



Leonardo DRS Announces Pricing of an Upsized Secondary Offering of Common Stock by a Leonardo S.p.A. Subsidiary

November 16, 2023

ARLINGTON, Va.--(BUSINESS WIRE)--Nov. 16, 2023-- **LEONARDO DRS INC. (NASDAQ: DRS)** Leonardo DRS, Inc. ("DRS") announced today the pricing of an upsized public secondary offering of 18,000,000 shares of its common stock at an offering price of \$17.75 per share by Leonardo US Holding, LLC (the "Selling Stockholder"), a subsidiary of Leonardo S.p.A. The Selling Stockholder granted the underwriters a 30-day option to purchase up to an additional 2,700,000 shares of DRS's common stock from the Selling Stockholder at the public offering price, less underwriting discounts and commissions. The offering is expected to close on November 21, 2023, subject to customary closing conditions. Upon completion of the offering, Leonardo S.p.A. will beneficially own approximately 73.3% of the outstanding common stock of DRS, or approximately 72.3% if the underwriters fully exercise their option to purchase additional shares. All of the shares in the offering will be sold by the Selling Stockholder. DRS is not offering any shares of common stock in this offering and will not receive any proceeds from the sale of shares by the Selling Stockholder.

Morgan Stanley, BofA Securities and J.P. Morgan are acting as joint book-running managers for the offering. Baird, Goldman Sachs & Co. LLC and Truist are acting as joint book-runners for the offering. CJS Securities is acting as co-manager for the offering.

The shares of common stock in the offering are being offered pursuant to an automatically effective shelf registration statement on Form S-3 filed with the Securities and Exchange Commission ("SEC") on November 15, 2023. The offering is being made only by means of a prospectus supplement and the accompanying prospectus that forms a part of the registration statement. Copies of the prospectus and prospectus supplement relating to the offering may be obtained if you request it by contacting: Morgan Stanley & Co. LLC, Attention: Prospectus Department, 180 Varick Street, 2nd Floor, New York, New York 10014; BofA Securities, Inc., Attention: Prospectus Department, NC1-022-02-25, 201 North Tryon Street, Charlotte, North Carolina 28255-0001 or by email at dg.prospectus_requests@bofa.com; or J.P. Morgan Securities LLC, Attention: c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, New York 11717 or by telephone at 866-803-9204 or by email at prospectus-eg_fi@jpmorganchase.com.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy securities, nor shall there be any offer or sale of securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About Leonardo DRS

Headquartered in Arlington, VA, Leonardo DRS, Inc. is an innovative and agile provider of advanced defense technology to U.S. national security customers and allies around the world. We specialize in the design, development and manufacture of advanced sensing, network computing, force protection, and electric power and propulsion, and other leading mission-critical technologies. 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.

Note Regarding Forward-Looking Statements

This press release contains forward-looking statements and cautionary statements within the meaning of the Private Securities Litigation Reform Act of 1995. Some of the forward-looking statements can be identified by the use of forward-looking terms such as "believes," "expects," "may," "will," "shall," "should," "would," "could," "seeks," "aims," "targets," "intends," "plans," "estimates," "anticipates" or other comparable terms. Forward-looking statements include, without limitation, all matters that are not historical facts, including, without limitation, statements regarding the offering and the consummation of the offering.

You should read this press release completely and with the understanding that actual future results may be materially different from expectations. All forward-looking statements made in this press release are qualified by these cautionary statements. These forward-looking statements are made only as of the date of this filing, and we do not undertake any obligation, other than as may be required by law, to update or revise any forward-looking or cautionary statements to reflect changes in assumptions, the occurrence of events, unanticipated or otherwise, and changes in future operating results over time or otherwise.

Other risks, uncertainties and factors, including those discussed in our latest SEC filings under "Risk Factors" of our latest Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, filed with the SEC, could cause our actual results to differ materially from those projected in any forward-looking statements we make. Readers should read carefully the discussion of these factors to better understand the risks and uncertainties inherent in our business and underlying any forward-looking statements.

Disclaimers

In any member state of the European Economic Area (the "EEA"), this press release is directed only at persons in that member state who are "qualified investors" within the meaning of Article 2(e) of Regulation (EU) 2017/1129 ("Qualified Investors"). In the United Kingdom, this press release is directed only at persons who: (A) (i) are "investment professionals" specified in Article 19(5) of the Financial Services and Markets Act (Financial Promotion) Order 2005 (the "Order") and/or (ii) fall within Article 49(2)(a) to (d) of the Order; and (B) are "qualified investors" within the meaning of Article 2(e) of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (all such persons together being referred to as "Relevant Persons"). This press release must not be acted on or relied on (i) in the United Kingdom, by persons who are not Relevant Persons, and (ii) in any member state of the EEA, by persons who are not Qualified Investors. Any investment or investment activity to which this press release relates is available only to: (i) in the United Kingdom, Relevant Persons; and (ii) in any member state of the EEA, Qualified Investors, and will be engaged in only with such persons.

This announcement does not constitute an offer of any securities to the public in Italy. The shares will not be registered with the Commissione Nazionale per le Società e la Borsa ("CONSOB") pursuant to Italian securities legislation and, accordingly, no shares may be offered, sold or delivered, nor may copies of the prospectus, the prospectus supplement and any other document relating to any shares be distributed in the Republic of Italy, except: (i) to qualified investors (*investitori qualificati*), as defined in Article 2, letter e) of the Regulation (EU) 2017/1129 ("Prospectus Regulation"), pursuant to Article 1, fourth paragraph, letter a), of the Prospectus Regulation; or (ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation. Any offer, sale or delivery of the shares or distribution of copies of the prospectus, the prospectus supplement and any other document relating to any shares in the Republic of Italy must be in compliance with applicable Italian laws

and regulations.

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