



Corporate Headquarters
2000 Technology Parkway
Newark, New York 14513

May 15, 2025

Dear Valued Customer:

We want to keep you informed of important updates regarding your open and future orders.

In response to ongoing global trade policies and evolving tariffs on specific imported components used in our manufacturing process, we will apply a **tariff-related surcharge** to products that include affected components. The magnitude and nature of these increases have made it necessary to adjust our invoicing structure accordingly, while reserving the right to make future adjustments to the surcharge as tariff policies evolve.

Effective May 15, 2025, the following will take effect:

- A tariff-related surcharge will be applied to all open and future orders that include impacted SKUs, which percentage may be adjusted over time in connection with governmental tariff policy changes. Our current surcharge rate as of the date of this letter is 3.5%. For products manufactured in our China facility (e.g., 9V, ER, Thin Cell), the current government tariff will be applied in lieu of the surcharge, and you will be informed by our sales representative.
- This tariff-related surcharge will appear on your order acknowledgments and final invoices as a separate line item.
- Only SKUs directly affected by applicable tariffs will be subject to this surcharge.

We are committed to handling this necessary change with transparency and fairness. Our goal is to minimize any disruption to your business while maintaining the high level of product quality, service and support you expect from us. We will modify or discontinue this surcharge promptly in line with our government's tariff policies as they evolve.

Thank you.

The Management Team of Ultralife Corporation

A handwritten signature in blue ink that reads "Philip A. Fain".

Philip A. Fain
CFO & Treasurer
Ultralife Corporation
315-332-7100