



Kratos Receives \$1.45B MACH-TB 2.0 Contract Award

January 6, 2025

Contract Represents Single Largest Award in Kratos History

SAN DIEGO, Jan. 06, 2025 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (Nasdaq: KTOS), a technology company in Defense, National Security and Global Markets, announced today that it has been awarded a five-year OTA contract for the Multi-Service Advanced Capability Hypersonic Test Bed (MACH-TB) 2.0 under Task Area 1. The total value of this award, if all options are exercised over the five-year period, is \$1.45B. The Office of the Under Secretary of Defense for Research and Engineering (OUSD (R&E)) Test Resource Management Center (TRMC) established MACH-TB to support OUSD's National Hypersonic Initiative 2.0 by creating an affordable flight test bed to rapidly increase hypersonic flight test capacity. MACH-TB 2.0 will provide an affordable bridge between hypersonic ground tests and system level flight tests. This will reduce overall hypersonic development risks and time and provide rapid transition of innovative hypersonic technologies to the warfighter.

George Rumford, Director of the Test Resource Management Center, said, "We are excited to continue the success of the MACH-TB program with this award. MACH-TB is an essential tool to accelerate science and technology experiments into next generation, leap-ahead hypersonic capabilities for our nation."

"We are honored to be selected to be part of the MACH-TB 2.0 integrated team. The nation is at a critical point in the need for rapid and affordable hypersonic flight testing to quickly develop and field hypersonic technologies and the MACH-TB program is filling that need," said **Michael Johns, Senior Vice President of Kratos SRE**.

Kratos was awarded the prime role in Task Area 1 Systems Engineering, Integration, and Testing (SEIT), to include integrated subscale, full-scale, and air launch services to address the need to affordably increase hypersonic flight test cadence. Kratos will lead a team of subcontractors that will provide systems engineering, assembly, integration, and test (AI&T), mission planning and execution, and launch services. Key teammates on the Kratos team include Leidos, Rocket Lab, Koda Technologies, Corvid Technologies, Northwind, JRC, Stratolaunch, CFD Research, PAR Systems, University of Minnesota, and Purdue University among many others.

Dave Carter, President of Kratos Defense and Rocket Support Services Division, said, "With the recent successes of our low-cost Erinyes Hypersonic Flyer and Zeus Solid Rocket Motors, Kratos is a leader in the testing and fielding of hypersonic systems. We are very excited to bring this unmatched expertise to the MACH-TB 2.0 program."

Eric DeMarco, President & CEO of Kratos Defense & Security Solutions, Inc., said, "Kratos is honored to receive the largest contract award in our company's history, a testament of the value Kratos' employees and team bring both to our Company and United States National Security. This programmatic milestone underscores our unwavering commitment to making upfront investments for rapidly developing, and being first to market with affordable, mission-critical solutions that meet the evolving needs of the warfighter. The MACH-TB 2.0 program award is an important element of Kratos' future year organic growth forecast and expectation."

About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (NASDAQ: KTOS) is a technology, products, system and software company addressing the defense, national security, and commercial markets. Kratos makes true internally funded research, development, capital and other investments, to rapidly develop, produce and field solutions that address our customers' mission critical needs and requirements. At Kratos, affordability is a technology, and we seek to utilize proven, leading edge approaches and technology, not unproven bleeding edge approaches or technology, with Kratos' approach designed to reduce cost, schedule and risk, enabling us to be first to market with cost effective solutions. We believe that Kratos is known as an innovative disruptive change agent in the industry, a company that is an expert in designing products and systems up front for successful rapid, large quantity, low cost future manufacturing which is a value add competitive differentiator for our large traditional prime system integrator partners and also to our government and commercial customers. Kratos intends to pursue program and contract opportunities as the prime or lead contractor when we believe that our probability of win (PWin) is high and any investment required by Kratos is within our capital resource comfort level. We intend to partner and team with a large, traditional system integrator when our assessment of PWin is greater or required investment is beyond Kratos' comfort level. Kratos' primary business areas include virtualized ground systems for satellites and space vehicles including software for command & control (C2) and telemetry, tracking and control (TT&C), jet powered unmanned aerial drone systems, hypersonic vehicles and rocket systems, propulsion systems for drones, missiles, loitering munitions, supersonic systems, space craft and launch systems, C5ISR and microwave electronic products for missile, radar, missile defense, space, satellite, counter UAS, directed energy, communication and other systems, and virtual & augmented reality training systems for the warfighter. For more information, visit www.KratosDefense.com.

Notice Regarding Forward-Looking Statements

Certain statements in this press release may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are made on the basis of the current beliefs, expectations and

assumptions of the management of Kratos and are subject to significant risks and uncertainty. Investors are cautioned not to place undue reliance on any such forward-looking statements. All such forward-looking statements speak only as of the date they are made, and Kratos undertakes no obligation to update or revise these statements, whether as a result of new information, future events or otherwise. Although Kratos believes that the expectations reflected in these forward-looking statements are reasonable, these statements involve many risks and uncertainties that may cause actual results to differ materially from what may be expressed or implied in these forward-looking statements. For a further discussion of risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to the business of Kratos in general, see the risk disclosures in the Annual Report on Form 10-K of Kratos for the year ended December 31, 2023, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

Press Contact:

Claire Burghoff

claire.burghoff@kratosdefense.com

Investor Information:

877-934-4687

investor@kratosdefense.com



Source: Kratos Defense & Security Solutions, Inc.