition for the capital required to build or modify existing sites to support high-density colocation.

Competition in colocation may affect pricing, contract terms, and the pace at which we can secure additional power and sites and therefore may affect revenue growth and required capital expenditures.

Regulation

We operate in a dynamic regulatory environment. For a discussion of federal, state, and international regulatory developments affecting our digital asset mining and colocation activities, see “Government Regulation” in Part I, Item 1 “Business” section in our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the Securities and Exchange Commission on March 2, 2026. We continue to evaluate whether any such developments present known trends or uncertainties that may materially impact our operations, energy costs, or customer demand. Regulatory developments affecting digital assets, data centers, energy markets and environmental matters could affect compliance costs, power availability and pricing, and customer demand, which could impact our results of operations and liquidity.

Key Business Operating Metrics and Non-GAAP Financial Measures

In addition to our financial results, we use the following business operating metrics and non-GAAP financial measures to evaluate our business, measure our performance, identify trends affecting our business, and make strategic decisions. These operating metrics and non-GAAP financial measures should be considered in addition to, and not as a substitute for, our consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States (“GAAP”).

Management also uses the following data center capacity and power metrics (measured in megawatts) to evaluate the scale of our utility power footprint and customer IT load capacity, monitor customer commitments and remaining available capacity, assess commissioning progress and deployment pacing, and inform capital allocation and site planning decisions. Unless otherwise indicated, these metrics are presented as of period end and represent management estimates based on operational and engineering data and may not be comparable to similarly titled measures used by other operators.

Metric (MW)	Definition	How management uses it
Gross Utility Power Capacity	Total electric utility power capacity agreements associated with our data center sites under our control as of period end, including capacity that is commissioned for future use.	Used for portfolio planning and utility power allocation discussions.
Total Leasable Customer Power Capacity	Our estimate of the total non-redundant customer IT load that our data center sites could support in the aggregate as of period end, regardless of whether such capacity has been contracted with customers or remains available for sale. This metric is representative of the amount of power available for customer use in servicing their workloads.	Used to assess total customer-usable IT load available for leasing, evaluate leased versus unleased capacity, and plan conversion/development sequencing and sales capacity.
Leased Customer Power Capacity	Power capacity that is committed to customers under executed customer contracts, regardless of whether service has commenced as of period end.	Used to monitor signed customer commitments and contracted backlog and to plan future deployment/commissioning requirements.
Unleased Customer Power Capacity	The portion of Total Leasable Customer Power not committed under customer contracts as of period end. This metric is calculated as Total Leasable Customer Power minus Leased Customer Power Capacity.	Used to monitor remaining uncommitted customer IT load and to prioritize incremental contracting and conversion/commissioning plans.
Billable Customer Power Capacity	Portion of Leased Customer Power Capacity for which service has commenced and we are actively billing as of period end.	Used to monitor in-service customer power that is billing and to track deployment/commissioning pace and near-term revenue ramp.

The following table presents the values for these metrics as of March 31, 2026 and December 31, 2025 (in megawatts).

	March 31, 2026	December 31, 2025
Gross Utility Power Capacity	1,860	1,426
Total Leasable Customer Power Capacity	1,275	920
Leased Customer Power Capacity	590	590
Unleased Customer Power Capacity	685	330
Billable Customer Power Capacity	225	120

Adjusted EBITDA

We report our financial results in accordance with GAAP. To supplement our consolidated financial statements, we provide investors with Adjusted EBITDA, which is a non-GAAP financial measure. Adjusted EBITDA is defined as our net (loss) income, adjusted to eliminate the effect of (i) interest income, interest expense, and other income (expense), net; (ii) provision for income taxes; (iii) depreciation and amortization; (iv) stock-based compensation expense; (v) loss on disposal and impairment of property, plant and equipment; (vi) site demolition costs incurred in connection with the conversion of existing facilities to colocation data center operations; (vii) change in fair value of warrant and contingent value rights; (viii) loss on legal settlements; (ix) post-emergence bankruptcy advisory costs incurred related to reorganization, and (x) certain additional non-cash items that do not reflect the performance of our ongoing business operations. The most directly comparable GAAP measure to Adjusted EBITDA is net (loss) income. For additional information, including a reconciliation of net (loss) income to Adjusted EBITDA, please refer to the table below.

We believe Adjusted EBITDA is an important measure because it allows management, investors, and our Board of Directors to evaluate and compare our operating results, including our return on capital and operating efficiencies, from period-to-period by making the adjustments described above. In addition, it provides useful information to investors and others in understanding and

evaluating our results of operations, as well as provides a useful measure for period-to-period comparisons of our business, as it removes the effect of net interest expense, taxes, certain non-cash items, variable charges and timing differences. Moreover, we have included Adjusted EBITDA in this Quarterly Report on Form 10-Q because it is a key measurement used by our management internally to make operating decisions, including those related to operating expenses, evaluate performance, and perform strategic and financial planning.

The above items are excluded from our Adjusted EBITDA measure because these items are non-cash in nature or because the amount and timing of these items are not related to the current results of our core business operations which renders evaluation of our current performance, comparisons of performance between periods and comparisons of our current performance with our competitors less meaningful. However, you should be aware that when evaluating Adjusted EBITDA, we may incur future expenses similar to those excluded when calculating this measure. Our presentation of this measure should not be construed as an inference that its future results will be unaffected by unusual items. Further, this non-GAAP financial measure should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. We compensate for these limitations by relying primarily on GAAP results and using Adjusted EBITDA on a supplemental basis. Our computation of Adjusted EBITDA may not be comparable to other similarly titled measures computed by other companies because not all companies calculate this measure in the same fashion. You should review the reconciliation of net (loss) income to Adjusted EBITDA below and not rely on any single financial measure to evaluate our business.

The following table presents a reconciliation of net (loss) income to Adjusted EBITDA for the three months ended March 31, 2026 and 2025 (in thousands):

	Three Months Ended March 31,	
	2026	2025
Adjusted EBITDA		
Net (loss) income	\$ (347,188)	\$ 576,251
Adjustments:		
Interest expense (income), net	4,857	(2,187)
Income tax expense	600	205
Depreciation and amortization	16,553	19,731
Stock-based compensation expense	17,761	16,185
Loss on disposal of property, plant and equipment	13,638	6
Impairment of property, plant and equipment	266,488	—
Site conversion demolition costs	—	4,442
Change in fair value of warrants and contingent value rights	30,799	(621,464)
Loss on legal settlements	500	—
Post-emergence bankruptcy advisory costs	317	603
Other	27	157
Adjusted EBITDA	<u>\$ 4,352</u>	<u>\$ (6,071)</u>

Results of Operations for the Three Months Ended March 31, 2026 and 2025

The following table sets forth our selected condensed consolidated statements of operations for each of the periods indicated (in thousands).

	2026	2025	\$ Change
Revenue:			
Colocation revenue	\$ 77,539	\$ 8,573	\$ 68,966
Digital asset self-mining revenue	30,105	67,179	(37,074)
Digital asset hosted mining revenue from customers	7,600	3,773	3,827
Total revenue	115,244	79,525	35,719
Cost of revenue:			
Cost of colocation services	33,618	8,106	25,512
Cost of digital asset self-mining	47,189	61,170	(13,981)
Cost of digital asset hosted mining services	4,331	2,036	2,295
Total cost of revenue	85,138	71,312	13,826

Gross profit	30,106	8,213	21,893
Decrease in fair value of digital assets	<u>6,558</u>	<u>10,688</u>	<u>(4,130)</u>
Loss on disposal of property, plant and equipment	13,638	6	13,632
Impairment of property, plant and equipment	266,488	—	266,488
Colocation organizational and site startup costs	8,665	11,667	(3,002)
Advisor fees	333	603	(270)
Selling, general and administrative	<u>44,846</u>	<u>32,287</u>	<u>12,559</u>
Operating loss	(310,422)	(47,038)	(263,384)
Non-operating expense (income), net:			
Interest expense (income), net	4,857	(2,187)	7,044
Change in fair value of warrants and contingent value rights	30,799	(621,464)	652,263
Loss on legal settlements	<u>500</u>	<u>—</u>	<u>500</u>
Other non-operating expense, net	10	157	(147)
Total non-operating expense (income), net	36,166	(623,494)	659,660
(Loss) income before income taxes	(346,588)	576,456	(923,044)
Income tax expense	600	205	395
Net (loss) income	\$ (347,188)	\$ 576,251	\$ (923,439)

The following table summarizes gross profit and gross margin by reportable segment for each of the periods indicated (in thousands).

	Three Months Ended March 31,		
	2026	2025	Change
Colocation Segment			
Colocation gross profit	\$ 43,921	\$ 467	\$ 43,454
Colocation gross margin	57 %	5 %	51 %
Digital Asset Self-Mining Segment			
Digital asset self-mining gross (loss) profit	\$ (17,084)	\$ 6,009	\$ (23,093)
Digital asset self-mining gross margin	(57)%	9 %	(66)%
Digital Asset Hosted Mining Segment			
Digital asset hosted mining gross profit	\$ 3,269	\$ 1,737	\$ 1,532
Digital asset hosted mining gross margin	43 %	46 %	(3)%

Gross profit represents segment revenue less segment cost of revenue. Accordingly, the year over year changes in gross profit and gross margin by segment are primarily driven by the changes in revenue and cost of revenue discussed in the “Revenue” and “Cost of revenue” sections below.

Revenue

	Three Months Ended March 31,		
	2026	2025	\$ Change
Revenue:			
Colocation revenue	\$ 77,539	\$ 8,573	\$ 68,966
Digital asset self-mining revenue	30,105	67,179	(37,074)
Digital asset hosted mining revenue from customers	<u>7,600</u>	<u>3,773</u>	<u>3,827</u>
Total revenue	<u>\$ 115,244</u>	<u>\$ 79,525</u>	<u>\$ 35,719</u>
Percentage of total revenue:			
Colocation revenue	67 %	11 %	
Digital asset self-mining revenue	26 %	84 %	
Digital asset hosted mining revenue from customers	7 %	5 %	
Total revenue	<u>100 %</u>	<u>100 %</u>	

Colocation revenue

Colocation revenue consists of fees charged to customers for licensed data center space, power and related services. Under our contracts, customers generally pay fixed monthly fees based on billable customer power capacity and variable usage-based charges and other billable services. Power fees are passed through to customers without markup and are recognized as revenue on a gross basis, with a corresponding charge to cost of colocation services. As a result, changes in power prices can cause fluctuations in colocation revenue that are not indicative of changes in our underlying colocation margins.

The year over year increase in colocation revenue was primarily attributable to incremental billable customer power capacity at our Denton, Texas and Marble, North Carolina data centers during the three months ended March 31, 2026.

Digital asset self-mining revenue

Digital asset self-mining revenue consists primarily of bitcoin earned from operating our owned mining fleet. We participate in mining pools under which we receive consideration based on the hash rate we contribute to the pool.

The year over year decrease in self-mining revenue was driven primarily by lower bitcoin production and lower average realized bitcoin prices during the three months ended March 31, 2026.

Cost of revenue

	Three Months Ended March 31,		
	2026	2025	\$ Change
Cost of revenue:			
Cost of colocation services	\$ 33,618	\$ 8,106	\$ 25,512
Cost of digital asset self-mining	47,189	61,170	(13,981)
Cost of digital asset hosted mining services	4,331	2,036	2,295
Total cost of revenue	<u>\$ 85,138</u>	<u>\$ 71,312</u>	<u>\$ 13,826</u>

Cost of revenue includes the costs to operate our colocation, digital asset self-mining, and digital asset hosted mining businesses, including power fees, depreciation, personnel and facility-related costs.

Colocation cost of revenue

The year over year increase in cost of colocation services was driven primarily by incremental billable capacity at our Denton, Texas and Marble, North Carolina data centers during the three months ended March 31, 2026.

Digital asset self-mining cost of revenue

The year over year decrease in cost of digital asset self-mining was driven primarily by reduced self-mining activity during the three months ended March 31, 2026, including lower power consumption resulting from the reallocation of power capacity to colocation operations and lower depreciation expense as a larger portion of the mining fleet became fully depreciated.

Impairment of property, plant and equipment

	Three Months Ended March 31,		
	2026	2025	\$ Change
Impairment of property, plant and equipment	266,488	—	\$ 266,488
Percentage of total revenue	231 %	— %	

During the three months ended March 31, 2026, we recognized non-cash impairment charges of \$266.5 million on our mining-related property, plant and equipment. The charges resulted from sustained deterioration in bitcoin mining economics during the quarter, including declines in bitcoin prices, hashprice reaching historic lows, and significant decreases in secondary market values for mining equipment. Of the total charge, \$151.6 million related to mining equipment whose carrying value exceeded current secondary market values, and \$114.9 million related to mining infrastructure at facilities used in our self-mining operations, whose carrying values exceeded fair values determined using a discounted cash flow methodology. No impairment charges were recognized during the three months ended March 31, 2025.

Change in fair value of warrants and contingent value rights

	Three Months Ended March 31,		
	2026	2025	\$ Change
Change in fair value of warrants and contingent value rights	30,799	(621,464)	652,263
Percentage of total revenue	27 %	(781)%	

The year over year decrease in change in fair value of warrants and contingent value rights shifted from a \$621.5 million gain in the prior year period to a \$30.8 million loss in the current period, driven by changes in our stock price during the respective periods.

Liquidity and Capital Resources

Sources and Uses of Cash

We finance our operating and capital requirements primarily through a combination of (i) cash and cash equivalents, (ii) cash generated from operations, (iii) sales of digital assets (bitcoin), subject to market conditions and our treasury strategy, and (iv) financing activities, including debt financing arrangements. We also receive customer prepayments under our colocation arrangements, which are associated with, and are expected to offset a significant portion of, the capital expenditures required to build

out and convert facilities for those arrangements.

In March 2026, we entered into the Term Loan Facility, pursuant to which we borrowed the full \$500.0 million initially available under the Credit Agreement. Subsequently, in March 2026, we entered into the Incremental Amendment, pursuant to which we borrowed the full \$500.0 million incremental commitment.

In April 2026, our indirect wholly-owned subsidiary, Core Scientific Finance priced the private offering of \$3.30 billion aggregate principal amount of 7.75% Secured Notes at an issue price of 99.250% of the principal amount. In connection with the offering of Secured Notes, Core Scientific Finance used a portion of the net proceeds to fund a debt service reserve account, and the remaining proceeds to make a distribution to us. We used a portion of the net proceeds we received from Core Scientific Finance to repay in full the outstanding balance under the Term Loan Facility, including accrued interest thereon and fees and expenses in

connection therewith. The offering of Secured Notes closed on May 6, 2026, and upon such repayment, we terminated the Term Loan Facility. See “Senior Secured Notes Offering” under *Recent Developments* above for additional details.

During the three months ended March 31, 2026, we sold 2,385 bitcoin for aggregate proceeds of \$208.3 million to fund planned capital expenditures and other cash requirements. We will be opportunistic in liquidating the remainder of our bitcoin balance.

Our planned capital expenditures and other cash requirements may require additional external financing. We may from time to time seek additional financing to fund our operations and capital expenditures. If we are unable to obtain financing on acceptable terms, we may be required to reduce, delay or modify planned expenditures or pursue other alternatives.

We have assessed our current and expected operating and capital expenditure requirements and our current and expected sources of liquidity, and have determined, based on our forecasted financial results and financial condition as of March 31, 2026, that our available liquidity, including cash and cash equivalents and expected operating cash flows and customer funding related to our colocation arrangements, will be sufficient to satisfy our cash requirements for at least the next twelve months.

The following table summarizes our cash and cash equivalents and the fair value of our digital assets (in thousands):

	<u>March 31, 2026</u>	<u>December 31, 2025</u>
Cash and cash equivalents	\$ 1,005,148	\$ 311,378
Digital assets	\$ 37,312	\$ 222,000

The following table presents our cash flows (in thousands):

	<u>Three Months Ended March 31,</u>	
	<u>2026</u>	<u>2025</u>
Net cash provided by (used in) operating activities	249,877	(45,041)
Net cash used in investing activities	(386,652)	(89,016)
Net cash provided by (used in) financing activities	971,382	(4,198)

Net cash provided by (used in) operating activities increased to \$249.9 million from \$(45.0) million in the prior year period, primarily due to customer prepayments received under our colocation arrangements and proceeds from sales of digital assets.

Net cash used in investing activities increased to \$386.7 million from \$89.0 million in the prior year period, primarily reflecting capital expenditures related to our colocation expansion, primarily related to long-lead equipment and other data center development costs.

Net cash provided by (used in) financing activities was \$971.4 million compared to \$(4.2) million in the prior year period, primarily due to net proceeds from the Company's Term Loan Facility.

Material Cash Requirements

Our material cash requirements from known contractual and other obligations are discussed below on both a short-term and long-term basis.

Short-Term Cash Requirements

Capital Expenditures and Other Commitments

During the three months ended March 31, 2026 and 2025, we spent \$389.2 million and \$84.0 million respectively, on capital expenditures, primarily related to the conversion and expansion of our data center portfolio for colocation operations. As of March 31, 2026, we were contractually committed to approximately \$1.47 billion, of which \$434.0 million will be passed through to the Company's customer as invoiced. Substantially all of these expenditures are expected to occur within the next 12 months.

Operating Leases

For our operating lease payment obligations due within the next 12 months, see Note 5 — Leases to our consolidated financial statements in Item 1 of Part I of this Quarterly Report on Form 10-Q for additional details.

Long-Term Cash Requirements*Senior Secured Notes*

In May 2026, our indirect wholly-owned subsidiary, Core Scientific Finance, issued \$3.3 billion aggregate principal amount of 7.75% Senior Secured Notes due 2031. For the maturity date, principal amount and terms of these notes, see "Senior Secured Notes Offering" under Recent Developments above and Note 6 — Debt to our consolidated financial statements in Item 1 of Part I of this Quarterly Report on Form 10-Q.

Convertible Notes

We have outstanding 3.00% Convertible Senior Notes due 2029 and 0.00% Convertible Senior Notes due 2031. For the maturity dates, principal amounts, and terms of these instruments, see Note 6 — Debt to our consolidated financial statements in Item 1 of Part I of this Quarterly Report on Form 10-Q.

Capital Expenditures

We expect to incur significant capital expenditures beyond the next 12 months as we continue to convert our remaining data center portfolio to colocation infrastructure and pursue new site acquisitions to expand our footprint. The pace and magnitude of these expenditures will depend on customer deployment schedules, the timing of site conversions, and the availability and cost of financing.

Operating Leases

For our operating lease payment obligations due beyond the next 12 months, see Note 5 — Leases to our consolidated financial statements in Item 1 of Part I of this Quarterly Report on Form 10-Q for additional details.

Critical Accounting Estimates

The critical accounting estimates, assumptions, judgments and the related policies that we believe have the most significant impact on our consolidated financial statements are described below.

Property, Plant, and Equipment

Our mining-related property, plant, and equipment involves significant estimates, including the determination of useful lives and the evaluation of recoverability and fair value. These estimates require judgment about future bitcoin mining economics, including technology improvements, bitcoin prices, hashprice, power prices, secondary market values for mining equipment, and the assumptions underlying fair value measurements such as discount rates and projected cash flows. During the three months ended March 31, 2026, we recognized significant impairment charges on our mining-related assets (see Note 3 — Property, Plant, and Equipment and Note 8 — Fair Value Measurements to our consolidated financial statements in Item 1 of Part I of this Quarterly Report on Form 10-Q). The fair value of mining infrastructure is particularly sensitive to the discount rate applied to projected cash flows; refer to Note 8 for the significant unobservable inputs used in the Level 3 measurement.

Stock-Based Compensation

We have outstanding equity awards that include performance conditions, the achievement of which must be assessed by management at each reporting date. Compensation expense for these awards is recognized based on the estimated number of awards expected to vest, applying a cumulative catch-up adjustment when those estimates change. The assessment of probable achievement requires significant judgment, including assumptions about our infrastructure deployment progress, customer pipeline activity, and a degree of Compensation Committee discretion. Given the range of potential payout outcomes, changes in management's probability assessments could result in material adjustments to stock-based compensation expense recognized in future periods.

Management believes its current estimates are reasonable based on available information. Actual results may differ, and any such differences could materially impact our financial condition and results of operations.

Recent Accounting Pronouncements

For a discussion of new accounting standards relevant to our business, refer to Note 2 — Summary of Significant Accounting Policies to our consolidated financial statements in Item 1 of Part I of this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily the result of fluctuations in the price of bitcoin and commodities.

Risk Regarding the Price of Bitcoin

As of March 31, 2026, we held 547 bitcoin, with a carrying value of \$37.3 million, all of which were produced from our bitcoin mining operations.

We cannot predict the future market price of bitcoin and, as such, we cannot predict future changes in the carrying value of our bitcoin assets based on future market prices. The future value of bitcoin will affect the amount of revenue recognized from our operations, and any changes in the future value of bitcoin while we hold it in our account would also be reported in our net income (or loss), either of which could have a material adverse effect on the market price for our securities.

Bitcoin prices for the three months ended March 31, 2026 ranged from a low of \$60,123 to a high of \$97,877, with an average price of \$76,649.

Interest Rate Risk

As of March 31, 2026, we had \$1.0 billion outstanding under our Term Loan Facility, which bears interest at Term Secured Overnight Financing Rate (“SOFR”) plus 2.50% per annum. A hypothetical 100 basis point increase in Term SOFR would increase our annual interest expense by approximately \$10.0 million. We do not currently use interest rate hedging instruments to manage this exposure. See Note 6 — Debt to our consolidated financial statements in Item 1 of Part I of this Quarterly Report on Form 10-Q for additional details.

Commodity Price Risk

Certain operating costs incurred by us are subject to price fluctuations caused by the volatility of underlying commodity prices, the most significant of which is electricity. We closely monitor the cost of electricity at all of our locations. Our colocation customer agreements include power pass-through provisions that allow us to recover the cost of customer power usage. We did not have commodity derivative instruments outstanding as of March 31, 2026.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, have conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of March 31, 2026.

Based on that evaluation, our Chief Executive Officer and our Chief Financial Officer have concluded that, as of March 31, 2026, our disclosure controls and procedures were not effective due to the material weakness in internal control over financial reporting described below.

As previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2025, we identified a material weakness in our internal control over financial reporting. As of March 31, 2026, this material weakness has not been remediated.

Our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving the desired control objectives. Our management recognizes that any control system, no matter how well designed and operated, is based upon certain judgments and assumptions and cannot provide absolute assurances that its objectives will be met. Similarly, an evaluation of controls cannot provide absolute assurances that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have not been detected.

Material Weakness in Internal Control over Financial Reporting

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. The material weakness previously identified and which remains unremediated as of March 31, 2026 is as follows:

We did not effectively operate controls to account for intended demolition of building and infrastructure assets, including evaluation of impairment, related to the conversion of facilities from digital asset mining operations to HPC colocation infrastructure due to insufficient complement of trained personnel.

This material weakness resulted in material misstatements to property, plant and equipment on the consolidated balance sheet and impairment of property, plant and equipment on the consolidated statement of operations, which were corrected prior to the

issuance of the consolidated financial statements as of and for the year ended December 31, 2025, however, resulted in the restatement of previously issued annual and interim financial statements. The control deficiency described above created a reasonable possibility that a material misstatement of the consolidated financial statements will not be prevented or detected on a timely basis, we concluded the deficiency represents a material weakness in our internal control over financial reporting and our internal control over financial reporting was determined to be not effective as of December 31, 2025 and continues to be not effective as of March 31, 2026.

Remediation Plan for the Material Weakness

With the oversight of senior management and the Audit Committee, we have developed a remediation plan to address the material weakness. The plan includes the elements described below, which we are in various stages of implementing.

- Implementing additional training for accounting personnel on the evaluation of novel transactions related to property, plant and equipment. During the three months ended March 31, 2026, we conducted training for accounting personnel on the identification of novel and non-routine transactions.
- Implementing additional levels of management review and oversight, including consultation with external technical accounting resources as necessary, over significant accounting conclusions related to property, plant and equipment, including those involving the application of accounting guidance to novel or non-routine transactions. During the three months ended March 31, 2026, we implemented a quarterly management review process for property, plant and equipment and established an accounting policy review committee.

We believe our remediation plan will be sufficient to remediate the material weakness. However, the material weakness will not be considered remediated until management completes the design and implementation of the actions described above and the controls operate for a sufficient period of time, and management has concluded, through testing, that these controls are effective. As we test our internal controls over financial reporting, we may determine that additional measures or modifications to the remediation plan are necessary or appropriate.

Changes in Internal Control over Financial Reporting

Except for the ongoing remediation efforts described above, during the most recently completed fiscal quarter, there was no change in Core Scientific, Inc.'s internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Part II. OTHER INFORMATION

Item 1. Legal Proceedings

We are involved in lawsuits, claims and other legal matters that arise in the ordinary course of business. The outcome of these matters cannot be predicted with certainty; however, we believe that the ultimate resolution of these matters will not have a material adverse effect on our consolidated financial position, results of operations or cash flows. To the extent that the ultimate resolution of any matter differs from our current estimates reflected in the recorded reserves, we could incur additional charges that could be significant. Information regarding our material pending legal proceedings is included in Note 9 — Commitments and Contingencies, to our consolidated financial statements in Item 1 of Part I of this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

For a discussion of our risk factors, see Part I, Item 1A. — “Risk Factors” of the Company's Annual Report on Form 10-K for the year ended December 31, 2025, which was filed with the SEC on March 2, 2026.

There were no material changes during the period covered in this Quarterly Report to the risk factors previously disclosed in the Annual Report, except for the risk factors noted below.

Our indebtedness and liabilities could limit the cash flow available for our operations, expose us to risks that could adversely affect our business, financial condition and results of operations and impair our ability to satisfy our obligations under the notes.

As of March 31, 2026, we had approximately \$2.09 billion aggregate principal amount of indebtedness for borrowed money. In addition, in May 2026, Core Scientific Finance, our indirect wholly owned subsidiary, issued \$3.30 billion aggregate principal amount of Secured Notes. We may also incur additional indebtedness to meet future financing needs. Our indebtedness could have significant negative consequences for our security holders and our business, results of operations and financial condition by, among other things:

- increasing our vulnerability to adverse economic and industry conditions;
- limiting our ability to obtain additional financing;
- requiring the dedication of a substantial portion of our cash flow from operations to service our indebtedness, which will reduce the amount of cash available for other purposes;

- limiting our flexibility to plan for, or react to, changes in our business;
- diluting the interests of our existing stockholders as a result of issuing shares of our common stock upon conversion of the notes; and
- placing us at a possible competitive disadvantage with competitors that are less leveraged than us or have better access to capital.

Our business or the business of Core Scientific Finance, as applicable, may not generate sufficient funds, and may otherwise be unable to maintain sufficient cash reserves, to pay amounts due under our or its indebtedness, including our 3.00% Convertible Senior Notes due 2029 (the “2029 Convertible Notes”), 0.00% convertible senior notes due 2031 (the “2031 Convertible Notes” and, together with the 2029 Convertible Notes, the “Convertible Notes”) and Secured Notes, and our cash needs may increase in the future. In addition, any future indebtedness that we may incur may contain financial and other restrictive covenants that limit our ability to operate our business, raise capital or make payments under our other indebtedness. If we or Core Scientific Finance, as applicable, fail to comply with these covenants or to make payments under our or its indebtedness when due, then we or Core Scientific Finance would be in default under that indebtedness, which could, in turn, result in that and other indebtedness becoming immediately payable in full.

Provisions in our indentures could delay or prevent an otherwise beneficial takeover of us.

Certain provisions in the indentures governing our Convertible Notes or the Secured Notes, or agreements governing any future indebtedness, could make a third-party attempt to acquire us more difficult or expensive. For example, if a takeover constitutes a fundamental change under the indentures governing our Convertible Notes, then, except as described in the applicable indenture, noteholders of such Convertible Notes will have the right to require us to repurchase their notes for cash. The indenture governing the Secured Notes contains a similar requirement for Core Scientific Finance to offer to repurchase for cash such Secured Notes upon the

occurrence of a change of control as set forth in such indenture. In addition, if a takeover constitutes a make-whole fundamental change under the applicable indenture governing our Convertible Notes, then we may be required to temporarily increase the conversion rate for any conversion of such Convertible Notes. In any such case, and in other cases, our obligations under the indentures governing our Convertible Notes or Secured Notes, or agreements governing any future indebtedness, could increase the cost of acquiring us or otherwise discourage a third party from acquiring us or removing incumbent management, including in a transaction that noteholders or holders of our common stock may view as favorable.

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

During the quarter ended March 31, 2026, nominal shares of common stock were issued upon the exercise of Tranche 1 Warrants in reliance on the exemption provided by Section 1145 of the Bankruptcy Code. The Company received cash proceeds of \$0.1 million from the exercise.

During the quarter ended March 31, 2026, 0.4 million shares of common stock were issued upon the exercise of Tranche 2 Warrants in reliance on the exemption provided by Section 1145 of the Bankruptcy Code. The Company received minimal cash proceeds from the exercise.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Trading Arrangements

During the three months ended March 31, 2026, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits**Exhibit Description**

10.1	<u>Agreement and Plan of Merger, dated as of May 5, 2026, by and among Core Scientific, Inc., Polar Merger Sub., LLC, Top Access Enterprises Limited, Polaris DS LLC, and solely for the purposes of Article XI (and Article I and Article VII to the extent relating thereto), Altair LLC, (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the SEC on May 6, 2026).</u>
10.2*	<u>Membership Interest Purchase Agreement, dated December 26, 2025, by and among Core Scientific, Inc. and McCall Family Limited Partnership.</u>
10.3	<u>Cooperation Agreement, dated as of February 18, 2026, by and between Core Scientific, Inc. and Two Seas Capital LP (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on February 19, 2026).</u>
10.4	<u>Delayed-Draw Bridge Credit Agreement, dated as of March 4, 2026, among Core Scientific, Inc., as borrower, the lenders party thereto from time to time, and Morgan Stanley Senior Fundings, Inc., as administrative agent and as collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on March 6, 2026).</u>
10.5	<u>Amendment No. 1 to Credit Agreement, dated as of March 18, 2026, among Core Scientific, Inc., as borrower, JPMorgan Chase Bank, N.A., as amendment no. 1 term lender, and Morgan Stanley Senior Funding, Inc., as administrative agent and as collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on March 23, 2026).</u>
31.1*	<u>Certifications of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
31.2*	<u>Certifications of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
32.1*	<u>Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
32.2*	<u>Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase.
104	Cover Page Interactive Data File (the cover page XBRL tags)

* Filed or furnished herewith.

†† Certain of the exhibits and schedules to these exhibits have been omitted in accordance with Regulation S-K Item 601(a)(5). The registrant agrees to furnish a copy of all omitted exhibits and schedules to the SEC upon its request.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Core Scientific, Inc.By: /s/ Jim Nygaard

Name: Jim Nygaard

Title: Duly Authorized Officer & Principal
Financial Officer

Date: May 6, 2026

MEMBERSHIP INTEREST PURCHASE AGREEMENT

This MEMBERSHIP INTEREST PURCHASE AGREEMENT (this “**Agreement**”), dated as of the 26th day of December, 2025 (the “**Effective Date**”), is entered into by and among MCCALL FAMILY LIMITED PARTNERSHIP, a Texas limited partnership (“**Seller Group**”), TELIOS QUINLAN ONE, LLC, a Delaware limited liability company (the “**Company**”), and CORE SCIENTIFIC, INC., a Delaware corporation (“**Buyer**”). Unless otherwise specified, all capitalized terms shall have the meaning assigned to them in this Agreement (see Schedule A for an Index of defined terms) and shall be equally applicable to both the singular and plural forms.

RECITALS

A. Seller Group owns all of the issued and outstanding units, membership interests and other equity interests of the Company (the “**Membership Interests**”);

B. Subject to the terms and conditions hereof, Buyer desires to purchase from Seller Group, and Seller Group desires to sell to Buyer, all of the Membership Interests (together with the other transactions contemplated herein, the “**Transactions**”), on the terms and subject to the conditions set forth herein; and

NOW, THEREFORE, in consideration of the mutual representations, covenants, agreements and warranties hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I SALE AND PURCHASE OF THE MEMBERSHIP INTERESTS

Section 1.01 Sale and Purchase of Membership Interests. Upon the terms and subject to the conditions set forth in this Agreement, at the Closing, Seller Group shall sell, assign, transfer and deliver to Buyer, free and clear of all liens and encumbrances (other than restrictions on transfer arising under applicable securities Laws and under the Company’s corporate governance documents), and Buyer shall purchase from Seller Group, the Membership Interests in consideration of the Purchase Price and the other amounts determined and paid pursuant to this Agreement. Section 1.01 of the Disclosure Schedule sets forth a true, complete and correct list of the holders of Membership Interests and the amount of such Membership Interests. For the avoidance of doubt, the assets of the Company include but are not limited to:

(a) All those certain lots, tracts, parcels, or purchase rights of land located in the County of Hunt and State of Texas consisting of approximately 260 acres, as more particularly bounded and described in Exhibit A attached hereto and hereby made a part hereof (the “**Land**”); provided, however, that any purchase rights to Land shall not terminate prior to February 27, 2026;

(b) All buildings and improvements located on the Land and all the Company’s right, title, and interest in and to any and all fixtures attached thereto (collectively, the “**Improvements**”);

(c) All rights appurtenant to the Land, if any, including without limitation, any strips and gores abutting the Land, and any land lying in the bed of any street, road, or avenue in front of, or adjoining the Land, to the center line thereof (and collectively with the Land and the Improvements, the “Real Property”);

(d) All other rights, privileges, easements, licenses, appurtenances, and hereditaments relating to the Real Property;

(e) All right, title, and interest of the Company in and to the contracts it is a party to;

(f) Any permit, entitlement, governmental approval, certificate of occupancy, license, or other form of authorization or approval issued by a government agency or authority and legally required for the construction, ownership, operation, and use of the Real Property (collectively, the “Assumed Permits and Licenses”);

(g) Any written warranty, guaranty, or other obligation from any contractor, manufacturer, or vendor to any improvements, furnishings, fixture, or equipment located at the Real Property, to the extent assignable in connection with the sale of the Real Property (“Assumed Warranties and Guaranties”); and

(h) All plans, surveys, specifications, drawings, architectural and engineering drawings, and other rights relating to the construction of the Improvements (collectively, the “Surveys”).

Section 1.02 **As Is, Where Is.** Except as expressly set forth in this Agreement to the contrary, Buyer is expressly accepting the Real Property in its existing condition “AS IS, WHERE IS, AND WITH ALL FAULTS” and, except as expressly set forth in this Agreement, based upon the condition (physical or otherwise) of such Real Property as of the Effective Date (as defined in Section 14.1), subject to the representations and warranties of Company set forth in this Agreement. The provisions of this Section 1.02 shall survive the Closing and shall not be deemed to have merged into any of the documents executed or delivered at the Closing.

ARTICLE II PURCHASE PRICE

Section 2.01 **Purchase Price and Deposit.** The Purchase Price (as defined below) shall be paid by Buyer to Seller Group as follows:

(a) Within ten (10) days following the Effective Date, the sum of Two Million and 00/100 Dollars (\$2,000,000.00) (the “**Deposit**”) by Buyer’s certified check or official bank check, or by wire transfer of immediately available funds to an interest bearing account at such bank as designated by Republic Title of Texas, Inc., 201 Main Street, Suite 1400, Fort Worth, TX 76102; Attn: Stefanie Mathews (stmathews@republictitle.com), as escrow agent (the “**Title Company**”). The Title Company agrees to hold the Deposit in escrow pursuant to the terms of Section 4.01 of this Agreement. Any interest earned on the principal portion of the Deposit shall be deemed to be part of the Deposit and shall be paid

together with the principal portion of the Deposit, it being understood and agreed that at the Closing of the Transaction contemplated under this Agreement, the Deposit and any interest earned thereon shall be paid to Seller Group and credited to the Purchase Price. The Title Company shall act, and only act, upon the written instruction executed by both Buyer and Seller Group.

(b) Two hundred thirty-two million five hundred thousand US Dollars (\$232,500,000.00) of the Purchase Price (including without limitation the crediting of the Deposit plus the interest accrued thereon as provided in Section 2.01(a) above) shall be payable in full by Buyer at Closing in cash by wire transfer of immediately available federal funds to the Title Company, in escrow (the “**Closing Cash Payment**”, and together with the Deposit, the “**Purchase Price**”).

Section 2.02 Independent Consideration. The parties acknowledge and agree that an amount equal to One Hundred and 00/100 Dollars (\$100.00) of the Deposit shall be independent consideration for Seller Group’s performance under this Agreement (the “**Independent Consideration**”). The Independent Consideration is independent of any other consideration provided hereunder, shall be fully earned by Seller Group upon the Effective Date hereof, and is not refundable under any circumstances. Buyer and Seller Group acknowledge and agree that: (i) the Independent Consideration, plus Buyer’s agreement to pay the costs provided in this Agreement, has been bargained for as consideration for Seller Group’s execution and delivery of this Agreement and for Buyer’s review, inspection, and termination rights during the Due Diligence Period; and (ii) such consideration is adequate for all purposes under any applicable federal, state and local laws, statutes, mandates, regulations, rules, codes or ordinances enacted, adopted, issued or promulgated by any Governmental Authority (as defined below) or common law, whether in the U.S. or abroad (jointly and indistinctively, the “**Law**”). For purposes of this Agreement, “**Governmental Authority**” means any federal, state, or local government, governmental, regulatory (including self-regulatory) or administrative authority, body, agency or commission or any court, tribunal, or judicial or arbitral bod, whether in the U.S. or abroad.

ARTICLE III DUE DILIGENCE INVESTIGATION

Section 3.01 Due Diligence Materials. On or before the date that is two (2) days after the Effective Date (the “**Due Diligence Delivery Date**”), Seller Group shall, if not already made available to Buyer, deliver, cause to be delivered, or make available, copies of all documents, records, contracts, reports, data, and other information relating to the Company, the Real Property, its business, assets, liabilities, operations, financial condition, or prospects currently within its possession and control, including (a) all materials uploaded to any virtual data room, (b) all written responses to Buyer’s written due diligence inquiries delivered to Seller Group, (c) all financial statements, Tax records, organizational documents, title commitment/policy, Seller Group’s Survey, site plans and specifications, architectural plans, inspections, environmental/hazardous material reports, soils reports, governmental permits/approvals, zoning information, tax information, utility letters, copies of service contracts, certificates of occupancy, warranties and guaranties, commission agreements, and other similar materials relating to the physical and environmental condition of the Real Property and (d) any other information furnished in

connection with Buyer's due diligence review (collectively, the "**Due Diligence Materials**"). The Due Diligence Period shall be extended by one (1) day for each day Seller Group delays in making the Due Diligence Materials available to Buyer; provided, however, that the Due Diligence Period shall not be extended for any Due Diligence Materials requested by Buyer after the Effective Date, whether or not within Seller Group's possession or control on the Effective Date; provided, further, that Seller Group shall promptly provide to Buyer any Due Diligence Materials requested by Buyer after the Effective Date or which come into Seller Group's possession or control after the Effective Date.

Section 3.02 Due Diligence Period. Buyer shall have a period, commencing on the Effective Date through the earlier of (a) 45 days after the Effective Date, or (b) the date Buyer provides written notice of the completion of its due diligence review of the Company (the "**Due Diligence Period**"), to conduct or cause to be conducted any and all (y) due diligence review of the Company's books and records and (z) tests, studies, surveys, inspections, reviews, assessments, or evaluations of the Real Property, including without limitation engineering, topographic, soils, zoning, wetlands, and environmental inspections (including Phase I and/or Phase II environmental site assessments to be performed by an environmental consultant selected by Buyer) (the "**Inspections**"), as Buyer deems necessary, desirable, or appropriate in its sole and absolute discretion, and analysis of the Due Diligence Materials. Buyer shall have the unconditional right, for any reason or no reason whatsoever, to terminate this Agreement upon written notice to Seller Group delivered at any time prior to 5:00 p.m. Central Time on the last day of the Due Diligence Period. If Buyer does not timely notify Seller Group of its election to terminate this Agreement prior to 5:00 p.m. Central Time on the last day of the Due Diligence Period, Buyer shall be deemed to have elected to proceed to Closing, subject to the terms and conditions of this Agreement.

Section 3.03 Termination During Due Diligence Period. If Buyer elects to terminate this Agreement as provided in Section 3.02, the Title Company shall return the Deposit (less the Independent Consideration) to Buyer, and, upon such refund being made, this Agreement shall terminate, and the parties shall have no further liability hereunder (except with respect to those obligations hereunder which expressly survive the termination of this Agreement).

Section 3.04 Buyer's Access. At any time prior to the Closing (including during the Due Diligence Period), and at all times Buyer and its agents, employees, consultants, inspectors, appraisers, engineers, and contractors (collectively, "**Buyer's Representatives**") shall have the right to enter upon and pass through the Real Property during normal business hours to examine and inspect the same, as well as conduct reasonable tests, studies, investigations, and surveys to assess utility availability, soil conditions, environmental conditions, physical condition, and the like of the Real Property.

Section 3.05 Buyer's Right to Inspect.

(a) In conducting the Inspections or otherwise accessing the Real Property, Buyer shall at all times comply with all applicable Law. In connection with such Inspections, neither Buyer nor any of Buyer's Representatives shall: (i) unreasonably interfere with or permit unreasonable interference with any person occupying or providing service at the Real Property; (ii) unreasonably interfere with the business of Seller Group

conducted at the Real Property; or (iii) unreasonably disturb the use or occupancy of any occupant of the Real Property.

(b) Buyer shall schedule and coordinate all Inspections or other access thereto with Seller Group and shall give Seller Group at least twenty-four (24) hours' prior notice thereof. Seller Group shall be entitled to have a representative present at all times during each such inspection or other access. Seller Group shall allow the Buyer's Representatives unlimited access to the Real Property and to other information pertaining thereto in the possession or within the control of Seller Group for the purpose of the Inspections.

ARTICLE IV CLOSING; TERMINATION

Section 4.01 **Closing Date.** The closing of the Transaction contemplated by this Agreement (the "**Closing**") shall take place remotely through the electronic exchange of all required documents and signatures. The Closing shall occur on the earliest of the following dates (the "**Required Closing Date**"): (i) thirty (30) days after the expiration of the Due Diligence Period or (ii) such earlier date as may be mutually agreed upon in writing by the parties. The actual date on which the Closing occurs is referred to as the "**Closing Date**." The Seller Group shall deliver Seller Group's Closing Deliverables (as defined in Section 4.02 below) to the Buyer and Buyer shall deliver Buyer's Closing Deliverables (as defined in Section 4.03 below) to the Seller Group at least one (1) Business Day prior to the Closing Date. Seller Group agrees to deliver possession of the Real Property to Buyer on the Closing Date free of any Leases and any tenants. The term "Leases" means collectively all tenant leases, lease amendments, guarantees, exhibits, addenda, and riders thereto, and any other documents creating a possessory interest in the Land or Improvements with any persons leasing, using, or occupying the Land or Improvements or any part of either.

Section 4.02 **Seller Group's Closing Deliverables.** At Closing, Seller Group shall deliver or cause to be delivered to the Buyer the following executed, certified, and acknowledged by Seller Group, as appropriate:

(a) A certification that Seller Group is not a "foreign person" as such term is defined in Section 1445 of the Internal Revenue Code, as amended and the regulations thereunder (collectively, the "Code"), which certification shall be signed under penalty of perjury.

(b) A written certificate stating that all representations and warranties contained in Section 6.01 remain, as of the Closing Date, true, correct, and complete in all material respects as when first made hereunder (the "Bring Down Certificate").

(c) A Seller Group's closing statement prepared by the Title Company reflecting the appropriate credits, prorations, adjustments, disbursements, and Transaction expenses due to third parties for the consummation of the Transaction contemplated by this Agreement, including the payment of the balance of the Closing Cash Payment due to Seller Group.

(d) A consent of the members, manager, and partners of Seller Group, as applicable, authorizing the Transaction contemplated hereby and the execution and delivery of the documents required to be executed and delivered hereunder.

(e) A non-imputation affidavit in a form reasonably acceptable to the Title Company.

(f) All books and records of the Company.

(g) All other documents necessary or otherwise required by Buyer to consummate the Transaction contemplated by this Agreement.

Section 4.03 Buyer's Closing Deliverables. On the Closing Date, Buyer shall deliver or cause to be delivered to the Seller Group, the following, executed, certified, and acknowledged by Buyer, as appropriate:

(a) The balance of the Closing Cash Payment as set forth in Section 2.01(b), as adjusted for apportionments pursuant to Section 4.06 of this Agreement.

(b) A Buyer's closing statement prepared by the Title Company reflecting the appropriate credits, prorations, adjustments, and disbursements for the consummation of the Transaction contemplated by this Agreement.

(c) Buyer shall, where applicable, join with Seller Group in the execution and delivery of the closing documents referenced in Section 4.02 of this Agreement.

(d) A consent of the directors of Buyer authorizing the Transaction contemplated hereby and the execution and delivery of the documents required to be executed and delivered hereunder.

(e) Such other documents, instruments, and certificates as may be reasonably required by Seller Group to consummate and give effect to the Transaction contemplated hereby.

Section 4.04 Termination. This Agreement may be terminated at any time prior to the consummation of the Closing:

(a) By mutual written consent of Seller Group and Buyer;

(b) By Buyer, in Buyer's sole and exclusive discretion, at any time and for any reason, or no reason at all, with a written notice to Seller Group during the Due Diligence Period;

(c) By Buyer upon the occurrence of a Seller Group Default not cured by Seller Group within five (5) Business Days of Buyer's written notice to Seller Group of such Seller Group Default; or

(d) By Seller Group upon the occurrence of a Buyer Default not cured by Buyer within five (5) Business Days of Seller Group's written notice to Buyer of such Buyer Default.

Section 4.05 Closing Costs.

(a) Seller Group and Buyer shall each pay the fees and expenses of its own counsel in connection with the preparation and negotiation of this Agreement. The agreements and instruments related to the Transaction contemplated by this Agreement and such legal costs shall not be part of the closing costs; provided, however, that if any legal action is instituted under this Agreement, the prevailing party in such action shall be entitled to recover from the other party costs related to such legal action, including reasonable attorneys' fees and costs in all trial, appellate, post-judgment, and bankruptcy proceedings.

(b) Seller Group shall pay:

(i) One-half Title Company's escrow fees; and

(ii) Any and all costs incurred by Seller Group in connection with the preparation, review, and negotiation of this Agreement and the Transactions and the Closing contemplated by this Agreement, including any attorneys' or consultancy fees.

(c) Buyer shall pay:

(i) The costs related to the Survey and any other survey or Survey update (including, without limitation an update of Seller Group's Survey);

(ii) One-half Title Company's escrow fees;

(iii) The premium for the Title Insurance Policy and any endorsements required by Buyer, and the premium for a title insurance policy required by Buyer's lender and any endorsements required by Buyer's lender;

(iv) Any other fees or costs related to Buyer's due diligence reviews; and

(v) All costs related to the recording fees payable in connection with Buyer's lender's security instruments, if any.

Section 4.06 Apportionments. The following shall be apportioned as of 11:59 p.m. Central Time on the date immediately preceding the Closing Date, unless expressly provided for otherwise:

(a) Notwithstanding anything to the contrary in this Agreement, including Section 13.04, general real estate taxes and assessments levied or assessed against the Real Property for the tax year in which the Closing occurs and for the tax year prior to the tax year in which the Closing occurs shall be prorated as of the Closing Date based upon one

hundred ten percent (110%) of the most recent ascertainable taxes, but the parties agree to re-prorate when the actual amount of taxes for such years becomes known. All real and personal property taxes levied or assessed with respect to any tax years which are due prior to the Closing shall be paid by Seller Group at or prior to Closing. This provision shall survive the Closing Date. Seller Group shall deposit an amount equal to the real estate tax proration described above into escrow with the Title Company in accordance with a re-proration agreement, which re-proration agreement shall provide that: (i) the Title Company shall pay the real estate taxes within twenty (20) days of the issuance of final real estate tax bills; (ii) if the funds deposited into the escrow are not sufficient to pay the real estate taxes when the final real estate tax bills are issued, Seller Group shall immediately deposit funds into the escrow in the amount of such deficiency; and (iii) any funds remaining in the escrow after the taxes for the tax year in which the Closing occurs and for the tax year prior to the tax year in which the Closing occurs have been paid by the Title Company shall be returned to Seller Group.

(b) If the Real Property shall be, or has been, affected by any assessments or special assessments on or before the Closing Date, whether payable in installments or by a lump sum, at the Closing Seller Group shall pay the total lump sum amount owed on all assessments regardless of if the assessments are payable in installments.

(c) All water and sewer charges based on the most recently issued bills, unless the meters are read on the date immediately preceding the Closing Date, in which case such meter readings shall govern.

(d) All other items customarily apportioned in connection with sales of buildings and related property substantially similar to the Real Property in the State of Texas.

Section 4.07 Miscellaneous. Any errors in calculations or apportionments shall be corrected or adjusted as soon as practicable after the Closing Date. The provisions of Section 4.06 and this Section 4.07 shall survive the Closing.

ARTICLE V TITLE MATTERS AND REVIEW

Section 5.01 **Acceptable Title.** The Company holds good and marketable title to the Real Property, subject only to the Permitted Exceptions (the “Title”). At the Closing, the Title Company shall issue to the Company, or be unequivocally bound to issue to the Company, a Form T-1 owner’s policy of title insurance with extended coverage in an amount not less than the fair market value of the Real Property insuring that the entire fee simple title to the Real Property is vested in the Company, subject only to the Permitted Exceptions (the “Title Insurance Policy”).

Section 5.02 **Permitted Exceptions.** The term “Permitted Exceptions” as used herein shall mean and refer to:

(a) any and all zoning, building, environmental, and other Law applicable to the Real Property, including, without limitation, landmark designations and all zoning

variances and special exceptions, if any, in effect as of the Closing Date; provided, however, that the same are not violated by the Improvements or prohibit or materially impair the continued use of the Real Property as it is being used on the date of this Agreement, and any and all future zoning, building, environmental, and other Law applicable to the Real Property, including, without limitation, landmark designations and all zoning variances and special exceptions;

(b) the state of facts shown on the following surveys (collectively, the “Seller Group Survey”): (i) that certain survey of a portion of the Land containing 48.241 acres prepared by Wier & Associates, Inc. (“Wier”) dated October 21, 2025, WA# 22141; (ii) that certain survey of a portion of the Land containing 32.244 acres prepared by Wier dated October 21, 2025, WA# 22141; (iii) that certain survey of a portion of the Land containing 179.302 acres prepared by Weir dated October 21, 2025, WA# 22141; (iv) that certain survey of a portion of the Land containing 3.990 acres prepared by Weir dated October 6, 2025, WA# 22141; and (v) that certain survey of a portion of the Land containing 6.508 acres prepared by Weir dated December 2, 2025, WA# 22141.

(c) all presently existing and future liens for unpaid real estate taxes, assessments, and water and sewer charges that are not due and payable as of the Closing Date, subject to any apportionments as provided for in this Agreement;

(d) all covenants, restrictions and rights of record, and all easements and agreements of record for the erection and/or maintenance of water, gas, steam, electric, telephone, sewer, or other utility pipelines, poles, wires, conduits, or other like facilities, and appurtenances thereto, over, across, and under the Real Property;

(e) any lien or encumbrance arising out of the acts or omissions of Buyer;

(f) the standard conditions and exceptions to title contained in the form of title policy or updated Title Commitment issued to Buyer by the Title Company; and

(g) any other matter that is deemed a Permitted Exception under this Agreement.

Section 5.03 **Title.**

(a) Promptly following the Effective Date but no later than ten (10) days prior to the termination of the Due Diligence Period, the Title Company shall deliver to Buyer: (i) a title commitment from the Title Company for the issuance of the Title Insurance Policy, together with true, legible (to the extent available), and complete copies of any tax search, departmental or municipal searches, and all instruments giving rise to any defects or exceptions to title to the Real Property (collectively, the “Title Commitment”), which Title Commitment shall be delivered to counsel for both Buyer and Seller Group concurrently; and (ii) a copy of Seller Group’s Survey, which Buyer may cause to be updated at Buyer’s expense.

(b) During the Due Diligence Period, Buyer or Buyer's attorney shall deliver to Seller Group, and Seller Group's attorney, in writing a notice (the "**Title Objection Notice**"), which specifies any objections to the exceptions to title set forth in the Title Commitment or Buyer's Survey, other than the Permitted Exceptions (each a "**Title Objection**," and collectively, hereinafter the "**Title Objections**"), within ten (10) days after Buyer's receipt of the Title Commitment and Survey (or any subsequent update thereof). Except for those items which Seller Group is obligated to cure pursuant to the terms of this Agreement, any such matter not the subject of a timely Title Objection Notice shall be deemed a Permitted Exception. Notwithstanding anything to the contrary contained herein, Buyer shall have no need to object to any Mandatory Title Removal Item, which Mandatory Title Removal Items shall be automatically deemed Title Objections. Should any update of the Title Commitment or Survey reveal any new title exceptions, Buyer shall be entitled to the same process outlined hereinabove for its original title review and objections.

Section 5.04 **Curing Title Objections.**

(a) Seller Group shall use commercially reasonable efforts to eliminate all Title Objections by the Closing Date. If Seller Group is unable to eliminate any Title Objection by the Closing Date, Seller Group shall provide written notice of same to Buyer and then, unless the same is waived by Buyer in writing, in its sole and absolute discretion, Buyer may either: (i) terminate this Agreement by written notice to Seller Group and the Title Company delivered on or before the Closing Date, in which event Buyer shall be entitled to a return of the Deposit (less the Independent Consideration), and this Agreement shall thereupon be deemed terminated and of no further effect, and neither party hereto shall have any obligations to the other hereunder or by reason hereof, except for the provisions hereof that expressly survive termination of this Agreement; or (ii) waive the unresolved/uncured Title Objections and complete the purchase (with no reduction in the Purchase Price) with the Title "as is."

(b) Notwithstanding anything in Section 5.04(a) to the contrary, Seller Group shall be required to cause to be released, satisfied, and removed of record as of the Closing Date: (i) any Title Objections which have been voluntarily recorded or otherwise placed, or permitted to be placed, by the Company against the Real Property on or following the date hereof; and (ii) any mortgages, deeds of trust, security instruments, financing statements, or other instruments which evidence or secure indebtedness, judgments, and liens against the Real Property, including, without limitation, mechanics' liens, tax liens and real estate taxes, water rates, and sewer charges and taxes, in each case, which are due and payable but which remain unpaid and/or of record as of the Closing Date (subclauses (i) and (ii), collectively, the "**Voluntary Liens**"); or (iii) any Title Objections which would not constitute Voluntary Liens, but which can be removed by the payment of a liquidated sum of money (items set forth in this subclause together with the Voluntary Liens, the "**Mandatory Title Removal Items**"). Buyer may either: (i) terminate this Agreement by written notice to Seller Group and the Title Company delivered on or before the Closing Date, in which event Buyer shall be entitled to a return of the Deposit (less the Independent Consideration), and this Agreement shall thereupon be deemed terminated and of no further effect, and neither party hereto shall have any obligations to the other hereunder or by reason hereof, except for the provisions hereof that expressly survive termination of this

Agreement; or (ii) complete the purchase (with no reduction in the Purchase Price) with the Title “as is.”

(c) Notwithstanding anything in this Section 5.04 above to the contrary, Buyer may at any time accept such Title, without reduction of the Purchase Price or any credit or allowance on account thereof or any claim against Seller Group. The acceptance of the Title by Buyer shall be deemed to be full performance of, and discharge of, every agreement and obligation on Seller Group’s part to be performed under this Agreement, except for such matters which are expressly stated to survive the Closing hereunder.

ARTICLE VI REPRESENTATIONS AND WARRANTIES

Section 6.01 Representations and Warranties of Seller Group and the Company. Seller Group represents and warrants to Buyer on and as of the date of this Agreement and on and as of the Closing Date, as follows:

(a) Seller Group is one entity, which is duly organized, validly existing, and in good standing under the laws of its respective jurisdiction of formation, and is qualified to conduct business in the State of Texas. The Seller Group has the requisite power and authority to enter into this Agreement and the instruments referenced herein to which it is a party, and to perform its obligations hereunder and thereunder and to consummate the Transactions. The Company is a limited liability company duly formed, validly existing, and in good standing under the laws of the State of Delaware, is qualified to conduct business in the State of Texas and no other jurisdiction, and has the requisite power and authority to enter into this Agreement and the instruments referenced herein to which it is a party, and to perform its obligations hereunder and thereunder and to consummate the Transactions.

(b) The execution, delivery, and performance of this Agreement by Seller Group and the Company and all agreements, instruments, and documents herein provided to be executed by Seller Group or the Company on the Closing Date: (i) do not violate the corporate documents of Seller Group or the Company, (ii) do not violate or render unenforceable any contract, agreement, commitment, lease, order, judgment, or decree to which Seller Group or the Company is a party; (iii) do not result in the creation of any lien or encumbrance upon the Membership Interest; and (iv) have been duly authorized by the consent of the partners or members of Seller Group and the Company, as applicable, and the appropriate and necessary action has been taken by such partners or members on the part of Seller Group and the Company, as applicable. The individual(s) executing this Agreement, and the instruments referenced herein on behalf of Seller Group and the Company have the legal power, right, and actual authority to bind Seller Group and the Company to the terms and conditions hereof and thereof. Assuming due authorization, execution and delivery by Buyer, this Agreement is valid and binding upon Seller Group and the Company in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors’

rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity).

(c) Neither the execution, delivery, or performance of this Agreement, nor the consummation of the Transactions requires Seller Group or the Company to obtain any consent, authorization, approval, or registration under any Law binding upon Seller Group or the Company which has not been previously obtained.

(d) Section 6.01(d) of the Disclosure Schedule sets forth a true, complete and correct list of the holders of Membership Interests and the amount of such Membership Interests, and all such Membership Interests are held free and clear of all liens and encumbrances (other than restrictions on transfer arising under applicable securities Laws and under the Company's corporate governance agreements). Seller Group is the record owner of and has good and valid title to the Membership Interests. The Membership Interests constitute one hundred percent (100%) of the total issued and outstanding equity interests in the Company. The Membership Interests have been duly authorized and are validly issued, fully-paid and non-assessable, free of preemptive rights or any other third-party rights, and have been offered, sold and issued by the Company in compliance with applicable Laws, contractual obligations of the Company (whether or not currently in effect), and the corporate documents of the Company and in compliance with any preemptive rights, rights of first refusal, or similar rights. The rights and privileges of the Membership Interests are set forth in the corporate documents of the Company. There is no option, warrant, call, subscription, convertible security, right (including preemptive right) or contractual obligation of any character to which the Company is bound to issue, exchange, transfer, sell, repurchase, redeem or otherwise acquire any membership interests of the Company or obligating the Company to grant, extend, accelerate the vesting of or enter into any such option, warrant, call, subscription, convertible security, right or contract. There are no outstanding or authorized equity appreciation, phantom equity or similar rights with respect to the Company. There are no registration rights agreements, no voting trust, proxy or other contract and no restrictions on transfer with respect to the Membership Interests of the Company other than as set forth in the corporate documents of the Company. The Company is in compliance with all provisions of its corporate documents of the Company.

(e) The Company does not hold or beneficially own any direct or indirect interest (whether a partnership, joint venture, common or preferred stock or any comparable ownership interest in any individual, corporation, partnership, limited liability company, joint venture, estate, trust, association, organization, labor union, Governmental Authority, or other entity (collectively, "Person")), or any subscriptions, options, warrants, rights, calls, convertible securities, or other agreements or commitments for any interest in any Person.

(f) The Company does not own or lease any machinery, equipment, motor vehicles, furniture, fixtures, supplies, tools and other fixed assets and all other property, plant and equipment, and other tangible personal property owned or leased by the Company, including all vehicles, office furniture, operating and other supplies, tools, repair parts and spare parts located at the Real Property.

(g) Seller Group is not a “foreign person” within the meaning of Section 1445 of the Code.

(h) There is no litigation, arbitration, mediation, audit, investigation, hearing, charge, complaint, indictment, claim or other legal or administrative suit, action, proceeding or investigation pending or, to Seller Group’s Knowledge, threatened against or involving the Company or the ownership or operation of the Company, including, but not limited to, any condemnation action relating to the Real Property.

(i) The Company does not keep or maintain financial records including balance sheets and income statements (or equivalent if named differently) of assets, liabilities and shareholders’ equity.

(j) Section 6.01(j) of the Disclosure Schedule contains a list of all of the insurance policies, fidelity bonds, and similar items, including self-insurance, currently insuring the Company or any of its asset, a description of any self-insurance arrangements including any reserves established thereunder, a description of any contracts or arrangements other than a policy of insurance, for the transfer or sharing of any risk to which the Company is a party and all obligations of the Company to name a third party as an additional insured under any insurance policies. There is no material claim by the Company pending under any of such policies, bonds, or similar items as to which coverage has been questioned, denied or disputed by the underwriters of such policies, bonds, or similar items. All premiums due and payable as of the Closing Date under all such policies, bonds, and similar items have been paid and the Company and the Company has complied in all material respects with the terms and conditions of all such policies, bonds, and similar items. Such policies of insurance, bonds (or other policies and bonds providing substantially similar insurance coverage) and similar items are in full force and effect. Seller Group has no Knowledge of any threatened termination of any of such policies, bonds, or similar items.

(k) There are no outstanding injunctions, orders, judgments, decrees, or rulings of any court, governmental authority, or arbitrator, nor any pending or, to Seller Group’s Knowledge, threatened actions seeking any such relief, which would prohibit, restrict, or materially limit the sale of all the Membership Interests.

(l) Section 6.01(l) of the Disclosure Schedule sets forth a list of the following contracts, agreements, commitments, or binding understandings, whether oral or written, together with all amendments and other modifications thereto (collectively, the “Material Contracts”) to which the Company is a party:

(i) all contracts relating to the service, maintenance, supply, leasing, brokerage, listing, and/or other contracts relating to the Real Property (along with all amendments and modifications thereof, the “Service Contracts”);

(ii) all contracts evidencing any money borrowed by the Company or the creation or existence of any lien or encumbrance against any of the assets or

Real Property of the Company, and all contracts relating to any debt secured in whole or in part by any such lien or encumbrances;

(iii) all joint venture agreements and all other agreements involving the sharing of profits involving the Company;

(iv) all (A) contracts for capital expenditures for the Company involving obligations aggregating in excess of \$50,000; or (B) contracts under which personal property is leased by or to the Company;

(v) all contracts of the Company entered into outside the ordinary course of business;

(vi) any agreement under which the consequences of a default or termination would have a Material Adverse Effect;

(vii) any settlement, conciliation or similar agreement still in effect; and

(viii) any agreement under which the Company has advanced or loaned money to any other Person.

(m) Each Material Contract is valid and binding, currently in force and enforceable in accordance with its terms. The Company has not received any written notice or has Knowledge of any claims of default under or termination of any Material Contract by the other party or parties thereto. The Company or, to the Knowledge of Seller Group, any other party, is in breach in any material respect of any of the terms or covenants of any Material Contract. The Company has delivered to Buyer true, correct, and complete copies of all Material Contracts. The Company is not a party to any oral contracts or agreements.

(n) The Company is in compliance in all material respects with all applicable Laws. Except as set forth on Section 6.01(n) of the Disclosure Schedule, neither Seller Group nor the Company has received notice and is not aware of any material violation of any Law noted or issued against the Company or the Real Property by any Governmental Authority, that has not been cured, corrected, or waived as of the Effective Date.

(o) Seller Group has delivered or made available or shall deliver or make available to Buyer complete copies of all the Due Diligence Materials to the extent in Seller Group's possession or under Seller Group's control with regard to the Real Property. To Seller Group's Knowledge, none of such Due Diligence Materials contains any untrue statement of a material fact or omit to state a fact necessary to make the statement of fact contained therein not misleading in any material respect. The books of account of the Company have been maintained in accordance with sound business practices customary in the Company, and in accordance with all applicable Laws. The equity records of the Company, all of which have been made available to Buyer, are true, correct and complete in all material respects.

(p) Except as set forth in Section 6.01(p) of the Disclosure Schedule:

(i) Neither Company nor Seller Group has treated, stored, disposed of, arranged for or permitted the disposal of, transported, handled, or released any Hazardous Materials or allowed anyone to treat, store, dispose of, arrange for or permit the disposal of, transport, handled or released Hazardous Materials, and to Seller Group's Knowledge, there are no Hazardous Materials installed, stored in, or otherwise existing at, on, in, or under the Real Property in violation of any Environmental Laws. "Hazardous Materials" means "Hazardous Material," "Hazardous Substance," "Pollutant or Contaminant," and "Petroleum" and "Natural Gas Liquids," as those terms are defined or used in the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. § 9601 et seq.) ("CERCLA"), and any other substances regulated because of their effect or potential effect on public health and the environment, including polychlorinated biphenyls (PCBs), lead paint, asbestos, urea formaldehyde, radioactive materials, putrescible materials, and infectious materials. "Environmental Laws" means, without limitation, the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901 et seq.), CERCLA, and other federal, state, county, municipal, and other local Laws governing or relating to Hazardous Materials or the environment together with their implementing regulations, ordinances, and guidelines.

(ii) To Seller Group's Knowledge: (A) the Company has not been in violation in any material respect of any Environmental Laws within the past three (3) years; (B) the Company possess all environmental permits (if any) that are required for the operation of the Company and is and has been in compliance in all material respects with the provisions of all such environmental permits within the past three (3) years; (C) all such environmental permits are in full force and effect, no action is pending or threatened to revoke or modify any such environmental permit. A copy of any notice, citation, inquiry or complaint which Seller Group or the Company has received in the past three (3) years (or regardless of when received, which remains unresolved or was resolved in a manner than imposes ongoing obligations) of any alleged violation of any Environmental Law or environmental permit is contained in Section 6.01(p)(ii) of the Disclosure Schedule.

(iii) Neither the Company nor Seller Group has received any written notice, report or other information regarding any liabilities of the Company, any property or facility formerly owned, operated or leased by the Company or any location to or from which wastes from the Company have come to be located, arising under Environmental Laws.

(iv) To Seller Group's Knowledge, none of the following exists on any portion of the Real Property: (A) underground storage tanks or surface impoundments; (B) asbestos-containing material in any form or condition; or (C) materials or equipment containing polychlorinated biphenyls.

(v) To Seller Group's Knowledge, neither this Agreement nor the consummation of the Transactions will result in any obligations for site investigation or cleanup, or notification to or consent of any Governmental

Authority or third parties, pursuant to any so-called “transaction-triggered” or “responsible property transfer” Environmental Laws.

(vi) To Seller Group’s Knowledge, no facts, events or conditions relating to the past or present facilities, properties or operations of the Company will prevent, hinder or limit continued compliance with Environmental Laws, give rise to any cleanup obligations pursuant to Environmental Laws, or give rise to any other liabilities (whether accrued, absolute, contingent, unliquidated or otherwise, whether due or to become due, whether known or unknown, and regardless of whether asserted) pursuant to Environmental Laws, including any relating to onsite or offsite releases or threatened releases of Hazardous Materials or other substances or wastes, personal injury, property damage or natural resource damage.

(vii) There are no pending or, to Seller Group’s Knowledge, threatened claims, proceedings, actions, suits, investigations, inquiries, or other similar matters pursuant to or relating to Environmental Law or any other Law relating to pollution or Hazardous Materials with respect to or affecting the Company or the Real Property, any formerly owned, operated or leased property or any location at which Hazardous Materials from the operations of the Company have come to be located. Neither Seller Group nor the Company have received any written notice relating to any alleged, actual, or potential violation of Environmental Law or any liability under Environmental Law or relating to a request for information or alleging liability or potential liability under CERCLA.

(q) Neither Seller Group nor the Company has: (i) filed any voluntary or had involuntarily filed against it in any court or with any governmental body pursuant to any statute either of the United States or of any State, a petition in bankruptcy or insolvency or seeking to effect any plan or other arrangement with creditors, or seeking the appointment of a receiver; (ii) had a receiver, conservator, liquidating agent, or similar person appointed for all or a substantial portion of its assets; (iii) suffered the attachment or other judicial seizure of all, or substantially all, of its assets; (iv) given notice to any person or governmental body of insolvency; or (v) made an assignment for the benefit of its creditors or taken any other similar action for the protection or benefit of its creditors. Seller Group is not insolvent and shall not be rendered insolvent by the performance of its obligations under this Agreement.

(r) Except as disclosed on Section 6.01(r) of the Disclosure Schedule:

(i) All Tax Returns and all reports with respect to Taxes required to be filed prior to the Closing Date have been filed by or with respect to the Company (taking into account any extension of time to file) in accordance with all applicable Laws, and all such Tax Returns and all reports with respect to such Taxes are true, correct and complete in all material respects;

(ii) All Taxes payable by or with respect to the Company (whether or not shown as due and payable on the Tax Returns that have been filed) that have become due and payable have been timely paid, to the extent required to be paid

prior to the Closing Date, to the appropriate Governmental Authority having jurisdiction over the assessment, determination, collection, or other imposition of any Tax ("Taxing Authority");

(iii) All Taxes required to have been withheld have been timely withheld and, to the extent required by applicable Law, have been remitted to the appropriate Taxing Authority (including all required withholding for employees, independent contractors, consultants, note holders, members and other third parties);

(iv) Neither the Company nor any members of the Seller Group has filed a tax appeal for the Real Property and no tax appeal is currently pending for the Real Property;

(v) The Company has not received a written claim by any Taxing Authority in any jurisdiction in which the Company does not file a Tax Return that the Company or its beneficial owners may be subject to taxation by that jurisdiction;

(vi) Section 6.01(r)(vi) of the Disclosure Schedule lists all federal, state, local, and non-U.S. income Tax Returns filed with respect to the Company for taxable periods ended on or after December 31, 2021 and indicates therein those Tax Returns, if any, that have been audited, and indicates those Tax Returns, if any, that currently are the subject of an audit. Seller Group has caused to be made available to Buyer correct and complete copies of all federal income Tax Returns, examination reports, and statements of deficiencies assessed against or agreed to by the Company since December 31, 2021;

(vii) The Company is not delinquent in the payment of any Tax nor has the Company requested any extension of time within which to file any Tax Return that is currently pending or outstanding;

(viii) The Company has not been granted any extension or waiver of the statute of limitations period applicable to the determination, assessment or collection of Taxes, which period (after giving effect to such extension or waiver) has not yet expired;

(ix) There is no claim, audit or investigation pending or, to the Knowledge of Seller Group, threatened against or with respect to the Company in respect of any Tax;

(x) There are no liens or encumbrances for Taxes upon the assets of the Company;

(xi) The Company has disclosed on its respective federal income Tax Returns all positions taken therein that could reasonably be expected to give rise to a substantial understatement of federal income Tax within the meaning of Section 6662 of the Internal Revenue Code. The Company is not a party to nor has ever been a party to any Tax allocation, Tax indemnity or Tax sharing agreement;

(xii) The Company (A) has not ever been a member of an affiliated group of corporations (as that term is used by Section 1504 of the Code or any comparable provision of state or local Law), or (B) does not have any liability for the Taxes of any other Person under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or non-U.S. Law), as a transferee or successor, by contract or otherwise;

(xiii) The Company will not be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any (A) change in method of accounting requested or initiated prior to the Closing Date or required to be made as a result of the Closing or the use of an improper method of accounting for a taxable period ending on or prior to the Closing Date, (B) “closing agreement” as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or foreign income Tax Law) executed on or prior to the Closing Date, (C) intercompany transactions or any excess loss account described in Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state or local income Tax Law), (D) installment sale or open transaction disposition made on or prior to the Closing Date, or application of the completed contract method of accounting or the cash method of accounting to any transaction occurring on or prior to the Closing Date, or (E) prepaid amount received on or prior to the Closing Date (collectively, “Tax Accrual Amounts”);

(xiv) The Company has not constituted either a “distributing corporation” or a “controlled corporation” in a distribution of stock intended to qualify for tax-deferred treatment under Code Section 355 within the past two years;

(xv) To the Seller Group’s Knowledge, the Company is not nor has the Company ever been a party to any “reportable transaction,” as defined in Code Section 6707A(c)(1) and Treasury Regulation Section 1.6011-4(b);

(xvi) The Company has not received any private letter ruling from the Internal Revenue Service (or any comparable ruling from any other Taxing Authority);

(xvii) No Governmental Authority has provided notice or inquiry related to contracts entered into by the Company with any of its affiliates;

(xviii) The Company has not (i) elected to defer payments of any “applicable employment taxes” (as defined in Section 2302(d)(1) of the CARES Act) pursuant to Section 2302 of the CARES Act (or any corresponding or similar provision of state, local or foreign Law), (ii) claimed any “employee retention credit” pursuant to Section 2301 of the CARES Act (or any corresponding or similar provision of state, local or foreign Law), (iii) deferred any payroll tax obligations (including those imposed by Sections 3101(a) and 3201 of the Code) (for example, by a failure to timely withhold, deposit or remit such amounts in accordance with the applicable provisions of the Code and the Treasury Regulations

promulgated thereunder) pursuant to or in connection with the Payroll Tax Executive Order, or (iv) sought (nor has any affiliate that would be aggregated with the Company and treated as one employer for purposes of Section 2301 of the CARES Act sought) a covered loan under paragraph (36) of Section 7(a) of the Small Business Act (15 U.S.C. 636(a)), as added by Section 1102 of the CARES Act (or corresponding or similar provision of state, local or non-U.S. Law);

(xix) The Company does not have any property subject to, or of the type described in, Section 197(f)(9) of the Code, and no “section 197 intangible” of the Company, if any, was owned by the Company or any “related persons” during the “transition period” as each such term is defined in Treasury Regulations Section 1.197-2(h);

(xx) The Company is and has always been classified as a disregarded entity pursuant to Treasury Regulations Section 301.7701 for U.S. federal and applicable state income Tax purposes; and

(xxi) Section 6.01(r)(xxi) of the Disclosure Schedule contains a list of all jurisdictions (whether foreign or domestic) to which any Tax imposed is or has been properly payable by the Company. The Company has not, nor has it ever had, a permanent establishment or other taxable presence in any country (other than in such entity’s jurisdiction of formation), as determined pursuant to applicable U.S. or non-U.S. Law and any applicable Tax treaty or convention.

(s) Except as set forth in Section 6.01(s) of the Disclosure Schedule, since January 1, 2025, the Company has operated, in all material respects, in the ordinary course of business consistent with past practice, and there has not been any Material Adverse Effect. Without limiting the foregoing, from January 1, 2025 through the date hereof, the Company has not, in each case in a manner material to the Company, taken any of the following actions:

(i) accelerated, suspended, terminated, modified or canceled any Material Contract (or series of related Material Contracts) outside the ordinary course of business consistent with past practices;

(ii) permitted any liens or encumbrances to be imposed on any assets of the Company other than Permitted Exceptions, statutory liens for current Taxes not yet due and payable, or liens that will be released at or prior to Closing;

(iii) made any capital expenditure (or series of related capital expenditures) outside the ordinary course of business consistent with past practices;

(iv) made any capital investment in, any loan to, or any acquisition of the securities or assets of, any other Person (or series of related capital investments, loans and acquisitions) outside the ordinary course of business consistent with past practices or acquire (by merger, exchange, consolidation, acquisition of equity or assets or otherwise) any Person;

(v) issued any note, bond or other debt security, or create, incur, assume or guarantee any indebtedness for borrowed money (including advances on existing credit facilities);

(vi) delayed, postponed, or accelerated the payment of accounts payable or other liabilities or the receipt of any accounts receivable, in each case outside the ordinary course of business consistent with past practice or in an amount not material to the Company;

(vii) settled, canceled, waived or released any right or claim (or series of related rights or claims) for consideration in excess of \$100,000 in the aggregate or that imposes any material non-monetary obligation on the Company after Closing;

(viii) made or authorized any change in the corporate documents of the Company or legal form of entity or ownership structure of the Company;

(ix) (i) made or changed any material election with respect to Taxes outside the ordinary course of filing Tax Returns, (ii) settled or compromised any material Tax audit, claim, or assessment, (iii) filed any material amendment to a Tax Return, (iv) entered into any Tax allocation, sharing or indemnity agreement (other than agreements entered into in the ordinary course that are not primarily related to Taxes), (v) surrendered any material right to claim a refund of Taxes, or (vi) consented to any material extension or waiver with respect to any Tax claim, assessment, or liability, in each case other than as required by Law or in the ordinary course of filing Tax Returns;

(x) issued, sold, or otherwise disposed of any of membership interests of the Company or granted any options, warrants or other rights to purchase or obtained (including upon conversion, exchange or exercise) any of the membership interests of the Company;

(xi) declared, set aside or paid any dividend or made any distribution with respect to the membership interests of the Company, or redeemed, purchased or otherwise acquired any of the membership interests of the Company, other than distributions to members in the ordinary course consistent with past practice, or split, combine or reclassified any outstanding shares of membership interests of the Company;

(xii) discharged or satisfied any lien or encumbrance or paid any liability other than (A) current liabilities incurred in the ordinary course of business consistent with past practice, (B) liabilities required to be paid under written contracts disclosed to Buyer, or (C) liens that will be released at or prior to Closing; or

(xiii) committed to take any of the actions described in this Section 6.01(s).

(t) The Company does not, and has not ever, owned any intellectual property, including patents, trademarks, service marks, trade names, service names, brand names, trade dress rights, logos, internet domain names, corporate names, copy rights or general intangibles of a like nature, or any rights to any intellectual property.

(u) The Company does not have, and has never had, any employees, whether full-time, part-time, temporary, leased, or otherwise. The Company is not, and has never been, a party to or bound by any employment agreement, collective bargaining agreement, independent contractor agreement, consulting agreement or any other agreement that would constitute or give rise to an employment relationship under applicable Law. The Company has no, and has never had any, liability, obligation, or commitment (whether accrued, contingent, direct, indirect, or otherwise) relating to or arising out of (i) wages, salaries, bonuses, commissions, or other compensation; (ii) employee benefits or benefit plans of any kind, including pension, retirement, health, welfare, vacation, severance, or incentive plans; (iii) payroll or any other employment related Taxes; (iv) workers' compensation claims or benefits; (v) employee misclassification or co-employment; or (vi) any other matter relating to or arising from any current or former employee, applicant, leased work, intern, volunteer, or other individual providing services to the Company.

(v) Seller Group is not, and shall not become, a person or entity with whom United States persons or entities are restricted or prohibited from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's Specially Designated Nationals and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not engaged in and shall not engage in any dealings or transactions or be otherwise associated with such persons or entities.

(w) Except as disclosed in Section 6.01(w) of the Disclosure Schedule, there are no (i) outstanding payables, receivables, loans, advances or other similar accounts or contracts between the Company, on the one hand, and/or any Seller Group entity and/or any other Person controlled by a Seller Group entity, on the other hand, or (ii) contracts between any Seller Group entity and the Company.

(x) Neither the Company nor any Seller Group entity are a party to or in any way obligated, and there are no outstanding claims against the Company or any Seller Group entity, for the payment of any broker's or finder's fee in connection with the origin, negotiation, execution or performance of this Agreement.

(y) The Company has good and marketable fee simple title to the Real Property, subject only to the Permitted Exceptions. The Real Property has not been assigned or conveyed to any third party, and, to Seller Group's Knowledge, no Person (other than Buyer pursuant to this Agreement) has any written option, right of first refusal, right of first offer or other contractual right to acquire the Real Property or any interest therein.

(z) There are no Leases currently in effect with respect to the Real Property and there are no persons leasing, using or occupying the Real Property or any part thereof, in each case other than (a) temporary access, license, or similar arrangements terminable without penalty on not more than thirty (30) days' notice, and (b) rights of utility providers, easement holders or Governmental Authorities under the Permitted Exceptions. "Leases" as used in this Section 6.01 means all tenant leases, lease amendments, guarantees, exhibits, addenda, and riders thereto, and any other documents creating a possessory interest in the Real Property or Improvements with any persons leasing, using, or occupying the Real Property or any part thereof.

(aa) The Company holds, and since its formation has held, all permits, licenses, approvals, consents, registrations, certificates, variances, exemptions, and authorizations (collectively, the "Permits") required under applicable Law for the ownership and operation of the Company and its business as currently conducted. Section 6.01(aa) of the Disclosure Schedules sets forth a true, complete, and correct list of all Permits held by the Company, including the issuing Governmental Authority, permit number, and expiration date. All such Permits are valid, subsisting, and in full force and effect, and the Company is in compliance in all material respects with the terms and conditions thereof. The Company has not received any written notice from any Governmental Authority alleging any violation of, or default under, any such Permit or threatening revocation, suspension, cancellation, modification, or non-renewal of any such Permit. No event has occurred, and no circumstance exists, that would reasonably be expected to result in the revocation, suspension, cancellation, modification, or non-renewal of any such Permit or require the Company to obtain any Permit not listed in Section 6.01(aa) of the Disclosure Schedules for the continued operation of the business as presently conducted.

(bb) "**Knowledge**" as used in Section 6.01 means the actual knowledge of, and any knowledge that would have been acquired by, Shannon McCall upon reasonable inquiry and investigation.

Section 6.02 **Buyer's Representations and Warranties.** Buyer represents and warrants to Seller Group that on and as of the date of this Agreement and on and as of the Closing Date, as follows:

(a) Buyer is a corporation duly organized, validly existing, and in good standing under the Laws of the State of Delaware, and has the requisite power and authority to enter into this Agreement and the instruments referenced herein, and to consummate the Transactions.

(b) The execution, delivery, and performance of this Agreement by Buyer and all agreements, instruments, and documents herein provided to be executed by Buyer on the Closing Date: (i) do not violate the corporate documents of Buyer, or any contract, agreement, commitment, lease, order, judgment, or decree to which Buyer is a party; and (ii) have been duly authorized by the resolution of the directors of Buyer and the appropriate and necessary action has been taken by such directors on the part of Buyer. The individuals executing this Agreement, and the instruments referenced herein on behalf of Buyer have the legal power, right, and actual authority to bind Buyer to the terms and

conditions hereof and thereof. This Agreement is valid and binding upon Buyer, subject to bankruptcy, reorganization, and other similar Laws affecting the enforcement of creditors' rights generally.

(c) There are no actions, suits, claims, investigations, or proceedings pending or, to Buyer's knowledge, threatened against Buyer, at law or in equity, or before or by any Governmental Authority, which, individually or in the aggregate, would reasonably be expected to adversely affect the ability of Buyer to perform its obligations under this Agreement or to consummate the Transaction contemplated hereby.

(d) Neither the execution, delivery, or performance of this Agreement, nor the consummation of the Transactions is prohibited by, or requires Buyer to obtain any consent, authorization, approval, or registration under any Law binding upon Buyer which has not been previously obtained.

(e) Buyer is not a person or entity with whom United States persons or entities are restricted or prohibited from doing business under OFAC regulations (including those named on OFAC's Specially Designated Nationals and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not engaged in and shall not engage in any dealings or transactions or be otherwise associated with such persons or entities.

(f) Buyer has, and will have at the Closing, sufficient immediately available funds to pay the Purchase Price and any other amounts required to be paid by Buyer pursuant to this Agreement, and to consummate the Transactions contemplated hereby. Buyer's obligations under this Agreement are not subject to any condition regarding Buyer's ability to obtain financing or the availability of funds. Buyer acknowledges and agrees that under no circumstances shall the receipt or availability of any funds or financing by Buyer or any other financing or other transactions be a condition to any of Buyer's obligations under this Agreement.

(g) Buyer acknowledges and agrees that it has conducted its own independent review and analysis of the Company and its business, assets, condition, and operations as presented and disclosed by the Sellers in the "virtual data room" (the "Evaluation Materials"), and has formed an independent judgment based thereon. In entering into this Agreement, Buyer has relied solely upon its own investigation and analysis of the Evaluation Materials and upon the express representations and warranties of Seller Group set forth in ARTICLE VI. Buyer further acknowledges and agrees that none of Seller Group, the Company, or any of their respective officers, directors, managers, shareholders, partners, members, affiliates, employees, agents, counsel, or other representatives has made, or will be deemed to have made, any representation or warranty, express or implied, as to Seller Group, the Company, this Agreement, or the Transactions, except as expressly set forth in ARTICLE VI.

Section 6.03 **Bring Down Certificate.**

Each party shall deliver to the other party a Bring Down Certificate reaffirming the accuracy and truthfulness of each of such party's representations and warranties in Section 6.01 and Section 6.02, as applicable (or, if any has ceased to be true, so indicating), in each case as though made on and as of the Closing Date (except to the extent such representations and warranties expressly relate to an earlier date, in which case as of such earlier date), except for such inaccuracies as would not, individually or in the aggregate, have a Material Adverse Effect, and providing that such representations and warranties shall survive the Closing as provided in Sections 6.01 and 6.02, respectively. As used herein, "**Material Adverse Effect**" means any event, change, circumstance, effect, development, condition, occurrence, or state of facts that, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect on the business, assets, liabilities, financial condition, or results of operations of the Company, taken as a whole; provided, however, that none of the following, either alone or in combination, shall be deemed to constitute or be taken into account in determining whether a Material Adverse Effect has occurred: (a) changes in general economic, business, financial, or market conditions affecting the industry in which the Company operates, (b) changes in Law or in accounting principles or standards, (c) the announcement or pendency of the Transaction contemplated by this Agreement, (d) any action taken or omitted to be taken at the written request or with the written consent of Buyer, or (e) any acts of war, terrorism, or natural disasters.

ARTICLE VII SELLER GROUP'S COVENANTS

Section 7.01 Leases. During the period from the Effective Date until the Closing Date, Seller Group shall not:

(a) Enter into any new Lease, submit or consider any proposal for a new Lease, or terminate, amend, or modify any Lease without Buyer's prior written consent (except any Leases which are extended pursuant to the exercise by the tenant of an option in such Lease and such option is exercised between the date hereof and the Closing Date).

(b) Enter into any new agreements with any brokers in connection with any prospective tenants for new leases from the date of this Agreement through the Closing Date, or earlier termination of this Agreement, without Buyer's written consent and Buyer shall assume at the Closing all obligations under such agreements. There shall be no apportionment between Seller Group and Buyer of any commission payments arising under such agreements and originating from prospective tenants who after the Closing Date become tenants of the Real Property.

Section 7.02 Maintenance and Repairs. During the period from the Effective Date until the Closing Date, Seller Group: (a) shall cause the Real Property, including the Improvements, to be maintained in substantially the same manner as prior to the date of this Agreement pursuant to Seller Group's normal course of business; and (b) shall not cause or make any new improvements, alterations, or demolition to the Real Property.

Section 7.03 **Service Contracts.** Following the Effective Date, Seller Group shall not enter into any new Service Contract which is not terminable on thirty (30) days' prior notice without Buyer's prior written consent, which may be withheld in Buyer's sole discretion.

ARTICLE VIII RELEASES; RISK OF LOSS

Section 8.01 **Company Release.** Effective as of and conditioned upon the occurrence of the Closing, the Company, on behalf of itself and its controlled affiliates, legal representatives, successors and assigns (each, a "**Company Releasor**" and, collectively, "**Company Releasors**"), hereby releases, acquits and forever discharges, to the fullest extent permitted by applicable Law, Seller Group and its past, present or future officers, managers, directors, shareholders, partners, members, affiliates, employees, counsel, agents and other representatives (each a "**Company Releasee**") of, from and against any and all claims which such Company Releasor ever had, now has or may have on or by reason of any matter, cause or thing whatsoever relating to ownership of the Membership Interests prior to the Closing. Each Company Releasor agrees not to and agrees to cause its respective controlled affiliates and subsidiaries not to assert any claim (other than Company Excluded Claims) against the Company Releasees. Notwithstanding the foregoing, each Company Releasor and its respective heirs, legal representatives, successors and assigns retain, and do not release, their rights and interests under or any agreement entered into pursuant to this Agreement (collectively, the "**Company Excluded Claims**").

Section 8.02 **Risk of Loss.** If prior to the Closing Date any portion of the Real Property shall be taken by condemnation or eminent domain or damaged or destroyed by fire or other casualty, neither party shall have the right to cancel this Agreement, except as otherwise provided in Section 3.02 or Section 8.03, as applicable, of this Agreement. If this Agreement is not terminated in strict accordance with such Section 3.02 or Section 8.03, as applicable, Buyer shall purchase the Membership Interests in accordance with this Agreement, and the Purchase Price shall not be reduced; provided, however, that Seller Group's rights to any award resulting from such taking or any insurance proceeds resulting from such fire or other casualty shall be assigned by Seller Group to Buyer at the Closing. Buyer shall also receive a credit against the Purchase Price for any deductible applicable under any insurance policy (less any reasonable sums expended by Seller Group for repair or restoration through the Closing Date). Buyer and Seller Group hereby irrevocably waive the provision of any statute that provides for a different outcome or treatment in the event the Real Property shall be taken or damaged or destroyed by fire or other casualty, including, without limitation, the provisions of Texas Property Code §5.007.

Section 8.03 **Major Taking or Casualty.** If prior to the Closing Date any portion of the Real Property shall be: (a) taken by any condemnation or eminent domain which permanently and materially impairs the current use of the Real Property; or (b) damaged or destroyed by fire or other casualty, then Buyer may terminate this Agreement by giving Seller Group and the Title Company written notice thereof ("**Buyer's Termination Notice**") within ten (10) days from the date Buyer receives written notice of any such taking, fire, or other casualty. Upon receipt of Buyer's Termination Notice, the Title Company shall refund to Buyer the Deposit (less the Independent Consideration) and upon such refund being made, this Agreement shall terminate and

neither party shall have any further rights and/or obligations with respect to each other or this Agreement, except for any obligations that expressly survive termination of this Agreement.

ARTICLE IX INDEMNITIES

Section 9.01 Indemnification by Seller Group.

(a) Following the Closing and subject to the express provisions of this ARTICLE IX, Seller Group agrees to indemnify, defend and hold harmless Buyer, its affiliates, and the officers, directors, managers, shareholders, members, partners, employees, agents and attorneys of Buyer and its affiliates (collectively, the “Buyer Indemnified Parties”) from and against losses actually incurred and paid by a Buyer Indemnified Party, in each case net of amounts described in Section 9.04, arising from or related to:

(i) any breach of any representation or warranty of Seller Group or the Company expressly set forth in Section 6.01 in each case as qualified by the Disclosure Schedule;

(ii) any breach by Seller Group of any of its covenants, obligations or agreements expressly contained in this Agreement or any agreement contemplated in connection with the Transactions hereunder that are to be performed by Seller Group post-Closing;

(iii) Indemnified Taxes, solely to the extent arising from Pre-Closing Tax Periods and allocated to the Pre-Closing portion of any Straddle Period in accordance with this Agreement; or

(iv) liabilities of the Company existing or arising on or prior to the Closing Date.

(b) Certain Limitations.

(i) Notwithstanding any provision to the contrary, for purposes of Section 9.01(a)(i), the determination of the amount of losses in respect of any breach of a representation or warranty (but not for purposes of determining any breach) shall be made as if such representation and warranty had not contained any limitation or qualification as to materiality, Material Adverse Effect, or similar language set forth in such representation or warranty or in the Disclosure Schedule.

(ii) The representations and warranties of Seller Group and the Company contained in this Agreement shall survive the Closing until the 12-month anniversary of the Closing Date; provided, however, that the representations and warranties made pursuant to (A) Section 6.01(a), (b), (c), (d), (e), (k), (x) and (y) shall survive for a period of five (5) years after the Closing Date and (B) Section 6.01(g), (q), (r), (v) and (w) shall survive sixty (60) days following the expiration of the relevant statute of limitations (Section 6.01(a), (b), (c), (d), (e), (g), (k), (q),

(v), (x), (w) and (y) collectively referred to as the “Fundamental Representations”). No investigation by or on behalf of Buyer or any knowledge of Buyer (pre- or post-Effective Date or pre-Closing) shall affect Buyer’s ability to bring a claim for breach of any representation or warranty that survives pursuant to this Section 9.01(b)(ii); provided, however, that Buyer shall not be entitled to indemnification for any breach of a representation or warranty to the extent Buyer had actual knowledge of such breach as of the Closing. If written notice of a claim that sets forth in reasonable detail the facts that Buyer believes, in good faith, constitute a reasonable basis for indemnification has been given prior to the expiration of the applicable survival period by Buyer to Seller Group, then the relevant representations and warranties shall survive as to such claim until such claim has been finally resolved. All covenants and agreements that by their terms are to be performed after the Closing shall survive in accordance with their terms; all other covenants and agreements shall survive for 12 months following the Closing Date.

(iii) Except for losses relating to breaches of Fundamental Representations and losses arising as a result of Fraud, the Seller Group will not have any obligation to indemnify the Buyer Indemnified Parties with respect to losses pursuant to Section 9.01(a)(i) unless and until the Buyer Indemnified Parties have suffered aggregate losses in excess of \$5,000,000 (the “Basket”), in which event Seller Group shall be liable only for losses in excess of the Basket.

(iv) Notwithstanding any provision of this Agreement to the contrary: (A) except for losses relating to breaches of Fundamental Representations and losses arising as a result of Fraud, the aggregate indemnification obligations of Seller Group with respect to losses pursuant to Section 9.01(a)(i) shall not exceed \$25,000,000 (the “Cap”); and (B) except for losses arising as a result of Fraud, in no event shall the aggregate liability of Seller Group with respect to any and all losses pursuant to Section 9.01(a)(i) or Section 9.01(a)(ii) exceed the Purchase Price.

(v) For purposes of this ARTICLE IX, “Fraud” means actual and intentional common law fraud with scienter by a Person in the making of the representations and warranties set forth in this Agreement, with the specific intent to deceive the other party, as determined by a final, non-appealable judgment of a court of competent jurisdiction, and solely by the Person(s) whose title or name is expressly set forth in the signature pages hereto as having executed this Agreement on behalf of Seller Group or the Company, and no other theory or type of fraud or any imputed or vicarious liability shall apply.

(vi) Notwithstanding anything herein to the contrary, in no event shall Seller Group be liable for any special, exemplary, punitive, incidental, indirect, consequential or speculative damages, or any diminution in value, multiple-of-earnings or similar valuation-based damages, except to the extent such damages are actually awarded and paid to a third party in connection with a Third Party Claim.

(vii) No individual claim (or series of related claims arising out of substantially the same facts, events or circumstances) for losses shall be brought unless the losses with respect to such claim exceed \$250,000.

Section 9.02 Indemnification by Buyer. Following the Closing and subject to the express provisions of this ARTICLE IX, Buyer agrees to indemnify, defend and hold harmless Seller Group, their affiliates, and the respective officers, directors, managers, shareholders, members, partners, employees, agents and attorneys of Seller Group and its affiliates (collectively, the “Seller Indemnified Parties”) from and against losses actually incurred and paid by a Seller Indemnified Party, in each case net of amounts described in Section 9.04, arising from or related to:

- (a) any inaccuracy or breach of any representation or warranty made by Buyer in Section 6.02;
- (b) any breach by Buyer of any of its covenants, obligations and agreements contained in this Agreement; or
- (c) liabilities of the Company first arising or first occurring after the Closing Date (other than as described in Section 9.01(a) of this Agreement).

Section 9.03 Third Party Claims. The Buyer Indemnified Parties or the Seller Indemnified Parties, as the case may be, making a claim for indemnification under Section 9.01 or Section 9.02 shall be, for the purposes of this Agreement, referred to as the “Indemnified Party” and the party or parties against whom such claims are asserted under this ARTICLE IX shall be, for the purposes of this Agreement, referred to as the “Indemnifying Party.” All claims by any Indemnified Party under this ARTICLE IX shall be asserted and resolved as follows:

- (a) **Notice.** If (i) any claim is asserted or instituted by any person other than Buyer or Seller Group or their respective affiliates that could give rise to losses for which an Indemnifying Party could be liable to an Indemnified Party under this Agreement (a “Third Party Claim”), or (ii) any Indemnified Party under this Agreement shall have a claim to be indemnified by any Indemnifying Party under this Agreement that does not involve a Third Party Claim (a “Direct Claim”), the Indemnified Party shall promptly send to the Indemnifying Party a written notice specifying the nature of such claim and the amount or estimated amount thereof if known (a “Claim Notice”); provided, however, that the failure to provide such notice shall not release the Indemnifying Party from any of its obligations under this ARTICLE IX except to the extent that the Indemnifying Party is actually and materially prejudiced by such failure. In the event of a Direct Claim, the Indemnifying Party shall notify the Indemnified Party within 60 Business Days of receipt of a Claim Notice whether or not the Indemnifying Party disputes such claim. If no such notification is delivered within 60 Business Days of receipt of a Claim Notice, then the Indemnifying Party shall be deemed to have disputed the Direct Claim in its entirety.
- (b) **Right to Contest Third Party Claims.** In the event of a Third Party Claim, if, within 10 Business Days following its receipt of a Claim Notice with respect to such Third Party Claim, the Indemnifying Party provides notice of its intent to assume the

defense of such Third Party Claim, the Indemnifying Party shall be entitled to appoint counsel of the Indemnifying Party's choice, reasonably acceptable to the Indemnified Party (such acceptance not to be unreasonably withheld, conditioned or delayed), at the expense of the Indemnifying Party to represent the Indemnified Party and any others the Indemnifying Party may reasonably designate in connection with such claim (in which case the Indemnifying Party shall not be responsible for the fees and expenses of any separate counsel retained by any Indemnified Party except as set forth below). Notwithstanding an Indemnifying Party's election to appoint counsel to represent an Indemnified Party in connection with a Third Party Claim, an Indemnified Party shall have the right to employ separate counsel to participate (but not control) in the defense of such Third Party Claim, and the Indemnifying Party shall bear the reasonable fees, costs and expenses of such separate counsel only if (i) upon advice of the Indemnified Party's counsel, there exists a conflict of interest that, under applicable principles of legal ethics, would prohibit a single legal counsel from representing both the Indemnified Party and the Indemnifying Party in such claim, or (ii) the Indemnifying Party has failed to prosecute or defend vigorously such claim. If requested by the Indemnifying Party, the Indemnified Party agrees to cooperate with the Indemnifying Party and its counsel in contesting any claim that the Indemnifying Party defends, including by making any counterclaim against the Person asserting the Third Party Claim, or any cross-complaint against any Person, in each case to the extent related to the Third Party Claim. If the Indemnifying Party contests its obligation to indemnify the Indemnified Party hereunder, the Indemnified Party shall be entitled to defend the Third Party Claim in its sole discretion with counsel of its choice and at the sole cost and expense of the Indemnifying Party to the extent the Indemnifying Party is finally determined to be liable for such indemnification obligations. Notwithstanding the foregoing, the Indemnifying Party shall not be entitled to conduct and control the defense of the Third Party Claim if such claim, based on the remedy sought, would reasonably be expected to result in criminal liability of, or non-monetary injunctive or equitable relief against, the Indemnified Party.

(c) Settlement. No Third Party Claim may be settled or compromised by the Indemnifying Party without the prior written consent of the Indemnified Party (not to be unreasonably withheld, conditioned, or delayed); provided that no such consent shall be required if the settlement (i) provides for the payment of money damages only, which shall be paid in full by the Indemnifying Party, (ii) includes a full and unconditional release of the Indemnified Party from all liability with respect to such Third Party Claim, and (iii) does not include any admission of wrongdoing by the Indemnified Party or impose any non-monetary obligations on the Indemnified Party.

Section 9.04 Determination of Claim Amount. All indemnification payments payable by an Indemnifying Party hereunder shall be reduced by (a) the amount of insurance proceeds (after deducting related costs and expenses, including any deductible amount and any resultant increase in insurance premiums) actually received by the Indemnified Party as a result of the losses for which such Indemnified Party is seeking indemnification, and (b) any other indemnity, reimbursement arrangement or contract pursuant to or under which such Indemnified Party or its affiliates is a party or has rights. If, at any time subsequent to an Indemnified Party receiving an indemnity payment for a claim under this ARTICLE IX, the Indemnified Party receives payment

directly in respect of the claim underlying such losses through recovery, settlement or payment by or against another Person, the amount of such payment, less any costs, expenses or premiums incurred directly in connection therewith, will promptly be repaid by the Indemnified Party to the Indemnifying Party, but not in excess of the sum of (i) any amount previously paid by the Indemnifying Party to or on behalf of the Indemnified Party in respect of such matter and (ii) any amount expended by the Indemnifying Party in pursuing or defending any claim arising out of such matter. The parties shall, and shall cause each of their respective Indemnified Parties, to use commercially reasonable efforts to mitigate any losses associated with a claim under this ARTICLE IX. Buyer shall not be entitled to be indemnified more than once for the same loss.

Section 9.05 Adjustment to Purchase Price. All indemnification payments made pursuant to this ARTICLE IX will be treated as an adjustment to the Purchase Price for all purposes unless otherwise required by applicable Law.

Section 9.06 No Setoff. Buyer shall have no right of setoff, deduction or withholding against any amounts due to any member of Seller Group or their affiliates pursuant to this Agreement or any other Transaction-related document, except as expressly provided herein or as required by applicable Law

Section 9.07 Exclusive Remedy. Except: (a) for equitable relief, to which any party hereto may be entitled pursuant to Section 14.15; (b) for losses resulting from or arising out of Fraud (as defined in Section 9.01(b)(v)); and (c) as otherwise expressly provided in this Agreement, each party acknowledges and agrees, for itself and its respective Indemnified Parties, that after the Closing the indemnification provided in this Agreement shall be the sole and exclusive remedy for any and all claims for any breach of this Agreement, regardless of the legal theory under which such liability or obligation may be sought to be imposed, in contract or tort, at law or at equity. The rights and remedies of the parties to this Agreement are cumulative and not alternative, provided that no party shall be entitled to duplicative recoveries in respect of the same facts, events or circumstances.

ARTICLE X NOTICES

Section 10.01 Delivery of Notices. Unless specifically stated otherwise in this Agreement, all notices, demands, consents, approvals, waivers, or other communications (for purposes of this Section 10.01 collectively referred to as “**Notices**”) shall be in writing and delivered to Buyer, Seller Group, or Title Company, at the addresses set forth in Section 10.02, by one of the following methods: (i) personal delivery, whereby delivery is deemed to have occurred at the time of delivery; (ii) overnight delivery by a nationally or regionally recognized overnight courier company, whereby delivery is deemed to have occurred the Business Day following deposit with the courier; (iii) registered or certified mail, postage-prepaid, return receipt requested, whereby delivery is deemed to have occurred on the third Business Day following deposit with the United States Postal Service; or (iv) electronic transmission (email) provided that the transmission is completed no later than 5:00 p.m. Central Time on a Business Day and the original also is sent by personal delivery, overnight delivery or by mail in the manner previously described, whereby

delivery is deemed to have occurred at the end of the Business Day on which electronic transmission is completed.

Section 10.02 Parties Addresses.

(a) Unless changed in accordance with Section 10.02(b) of this Agreement, the addresses for all communications and notices shall be as follows:

If to Seller Group: McCall Family Limited Partnership
146 Payne Street
Dallas, TX 75207
Attn: Shannon McCall
Email: smccall@teliospc.com

With a copy to (which shall not constitute notice):
Duane Morris LLP
30 South 17th Street
Philadelphia, PA 19103-4196
Attn: Darrick Mix
Email: dmix@duanemorris.com

If to Buyer: Core Scientific, Inc.
701 Brickell Avenue, Suite 2500
Miami, FL 33131
Attn: General Counsel
Email: legal@corescientific.com

With a copy to (which shall not constitute notice):
Morgan, Lewis & Bockius LLP
1000 Louisiana Street, Suite 4000
Houston, TX 77002
Attn: Humberto Padilla Gonzalez
Email: humberto.padilla@morganlewis.com

(b) Any party may, by notice given in accordance with this ARTICLE X, designate a different address or person for receipt of all communications or notices.

(c) Any notice under this Agreement may be given by the attorneys of the respective parties who are hereby authorized to do so on their behalf.

**ARTICLE XI
REMEDIES**

Section 11.01 Remedies.

(a) Buyer Default.

(i) If Buyer shall default in the observance or performance of Buyer's obligations under this Agreement and the Closing does not occur by the Required Closing Date as a result thereof (a "Buyer Default"), then, as Seller Group's sole and exclusive remedy for Buyer's failure to close the Transaction, Seller Group shall be entitled to retain the Deposit, together with all interest earned thereon (collectively, the "Liquidated Damages"), as liquidated damages for such Buyer Default. Upon disbursement of the Liquidated Damages to Seller Group, this Agreement shall terminate, and the parties shall be released from further liability to each other hereunder, except for those obligations and liabilities that are expressly stated to survive termination of this Agreement. SELLER GROUP AND BUYER AGREE THAT IT WOULD BE IMPRACTICAL AND EXTREMELY DIFFICULT TO ESTIMATE THE DAMAGES WHICH SELLER GROUP MAY SUFFER UPON A BUYER DEFAULT AND THAT THE DEPOSIT AND ANY INTEREST EARNED THEREON, AS THE CASE MAY BE, REPRESENTS A REASONABLE ESTIMATE OF THE TOTAL NET DETRIMENT THAT SELLER GROUP WOULD SUFFER UPON A BUYER DEFAULT. SUCH LIQUIDATED AND AGREED DAMAGES ARE NOT INTENDED AS A FORFEITURE OR A PENALTY WITHIN THE MEANING OF APPLICABLE LAW.

(ii) Notwithstanding the foregoing, the limitation of Seller Group's remedies to the Liquidated Damages shall apply only to claims arising out of Buyer's failure to consummate the Closing, and shall not limit, waive, or impair Seller Group's rights or remedies with respect to: (A) Buyer's fraud or intentional misrepresentation; (B) Buyer's willful or bad-faith breach of any covenant or obligation that by its terms expressly survives termination or Closing; (C) claims for injunctive or other equitable relief to enforce surviving or independent covenants; and (D) recovery of Seller Group's actual damages for physical injury to, or contamination of, the Real Property, the filing of mechanics' or other liens caused by Buyer or its representatives, or failure by Buyer to remove hazardous materials introduced to the Real Property by Buyer or its representatives. The foregoing carve-outs shall survive termination. For clarity, Seller Group may draw upon or receive the Deposit as Liquidated Damages without the necessity of proving actual damages and without prejudice to Seller Group's rights in the foregoing carve-out categories.

(b) Seller Group Default.

(i) If Seller Group defaults in the performance of Seller Group's obligations to be performed under this Agreement and the Closing does not occur as a result thereof (a "Seller Group Default"), then Buyer's sole and exclusive remedy shall be to either: (i) terminate this Agreement by delivery of written notice to Seller Group and the Title Company, and Title Company or Seller Group, as applicable, shall return the Deposit (less the Independent Consideration) to Buyer, with the interest earned thereon, if any, whereupon this Agreement shall terminate and neither party shall have any further rights or obligations with respect to each other or this Agreement, except those that are expressly provided in this Agreement

to survive the termination hereof; or (ii) continue this Agreement and seek specific performance of Seller Group's obligations hereunder.

(ii) Notwithstanding the foregoing, if Seller Group willfully default in its obligation to close the Transaction on the Closing Date in breach of this Agreement and specific performance shall not be a legally available remedy to Buyer as a result thereof, then Buyer shall: (A) have the right to receive a return of the Deposit (but not the Independent Consideration); and (B) be entitled to (and Seller Group shall reimburse Buyer for) Buyer's Costs (which reimbursement obligation shall survive the termination of this Agreement). The term "**Buyer's Costs**" is defined for the purpose of this Agreement as the expenses, if any, actually incurred, out-of-pocket, third-party due diligence costs that are customarily documented and directly related to the Transaction, consisting solely of: (i) title examination, survey, and municipal searches, including the issuance of Buyer's Title Commitment and any continuation thereof, without issuance of a title insurance policy; and (ii) fees paid to Buyer's architect for preparing any plans and/or to Buyer's engineer for preparing any environmental and engineering reports with respect to the Real Property. For the avoidance of doubt, Buyer's Costs shall not include internal costs, overhead or allocation of salaries, financing costs, opportunity costs, or attorneys' fees, court costs, or other litigation expenses, all of which are expressly waived. Buyer's right to recover Buyer's Costs shall be Buyer's sole and exclusive monetary remedy for a Seller Group Default, and Buyer hereby waives any right to seek or recover punitive, special, indirect, consequential, speculative, or lost-profit damages in all events..

(c) Upon the release of the Deposit, and any interest accrued thereon, to either Buyer or Seller Group, as the case may be, and reimbursement of Buyer's Costs (if applicable), this Agreement shall be deemed null and void and no party hereto shall have any obligations to, or rights against, the other hereunder, except as expressly provided herein.

(d) in this Agreement, whether express or implied, and regardless of whether the Transaction contemplated hereby are consummated or this Agreement is terminated for any reason, the total aggregate liability of Seller Group, its affiliates, and their respective officers, directors, managers, members, partners, employees, agents, and representatives, for any and all claims, losses, damages, liabilities, costs, or expenses (including attorneys' fees) arising out of or relating to this Agreement or the Transaction contemplated hereby or thereby, whether based on contract, tort, strict liability, or otherwise, shall in no event exceed, in the aggregate, an amount equal to five percent (5%) of the Purchase Price actually paid to Seller Group pursuant to this Agreement; provided, however, that in the event of fraud or willful misconduct by Seller Group, the aggregate liability shall in no event exceed an amount equal to fifty percent (50%) of the Purchase Price actually paid to Seller Group pursuant to this Agreement.

(e) In no event shall Seller Group, its affiliates, or any of their respective officers, directors, managers, members, partners, employees, agents, or representatives be liable to Buyer, the Company, or any of their respective affiliates, representatives,

successors, or assigns for any punitive, special, indirect, consequential, exemplary, or incidental damages, including, without limitation, loss of future revenue, income or profits, diminution of value, or loss of business reputation or opportunity, arising out of or relating to any breach or alleged breach of this Agreement or otherwise in connection with the Transaction contemplated hereby, whether or not Seller Group has been advised of the possibility of such damages.

ARTICLE XII CONFIDENTIALITY

Section 12.01 Confidentiality. Each party covenants and agrees not to communicate: (a) the terms or any aspect of this Agreement and the Transactions; and (b) the content of any and all information in respect of the Company which is supplied by either party (collectively, the “**Confidential Information**”) to any person or entity, without the express written consent of such party; provided, however, that a party may, without consent, disclose the Confidential Information: (i) to its respective advisors, consultants, attorneys, accountants, partners, investors, and lenders, to the extent the foregoing have a need to know such Confidential Information (the “**Transaction Parties**”) without the express written consent of the disclosing party, so long as any such Transaction Parties to whom disclosure is made shall also agree to keep all such information confidential in accordance with the terms hereof; and (ii) if disclosure is required by Law or by regulatory or judicial process or pursuant to any regulations promulgated by NASDAQ or other public exchange for the sale and purchase of securities, provided that in such event the disclosing party shall notify the other party in writing of such required disclosure, shall exercise all commercially reasonable efforts to preserve the confidentiality of the Confidential Information, including, without limitation, reasonably cooperating with the other party to obtain an appropriate order or other reliable assurance that confidential treatment shall be accorded such Confidential Information by such tribunal and shall disclose only that portion of the Confidential Information which it is legally required to disclose. The foregoing confidentiality obligations shall not apply to the extent that any such Confidential Information is a matter of public record or is provided in other sources readily available to the real estate industry other than as a result of disclosure by a party or its Transaction Parties, is in the possession of the Transactions Parties on a non-confidential basis prior to disclosure hereunder, or is received by the Transaction Parties from a third party without an obligation of confidentiality owed to the other party. Each party shall indemnify, defend, and hold the other party harmless from, any and all claims, losses, damages, liabilities, and expenses (including, without limitation, reasonable attorneys’ fees and disbursements) arising in connection with such party’s obligations under this Section 12.01 and/or the disclosure of any Confidential Information by such party and/or by such party’s Transaction Parties in violation of this Section 12.01.

Section 12.02 Return or Destruction of Confidential Information. As of the Closing Date or in the event of a termination of this Agreement, if applicable, such confidentiality shall be maintained by the parties and all Confidential Information in accordance with the written request of either party shall be either promptly: (i) returned to the disclosing party; or (ii) destroyed by the nondisclosing party, with any such destruction confirmed in writing. Notwithstanding the foregoing, a party may retain (A) one archival copy of Confidential Information with its legal counsel solely for purposes of monitoring its obligations hereunder and complying with Law, and

(B) any electronic copies created as part of the receiving party's routine data backup and archival practices, which shall remain subject to the confidentiality and non-use obligations set forth herein.

Section 12.03 Survival. The provisions of this ARTICLE XII shall survive the Closing or earlier termination of this Agreement.

ARTICLE XIII BROKERS; TAXES

Section 13.01 Brokers. Buyer and Seller Group each represent and warrant to each other that they dealt with no broker in connection with, nor has any broker had any part in bringing about, this Transaction. Seller Group and Buyer shall each indemnify, defend, and hold harmless the other from and against any claim of any other broker or other person for any brokerage commissions, finder's fees, or other compensation in connection with this Transaction if such claim is based in whole or in part by, through, or on account of, any acts of the indemnifying party or its agents, employees, or representatives and from all losses, liabilities, costs, and expenses in connection with such claim, including without limitation, reasonable attorneys' fees, court costs, and interest. The provisions of this ARTICLE XIII shall survive the Closing or the termination of this Agreement prior to the Closing.

Section 13.02 Tax Treatment and Withholding Rights.

(a) The parties agree that, prior to the Deposit release, the tax owner of the Deposit is Buyer.

(b) The parties acknowledge and agree that, for U.S. federal (and applicable state and local) income Tax purposes, the purchase and sale of the Company shall be treated as a taxable sale of the assets of the Company (the "Intended Tax Treatment"). None of the parties (or their respective affiliates) shall take any position (whether in audits, Tax Returns or otherwise) that is inconsistent with the Intended Tax Treatment except to the extent otherwise required by applicable law.

(c) The Buyer (or, if applicable, the Company) shall be entitled to deduct and withhold from any amounts payable to the Seller Group under this Agreement such amounts as the Buyer (or, if applicable, the Company) is required to deduct and withhold with respect to the making of such payment under the Code, or any provision of applicable Tax law and shall timely remit to the appropriate Taxing Authority any and all amounts so deducted or withheld. Any amounts withheld pursuant to this Section 13.02(c) shall be treated for all purposes of this Agreement as having been paid to the applicable member of the Seller Group.

Section 13.03 Cooperation. The parties shall reasonably cooperate, as and to the extent reasonably requested by any other party, filing of Tax Returns pursuant to this Section 13.03 and any audit, litigation or other proceeding with respect to Taxes. The Company shall retain all books and records with respect to Tax matters pertaining to the Company relating to any Pre-Closing Tax Period until the earlier of six (6) years or the expiration of any applicable statute of limitations and shall abide by all record retention agreements entered into with any Governmental Authority.

Section 13.04 Straddle Periods. In the case of any Straddle Period, the determination of the amount of any Taxes based on or measured by income, receipts, or payroll attributable to the Pre-Closing Tax Period shall be made by assuming that the Straddle Period consisted of two taxable years or periods, one that ended at the close of the Closing Date and the other that began at the beginning of the day following the Closing Date. Exemptions, allowances or deductions that are calculated on an annual basis, such as depreciation deductions, shall be apportioned between such two taxable years or periods ratably, on a daily basis. The determination of the amount of any other Taxes for a Straddle Period that relates to the Pre-Closing Tax Period shall be made by multiplying the amount of such Tax for the entire taxable period by a fraction the numerator of which is the number of days in the taxable period ending on and including the Closing Date and the denominator of which is the total number of days in such Straddle Period. Notwithstanding anything to the contrary in this Agreement, all Tax Accrual Amounts shall be treated as a Tax liability for the Pre-Closing Tax Period.

Section 13.05 Purchase Price Allocation. Within sixty (60) days after Closing, Buyer shall provide to Seller Group an allocation of the Purchase Price for the Membership Interests (determined for Tax purposes) among the assets of the Company (the “**Allocation Schedule**”). The Allocation Schedule shall be prepared in accordance with the principles of Section 1060 of the Code (and applicable Law) and Section 13.05 of the Disclosure Schedule. The parties shall make appropriate adjustments to the Allocation Schedule from time to time following the Closing in a manner consistent with Section 13.05 of the Disclosure Schedule in connection with any adjustments to the Purchase Price (as determined for Tax purposes). The Buyer, the Company, the Seller Group and their respective affiliates shall report, act and file all required Tax Returns (including IRS Form 8594) in all respects and for all purposes consistent with such Allocation Schedule (as finalized). None of the Buyer, the Company or the Seller Group shall take any position (whether in audits, Tax Returns or otherwise) that is inconsistent with such Allocation Schedule unless required to do so by applicable Law.

Section 13.06 [Intentionally Omitted].

Section 13.07 Certain Definitions. As used herein, “**Indemnified Taxes**” shall mean (i) all Taxes (or the non-payment thereof) of or with respect to the Company for all Pre-Closing Tax Periods, including all Tax Accrual Amounts, (ii) all Taxes of any member of an affiliated, combined or unitary group of which the Company is or was a member on or prior to the Closing Date, including pursuant to Treasury Regulations Section 1.1502-6 or any analogous or similar state, local or non-U.S. Law, (iii) any Taxes of any Person other than the Company for which the Company is or becomes liable as a successor, transferee in equity or in law, in each case which arises from a transaction or event occurring before the Closing, or by contract entered into before the Closing, (iv) all Taxes of the Seller Group or its direct or indirect owners for any Tax period, (v) withholding Taxes, estimated Taxes, “specified income tax payments”, or composite or similar Taxes, in each case required to be paid by the Company on account of its or the current or former members on income that is or otherwise would be required to be allocated to the current or former members of the Company and (vi) transfer Taxes for which Seller Group is responsible, in each of the above cases, together with any out-of-pocket fees and expenses (including reasonable attorneys’ and accountants’ fees) incurred in connection therewith, provided that clauses (i) - (vi) shall not include any Taxes taken into account in the calculation of the Purchase Price; “**Pre-Closing Tax Period**” shall mean any Tax period ending on or before the Closing Date and that

portion of any Straddle Period ending on the Closing Date; “**Tax Returns**” shall mean any report, statement, election, notice, disclosure, report, claim for refund, schedule, form, return (including any information return), declaration, administrative adjustment request or other document or filing filed or required to be filed with any Governmental Authority with respect to Taxes, including any amendments thereof or attachments thereto; “**Straddle Period**” shall mean any Tax period beginning on or before and ending after the Closing Date; “**Tax**” (and, with correlative meaning, “**Taxes**”) shall mean any U.S. federal, state, local or non-U.S. tax, charge, duty, levy or other similar assessment, including income, gross receipts, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security, unemployment, disability, property, personal property, sales, use, transfer, registration, escheat or unclaimed property obligation, value added, alternative or add-on minimum, estimated or other tax or similar charge of any kind whatsoever, imposed by any Governmental Authority, and including any interest, penalty or addition thereto.

ARTICLE XIV MISCELLANEOUS

Section 14.01 Governing Law. All matters arising out of or relating to this Agreement shall be governed by and construed in accordance with the internal laws of the State of Texas without giving effect to any choice or conflict of law provision or rule (whether of the State of Texas or any other jurisdiction). Any legal suit, action, proceeding, or dispute arising out of or related to this Agreement, documents delivered pursuant to this Agreement, or the Transactions contemplated hereby or thereby may be instituted in the federal courts of the United States of America or the courts of the State of Texas in each case located in the city of Dallas and county of Dallas, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, proceeding, or dispute.

Section 14.02 Merger; No Representations. This Agreement constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. This Agreement is entered into after full investigation, no party is relying upon any statement or representation, not set forth in this Agreement, made by any other party.

Section 14.03 No Survival. Except as otherwise provided in this Agreement, no representations, warranties, covenants, or other obligations of Seller Group or Buyer set forth in this Agreement shall survive the Closing and no action based thereon shall be commenced after the Closing.

Section 14.04 Business Days. Whenever any action must be taken (including the giving of notices) under this Agreement during a certain time period (or by a particular date) that ends or occurs on a non-Business Day, then such period (or date) shall be extended until the next succeeding Business Day. As used herein, the term “**Business Day**” shall mean any day other than a Saturday, a Sunday, or a legal holiday on which national banks are not open for general business in the State of Texas.

Section 14.05 Modifications and Amendments. This Agreement cannot under any circumstance be modified or amended orally and no agreement shall be effective to waive, change, modify, terminate, or discharge this Agreement, in whole or in part, unless such agreement is in writing and is signed by both Seller Group and Buyer.

Section 14.06 Successors and Assigns; Assignment. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs or successors and permitted assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed. No assignment shall relieve the assigning party of any of its obligations hereunder.

Section 14.07 Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect, invalidate, or render unenforceable any other term or provision of this Agreement. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to affect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the Transactions be consummated as originally contemplated to the greatest extent possible.

Section 14.08 Further Assurances. Each of the parties hereto shall execute and deliver such additional documents, instruments, conveyances, and assurances and take such further actions as may be reasonably required to carry out the provisions of this Agreement and give effect to the Transactions.

Section 14.09 Counterparts. This Agreement may be executed by the parties in separate counterparts, each of which when so executed and delivered shall be an original for all purposes, but all such counterparts shall together constitute but one and the same instrument.

Section 14.10 Headings. The captions or paragraph titles contained in this Agreement are for convenience and reference only and shall not be deemed a part of the text of this Agreement.

Section 14.11 No Waivers. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party providing the waiver. No waiver by either party of any failure or refusal to comply with any obligations under this Agreement shall be deemed a waiver of any other or subsequent failure or refusal to so comply.

Section 14.12 No Offer. This Agreement shall not be deemed an offer or binding upon Seller Group or Buyer until this Agreement is fully executed and delivered by Seller Group and Buyer.

Section 14.13 Waiver of Jury Trial. SELLER GROUP AND BUYER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM (WHETHER ARISING IN TORT OR CONTRACT) BROUGHT BY SUCH PARTY AGAINST THE OTHER ON ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT.

Section 14.14 Time of the Essence. The parties hereto acknowledge and agree that, except as otherwise expressly provided in this Agreement, TIME IS OF THE ESSENCE for the performance of all actions (including, without limitation, the giving of Notices, the delivery of documents, and the funding of money) required or permitted to be taken under this Agreement. Whenever action must be taken (including, without limitation, the giving of Notice, the delivery of documents, or the funding of money) under this Agreement, prior to the expiration of, by no later than, or on a particular date, unless otherwise expressly provided in this Agreement, such action must be completed by 5:00 p.m. Central Time on such date. However, notwithstanding whenever action must be taken (including, without limitation, the giving of Notice, the delivery of documents, or the funding of money) under this Agreement prior to the expiration of, by no later than, or on a particular date that is not a Business Day, then such date shall be extended until the immediately following Business Day.

Section 14.15 Specific Performance. Each of the parties hereto acknowledges and agrees that the subject matter of this Agreement, including the Company and the assets and properties of the Company, is unique and that the other party would be damaged irreparably if any of the provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached, and that the remedies at Law would not be adequate to compensate such other parties not in default or in breach. Accordingly, each of the parties hereto agrees that the other party will be entitled to seek an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce specifically this Agreement and the terms and provisions of this Agreement in addition to any other remedy to which they may be entitled, at Law or in equity. The parties waive any defense that a remedy at Law is adequate and any requirement to post bond or provide similar security in connection with actions instituted for injunctive relief or specific performance of this Agreement.

[remainder of page left intentionally blank; signature page follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above.

BUYER:

CORE SCIENTIFIC, INC.

Signed by:
By: Adam Sullivan
Name: Adam Sullivan
Title: Chief Executive Officer

SELLER GROUP:

MCCALL FAMILY LIMITED PARTNERSHIP

By MCCALL FAMILY GP, LLC,
its general partner

DocuSigned by:
By: Shannon McCall
Name: Shannon McCall
Title: President

COMPANY:

TELIOS QUINLAN ONE, LLC

DocuSigned by:
By: Shannon McCall
Name: Shannon McCall
Title: President

TITLE COMPANY RECEIPT: The Title Company acknowledges receipt of this contract on _____ (the Effective Date) and, upon receipt of the Deposit, accepts the Deposit subject to the terms and conditions in this Agreement.

TITLE COMPANY:

REPUBLIC TITLE OF TEXAS, INC.

By: _____

Name: _____

Title: _____

Schedule A

Index of Defined Terms

Term	Section
Agreement	Preamble
Allocation Schedule	Section 13.05
Assumed Permits and Licenses	Section 1.01(f)
Assumed Warranties and Guaranties	Section 1.01(g)
Basket	Section 9.01(b)(iii)
Bring Down Certificate	Section 4.02(b)
Business Day	Section 14.04
Buyer	Preamble
Buyer's Costs	Section 11.01(b)(i)
Buyer Default	Section 11.01(a)(i)
Buyer Indemnified Parties	Section 9.01(a)
Buyer's Representatives	Section 3.04
Buyer's Termination Notice	Section 8.03
Cap	Section 9.01(b)(iv)
CERCLA	Section 6.01(p)(i)
Claim Notice	Section 9.03(a)
Closing	Section 4.01
Closing Cash Payment	Section 2.01(b)
Closing Date	Section 4.01
Code	Section 4.02(a)
Company	Preamble
Company Excluded Claims	Section 8.01
Company Releasee	Section 8.01
Company Releasor	Section 8.01
Confidential Information	Section 12.01
Deposit	Section 2.01(a)
Direct Claim	Section 9.03(a)
Due Diligence Delivery Date	Section 3.01
Due Diligence Materials	Section 3.01
Due Diligence Period	Section 3.02
Effective Date	Preamble
Environmental Laws	Section 6.01(p)(i)
Evaluation Materials	Section 6.02(g)
Fundamental Representations	Section 9.01(b)(ii)
Governmental Authority	Section 2.02
Hazardous Materials	Section 6.01(p)(i)
Improvements	Section 1.01(b)
Indemnified Party	Section 9.03
Indemnifying Party	Section 9.03
Indemnified Taxes	Section 13.07

Independent Consideration	Section 2.02
Inspections	Section 3.02
Intended Tax Treatment	Section 13.02(b)
Knowledge	Section 6.01(bb)
Land	Section 1.01(a)
Law	Section 2.02
Lease	Section 6.01(z)
Liquidated Damages	Section 11.01(a)(i)
Mandatory Title Removal Items	Section 5.04(b)
Material Adverse Effect	Section 6.03
Material Contracts	Section 6.01(l)
Membership Interests	Recitals
MFLP	Preamble
Notices	Section 10.01
OFAC	Section 6.01(v)
Permitted Exceptions	Section 5.02
Permits	Section 6.01(aa)
Person	Section 6.01(e)
Pre-Closing Tax Period	Section 13.07
Purchase Price	Section 2.01(b)
Real Property	Section 1.01(c)
Required Closing Date	Section 4.01
Seller Group	Preamble
Seller Group Default	Section 11.01(b)(i)
Seller Group's Survey	Section 5.02(b)
Seller Indemnified Parties	Section 9.02
Service Contracts	Section 6.01(l)(i)
Straddle Period	Section 13.07
Surveys	Section 1.01(h)
Tax	Section 13.07
Tax Returns	Section 13.07
Tax Accrual Amounts	Section 6.01(r)(xiii)
Taxing Authority	Section 6.01(r)(ii)
Third Party Claim	Section 9.03(a)
Title	Section 5.01
Title Commitment	Section 5.03(a)
Title Company	Section 2.01(a)
Title Insurance Policy	Section 5.01
Title Objection	Section 5.03(b)
Title Objection Notice	Section 5.03(b)
Transaction Parties	Section 12.01
Transactions	Recitals
Voluntary Liens	Section 5.04(b)
Wier	Section 5.02(b)

EXHIBIT A

Legal Description of the Land

TRACT 1:

BEING A TRACT OF LAND LOCATED IN THE JAMES HOBBS SURVEY, ABSTRACT No. 496, HUNT COUNTY, TEXAS. BEING ALL OF TWO TRACTS OF LAND DESCRIBED AS TRACT ONE AND TRACT TWO IN A DEED TO TELIOS QUINLAN ONE, LLC, RECORDED IN INSTRUMENT No. 2023-2939, OFFICIAL PUBLIC RECORDS, HUNT COUNTY, TEXAS (O.P.R.H.C.T.), AND TWO TRACTS OF LAND DESCRIBED AS TRACT ONE AND TRACT TWO IN A DEED TO TELIOS QUINLAN ONE, LLC, RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A-1/2" IRON ROD FOUND IN THE WEST LINE OF A TRACT OF LAND DESCRIBED IN A DEED TO MARK D SAMPLES AND JANET K SAMPLES RECORDED IN INSTRUMENT No. 2014-8620, O.P.R.H.C.T, AT THE INTERSECTION OF COUNTY ROAD 3307 (A PRESCRIPTIVE RIGHT-OF-WAY), WITH COUNTY ROAD 3508 (A PRESCRIPTIVE RIGHT-OF-WAY), BEING THE SOUTHEAST CORNER OF SAID TELIOS QUINLAN ONE TRACT ONE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., AND THE NORTHEAST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO LAGUNAS GAY LAVELLE RECORDED IN INSTRUMENT No. 2015-1192, O.P.R.H.C.T.:

THENCE S 89°50'06" W, DEPARTING SAID COUNTY ROAD 3507, AND THE WEST LINE OF SAID SAMPLES TRACT, ALONG SAID COUNTY ROAD 3508, THE SOUTH LINE OF SAID TELIOS QUINLAN ONE TRACT ONE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., AND THE NORTH LINE OF SAID LAVELLE TRACT, AT A DISTANCE OF 436.46 FEET PASSING A-1/2" IRON ROD FOUND (CAP DESTROYED), BEING THE SOUTHWEST CORNER OF SAID TELIOS QUINLAN ONE TRACT ONE RECORDED IN INSTRUMENT No. 2023-2940. O.P.R.H.C.T., AND THE SOUTHEAST CORNER OF TELIOS QUINLAN ONE TRACT TWO RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., AT A DISTANCE OF 872.46 FEET PASSING A-1/2" IRON ROD FOUND (BENT) (CAP DESTROYED) BEING THE SOUTHWEST CORNER OF SAID TELIOS QUINLAN ONE TRACT TWO RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., AND THE SOUTHEAST CORNER OF SAID TELIOS QUINLAN ONE TRACT TWO RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., AT A DISTANCE OF 1308.46 FEET PASSING A-1/2" IRON ROD FOUND (CAP DESTROYED) BEING THE SOUTHWEST CORNER OF SAID TELIOS QUINLAN ONE TRACT TWO RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., CONTINUING IN ALL A TOTAL DISTANCE OF 1744.45 FEET TO A-1/2" IRON ROD FOUND (BENT) FROM WHICH A-1/2" IRON ROD FOUND BEARS S 63°22'07" W, 23.88 FEET, FIRST SAID IRON ROD BEING THE SOUTHWEST CORNER OF SAID TELIOS QUINLAN ONE TRACT ONE RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T.;

THENCE ALONG THE WEST LINE OF SAID TELIOS QUINLAN ONE TRACT ONE RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., AS FOLLOWS:

(1) N 01°28'34" W, A DISTANCE OF 1135.08 FEET TO A-3/8" IRON ROD FOUND BEING THE NORTHEAST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO RAYBURN COUNTRY ELECTRICAL COOPERATIVE INC RECORDED IN INSTRUMENT No. 2016-12531, O.P.R.H.C.T., AND THE SOUTHEAST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO SERGIO CERON RECORDED IN INSTRUMENT No. 2015-1192, O.P.R.H.C.T.;

(2) N 05°23'16" E, ALONG THE EAST UNE OF SAID CERON TRACT, A DISTANCE OF 111.77 FEET TO A-1/2" IRON ROD FOUND BEING THE NORTHWEST CORNER OF SAID TELIOS QUINLAN ONE TRACT ONE RECORDED IN INSTRUMENT No 2023-2939, O.P.R.H.C.T., AND THE SOUTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO TRAVIS O RAGSDALE AND CHELSEA N RAGSDALE RECORDED IN INSTRUMENT No. 2016-616, O.P.R.H.C.T.;

THENCE N 69°51'20" E, DEPARTING THE EAST UNE OF SAID CERON TRACT, ALONG THE NORTH LINE OF SAID TELIOS QUINLAN ONE TRACT ONE RECORDED IN INSTRUMENT No. 2023-2939. O.P.R.H.C.T., AND THE SOUTH LINE OF SAID RAGSDALE TRACT, AT A DISTANCE OF 449.00 FEET PASSING A-1/2" IRON ROD WITH A CAP STAMPED "HOLDER 5266" BEING THE NORTHEAST CORNER OF SAID TELIOS QUINLAN ONE TRACT ONE RECORDED IN INSTRUMENT No 2023-2939. O.P.R.H.C.T., AND THE NORTHWEST CORNER OF SAID TELIOS QUINLAN ONE TRACT TWO RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., AT A DISTANCE OF 885.00 FEET PASSING A POINT FROM WHICH A-1/2" IRON ROD FOUND WITH A CAP STAMPED "HOLDER 5266" BEARS S 00°52' E. 1.9 FEET, SAID POINT BEING THE NORTHEAST CORNER OF SAID TELIOS QUINLAN ONE TRACT TWO RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., AND THE NORTHWEST CORNER OF SAID TELIOS QUINLAN ONE TRACT TWO RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., CONTINUING IN ALL A TOTAL DISTANCE 1321.00 FEET TO A-3/8" IRON ROD FOUND IN THE WEST LINE OF A TRACT OF LAND DESCRIBED IN A DEED TO KRISTIN R WYGANT AND MARSHALL WYGANT RECORDED IN INSTRUMENT No. 2019-6538. O.P.R.H.C.T., SAID IRON ROD BEING THE NORTHEAST CORNER OF SAID TELIOS QUINLAN ONE TRACT TWO RECORDED IN INSTRUMENT No. 2023-2940. O.P.R.H.C.T. AND THE SOUTHEAST CORNER OF SAID RAGSDALE TRACT;

THENCE S 00°24'42" E, ALONG THE EAST LINE OF SAID TELIOS QUINLAN ONE TRACT TWO RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T. AND THE WEST LINE OF SAID WYGANT TRACT, A DISTANCE OF 199.44 FEET TO A POINT BEING THE SOUTHWEST CORNER OF SAID WYGANT TRACT AND THE NORTHWEST CORNER OF SAID TELIOS QUINLAN ONE TRACT ONE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T.;

THENCE S 89°58'02" E, DEPARTING THE EAST LINE OF SAID TELIOS QUINLAN ONE TRACT TWO RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., ALONG THE

SOUTH LINE OF SAID WYGANT TRACT, AND THE NORTH LINE OF SAID TELIOS QUINLAN ONE TRACT ONE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., A DISTANCE OF 435.72 FEET TO A-1/2" IRON ROD FOUND IN SAID COUNTY ROAD 3507, THE WEST LINE OF SAID SAMPLES TRACT, AND FROM WHICH A-3/8" IRON ROD FOUND BEARS S 89°27'12" W, 28.64 FEET, SAID 1/2" IRON ROD BEING THE NORTHEAST CORNER OF SAID TELIOS QUINLAN ONE TRACT ONE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., AND THE SOUTHEAST CORNER OF SAID WYGANT TRACT;

THENCE S 00°16'35" E, ALONG THE EAST LINE OF SAID TELIOS QUINLAN ONE TRACT ONE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., THE WEST LINE OF SAID NALLS TRACT, AND SAID COUNTY ROAD 2507, A DISTANCE OF 1044.62 FEET TO THE PLACE OF BEGINNING AND CONTAINING 48.241 ACRES (2,101,369 SQUARE FEET) OF LAND, MORE OR LESS.

TRACT 2:

BEING A TRACT OF LAND LOCATED IN THE JAMES HOBBS SURVEY. ABSTRACT No. 496, HUNT COUNTY, TEXAS, BEING ALL OF A TRACT OF LAND DESCRIBED IN A DEED TO TELIOS QUINLAN ONE, LLC, RECORDED IN INSTRUMENT No. 2020-02058, OFFICIAL PUBLIC RECORDS, HUNT COUNTY, TEXAS (O.P.R.H.C.T), AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A POINT IN COUNTY ROAD 3506 (A PRESCRIPTIVE RIGHT-OF-WAY), BEING IN THE EAST LINE OF A TRACT OF LAND CONVEYED TO JAMIE N. BIRD BY DEATH CERTIFICATE (PREVIOUS DEED RECORDED IN INSTRUMENT No. 2014-14665, O.P.R.H.C.T), BEING THE NORTHWEST CORNER OF SAID TELIOS QUINLAN ONE TRACT AND THE SOUTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO SERGIO CERON RECORDED IN INSTRUMENT No. 2015-1192, O.P.R.H.C.T., FROM WHICH A 1/2" IRON ROD FOUND WITH A CAP STAMPED "STOVALL" BEARS S 01°38'38" W, 655.76 FEET, SAID IRON ROD BEING IN THE SOUTH LINE OF SAID BIRD TRACT AND THE NORTH LINE OF A TRACT OF LAND DESCRIBED IN A DEED TO CURTIS E. NALLS RECORDED IN VOLUME 441, PAGE 235, DEED RECORDS, HUNT COUNTY, TEXAS (D.R.H.C.T);

THENCE N 89°70'04" E, DEPARTING SAID COUNTY ROAD 3506, AND THE EAST LINE OF SAID BIRD TRACT, ALONG THE NORTH LINE OF SAID TELIOS QUINLAN ONE TRACT AND THE SOUTH LINE OF SAID CERON TRACT, AT A DISTANCE OF 24.88 FEET PASSING A-3/8" IRON ROD FOUND, CONTINUING IN ALL A TOTAL DISTANCE OF 1924.46 FEET TO A POINT, BEING THE MOST NORTHERLY NORTHEAST CORNER OF SAID TELIOS QUINLAN ONE TRACT AND THE NORTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO RAYBURN COUNTRY ELECTRICAL COOPERATIVE, INC., RECORDED IN INSTRUMENT No. 2016-12531., O.P.R.H.C.T. FROM WHICH A 3/8" IRON ROD FOUND BEARS N 89°10'04" E, A DISTANCE OF 81.17 FEET, SAID IRON ROD BEING THE NORTHEAST CORNER OF SAID RAYBURN COUNTRY ELECTRICAL COOPERATIVE TRACT;

THENCE S 11°54'14" W, ALONG AN EAST LINE OF SAID TELIOS QUINLAN ONE TRACT AND THE WEST LINE OF SAID RAYBURN COUNTRY ELECTRICAL COOPERATIVE TRACT, A DISTANCE OF 584.09 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "KAZ", BEING THE MOST EASTERLY SOUTHEAST CORNER OF SAID TELIOS QUINLAN ONE TRACT AND THE NORTHEAST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO SCOTT WAYNE CUNNINGHAM RECORDED IN INSTRUMENT No. 2016-9989, O.P.R.H.C.T.;

THENCE S 89°22'36" W, DEPARTING THE WEST LINE OF SAID RAYBURN COUNTRY ELECTRICAL COOPERATIVE TRACT, ALONG THE MOST EASTERLY SOUTH LINE OF SAID TELIOS QUINLAN ONE TRACT AND THE NORTH LINE OF SAID CUNNINGHAM TRACT, A DISTANCE OF 1199.68 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "KAZ", BEING AN ELL CORNER OF SAID TELIOS QUINLAN ONE TRACT AND THE NORTHWEST CORNER OF SAID CUNNINGHAM TRACT;

THENCE S 00°37'18" E, ALONG THE MOST SOUTHERLY EAST LINE OF SAID TELIOS QUINLAN ONE TRACT AND THE WEST LINE OF SAID CUNNINGHAM TRACT, AT A DISTANCE OF 545.08 FEET PASSING A 1/2" IRON ROD FOUND WITH A CAP STAMPED "KAZ", AND CONTINUING IN ALL A TOTAL DISTANCE OF 576.29 FEET TO A POINT IN THE NORTH LINE OF A TRACT OF LAND DESCRIBED IN A DEED TO GWENA W. THOMASON, GAY W. LAGUNAS, LARIN Z. WALLACE, AND LOWELL W. WALLACE, RECORDED IN INSTRUMENT No. 2022-28234, O.P.R.H.C.T., AND IN COUNTY ROAD 3508 (A PRESCRIPTIVE RIGHT-OF-WAY), FROM WHICH A 1/2" IRON ROD FOUND (DISTURBED) BEARS N 06°41' W, 1.3 FEET, SAID POINT BEING THE MOST SOUTHERLY SOUTHEAST CORNER OF SAID TELIOS QUINLAN ONE TRACT AND THE SOUTHWEST CORNER OF SAID CUNNINGHAM TRACT;

THENCE S 89°24'55" W, ALONG SAID COUNTY ROAD 3508, THE NORTH LINE OF SAID THOMASON ET AL TRACT, AND THE MOST SOUTHERLY SOUTH LINE OF SAID TELIOS QUINLAN ONE TRACT, A DISTANCE OF 607.84 FEET TO A POINT AT THE INTERSECTION OF SAID COUNTY ROAD 3508 WITH SAID COUNTY ROAD 3506, SAID POINT BEING THE SOUTHWEST CORNER OF SAID TELIOS QUINLAN ONE TRACT AND THE SOUTHEAST CORNER OF SAID NALLS TRACT;

THENCE N 00°07'53' W, ALONG THE WEST LINE OF SAID TELIOS QUINLAN ONE TRACT, THE EAST LINE OF SAID NALLS TRACT, AND THE EAST LINE OF SAID BIRD TRACT, A DISTANCE OF 1139.09 FEET TO THE PLACE OF BEGINNING AND CONTAINING 32.244 ACRES (1,404,531 SQUARE FEET) OF LAND, MORE OR LESS

TRACT 3:

BEING A TRACT OF LAND LOCATED IN THE W.A.WOODS SURVEY, ABSTRACT No. 1148, AND THE MARY LATHAM SURVEY, ABSTRACT No. 597, HUNT COUNTY, TEXAS, BEING ALL OF A TRACT OF LAND DESCRIBED AS TRACT THREE IN A DEED TO TELIOS QUINLAN ONE, LLC, RECORDED IN INSTRUMENT No. 2023-2939, OFFICIAL PUBLIC RECORDS, HUNT COUNTY, TEXAS (O.P.R.H.C.T.), AND TWO TRACTS OF LAND DESCRIBED AS TRACT THREE IN A DEED TO TELIOS QUINLAN ONE, LLC, RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A MAG NAIL FOUND IN COUNTY ROAD 3508 (A PRESCRIPTIVE RIGHT-OF-WAY), AND THE EAST LINE OF A TRACT OF LAND DESCRIBED IN A DEED TO SIGNAL RANCH LP, RECORDED IN INSTRUMENT No. 2014-3777, O.P.R.H.C.T., BEING THE NORTHWEST CORNER OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., AND THE SOUTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO GWENA ESTELLE THOMASON RECORDED IN INSTRUMENT No. 2022-28234, O.P.R.H.C.T.;

THENCE N 89°55'27" E, DEPARTING SAID COUNTY ROAD 3508, AND THE EAST LINE OF SAID SIGNAL RANCH TRACT, ALONG THE NORTH LINE OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., AND THE SOUTH LINE OF SAID THOMASON TRACT, A DISTANCE OF 2890.76 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "HOLDER RPLS 5256" IN THE WEST LINE OF A TRACT OF LAND DESCRIBED IN A DEED TO GAY LAVELLE LAGUNAS RECORDED IN INSTRUMENT No. 2022-28235, O.P.R.H.C.T., SAID IRON ROD BEING THE NORTHEAST CORNER OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., AND THE SOUTHEAST CORNER OF SAID THAMSON TRACT;

THENCE ALONG THE EAST LINE OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2939. O.P.R.H.C.T., AS FOLLOWS:

(1) S 00°57'24" E, ALONG THE WEST LINE OF SAID LAGUNAS TRAC, A DISTANCE OF 632.67 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "HOLDER RPLS 5256" BEING THE SOUTHWEST CORNER OF SAID LAGUNAS TRACT;

(2) N 89°52'21" E, ALONG THE SOUTH LINE OF SAID LAGUNAS TRACT, A DISTANCE OF 408.17 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "HOLDER RPLS 5256" BEING THE NORTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO DONNA NADINE DAVIS AND WILLIAM GRANT SR RECORDED IN INSTRUMENT No. 2022-28231, O.P.R.H.C.T.;

(5) S 00°19'12" E, DEPARTING THE SOUTH LINE OF SAID LAGUNAS TRACT, ALONG THE WEST LINE OF SAID DAVIS AND GRANT TRACT, A DISTANCE OF 817.78 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "STOVALL ASSOC" BEING THE SOUTHWEST CORNER OF SAID DAVID AND GRANT TRACT

AND IN THE NORTH LINE OF A TRACT OF LAND DESCRIBED IN A DEED TO JASON BRYANT AND GINGER BRYANT RECORDED IN INSTRUMENT No. 2021-15286, O.P.R.H.C.T.,

(4) S 65°16'41" W, ALONG THE NORTH LINE OF SAID BRYANT TRACT, A DISTANCE OF 47.71 FEET TO AN IRON ROD FOUND WITH A CAP STAMPED "STOVALL ASSOC" BEING THE NORTHWEST CORNER OF SAID BRYANT TRACT;

(5) S 07°05'05" W, ALONG THE WEST LINE OF SAID BRYANT TRACT, A DISTANCE OF 116.57 FEET TO AN IRON ROD FOUND WITH A CAP STAMPED "STOVALL ASSOC";

(6) S 14°25'47" E, AT A DISTANCE OF 9.71 FEET PASSING AN IRON ROD FOUND WITH A CAP STAMPED "STOVALL ASSOC" BEING THE SOUTHEAST CORNER OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., AND THE NORTHEAST CORNER OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT Na 2025-2940, O.P.R.H.C.T, CONTINUING ALONG THE EAST LINE OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., IN ALL A TOTAL DISTANCE OF 509.69 FEET TO AN IRON ROD FOUND WITH A CAP STAMPED "STOVALL ASSOC";

THENCE CONTINUING ALONG THE EAST LINE OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., AS FOLLOWS:

(1) S 47°40'12" E, ALONG THE WEST LINE OF SAID BRYANT TRACT, A DISTANCE OF 87.66 FEET TO AN IRON ROD FOUND WITH A CAP STAMPED "STOVALL ASSOC" BEING THE SOUTHWEST CORNER OF SAID BRYANT TRACT AND THE MOST NORTHERLY NORTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO JASON BRYANT AND GINGER BRYANT RECORDED IN INSTRUMENT No. 2016-8371, O.P.R.H.C.T.;

(2) S 36°08'39" W, ALONG THE WEST LINE OF SAID BRYANT TRACT RECORDED IN INSTRUMENT No. 2016-8371, O.P.R.H.C.T., A DISTANCE OF 837.88 FEET AN IRON ROD FOUND WITH A CAP STAMPED "STOVALL ASSOC";

(3) S 00°10'42' W, ALONG THE WEST LINE OF SAID BRYANT TRACT RECORDED IN INSTRUMENT No. 2016-8371, O.P.R.H.C.T., A DISTANCE OF 172.72 FEET AN IRON ROD FOUND WITH A CAP STAMPED "STOVALL ASSOC" IN THE NORTH LINE OF A TRACT OF LAND DESCRIBED IN A DEED TO DERENDA KRAGLE RECORDED IN VOLUME 1733, PAGE 153, DEED RECORDS, HUNT COUNTY, TEXAS (D.R.H.C.T.), SAID IRON ROD BEING THE MOST EASTERLY SOUTHEAST CORNER OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T.;

THENCE ALONG THE SOUTH LINE OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., AS FOLLOWS:

(1) S 89°57'12" W, ALONG THE NORTH LINE OF SAID KRAGLE TRACT, A DISTANCE OF 475.24 FEET TO A POINT FROM WHICH A FENCE POST FOUND BEARS N 89°57'12" E, 4.36 FEET, SAID POINT BEING THE NORTHWEST CORNER OF SAID KRAGLE TRACT AND AN ELL CORNER OF SAID ELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T.

(2) S 00°38'00" E, ALONG THE WEST LINE OF SAID KRAGLE TRACT, A DISTANCE OF 143.64 FEET TO A 1/2" IRON ROD FOUND BEING THE NORTHEAST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO KEVIN BASS & LOWELL WAYNE & BARBARA JOE WALLACE RECORDED IN VOLUME 1733, PAGE 153, D.R.H.C.T.

(3) S 88°54'59" W, DEPARTING THE WEST LINE OF SAID KRAGLE TRACT, ALONG THE NORTH LINE OF SAID BASS WAYNE AND WALLACE TRACT, A DISTANCE OF 48.23 FEET TO A 1/2" IRON ROD FOUND BEING THE NORTHWEST CORNER OF SAID BASS WAYNE AND WALLACE TRACT AND THE NORTHEAST CORNER OF TRACT OF LAND DESCRIBED IN A DEED TO KEVIN LEE BASS RECORDED IN VOLUME 427, PAGE 251, D.R.H.C.T.;

(4) N 82°11'42" W, ALONG THE NORTH LINE OF SAID BASS TRACT, A DISTANCE OF 580.39 FEET TO A 3/8" IRON ROD FOUND BEING THE NORTHWEST CORNER OF SAID BASS TRACT;

(5) S 01°51'20" W, ALONG THE WEST LINE OF SAID BASS TRACT. DISTANCE OF 171.75 FEET TO A 3/8" IRON ROD FOUND BEING THE SOUTHWEST CORNER OF SAID BASS TRACT, THE NORTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO DENNIS L KIRKMAN RECORDED IN VOLUME 971, PAGE 117, D.R.H.C.T. AND THE NORTHEAST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO JACK F. KIRKMAN RECORDED IN VOLUME 970, PAGE 467, D.R.H.C.T.;

(6) N 65°16'04" W, ALONG THE NORTH LINE OF SAID KIRKMAN TRACT, A DISTANCE OF 399.73 FEET TO A 3/8" IRON ROD FOUND BEING THE NORTHWEST CORNER OF SAID KIRKMAN TRACT AND THE NORTHEAST CORNER OF A TRACT OF A LAND DESCRIBED IN A DEED TO MARCELO A LAMBINO JR AND JUANITA E LAMBINO RECORDED IN INSTRUMENT No. 2018-09057, O.P.R.H.C.T.;

(7) N 65°10'50" W, ALONG THE NORTH LINE OF SAID LAMBINO TRACT, A DISTANCE OF 283.94 FEET TO A 1/2" IRON ROD FOUND BEING THE NORTHWEST CORNER OF SAID LAMBINO TRACT AND THE NORTHEAST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO FERNANDO ORTEGA RECORDED IN INSTRUMENT No. 2016-3562, O.P.R.H.C.T.;

(8) N 65°18'45" W, ALONG THE NORTH LINE OF SAID ORTEGA TRACT, A DISTANCE OF 147.94 FEET TO A 1/2" IRON ROD FOUND BEING THE NORTHWEST CORNER OF SAID ORTEGA TRACT AND THE NORTHEAST CORNER OF A TRACT

OF LAND DESCRIBED AS TRACT TWO IN A DEED TO URSULA ROSS CLARK RECORDED IN VOLUME 1228, PAGE 127, D.R.H.C.T.;

(9) N 65°10'55" W, ALONG THE NORTH LINE OF SAID CLARK TRACT TWO, A DISTANCE OF 283.30 FEET TO A METAL FENCE POST FOUND BEING THE NORTHWEST CORNER OF SAID CLARK TRACT TWO AND THE NORTHEAST CORNER OF A TRACT OF LAND DESCRIBED AS TRACT ONE IN SAID DEED RECORDED IN VOLUME 1228, PAGE 127, D.R.H.C.T.;

(10) N 66°08'46" W, ALONG THE NORTH LINE OF SAID CLARK TRACT ONE, CONTINUING ALONG THE NORTH LINE OF A TRACT OF LAND DESCRIBED IN A DEED TO EUSTOLIA PALOMARES RIOS INSTRUMENT No. 2021-29006, O.P.R.H.C.T., A DISTANCE OF 594.07 FEET TO A 1/2" IRON ROD FOUND BEING THE NORTHWEST CORNER OF SAID RIOS TRACT AND THE NORTHEAST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO VOLUME 1161, PAGE 559, D.R.H.C.T.;

(11) N 86°55'15" W. ALONG THE NORTH LINE OF SAID ROSENBECK TRACT, A DISTANCE OF 278.19 FEET TO A 1/2" IRON ROD FOUND IN THE EAST LINE OF A TRACT OF LAND TO WANDA F. BIRD BY DEATH CERTIFICATE (NO DEED RECORDING FOUND) (PREVIOUS DEED VOLUME 703, PAGE 798, D.R.H.C.T.), AND IN SAID COUNTY ROAD 3508, SAID IRON ROD BEING THE SOUTHWEST CORNER OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T.;

THENCE N 00°20'55" W, ALONG A WEST LINE OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., SAID COUNTY ROAD 3508 AND THE EAST LINE OF SAID BIRD TRACT, A DISTANCE OF 674.57 FEET TO A 1/2" IRON ROD FOUND BEING THE SOUTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO JOE LANDRITH AND CATHY LANDRITH RECORDED IN VOLUME 112, PAGE 47, D.R.H.C.T.;

THENCE N 89°24'09" E, ALONG A NORTH LINE OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., AND A SOUTH LINE OF SAID LANDRITH TRACT, CONTINUING ALONG THE SOUTH LINE OF A TRACT OF LAND DESCRIBED IN A DEED TO JOE LANDRITH RECORDED IN VOLUME 346, PAGE 400, D.R.H.C.T., A DISTANCE OF 1166.60 FEET TO A 1/2" IRON ROD FOUND IN CONCRETE BEING THE SOUTHEAST CORNER OF SAID LANDRITH TRACT AND AN ELL CORNER OF SAID THENCE N 00°20'55" W, ALONG A WEST LINE OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T.;

THENCE N 01°08'53" W, ALONG AN EAST LINE OF SAID LANDRITH TRACT AND AN WEST LINE OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T. AT A DISTANCE OF 167.45 FEET PASSING A 1/2" IRON ROD FOUND WITH A CAP STAMPED "HOLDER RPLS 5266" BEING THE NORTHWEST CORNER OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., AND THE MOST SOUTHERLY

SOUTHWEST CORNER OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., CONTINUING ALONG A WEST LINE OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., IN ALL A TOTAL DISTANCE OF 1130.05 FEET TO A FENCE POST FOUND BEING AN ELL CORNER OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., AND THE NORTHEAST CORNER OF A TRACT OF LAND DESCRIBED IN A DEED TO KEITH A CURNUTT RECORDED IN INSTRUMENT No. 2018-18339,

THENCE S 89°56'10" W, ALONG A SOUTH LINE OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., THE NORTH LINE OF SAID CURNUTT TRACT, THE NORTH LINE OF A TRACT OF LAND DESCRIBED IN A DEED TO BRENT MICHAEL MCKINSEY RECORDED IN INSTRUMENT No. 2022-12188, O.P.R.H.C.T., AND THE NORTH LINE OF A TRACT OF LAND DESCRIBED IN A DEED TO TAMALA S MCHENRY AND BRIAN F MCHENRY RECORDED IN INSTRUMENT No. 2012-12518, O.P.R.H.C.T., A DISTANCE OF 1170.60 FEET TO A 1/2" IRON ROD FOUND (DISTURBED) IN THE EAST LINE OF SAID SIGNAL RANCH TRACT. IN SAID COUNTY ROAD 3508, SAID IRON ROD BEING THE NORTHWEST CORNER OF SAID MCHENRY TRACT AND AN ELL CORNER OF SAID TELIOS QUINLAN ONE TRACT THREE RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T.;

THENCE N 00°04'55" W, ALONG A WEST LINE OF SAID TELIOS QUINLAN ONE TRACT ONE RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., THE WEST LINE OF SAID SIGNAL RANCH TRACT, AND SAID COUNTY ROAD 2208, A DISTANCE OF 655.58 FEET TO THE PLACE OF BEGINNING AND CONTAINING 179.302 ACRES (7,810,415 SQUARE FEET) OF LAND, MORE OR LESS.

TRACT 4:

BEING A TRACT OF LAND LOCATED IN THE JAMES HOBBS SURVEY, ABSTRACT No. 496, HUNT COUNTY, TEXAS, BEING ALL OF A TRACT OF LAND DESCRIBED IN A DEED TO KRISTIN RENEE WYGANT AND MARSHALL WYGANT, RECORDED IN INSTRUMENT No. 2019-6538, OFFICIAL PUBLIC RECORDS, HUNT COUNTY, TEXAS (O.P.R.H.C.T.), AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2" IRON ROD FOUND IN COUNTY ROAD 3507 (A PRESCRIPTIVE RIGHT-OF-WAY), AND THE WEST LINE OF A TRACT OF LAND DESCRIBED IN A DEED TO MARK D. SAMPLES AND JANET K SAMPLES, RECORDED IN INSTRUMENT No. 2014-8620, O.P.R.H.C.T. BEING THE SOUTHEAST CORNER OF SAID WYGANT TRACT, AND THE NORTHEAST CORNER OF A TRACT OF LAND DESCRIBED AS TRACT ONE IN A DEED TO TELIOS QUINLAN ONE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., FROM WHICH A 3/8" IRON ROD FOUND (BENT) BEARS S 89°27'12" W, 28.64 FEET;

THENCE S 89°58'02" W, DEPARTING SAID COUNTY ROAD 3507, AND THE WEST LINE OF SAID SAMPLES TRACT, ALONG THE SOUTH LINE OF SAID WYGANT TRACT, AND THE NORTH LINE OF SAID TELIOS QUINLAN ONE TRACT ONE, A DISTANCE OF 435.72 FEET TO A 1/2" IRON ROD FOUND (CAP UNREADABLE) IN THE EAST LINE OF A TRACT OF LAND DESCRIBED AS TRACT TWO IN SAID DEED TO TELIOS QUINLAN ONE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T., SAID IRON ROD BEING THE SOUTHWEST CORNER OF SAID WYGANT TRACT, AND THE NORTHWEST CORNER OF SAID TELIOS QUINLAN ONE TRACT ONE;

THENCE ALONG THE WEST LINE OF SAID WYGANT TRACT AS FOLLOWS:

(1) N 00°24'42" W, ALONG THE EAST LINE OF SAID TELIOS QUINLAN ONE TRACT TWO, A DISTANCE OF 199.44 FEET TO A 3/8" IRON ROD FOUND IN THE SOUTH LINE OF A TRACT OF LAND DESCRIBED IN A DEED TO RAYBURN COUNTRY ELECTRIC COOPERATIVE INC. RECORDED IN INSTRUMENT No. 2024-23085, O.P.R.H.C.T., SAID IRON ROD BEING THE NORTHEAST CORNER OF SAID TELIOS QUINLAN ONE TRACT TWO;

(2) N 01°08'11" E, ALONG THE SOUTH LINE OF SAID RAYBURN COUNTRY ELECTRIC COOPERATIVE TRACT, A DISTANCE OF 196.99 FEET TO A 1/2" IRON ROD FOUND BEING THE NORTHWEST CORNER OF SAID WYGANT TRACT, AND AN ELL CORNER OF SAID RAYBURN COUNTRY ELECTRIC COOPERATIVE TRACT;

THENCE N 89°38'41" E, ALONG THE NORTH LINE OF SAID WYGANT TRACT AND THE SOUTH LINE OF SAID RAYBURN COUNTRY ELECTRIC COOPERATIVE TRACT, AT A DISTANCE OF 418.02 FEET, PASSING A 1/2" IRON ROD FOUND, CONTINUING IN ALL A TOTAL DISTANCE CT 439.22 FEET TO A POINT IN SAID COUNTY ROAD 3507, BEING THE NORTHEAST CORNER OF SAID WYGANT TRACT AND THE

SOUTHEAST CORNER OF SAID RAYBURN COUNTRY ELECTRIC COOPERATIVE TRACT;

THENCE S 00°15'56" E, ALONG SAID COUNTY ROAD 3507 AND THE EAST LINE OF SAID WYGANT TRACT, A DISTANCE OF 399.37 FEET TO THE PLACE OF BEGINNING AND CONTAINING 3.990 ACRES (173,813 SQUARE FEET) OF LAND, MORE OR LESS.

TRACT 5:

BEING A TRACT OF LAND LOCATED IN THE JAMES HOBBS SURVEY, ABSTRACT No. 496, HUNT COUNTY, TEXAS, BEING A PORTION OF A LAND DESCRIBED IN A DEED TO RAYBURN COUNTRY ELECTRIC COOPERATIVE INC. RECORDED IN INSTRUMENT No. 2024-23085, O.P.R.H.C.T., OFFICIAL PUBLIC RECORDS, HUNT COUNTY, TEXAS (O.P.R.H.C.T), AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 3/8" IRON ROD FOUND IN THE SOUTH LINE OF SAID RAYBURN COUNTRY ELECTRIC COOPERATIVE TRACT AND THE WEST LINE OF A TRACT OF LAND DESCRIBED IN A DEED TO TELIOS QUINLAN ONE RECORDED IN INSTRUMENT No. 2025-16816, O.P.R.H.C.T., SAID IRON ROD BEING THE NORTHEAST CORNER OF A TRACT OF LAND DESCRIBED AS TRACT TWO IN A DEED TO TELIOS QUINLAN ONE RECORDED IN INSTRUMENT No. 2023-2940, O.P.R.H.C.T.;

THENCE S 89°51'20" W, ALONG THE SOUTH LINE OF SAID RAYBURN COUNTRY ELECTRIC COOPERATIVE TRACT AND THE NORTH LINE OF SAID TELIOS TRACT TWO, AT A DISTANCE OF 436.00 FEET, PASSING A POINT FROM WHICH A 1/2" IRON ROD FOUND WITH A CAP STAMPED "HOLDER 5266" BEARS S 00°82' E, 1.9 FEET, SAID POINT BEING THE NORTHWEST CORNER OF SAID TELIOS TRACT TWO AND THE NORTHEAST CORNER OF A TRACT OF LAND DESCRIBED AS TRACT IWO IN A DEED TO TELIOS QUINLAN ONE RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., CONTINUING ALONG THE NORTH LINE OF SAID TELIOS TRACT TWO RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., AT A DISTANCE OF 872.00 FEET, PASSING A 1/2" IRON ROD FOUND WITH A CAP STAMPED "HOLDER 5266" BEING THE NORTHWEST CORNER OF SAID TELIOS TRACT TWO RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., AND THE NORTHEAST CORNER OF A TRACT OF LAND DESCRIBED AS TRACT ONE IN SAID DEED TO TELIOS QUINLAN ONE RECORDED IN INSTRUMENT No. 2023-2939, O.P.R.H.C.T., CONTINUING ALONG THE NORTH LINE OF SAID TELIOS TRACT ONE, IN ALL A TOTAL DISTANCE OF 1182.77 FEET TO A 1/2" IRON ROD SET WITH A CAP STAMPED "WIER & ASSOC INC";

THENCE N 12°27'30" E, DEPARTING THE SOUTH LINE OF SAID RAYBURN COUNTRY ELECTRIC COOPERATIVE TRACT AND THE NORTH LINE OF SAID TELIOS TRACT ONE, A DISTANCE OF 247.89 FEET TO A 1/2" IRON ROD SET MIN A CAP STAMPED "WIER & ASSOC INC";

THENCE N 89°27'30" E, A DISTANCE OF 1124.38 FEET TO A 1/2" IRON ROD SET WITH A CAP STAMPED "WIER & ASSOC INC";

THENCE S 01°08'11" E, AT A DISTANCE OF 52.76 FEET, PASSING A 1/2" IRON ROD FOUND IN THE SOUTH LINE OF SAID RAYBURN COUNTRY ELECTRIC COOPERATIVE TRACT AND BEING THE NORTHWEST CORNER OF SAID TELIOS TRACT RECORDED IN INSTRUMENT No. 2025-16816, O.P.R.H.C.T., CONTINUING ALONG THE SOUTH LINE OF SAID RAYBURN COUNTRY ELECTRIC

COOPERATIVE TRACT AND THE WEST LINE OF SAID TELIOS TRACT RECORDED IN INSTRUMENT No. 2025-16816, O.P.R.H.C.T., IN ALL A TOTAL DISTANCE OF 249.75 FEET TO THE PLACE OF BEGINNING AND CONTAINING 6.508 ACRES (283,487 SQUARE FEET) OF LAND, MORE OR LESS.

Docusign Envelope ID: 92152DD5-39C3-42C3-B20A-9FB644F8657D

DB1/ 164868958.16

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Adam Sullivan, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Core Scientific, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2026

/s/ Adam Sullivan

Adam Sullivan
Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jim Nygaard, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Core Scientific, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2026

/s/ Jim Nygaard

Jim Nygaard

Chief Financial Officer

(Principal Financial and Accounting Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Core Scientific Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Adam Sullivan, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 6, 2026

By: /s/ Adam Sullivan
Adam Sullivan
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Core Scientific Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jim Nygaard, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 6, 2026

By: /s/ Jim Nygaard
Jim Nygaard
Chief Financial Officer
(Principal Financial and Accounting Officer)