



Leonardo DRS Teams with SpearUAV Ltd for Nano-scale Aerial Munitions

October 6, 2022

ARLINGTON, VA, OCTOBER 6, 2022 – Leonardo DRS, Inc. (DRS) announced today its Land Systems business unit in St. Louis, Missouri has entered into an agreement with SpearUAV Ltd. (Spear) of Israel to develop a version of Spear's VIPER nano-scale aerial munition for the US market.

Under terms of the agreement, DRS and Spear are adapting the VIPER aerial munition to meet the emerging requirements of multiple US military customers. Spear developed VIPER rapidly in response to lessons learned during recent major conflicts. The vertical launch, quad-rotor VIPER provides a warfighter at the tactical edge an affordable, simple-to-use, and effective organic aerial munition against a variety of targets including those in defile.

Small aerial munitions like VIPER are revolutionizing small unit tactics by putting precision lethality literally in the hands of the individual warfighter.

VIPER provides organic, responsive, precision fires at the squad level, allowing operators to destroy immediate threats like enemy snipers and RPG teams without relying on higher-level assets. The delivery accuracy possible with VIPER also minimizes collateral damage in complex urban terrain.

This partnership leverages Leonardo DRS' extensive platform integration and payload development experience with SpearUAV's technological synergies for the US Defense market.

"We continue to prioritize investments to meet critical unit capability gaps and user-identified requirements. We then design, build and test integrated solutions that are mature, affordable, and rapidly available to meet accelerated customer demands," said Aaron Hankins, Senior VP / General Manager of DRS Land Systems. "We recognized Spear as a leading-edge AI and unmanned technology company, and we are very excited about this new partnership. VIPER expands our current sUAS efforts and brings a much-needed lethal munition capability to warfighters now."

SpearUAV CEO Gadi Kuperman added, "We want to provide the user the ability to treat VIPER the same way they would any other piece of combat equipment or munition, such as a bullet or a grenade. It's a battlefield tool; it's ready and meant to be used at any time and without hesitation. And that could be for an infantry soldier or for land or naval platform crews."

About SpearUAV Ltd.

Spear is an Israel-based technology company, active since 2017 in the development and manufacturing of unmanned air systems for defense and HLS applications.

As a single source supplier for several Israeli MOD programs, Spear provides military clients, organizations, and governments around the globe with robust, autonomous, AI-based aerial systems.

With a blend of civilian and military backgrounds, the Spear team brings multidisciplinary expertise in areas including: drone development, aerospace, AI & ATR, military explosives, swarm operation and more.

Spear UAVs' Ninox family of encapsulated UAS are instantly launched - in individual or P2MP (Point To Multi Point) configuration - and intuitively operated. Providing combat-proven on-demand and on-the-move air capabilities and delivering instant ISTAR missions and aerial loitering munition for precision-attack capabilities, Ninox empowers individual warfighters, and equips manned & unmanned vehicles and allied systems with a new aerial dimension that meets the challenges of today's battlefield. See www.spearuav.com for more information.

About Leonardo DRS

Leonardo DRS, Inc., headquartered in Arlington VA, develops and manufactures advanced defense products for the U.S. military, intelligence agencies and allies around the world. The company's broad technology portfolio focuses on advanced sensing, network computing, force protection, and electrical power and propulsion, as well as a range of key defense priorities. Our innovative people are leading the way in developing disruptive technologies for autonomous, dynamic, interconnected, and multi-domain capabilities to defend against new and emerging threats. See how we are shaping the battlefield of tomorrow at www.LeonardoDRS.com.

On June 21, 2022, DRS and RADA Electronic Industries Ltd. (NASDAQ & TASE: RADA) announced an all-stock merger transaction. Upon completion, RADA will become a wholly-owned subsidiary of DRS and the combined company plans to be listed on [the Nasdaq] and on the TASE under the ticker symbol "DRS".

Forward-Looking Statements

This communication contains statements that constitute "forward-looking statements," including with respect to the proposed merger of DRS and RADA and its impact, if completed, on the combined company's business. Forward-looking statements are subject to numerous conditions, many of which are beyond our control. Neither RADA nor DRS undertake any obligation to update these statements, except as required by law.

No Offer or Solicitation

This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to appropriate registration or qualification under the securities laws of such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended. This communication does not constitute an offer of securities pursuant to the Israeli Securities Law, 1968, or a recommendation regarding the purchase of securities of RADA or DRS.

ADDITIONAL INFORMATION ABOUT THE TRANSACTION AND WHERE TO FIND IT

DRS will file with the U.S. Securities and Exchange Commission (SEC) a registration statement on Form S-4, which will include a prospectus of DRS, and certain other documents in connection with the transaction. **SHAREHOLDERS OF RADA ARE URGED TO READ THE PROSPECTUS AND ANY OTHER DOCUMENTS FILED OR TO BE FILED WITH THE SEC IN CONNECTION WITH THE TRANSACTION WHEN THEY BECOME AVAILABLE, AS THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT DRS, RADA, THE TRANSACTION AND RELATED MATTERS.** The registration statement and prospectus and other documents filed or furnished by DRS and RADA with the SEC, when filed, will be available free of charge at the SEC's website at www.sec.gov. Alternatively, shareholders will be able to obtain free copies of the registration statement, prospectus and other documents which will be filed or furnished with the SEC by DRS by contacting DRS at +1 877-538-0912 or 2345 Crystal Drive Suite 1000 Arlington, Virginia 22202.

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