

Leonardo DRS to Build State-of-the-Art Naval Propulsion Manufacturing and Test Facility Near Charleston, S.C.

PRESS RELEASE



DRS TO BUILD NAVAL PROPULSION FACILITY

Located in South Carolina.

ARLINGTON, VA, February 27, 2024 – Leonardo DRS, Inc. (NASDAQ: DRS) announced today that it has signed a ground

lease in the Charleston, South Carolina metropolitan area to develop a state-of-the-art manufacturing facility, allowing the company to grow its naval propulsion capability and streamline its support of priority U.S. Navy programs.

When complete there will be over 140,000 square feet of purpose-built advanced manufacturing, assembly and testing space representing an approximate net investment of \$120 million by DRS. The new capabilities made possible by this investment will play a key role in the continued expansion of propulsion system integration and testing for the company. Initial occupancy is targeted for 2026.

“We are proud to be building the next-generation electric propulsion system components for the new Columbia-class ballistic missile submarine,” said Leonardo DRS CEO, Bill Lynn. “This new facility in South Carolina expands our capability to support our U.S. Navy customers on this and other critical programs that enhance the nation’s submarine industrial base,” he added.

When completed, the facility will have the capability to manufacture, integrate and test large components for DRS’s advanced naval electric propulsion systems. The components include solid-state drives, designed and manufactured in the new DRS Menomonee Falls, WI. facility; electric motors designed and manufactured in the DRS facility in Fitchburg, MA.; control systems designed and manufactured in the DRS facility in Danbury, CT., and cooling equipment designed and manufactured in the DRS facility in High Ridge, MO. The South Carolina facility will have direct access to barge transportation on the local waterway and out to the open ocean for shipping these large assemblies to the company’s shipbuilding customers.

“This facility represents a significant milestone in our ongoing collaboration with the U.S. Navy. We expect the unique capabilities in this new facility to be a national asset

capable of addressing the Navy's current and future needs," said Jon Miller, senior vice president and general manager of the Leonardo DRS Naval Power Systems business.

Additionally, the new facility will also play an important role in spurring economic growth in the region through building a network of regional business partners, universities and other organizations that will work closely with DRS.

Leonardo DRS partnered with a team across state and local governments, as well as regional economic organizations and the private sector to bring this project to the greater Charleston area.