

Ultralife Corporation

Investor Update

Michael E. Manna
PRESIDENT & CEO

Philip A. Fain
CFO & TREASURER

Updated November 8th, 2024

Ultralife Battery & Energy Products

WE. ARE. POWER.®

LITHIUMPOWER®

SMART! CIRCUIT™

Ultralife HiRate®

Ultralife Thin Cell®

ABLE®
AN ULTRALIFE COMPANY

Accutronics Ltd

entellion™
pre engineered power solutions

accupro™
custom power solutions

Ultralife Communications Systems

McDowell Research®
AN ULTRALIFE COMPANY

AMTI®
AN ULTRALIFE BRAND

Southwest Electronic Energy

DRILL DATA II®
SWE

SEASAFE®

Excell Battery

CRITERION Gauge™



WE CREATE CRITICAL BATTERY AND RF POWER SOLUTIONS

IMPORTANT REMINDER – FORWARD LOOKING STATEMENTS

- This presentation may contain forward-looking statements based on current expectations that involve a number of risks and uncertainties.
- The Company cautions investors not to place undue reliance on forward-looking statements, which reflect the Company's analysis only as of today's date.
- The Company undertakes no obligation to publicly update forward looking statements to reflect subsequent events or circumstances.
- Further information on these factors and other factors that could affect the Company's financial results is included in the Company's Securities & Exchange Commission (SEC) filings, including the latest Annual Report on Form 10-K.

Business Overview

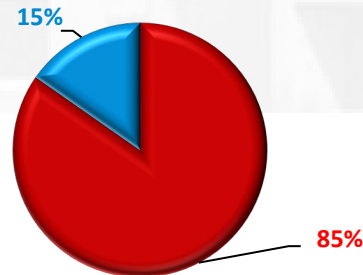
An Industry Leader in Designing, Developing and Manufacturing Portable Power Solutions and Communications Systems for Our Global Commercial & Defense Customers That Provide The Highest Performance, Safety and Reliability for Their Critical Applications

History & Background

- Founded in 1991; NASDAQ - ULBI
- Headquarters - Newark, NY
- Employees – 540*
- Business Segments:
 - Battery & Energy Products
 - Communications Systems
- Strategic Business Locations in N. America, China and UK
- TTM Revenues: \$165M
- TTM EBITDA: \$17.4M
- Current Backlog: \$78M
- Backlog % of TTM Sales: 48%
- Book Value/Share: \$8.09

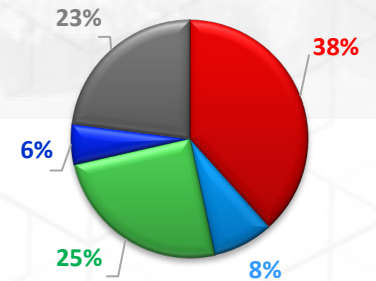
* Headcount Increases to 700 with Electrochem Acquisition on Oct 31st

Revenue Mix TTM by Business Segment



- Battery & Energy Products
- Communications Systems

Revenues TTM by Market Segment



- Government & Defense
- Safety & Security & Industrial
- Medical & Healthcare
- Energy Storage
- Oil & Gas and SubSea

TWO GROWTH BUSINESSES SERVING DIVERSE GLOBAL MARKETS WITH MISSION-CRITICAL PRODUCTS

Investment Highlights

PORTFOLIO OF INNOVATIVE PRODUCTS SERVING DIVERSE DEFENSE AND COMMERCIAL END MARKETS

COMMERCIALIZATION OF TRANSFORMATIONAL NEW PRODUCTS ACCELERATING SCALE

BACKLOG OF \$78M AS OF SEPTEMBER 30, 2024 - EQUAL TO ALMOST 50% OF TTM REVENUES

EFFICIENCY INITIATIVES DRIVING GROSS MARGIN OPTIMIZATION

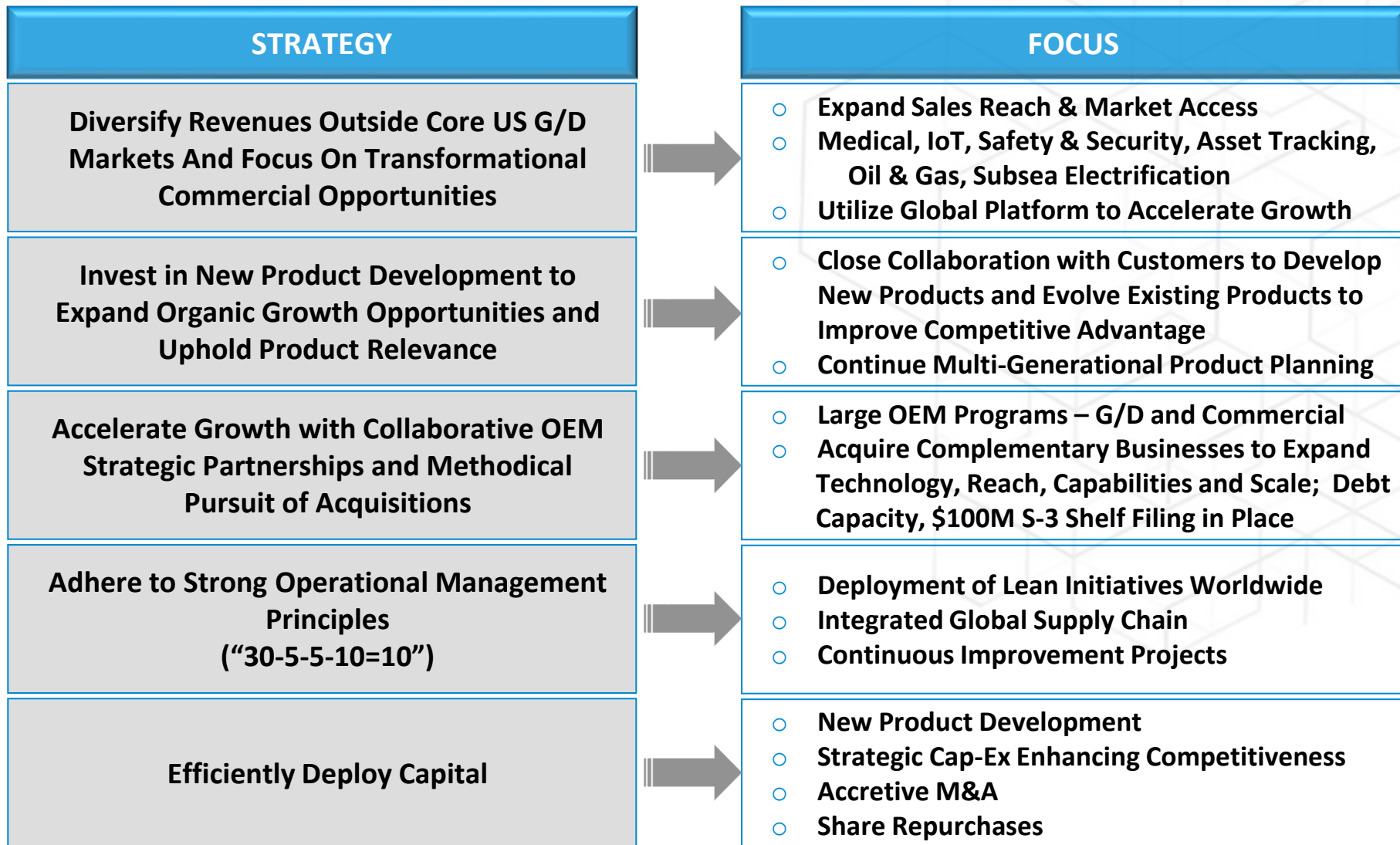
HIGHLY LEVERAGEABLE BUSINESS MODEL

BOARD & MANAGEMENT CLOSELY ALIGNED WITH SHAREHOLDERS

POSITIONED TO ELEVATE REVENUE, PROFITABILITY AND
CASH FLOW

ULTRALIFE
WE ARE POWER

Growth Strategy



ORGANIC REVENUE GROWTH SUPPLEMENTED BY ACQUISITIONS TO ACHIEVE DOUBLE DIGIT GROWTH

Current Growth Initiatives

LAUNCH OF KEY NEW PRODUCTS ACROSS A WIDENING CUSTOMER BASE

- Transformational Battery Opportunities - Medical, Metering, Robotics, Subsea & Thin Cell, IOT
- Advanced RF & Integrated Communications Systems Solutions Vital to Our Defense with Potential Applications Extending to High-Growth Commercial Markets w/ Global Players



GROW MEDICAL THROUGH RELATIONSHIPS WITH GLOBAL OEM'S

- Utilize Global Footprint and Proven Reliability Demonstrated During COVID-19 Surge to Increase Activity with Power Solutions to Support Advanced Medical Applications

AGGRESSIVELY PURSUE LARGE MULTI-YEAR PROGRAM WINS AND FOLLOW-ON ORDERS TO VEHICLE AMPLIFIER-ADAPTOR PROGRAMS

- Increase Major Program Opportunities Via Strong Relationships with Major Defense OEM's
- Plethora of New Products Position Us Well to Expand Our Opportunity Funnel



GLOBALIZE SALES, NEW PRODUCT DEVELOPMENT & SOURCING CAPABILITIES

- Capitalize on Worldwide Synergies Between US Locations, CAD, UK and China – Cross-Training Sales Teams; Electrochem/Excell/SWE ISO 13485 Cert (Medical); China Medical Battery Pack Assy



SUPPLEMENT ORGANIC GROWTH WITH ACCRETIVE M&A

- Electrochem (2024), Excell (2021), Southwest Electronic Energy Corp (2019) and Accutronics (2016)



Modular Battery Systems

CONTINUE TO BUILD STRONG REALTIONSHIPS WITH CUSTOMERS

- Continue to Build and Foster Long-Term Relationships/Partnerships at the Highest Levels

DISCIPLINED EXECUTION - PERFORMANCE CULTURE, CLEAR STRATEGIES & PRIORITIES, LINE OF SIGHT LEADERSHIP, ACCOUNTABILITY



Transformational New Products: Battery and Energy Products



ThinCell® – Annual TAM of \$5 - \$20M

- Flat Thin Lithium Manganese Cell (0.5-3MM) Designed For Innovative, High-volume Medical Wearable Applications, RFID Tracking and Displays; Working Closely with Customers as Applications are in Regulatory (FDA) Testing; Introduction/Growth Stage



Thionyl Chloride Cells (ER) - Annual TAM of \$10 - \$100M

- High-energy Lithium Cells Designed For Extended Life Spans of 10-20 Years; Targets include Industrial Monitoring and Metering Applications; Introduction Stage



UB123A and Advanced XR123A Cells & Packs – Annual TAM of \$5 - \$30M

- USA Produced 3-V Lithium Cells Designed To Outperform Competition (Density And Pulse Power) in a Multitude of High-Growth Markets; Initially Targeting Illumination; Advanced-Power XR Option Offers 30-40% Increased Energy Density; Ramp-Up Stage



Medical Cart Power – Annual TAM of \$5 - \$20M

- Rechargeable Batteries and Power Systems Designed for Electronic Recordkeeping, Powered Kiosks, Signage, and Other Applications; Growth Stage



Conformal Wearable Batteries – Annual TAM of \$5 - \$10M

- Lightweight, Flexible Battery System Initially Designed for US Army; Multiple commercial and military applications



SeaSafe and SeaSafe Direct – Annual TAM of \$10 - \$50M

- Direct In Water or Pressure Vessel Batteries Targeting Rechargeable Deep-sea Applications To 800V, Depths to Ocean Floor; Growth Stage

Transformational New Products: Communications Systems



EL8000 Cases and Integration – Annual TAM of \$10 - \$50M

- EL8000 Server Rugged Case Systems Supporting Edge Computing, UPS and Accessories to Military, Commercial, Industrial, and AI High-End Users to the Point of Use in Difficult Environments and in Mobile Applications; Introduction Stage



Crescent Server – Annual TAM of \$10 - \$30M

- Server Capability, Ruggedized for Military Tactical, Commercial, Industrial, and AI High-End Users to the Point of Use in Difficult Environments and in Mobile Applications; Development Stage



Next Generation Amplification – Annual TAM of \$5 - \$20M

- New RF Amplifier Product Line, Both Mounted and Dismounted, Utilizing Latest Technologies for Performance and Miniaturization; Development Stage



Radio Power System – Annual TAM of \$5 - \$18M

- Power for the Next Generation Radio System for Airborne Applications; Developed with a Partner and Funded US Military Program of Record; Introduction Stage

EXPANDED BATTERY & ENERGY PRODUCTS

ELECTROCHEM SOLUTIONS, INC.

ACQUISITION – OCTOBER 31, 2024

- “Electrochem” is a Raynham, MA–Based Leading Designer and Manufacturer of High-Performance Primary Lithium Metal and Ultracapacitor Cells and Battery Packs Serving Energy, Military and Various Environmental, Industrial and Utility Markets on a Global Basis for Over Forty Years; An Ultralife M&A Target for Ten Years
- Strong Strategic Fit with Ultralife:
 - Provides Scale to B&EP Business to Drive Operating Leverage of Business Model
 - Fills Key Gap in B&EP Portfolio with Complementary Line of Highly Engineered, Mission Critical, High-Temp Large Lithium Metal Cells Manufactured in the U.S. with No Customer Overlap
 - Further Strengthens Global NPD and Sales Teams with Experienced Battery Technical Expertise Talent
 - Offers Purchasing Synergies in Primary Lithium Batteries and Vertical Integration for Our Oil & Gas Business
 - Strong Brand Recognition with Industry Leading Reputation for Safety, Reliability and Quality
 - Dynamic Management Team with Innovative Culture Operating Under Identical Core Values

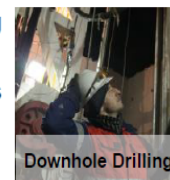
Applications by End Market (*% of 2023A Revenue*)



Energy

58.0%

- Downhole Drilling: Measurement While Drilling (MWD), Logging While Drilling (LWD)
- Pipeline Inspection: Pipeline Inspection Gauges (PIGs)
- Marine Seismic Surveying: Acoustic Birds



Downhole Drilling



Military

24.0%

- Communications & Surveillance: Tactical Radios, Land Mobile Radios, Survival Radios/ELB, AeroStat Balloons
- Avionics & Sensors: Unmanned Aerial Vehicles, Identification Friend or Foe (IFF) Beacons, Underwater Locating Beacons (ULB)



Avionics & Sensors



Environmental & Other

18.0%

- Oceanographic Systems: Autonomous Gliders, Ocean Bottom Seismometers (OBS)
- Detection & Monitoring: Powered Air Purifier Respirators, Gas Detection Monitors
- Industrial/Utility: Horizontal Direction Drilling (HDD) for Utilities, Remote Utility Monitors



Subsea Oil & Gas

STRATEGIC AND FINANCIAL FIT PROVIDING GLOBAL ENGINEERING,
MANUFACTURING AND SALES SYNERGIES

ULTRALIFE
WE ARE POWER

Product Portfolio - Battery & Energy Products

Government & Defense

Ultralife's Batteries, Chargers & Accessories Are Specifically Designed To Remain Reliable Under The Toughest Conditions And Built To Withstand The Harsh Environments Often Found In Military Combat



PRIMARY & RECHARGEABLE BATTERIES

5390's, 2590's, Hybrid CFx, Conformal, Land Warrior

CHARGERS

2-Bay, Desktop, 12-Bay

Safety, Security & Industrial

30 Years Of Proven Performance Under Pressure In The Most Critical Situations And Hazardous Conditions



9 VOLT

Over 100 Million Units Sold Worldwide

CYLINDRICAL CELLS

CR, XR & ER Cells
Sizes from 1/2AA-D Cell

THINCELL

Over 20 UL Certified ThinCell Models Available Off-The-Shelf

Ultralife Manufactures Lithium Manganese Dioxide, Lithium Carbon Monofluoride / Manganese Dioxide Blend & Lithium Thionyl Chloride Cell Chemistries

Energy Storage

Energy Solutions That Provide Fuel Savings, Emissions Reduction And Operating Reliability For A Variety Of Applications, Including Subsea And Downhole Applications



MULTI-KILOWATT MODULES

SUBSEA MODULES

LEAD ACID REPLACEMENT

6V & 12V Models Available

ACCUTRONICS

Intelligent Power Vault

Medical

Ultralife's Medical Batteries & Power Systems Provide Maximum Safety And Reliability In Critical, Life-Saving Situations



MEDICAL CART POWER SOLUTIONS

CUSTOM MEDICAL BATTERIES

ACCUTRONICS

CMX Series Batteries
(Multiple IEC62133 Certified Versions Available Off-The-Shelf)

GROWING PORTFOLIO OF COMPLEX LITHIUM POWER SOLUTIONS GENERATING LONG-LIFE CONTRACTS

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Product Portfolio – Communication Systems

20 and 50/75-Watt Amplifiers

Ultralife Delivers Man-portable And Vehicle Amplifiers Supporting All Modern & Legacy Waveforms In Multiple Variants For Specific Mission Sets



A-2303

30-512 MHz Amplifier
Variable Output 7-20Watts
Switchable Receive LNA
(Supports ANW2™, SRW, and Legacy Waveforms)



A-320V3 /V3A

30-512 MHz Amplifier
(Supports ANW2™, SRW, and Legacy Waveforms)



A-7500

75-Watt Multimode Amplifier
(Supports ASCM, ANW2™, SRW, and Legacy Waveforms)

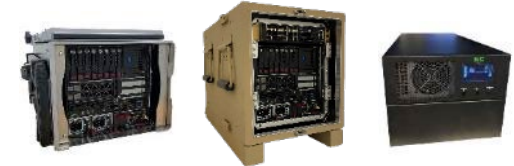
Integrated Systems

Ultralife Offers Integrated Systems To Support A Wide Range Of Handheld, Manpack Radios and Tactical Servers



Leader Radio System

Vehicle Amplifier-Adaptor



EL8000 Cases & UPS

System Integration of EL8000 Server



A-320HVA

Handheld Vehicle Adaptor
*Amplifier sold separately



LPAS-320U

Lightweight Portable Amplification System



MRC-UVA

Universal Vehicle Adaptor



MRC-UVA V1

Universal Vehicle Adaptor - Two Channel Radio

Power Supplies & Accessories

Ultralife Offers A Power Supply & Accessory For Nearly Every Transceiver In Use Today By The U.S. Department of Defense



MRC-93
Lithium-Ion



MRC-UPU0006
AN/PRC-117G



MRC-185
ROVER III & IV



A-301-150
Satellite Radio Combiner



MRC-67A
Amplified Speaker

MISSION CRITICAL, RADIO AGNOSTIC ADVANCED RF AND INTEGRATED SYSTEMS SOLUTIONS VITAL TO DEFENSE OF US AND ALLIES

ULTRALIFE
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Diverse Global Markets Served



MEDICAL & HEALTHCARE

Applications Include – Power for Medical Carts, Portable Ventilators, Respirators/PAPR, Delivery Pumps & Devices, AED's, EEG/ECG Monitors, Ultrasound & CPAP/BIPAP, Remote Patient Monitoring, Surgical Drills & Tools, Digital X-Ray Imaging, Blood Analyzers



GOVERNMENT & DEFENSE

Applications Include - Soldier Worn Power for Communications, Centralized Power & Distribution, Portable & Vehicle Based Chargers, Emergency Rescue Power, RF Amplifiers, Integrated Communications Systems and Accessories



OIL & GAS AND OCEANOGRAPHIC

Applications Include – Measurement While Drilling; Logging While Drilling; Pipeline Inspection; Subsea Electrification & Well Production; Autonomous, Manned & Remote Underwater Vehicles; Multi-Utility Vehicles; Buoys; Platform Power; Remote Monitoring



SAFETY, SECURITY & INDUSTRIAL

Applications Include – Power for Smoke/Carbon Monoxide Detectors, Smart Metering, Intrusion Detection Systems, Toll Pass & Telemetry, Asset Tracking/RFID, Emergency Lighting and Beacons, Wireless Motion Detectors, Internet of Things (IoT) Devices, Robotics, Rugged Computers



ENERGY STORAGE

Applications Include – Power for Stand-By Power, Remote Locations, First Responders/Disaster Relief, Forward Operating Bases, Military Telecom, Construction Sites, Marine

**HUGE ADDRESSABLE MARKETS DEMANDING ADVANCED,
HIGHEST QUALITY POWER AND COMMUNICATIONS SOLUTIONS**

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GOING FORWARD: 2024 & ONWARD

VISION

Accelerate Scale for Operating Leverage & Profitability Improvement Through Organic Growth and M&A

Capitalize on New Revenue Streams to Fully Offset G&D Lumpiness and Sustain Growth

Continue Capture of Communications Systems Major Project Program Wins with Crossover into Commercial Markets

Organic Growth Supplemented by Accretive Acquisitions

Capital Structure, Operating Cash Generation & Working Capital Management to Fund Organic Growth and Ongoing M&A

REALIZATION

Double Digit Revenue Growth and Operating Margin Rate; Rapid Scale-Up of Business

- Successful Go-To Market Launches of New Products

New Products, Customers, Markets, Geographies

- Further Commercial Diversification Including High Growth Emerging Markets Supporting Infrastructure and Electrification Initiatives

Strategic Collaboration with OEM Primes to Harvest Long Cycle Program Opportunities

- Transition from Amplifier Supplier to Integrated Amplifier Solutions to Custom Systems Integrator

Quickly Gain Scale/Leverage, Market Access, Technology, New Products, Skilled Resources

- Expedited Access to Select High-Growth, Emerging, Commercial Markets; \$100M S-3 Shelf Filing in Place

Efficient Capital Deployment with Solid ROI; Leveraged Growth; Increased Market Multiples

- Positioned to Realize Full Leverage Potential of Business Model with Growth & Gross Margin Actions

OVERARCHING GOAL – HIGHLY LEVERAGED GROWTH DRIVING 10%+ OPERATING MARGINS AND SUSTAINED STOCK ACCRETION

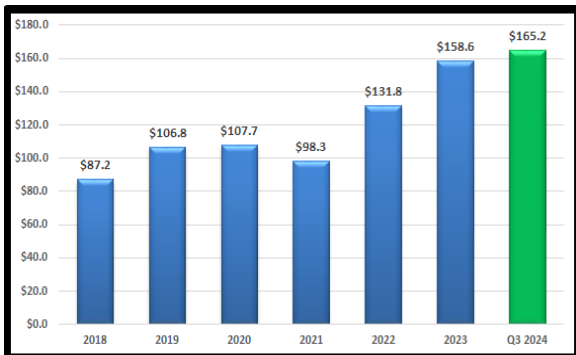
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Highly Leverageable Business Model

REVENUE

(TTM \$/Millions)

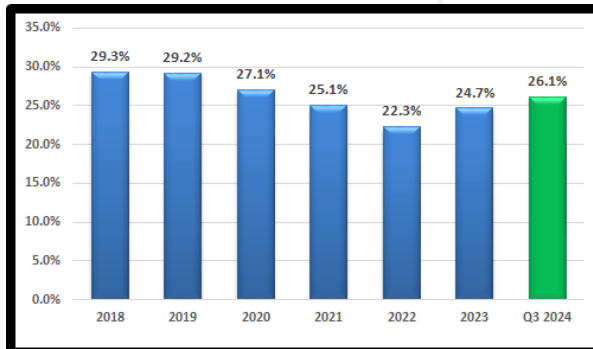
Revenue Backlog Represents ~ 48% of TTM Sales



GROSS MARGIN

(TTM Percent)

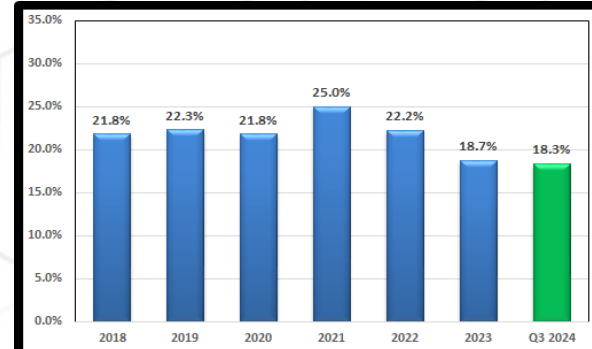
Unrelenting Focus on GM Improvement Critical to Business Model Leverage



OPERATING EXPENSES

(TTM Percent to Sales)

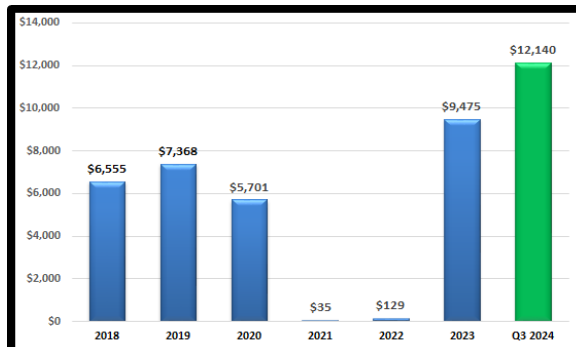
Investments in Transformational New Products; Leverage as Sales Base Grows



OPERATING PROFIT

(TTM \$/000s)

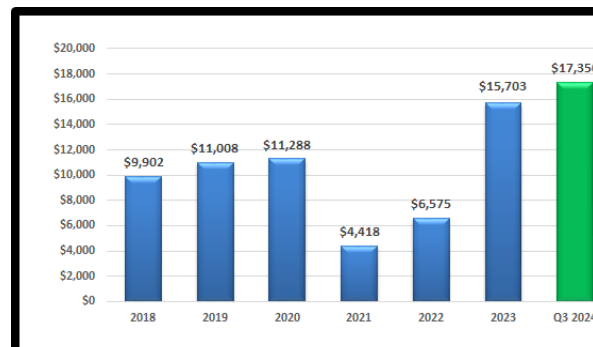
Business Model Leverage & Scale Drive Profits



ADJUSTED EBITDA

(TTM \$/000s)

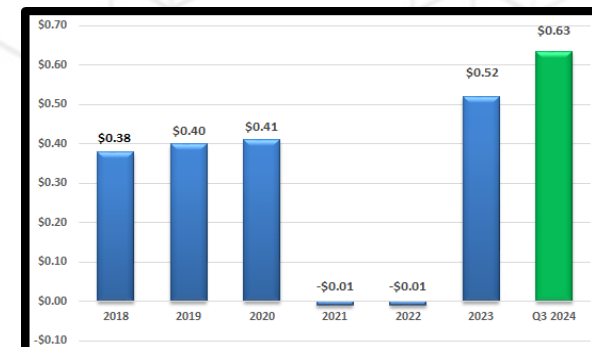
Cash Generation at Record Levels



EARNINGS PER SHARE

(TTM \$/Share)

Across the Board Execution of Top Priorities



Q3 2024 TTM Includes \$3M of Legal Fees and Other Costs Relating To the Acquisition of Electrochem

TTM 2023 Impacted by Q1 Cyber-Attack and Includes ERC of \$1.5M Recognized in Q2 2023

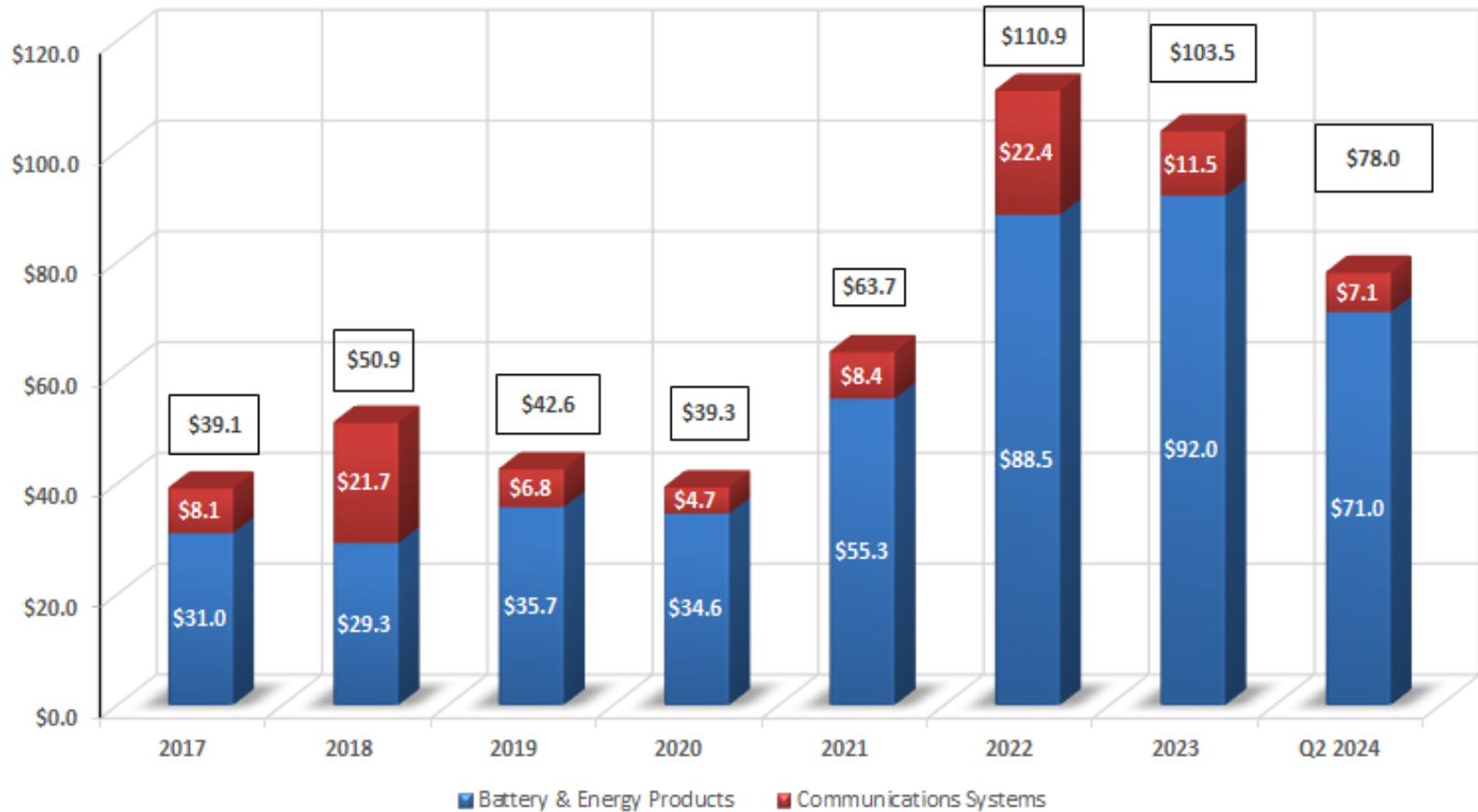
"Adjusted" EPS Reflects NOL Usage on U.S. Earnings Excludes One-Time Tax Benefits for 2017 (\$1.12) & 2018 (\$1.17)

LEVERAGE THROUGH ORGANIC GROWTH, OPERATIONAL EFFICIENCIES, EXPENSE CONTROL & ACCRETIVE M&A



Backlog Trends by Business

Period-End Backlog by Business



**SOLID DEMAND REFLECTED IN BACKLOG WHICH IS DIVERSE IN NATURE
ACROSS COMMERCIAL & GOVERNMENT/DEFENSE MARKETS**



Strong Financial Position To Power Growth

(\$ Million)	2017	2018	2019	2020	2021	2022	2023	Q3 2024
Working Capital	\$47.7	\$51.8	\$53.2	\$45.9	\$47.6	\$50.1	\$66.5	\$60.2
Current Ratio	4.3	4.4	4.1	3.5	3.5	2.7	3.8	3.3
Working Capital (Less Cash) to Sales	34%	30%	43%	33%	40%	34%	35%	32%
Cash	\$18.3	\$25.9	\$7.4	\$10.6	\$8.4	\$5.7	\$10.3	\$6.8
Debt	\$0	\$0	\$17	\$1.5	\$20.9	\$21.3	\$25.6	\$7.9
Inventory	\$26.3	\$22.8	\$29.8	\$28.3	\$33.2	\$41.2	\$42.2	\$44.0
Cash Provided by EBITDA (TTM)	\$9.6	\$9.9	\$11.0	\$11.3	\$4.4	\$6.6	\$15.7	\$17.4

Solid Liquidity and Cash Generation to Fund Future Organic Revenue Growth, Strategic Capital Expenditures and M&A:

- (1) Book Value of \$8.09 Per Share and Tangible Net Book Value of \$4.95 Per Share as of September 30, 2024
- (2) S-3 Filing Renewed in 2024 for \$100M Common Stock Earmarked for Large Strategic Acquisition or Transformational Capital Project
- (3) Cash-Flow Revolver with Key Bank Providing \$30M Revolver with \$20M Accordion Extended to May 2028; Superseded on October 31, 2024 with \$55M Term Loan and \$30M Revolver with KeyBank as Administrative Agent Along with M&T Bank and Community Bank as Lenders
- (4) 2024 Debt Reduction of \$137.7M or 69% Driven Primarily by Cash Generated from Operations
- (5) Acquisition of Electrochem Solutions, Inc. on October 31, 2024 Funded through Term Load (\$50M)
- (6) Acquisition of Excell Battery Group on December 13, 2021 Funded through Cash-on-Hand (\$4M) & Revolver/Term Loan (\$20M)
- (7) Acquisition of Southwest Electronic Energy Corp (SWE) on May 1, 2019 Funded through Cash-On-Hand (\$7M) & Revolver/Term Loan (\$18M)
- (8) Acquisition of Accutronics in 2016 Funded Through Cash-On-Hand - \$11.2M
- (9) Share Repurchase Programs – 2018 - 2019 Program (.4M Shares/\$2.7M) & 2014 – 2016 Program (2.6M Shares/\$10.6M) Internally Funded

**EFFICIENT CASH CONVERSION PROVIDING LIQUIDITY FOR
INTERNAL AND EXTERNAL GROWTH**



Global Reach, Support, and Development



EXCELL
BATTERY GROUP
AN ULTRALIFE COMPANY

Vancouver, Calgary, Toronto,
Houston
ISO 9001 & 13485 Certified
80 Employees



ULTRALIFE

HEADQUARTERS &
BATTERY & ENERGY PRODUCTS
Newark, New York
280,000 Sq. Ft.
ISO 9001; 14001 & 13485 Certified
180 Employees

accutronics
AN ULTRALIFE COMPANY

Staffordshire, UK
25,000 Sq. Ft.
ISO 9001 & 13485 Certified
60 Employees



ULTRALIFE
INDIA JOINT VENTURE

Bangalore, India
10 Employees



SWE
SOUTHWEST ELECTRONIC ENERGY GROUP
AN ULTRALIFE COMPANY

Missouri City, TX
70,000 Sq. Ft.
ISO 9001 & 13485 Certified
38 Employees



ULTRALIFE **ELECTROCHEM**
COMMUNICATIONS SYSTEMS
An Ultralife company

Raynham, MA
82,000 Sq. Ft.
ISO 9001 Certified
160 Employees



ABLE
AN ULTRALIFE COMPANY

Shenzhen, China
100,000 Sq. Ft.
ISO 9001; 14001 & 13485 Certified
140 Employees

STRATEGIC LOCATIONS IN AMERICAS, EUROPE & ASIA
IDEALLY POSITIONED TO SERVICE GLOBAL CUSTOMERS

ULTRALIFE
BATTERY AND ENERGY PRODUCTS

Executive Enterprise Expertise



MICHAEL E. MANNA

President & Chief Executive Officer, Director

- Appointed Ultralife President & CEO on November 22, 2022
- Joined the Company in 1993 and Has Held Numerous Leadership Roles of Increasing Responsibility in Engineering, Operations, Product Management, Research & Development and Sales
- Most Recently Served as President, Battery & Energy Products; Will Continue Leadership of This Segment
- Well-Recognized Expert in Rechargeable and Primary Battery Cell Design Across Multiple Chemistries in Both Commercial and Government/Defense Markets
- Awarded Several Patents for the Company; Key Member of Team That Delivered the First Lithium-Ion Polymer Cell to the Market



PHILIP A. FAIN

Chief Financial Officer & Treasurer

- Appointed Ultralife CFO & Treasurer in November 2009
- Vast Financial Experience in Restructuring and Building Profitable Global Companies through Organic Growth and M&A
- Strong Operational and Business Development Focus - VP of Finance – Ray Ban Sunoptics for Luxottica SpA, and Senior VP of Finance – Global Eyewear for Bausch & Lomb. Led Process to Acquire Some of the World’s Most Sought-After Sunglass Companies and Brands
- Extensive Global Corporate Finance Background
- CPA – Arthur Andersen Audit & Consulting Services

EXPERIENCED, DEDICATED EXECUTIVE LEADERSHIP – ORGANIC GROWTH, ACQUISITIONS & INTEGRATIONS, SHAREHOLDER VALUE





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