

MESA LABORATORIES INC

Consolidated Balance Sheets - USD (\$)	Mar. 31, 2025		Mar. 31, 2024		Mar. 31, 2023		Mar. 31, 2022	
\$ in Thousands								
Cash and cash equivalents	27,321	6.3%	28,214	6.3%	32,910	5.0%	49,346	7.0%
Accounts receivable, less allowances for credit	41,970	9.7%	39,055	8.7%	42,551	6.4%	41,224	5.8%
Inventories	25,365	5.9%	32,675	7.3%	34,642	5.2%	24,606	3.5%
Prepaid expenses and other	8,029	1.9%	9,408	2.1%	8,872	1.3%	9,142	1.3%
Total current assets	<u>102,685</u>		<u>109,352</u>		<u>118,975</u>		<u>124,318</u>	
Noncurrent assets								
Property, plant and equipment, net	32,333	7.5%	31,766	7.1%	28,149	4.3%	28,620	4.0%
Deferred tax asset	1,371	0.3%	1,292	0.3%	1,076	0.2%	1,318	0.2%
Other Assets, Noncurrent	18,324	4.2%	10,538	2.4%	10,373	1.6%	11,830	1.7%
Intangible assets	96,875	22.4%	113,752	25.5%	216,815	32.8%	250,117	35.4%
Goodwill	181,760	41.9%	180,096	40.3%	286,444	43.3%	291,166	41.2%
Total assets	<u>433,348</u>		<u>446,796</u>		<u>661,832</u>		<u>707,369</u>	
LIABILITIES AND STOCKHOLDERS' EQUITY								
Accounts payable	5,747	1.3%	6,041	1.4%	6,134	0.9%	7,897	1.1%
Accrued payroll and benefits	17,858	4.1%	9,935	2.2%	9,433	1.4%	14,717	2.1%
Unearned revenues	14,710	3.4%	15,478	3.5%	14,407	2.2%	13,830	2.0%
Other accrued expenses	24,601	5.7%	12,858	2.9%	13,385	2.0%	11,611	1.6%
Term loan, current portion	3,750	0.9%	0	0.0%	0	0.0%	0	0.0%
Convertible senior notes, current portion, net of	97,297	22.5%	0	0.0%	0	0.0%	0	0.0%
Total current liabilities	<u>163,963</u>		<u>44,312</u>		<u>43,359</u>		<u>48,055</u>	
Liabilities, Noncurrent [Abstract]								
Deferred tax liability	20,181	4.7%	19,780	4.4%	34,028	5.1%	39,224	5.5%
Other Liabilities, Noncurrent	12,472	2.9%	15,613	3.5%	7,693	1.2%	7,924	1.1%
Noncurrent portion	66,902	15.4%	0	0.0%	0	0.0%	0	0.0%
Revolving line of credit	10,000	2.3%	50,500	11.3%	13,000	2.0%	49,000	6.9%
Convertible senior notes, noncurrent portion, net of	0	0.0%	171,198	38.3%	170,272	25.7%	169,365	23.9%
Total liabilities	<u>273,518</u>		<u>301,403</u>		<u>268,352</u>		<u>313,568</u>	
Stockholders' equity								
Common stock, no par value; authorized 25,000,000 shares	358,541	82.7%	343,642	76.9%	332,076	50.2%	313,460	44.3%
(Accumulated deficit)	-188,936	-43.6%	-183,494	-41.1%	74,199	11.2%	76,675	10.8%
Accumulated other comprehensive (loss)	-9,775	-2.3%	-14,755	-3.3%	-12,795	-1.9%	3,666	0.5%
Total stockholders' equity	<u>159,830</u>		<u>145,393</u>		<u>393,480</u>		<u>393,801</u>	
Total liabilities and stockholders' equity	<u>433,348</u>		<u>446,796</u>		<u>661,832</u>		<u>707,369</u>	

MESA LABORATORIES INC

Consolidated Statements of Operations - USD (\$)  
shares in Thousands, \$ in Thousands

12 Months Ended

Mar. 31, 2025

Mar. 31, 2024

Mar. 31, 2023

Revenue	240,978	100.0%	216,187	100.0%	219,080	100.0%
Cost of revenue	<u>-90,108</u>	-37.4%	<u>-82,937</u>	-38.4%	<u>-85,387</u>	-39.0%
Gross profit	150,870	62.6%	133,250	61.6%	133,693	61.0%
Operating expense						
Selling	41,683	17.3%	38,625	17.9%	37,439	17.1%
General and administrative, other than impairment of fin	73,333	30.4%	72,867	33.7%	72,444	33.1%
Research and development	19,518	8.1%	19,300	8.9%	20,490	9.4%
Impairment of finite-lived intangible assets	0	0.0%	117,641	54.4%	0	0.0%
Impairment of goodwill	<u>0</u>	0.0%	<u>156,892</u>	72.6%	<u>0</u>	0.0%
Total operating expense	134,534	55.8%	405,325	187.5%	130,373	59.5%
Operating income (loss)	16,336	6.8%	-272,075	-125.9%	3,320	1.5%
Nonoperating expense (income)						
Interest expense and amortization of debt issuance cost:	11,859	4.9%	5,697	2.6%	4,770	2.2%
Gain on extinguishment of convertible senior notes	-2,887	-1.2%	0	0.0%	0	0.0%
Other expense (income), net	<u>1,403</u>	0.6%	<u>-2,124</u>	-1.0%	<u>-1,061</u>	-0.5%
Total nonoperating expense, net	10,375	4.3%	3,573	1.7%	3,709	1.7%
Earnings (loss) before income taxes	5,961	2.5%	-275,648	-127.5%	-389	-0.2%
Income tax expense (benefit)	<u>7,935</u>	3.3%	<u>-21,402</u>	-9.9%	<u>-1,319</u>	-0.6%
Net (loss) income	-1,974	-0.8%	-254,246	-117.6%	930	0.4%
Basic (loss) earnings per share (in dollars per share)						
	-0.36		-47.20		0.17	
Diluted (loss) earnings per share (in dollars per share)						
	-0.36		-47.20		0.17	
Weighted-average common shares outstanding						
Basic (in shares)	5,421		5,386		5,321	
Diluted (in shares)	5,421		5,386		5,361	

MESA LABORATORIES INC

Consolidated Statements of Cash Flows - USD (\$)

12 Months Ended

\$ in Thousands

Mar. 31, 2025 Mar. 31, 2024 Mar. 31, 2023

Cash flows from operating activities:

Net (loss) income	-1,974	-254,246	930
Adjustments to reconcile net (loss) income to net cash provided by operating activities:			
Depreciation of property, plant and equipment	5,382	4,233	4,313
Amortization of acquisition-related intangibles	19,145	27,341	28,821
Stock-based compensation expense	13,142	11,936	12,538
Amortization of step-up in inventory basis	1,232	1,229	0
Gain on extinguishment of convertible senior notes	-2,887	0	0
Non-cash interest expense and debt issuance cost amortization	990	926	907
Deferred taxes	-72	-28,421	-3,494
Impairment loss on goodwill and finite-lived intangible assets	0	274,533	0
Other	4,946	629	1,080
Cash from changes in operating assets and liabilities:			
Accounts receivable, net	-2,925	4,940	-2,121
Inventories	1,153	2,563	-10,182
Prepaid expenses and other assets, pending taxes	498	211	-510
Accounts payable	-388	-97	-1,545
Accrued liabilities and taxes payable, pending taxes	9,504	-1,236	-3,360
Unearned revenues	-938	-408	606
<b>Net cash provided by operating activities</b>	<b>46,808</b>	<b>44,133</b>	<b>27,983</b>

Cash flows from investing activities:

Acquisition of customer lists	-250	0	0
Acquisition of businesses, net of cash acquired and holdback liabilities	0	-78,739	-4,950
Purchases of property, plant and equipment	-4,249	-2,567	-4,544
<b>Net cash (used in) investing activities</b>	<b>-4,499</b>	<b>-81,306</b>	<b>-9,494</b>

Cash flows from financing activities:

Proceeds from Credit Facility borrowings	73,465	71,000	0
Repayment of debt	-44,251	-33,500	-36,000
Repurchase of convertible senior notes	-71,560	0	0
Dividends paid	-3,468	-3,447	-3,406
Proceeds from the exercise of stock options	2,644	358	6,997
Payment of tax withholding obligation on vesting of restricted stock	-887	-728	-919
Other financing, net	-452	-847	0
<b>Net cash (used in) provided by financing activities</b>	<b>-44,509</b>	<b>32,836</b>	<b>-33,328</b>

Effect of exchange rate changes on cash and cash equivalents	1,307	-359	-1,597
Net (decrease) in cash and cash equivalents	-893	-4,696	-16,436
Cash and cash equivalents at beginning of period	28,214	32,910	49,346
Cash and cash equivalents at end of period	27,321	28,214	32,910

MESA LABORATORIES INC

		<b>2025</b>	<b>2024</b>	<b>2023</b>
<b>Profitability ratios</b>	<b>Formula</b>	<b>Ratios</b>	<b>Ratios</b>	<b>Ratios</b>
Return on equity	Net income / Average Shareholders' equity	-1.3%	-94.4%	0.2%
Return on assets	Net income / Average assets	-0.4%	-45.9%	0.1%
Gross profit margin	Gross profit / Sales	62.6%	61.6%	61.0%
Operating profit margin	Operating profit / Sales	6.8%	-125.9%	1.5%
Net profit margin	Net income / Sales	-0.8%	-117.6%	0.4%
<b>Turnover ratios</b>				
Asset turnover	Sales / Average assets	0.55	0.39	0.32
Inventory turnover	Cost of goods sold / Average inventory	3.11	2.46	2.88
Inventory days	365/Inventory Turnover	117.55	148.13	126.63
Collection period	Average accounts receivable / Sales per day	61.36	68.89	69.79
Payable period	Average accounts payable / Cost of goods sold per day	23.87	26.79	29.99
<b>Leverage &amp; liquidity ratios</b>				
Current ratio	Ending current assets / Ending current liabilities	0.63	2.47	2.74
Quick ratio (acid test)	Ending liquid current assets / Ending current liabilities	0.42	1.52	1.74
Debt to assets	Ending total liabilities / Ending total assets	0.63	0.67	0.41
Debt to equity	Ending total liabilities / Ending total equity	1.71	2.07	0.68
Financial leverage	Ending total assets / Ending total equity	2.71	3.07	1.68
Times interest earned	Earnings before interest and taxes / Interest expense	1.50	-47.38	0.92