

Hello Rune Investor,

As we hit the mid-year point (and the two-year anniversary of Rune!), we're happy to present some further great wins and milestones for the Rune team.

Leading with the numbers, Kyle and the Growth team closed another great quarter! We ended Q2 with an additional \$5.78m ACV closed, putting us at \$12.27m closed year to date, already nearly hitting our threshold annual target of \$12.5m and inching closer to our objective annual target of \$15m at halfway through the year. Additionally, our total pipeline has nearly doubled over Q2 to \$399m, with weighted ACV for the year climbing from \$20m to \$28m. We closed our first small US Air Force win this past quarter, through a Phase 1 SBIR that will have us develop a follow-on plan to deploy TyrOS to support Logistics C2 requirements under the Agile Combat Employment (ACE). Our third service now, alongside the Army and Marine Corps! Lastly, in a particularly important move that positions us for continued exponential growth, we also signed and announced a \$99m 5-year Enterprise Contract with the Army, providing a standing contract vehicle (most critically, usable across the Joint Force) with competition requirements met, going forward.

On the talent investment front our senior leadership team has grown by one with the addition of Isaac Smitley as our Head of Platform. Isaac joins us from Anduril, where he's been leading Site Reliability & Deployment Engineering for the Connected Warfare Division the past two and a half years. Prior to Anduril, Isaac led classified deployment engineering at Microsoft, Amazon and Palantir, where he built the precursor to Apollo that deployed Palantir systems to classified spaces at scale worldwide. At Rune, Isaac will be similarly focused on scaling our infrastructure and platform systems to support the global supply web of TyrOS nodes. In addition to Isaac, we've had 15 further Runites join the company this quarter and currently have 18 openings in active search across all our functional areas except the Growth team where we have a full team operating at peak performance.

We continue the expansion of Rune into a multi-product logistics technology company. As you may have seen on LinkedIn, we have publicly launched our Autonomy Development Kit (ADK), our Generative AI capability (Saga), and our growing hardware sensor effort (TyrSense) to begin what has always been the plan: the drive of Rune to be a multi-product company, with TyrOS as the underlying platform. We have a further product launch still yet

to come, where we will unveil our push into supporting our logisticians at the extreme tactical levels through the delivery of mobile applications. The product team continues to deepen and broaden the reach of Rune's TyrOS suite, enabling not just our core military logistician customers, but increasingly also military personnel, medical, and contracting professionals.

Our Mission Success and Forward Deployed Engineering teams continue to crush our programmatic execution work. The Marine Corps team wrapped PACOM exercise Balikatan 26 this quarter with extremely positive reviews from users, securing Rune's place in both further iterations of the USMC's Project Dynamis (C2 modernization) program, as well as a Phase 2 follow on contract with the Marine Corps Warfighting Lab, currently negotiating. The Army team dominated at our first large-scale exercise with the 1st Cavalry Division (1CD) where the final customer read-out stated, "The integration of Rune's TyrOS software significantly enhanced our sustainment Command and Control (C2) and decision dominance. TyrOS proved critical to generating accurate shared understanding and visibility of commodity and combat power amongst each of the Division Command Posts." Because of this win, we are currently negotiating a plus-up to our 1CD work more than doubling the contract value. Both our Marine Corps and Army teams are back out in the field this month in the California desert: with the USMC at the Marine Corps Air Ground Combat Center, 29 Palms for Project Dynamis Serial 9; and with the Army at the National Training Center, Fort Irwin for Project Convergence Capstone 6 (PCC6) under our NGC2 work with the 4th Infantry Division.

Our longer update is here below the cut line across Team, Product, and Growth as always.

Team

The Rune team continues to grow in size, complexity, and depth of expertise and talent. We are continuously adding new roles to our teams to keep up with work and demand while refilling a few vacancies from natural attrition. New roles have included engineers throughout our tech stack as well as investments in our core operations roles. **Our latest Rune job postings can be found [HERE](#).** As always, we welcome referrals and/or assistance spreading the word for hiring purposes! Our hires since our last update:

Penn Hess: Forward Deployed Engineer; formerly Technical Account Manager for USG National Security, AWS

Brennan Randel: Growth Director, Army; formerly Growth Lead, Army Programs, Vannevar Labs

Ryan Martinez: Data Scientist; formerly Data Science and Operations Research Instructor, USMC

Aaron Joseph: Lead Android Engineer; formerly Senior Software Engineer, Android Mobile Card Payments, Capital One

Blake Eames: Implementation Engineer; formerly Machine Learning Engineer, Quantum Ventura

Jon Keller: Army Mission Manager; formerly Senior Product Manager, C3 AI

Dan Tran: Forward Deployed Engineer; formerly Forward Deployed Engineer, C3 AI

Isabel Grondin: Forward Deployed Engineer; formerly Software Engineer, Vannevar Labs

Omkar Ranade: Growth Director, Army; formerly Senior Director Strategic Solutions, C3 AI and still serving USMC Reserves logistics officer

Dakota Relford: Army Mission Manager; Formerly Senior Transportation & Systems Analyst, McLane Company and still serving US Army National Guard officer

Isaac Smitley: Head of Platform; formerly Head of SRE and Deployed Systems, Anduril Industries

Alec Muller: Army Mission Manager; formerly Chief of Staff, Strategic Services Division, Core One

David Harper: Technical Recruiter; formerly Lead Technical Recruiter, Edgesource

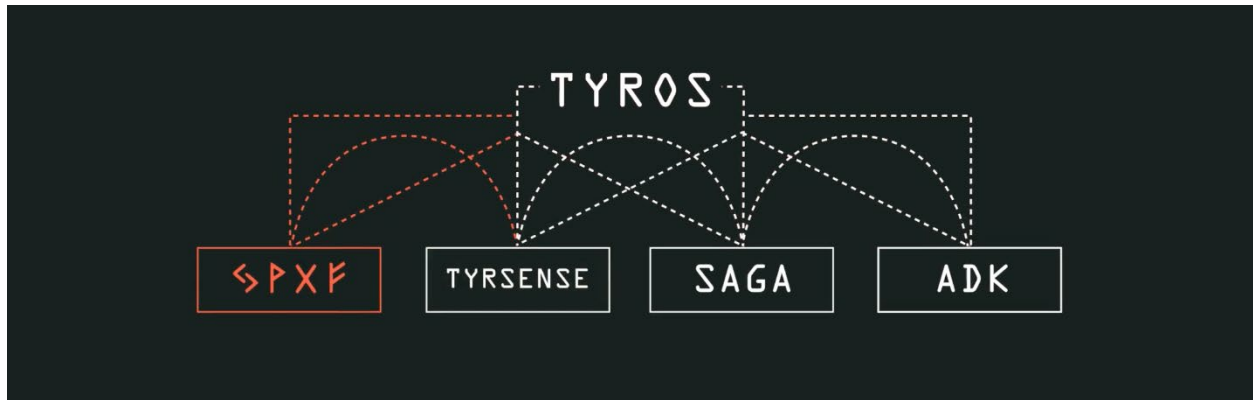
Malay Agarwal: Forward Deployed Engineer; formerly Software Engineer, C3 AI and still serving US Army Reserves officer

Jay Park: Information Systems Security Engineer; formerly Cybersecurity Engineer, CACI International

Sarah Burt: USMC Mission Manager; formerly USMC logistics officer and Economics Faculty, US Naval Academy

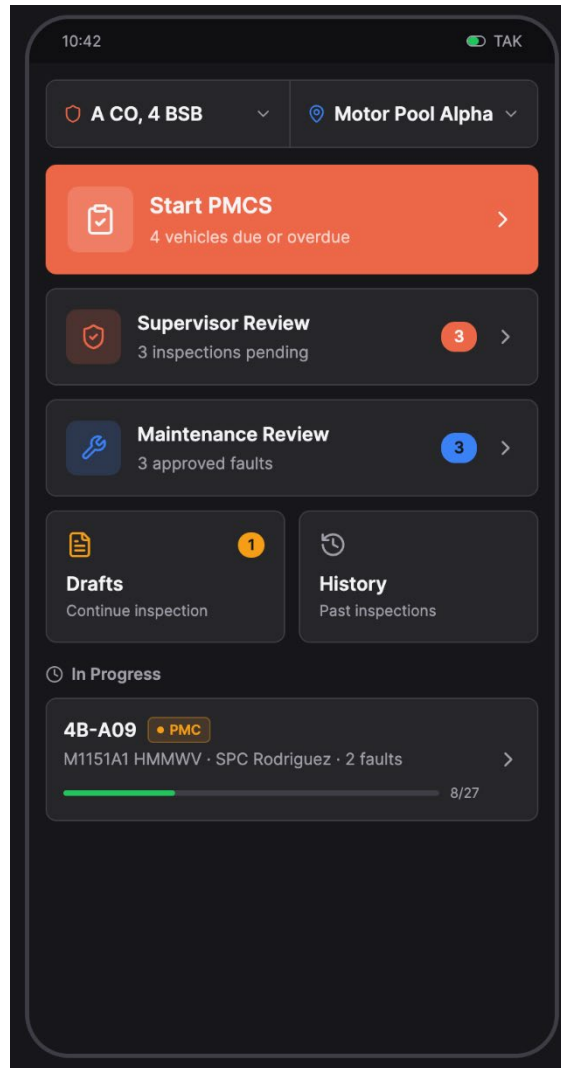
Tom Murphy: Growth Director Army Programs; formerly US Army artillery officer and Director, Army House Liaison Division

Product



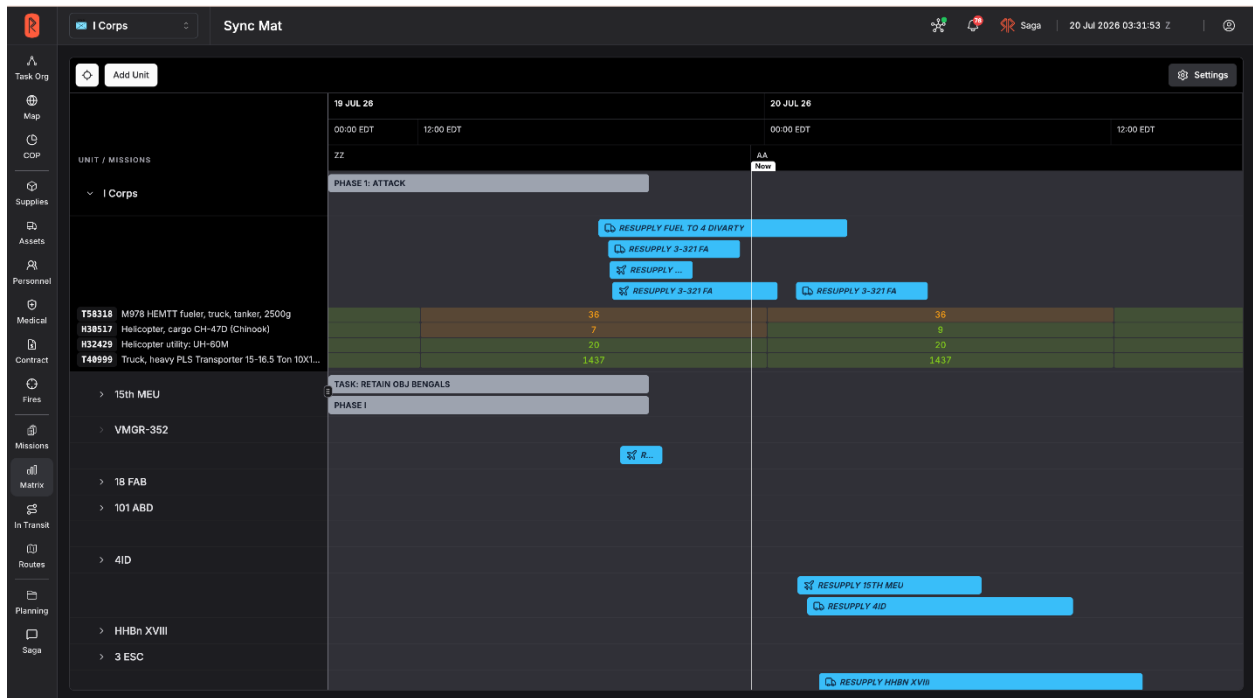
The TyrOS product tree continues to grow branches

This past quarter marked an important transition for TyrOS: from proving individual capabilities to becoming the operational system our customers rely on across entire formations. TyrOS is now effectively in production with the 1st Cavalry Division and the 25th Infantry Division, with the 4th Infantry Division soon joining them after PCC6. Across these units, TyrOS is being used end-to-end—not as another dashboard sitting alongside the mission, but as the system through which logisticians plan, coordinate and execute sustainment operations. This spans all echelons—from squad leaders using TyrOS on mobile devices at the tactical edge, to sensors feeding live data directly from vehicles into TyrOS, all the way up to division commanders receiving briefs and decision recommendations generated by TyrOS.



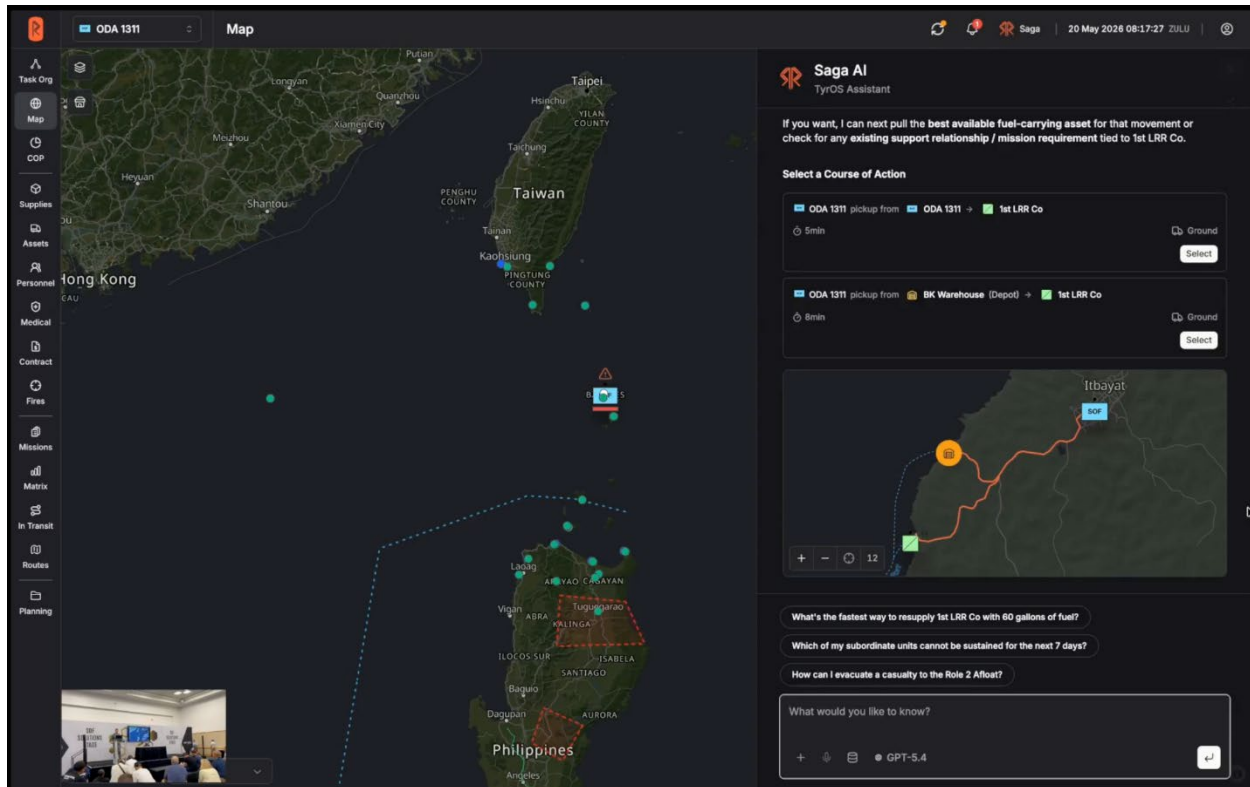
Newly-launched PMCS mobile application

For the first time, we made a major push into maintenance, one of the largest remaining areas of military logistics for TyrOS to capture. We began pulling authoritative sustainment and equipment information into the platform, expanded our maintenance-management workflows and started digitizing Preventive Maintenance Checks and Services (PMCS)—the routine inspections soldiers perform to identify faults and keep equipment mission-ready. The objective is to connect what is happening to each individual platform with the wider supply chain, allowing maintainers and commanders to understand not only what is broken, but what parts, personnel and actions are required to restore readiness. As part of this work, we are nearing approval to write data directly back into GCSS-Army, the Army’s system of record for property accountability—a significant vote of confidence in TyrOS and a meaningful differentiator from competitors.



Reworked synchronization matrix to coordinate logistics distribution

We've continued to evolve one of the center pieces of TyrOS: our transportation management system. We completely reimagined our Sync Matrix as a one-stop-shop for synchronizing sustainment against the maneuver plan and adjacent units, while maintaining visibility into where assets have been allocated. We also shipped the first version of our scheduler, a fundamentally important addition that allows TyrOS to maintain custody of transportation availability both in aggregate and all the way down to the individual vehicle—or “bumper” / “hull number” / “tail number”—level.



TyrOS is now the only logistics C2 software deemed “SOF-peculiar” for SOCOM purposes

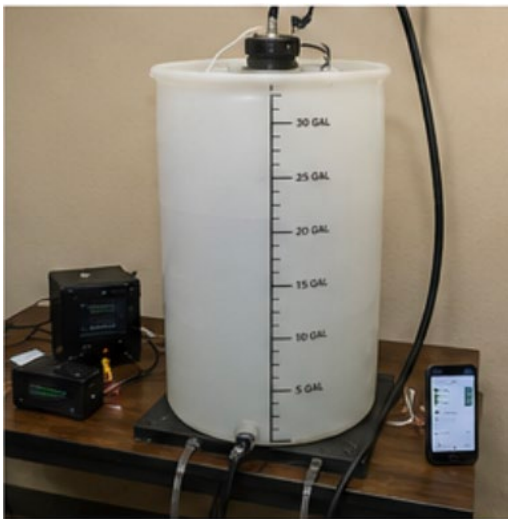
TyrOS also went SOF peculiar. At SOF Week, we presented a sustainment command-and-control demonstration focused specifically on the workflows and operational realities of special operations forces. The resulting assessment deemed TyrOS the first “SOF-peculiar” sustainment C2 application—a meaningful validation that the depth and flexibility of our platform can support not only conventional formations, but some of the military’s most specialized and demanding users.

Our investment into hardware also continues to become much more serious. We hired Rune’s first dedicated hardware engineer and have begun the search for a Head of Hardware to build out the function. Our first major target will be a sensor for automatically monitoring bulk liquid quantities, beginning with fuel. We expect to deploy the first operational version with 1st Cavalry Division, bringing another critical source of real-time tactical data directly into TyrOS.

Finally, [TyrOS has officially been jailbroken](#). We have continued expanding the platform's APIs and autonomy integrations, connecting TyrOS with Saronic, Havoc AI and other autonomous vehicle platforms. Our goal is for TyrOS to become the orchestration layer that determines where autonomous systems should go, when they should move and what they should carry based on the actual sustainment picture. The first major operational focus for this work will again be 1st Cavalry Division, as well as our partnered pitches with Saronic.

What's Next

The next quarter will see us double down on several areas where we believe Rune can establish decisive product leadership.

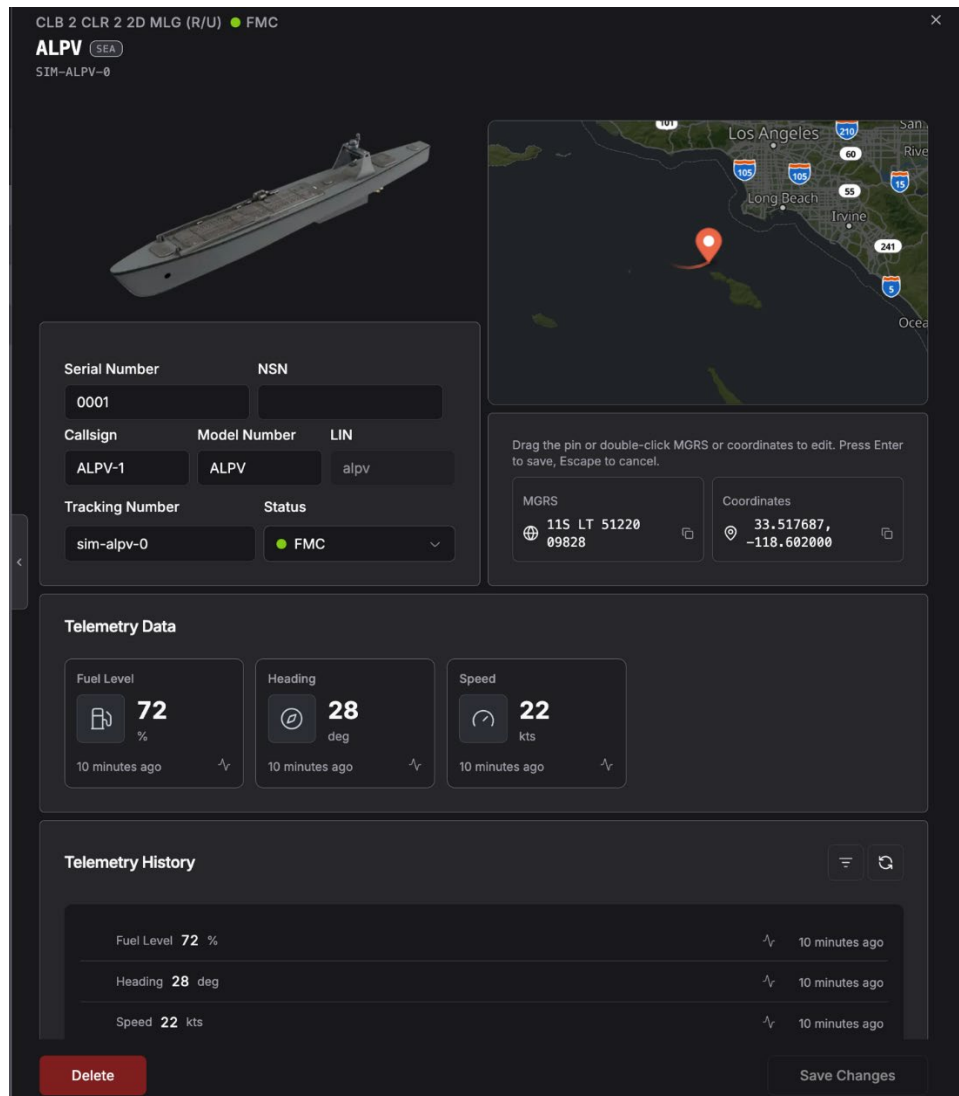


Prototyping efforts have started on bulk liquid sensors to deepen Rune reach to data origination points

First, we will build and begin operational testing of our bulk-liquid sensor. Fuel remains one of the most consequential—and surprisingly poorly understood—commodities on the battlefield. Automatically pulling accurate fuel quantities from tactical storage and distribution platforms will give TyrOS an entirely new class of authoritative, real-time data for forecasting and decision support.

Second, we will continue our aggressive expansion into maintenance. This includes pushing PMCS forward, deepening our maintenance-management workflows and better connecting faults, parts, work and readiness across the platform. Maintenance is not a

separate problem from logistics; it is one of the largest drivers of supply demand, transportation requirements and combat power. This work will also be central to our upcoming expansion with the Air Force and Navy, where aircraft, ship and equipment readiness are inseparable from sustainment operations. TyrOS is increasingly being built to treat the entire problem as one connected system.



Integration efforts through Rune's ADK continue with autonomous vehicle producers

Our autonomy work will also move from integration to real-world demonstration. Alongside Saronic and Havoc AI, we plan to show TyrOS actively coordinating autonomous logistics

platforms against operational requirements—not merely displaying them on a map, but assigning movements and cargo based on the wider sustainment plan.

Just as importantly, the organization building all of this has fundamentally matured. Rune's early product roadmap was intensely driven by Peter across nearly every dimension. As the team has grown, we have promoted strong internal leaders and moved toward a more decentralized product and engineering organization capable of pushing multiple major parts of the roadmap forward simultaneously. That growth also requires a serious investment in quality. We are hiring our first dedicated Quality Engineer, prioritizing automated testing, strengthening release engineering and moving toward a more continuous and disciplined delivery process. Our customers are no longer simply evaluating TyrOS in controlled demonstrations; entire formations increasingly depend on it during real operations and exercises. The quality bar must rise accordingly—and it will.

Growth

The second quarter marked a defining milestone in Rune's commercial growth with the award and stand-up of our \$99m Army Enterprise Agreement (EA). The Enterprise Agreement establishes a scalable acquisition pathway that enables the entire Joint force to procure TyrOS more rapidly while significantly reducing contracting friction across the enterprise. The impact was immediate. During the quarter, we received the first task order under the EA, with a second task order valued at approximately \$5m progressing through the Army Applications Laboratory. In parallel, the Army expanded its investment in Rune's support of Next Generation Command and Control (NGC2) by awarding an additional \$5.3m in funding, further reinforcing TyrOS as the sustainment and logistics software platform supporting Army modernization.

Commercial momentum continues to accelerate across the business. Rune's qualified pipeline has grown to \$399 million, supported by a weighted Annual Contract Value (ACV) of \$28m, representing strong opportunities for the remainder of the year. Year-to-date, the company has secured \$12.27m in contract awards, achieving ~98% of our \$12.5m annual operating plan and ~82% of our \$15m stretch goal. With two quarters remaining, Rune remains ~23% ahead of its planned sales glide slope, and multiple strategic awards are expected to close during the second half of the year. We enter the back half of 2026 positioned to deliver two additional quarters of strong growth while continuing to expand our recurring software revenue across the Department of Defense.

Our Marine Corps business continues to build exceptional momentum through Project Dynamis, the Marine Corps' modernization effort for command and control and distributed logistics. During the quarter, Rune successfully completed the Project Dynamis 007 Risk Reduction Event, followed by award of the \$375,000 Project Dynamis 007 effort. We also expect award of Project Dynamis 009, valued at ~\$1m, in the coming week. These back-to-back awards continue to validate TyrOS as the logistics and sustainment platform supporting distributed maritime operations while expanding our operational footprint across the Marine Corps.

Within U.S. Special Operations Command, Rune successfully completed the TE 26-2 Technical Experimentation Event, validating TyrOS as a SOF-Peculiar logistics and sustainment solution for the Special Operations community. Building on that success, Rune was accepted into Naval Special Warfare's ANCHOR Program, establishing a long-term pathway to mature the platform alongside one of the Department of Defense's most operationally demanding organizations.

Rune also secured its first U.S. Air Force contract award through a Phase I SBIR focused on Agile Combat Employment (ACE) logistics. This award establishes Rune's entry into Air Force logistics modernization and creates a pathway toward a larger Phase II effort focused on operational deployment across contested logistics missions.

As our Army business continues to accelerate, we have made a deliberate investment in building the team that will scale Rune across the Army enterprise. During the quarter, we added four senior leaders whose combined experience spans Army operations, logistics, acquisition, and modernization. Brennan Randel, a former Army AH-64 Apache pilot, Eric McCoy, a 30-year Army logistician and former Executive Officer to the Commanding General of Army Materiel Command, and Tom Murphy, former Commander of the 17th Field Artillery Brigade, Chief of Staff of I Corps, and Squadron Commander at the Asymmetric Warfare Group, bring decades of Army leadership and trusted relationships across the sustainment community. Omkar Ranade complements the team with deep technology expertise from C3 AI and operational logistics experience as a former Marine Corps logistician. Collectively, this team gives Rune an unmatched ability to engage commanders, logisticians, and modernization leaders across the Army while expanding beyond NGC2 into adjacent logistics, medical, transportation, and enterprise sustainment initiatives. We are making a long-term investment in Army growth because we believe

TyrOS is uniquely positioned to become the Army's leading software platform for operational and strategic sustainment.

We also strengthened our Strategic Advisory Board with the addition of Lieutenant General Andy Rohling (Ret.), former Deputy Chair of the NATO Military Committee and Deputy Commander of US Army Europe and Africa. Andy's experience leading multinational operations and his extensive relationships across allied defense organizations are already helping accelerate Rune's international expansion. We are actively pursuing opportunities with the United Kingdom, Norway, NATO, and Singapore, while simultaneously laying the foundation for commercial growth in industries facing complex logistics and supply chain challenges. Together, international defense and commercial markets represent Rune's next major growth frontier and significantly expand our addressable market beyond the U.S. Department of Defense.

As you see, the pace remains high here through the summer season, and we're excited to report advancements along all fronts....the doubling of the Rune team over the first half of the year, another killer growth quarter for closed revenue, and the continued expansion of Rune into a multi-product technology company.

Thank you!

Regards,

Dave & Peter