



## Westell Technologies, Inc.

750 North Commons Drive  
Aurora, IL 60504

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www.westell.com  
info@westell.com

### **Quarterly Report** For the period ending December 31, 2024 (the "Reporting Period")

#### **Outstanding Shares**

The number of shares outstanding of our Class A Common Stock was:

7,935,745 as of December 31, 2024 (Current Reporting Period Date or More Recent Date)

7,959,105 as of March 31, 2024 (Most Recent Completed Fiscal Year End)

The number of shares outstanding of our Class B Common Stock was:

3,484,287 as of December 31, 2024 (Current Reporting Period Date or More Recent Date)

3,484,287 as of March 31, 2024 (Most Recent Completed Fiscal Year End)

#### **Shell Status**

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

#### **Change in Control**

Indicate by check mark whether a Change in Control<sup>4</sup> of the company has occurred during this reporting period:

Yes: ☐ No: ☒

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<sup>4</sup> "Change in Control" shall mean any events resulting in:

- (i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

**1) Name and address(es) of the issuer and its predecessors (if any)**

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

Westell Technologies, Inc. (Formerly known as Electronic Information Technologies, Inc. – Name changed in October 1995 and previously formally known as R-COM, INC. – Name changed in November 1992.)

Current State and Date of Incorporation or Registration: Delaware on 10/29/1980

Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:

N/A

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

None.

List any stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None.

Address of the issuer's principal executive office:

750 North Commons Drive, Aurora, IL 60504

Address of the issuer's principal place of business:

☒ *Check if principal executive office and principal place of business are the same address:*

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: ☒ Yes: ☐ If Yes, provide additional details below:

**2) Security Information**

**Transfer Agent**

Name: Broadridge Corporate Issuer Solutions, Inc.

Phone: (855) 449-0975

Email: Shareholder@broadridge.com

Address: 1155 Long Island Avenue, Englewood, NY 11717

**Publicly Quoted or Traded Securities:**

*The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.*

Trading symbol:	<u>WSTL</u>
Exact title and class of securities outstanding:	<u>Class A Common Stock</u>
CUSIP:	<u>957541303</u>
Par or stated value:	<u>par value: \$0.01 per share</u>
Total shares authorized:	<u>109,000,000</u> as of date: <u>December 31, 2024</u>
Total shares outstanding:	<u>7,935,745</u> as of date: <u>December 31, 2024</u>
Total number of shareholders of record:	<u>74</u> as of date: <u>December 31, 2024</u>

*Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.*

**Other classes of authorized or outstanding equity securities that do not have a trading symbol:**

*The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.*

Exact title and class of security:	<u>Class B Common Stock<sup>(1)</sup></u>
Par or stated value:	<u>par value: \$0.01 per share</u>
Total shares authorized:	<u>25,000,000</u> as of date: <u>December 31, 2024</u>
Total shares outstanding:	<u>3,484,287</u> as of date: <u>December 31, 2024</u>
Total number of shareholders of record:	<u>4</u> as of date: <u>December 31, 2024</u>

- (1) Class A Common Stock is freely transferable. Class B Common Stock is transferable only to certain transferees but is convertible into Class A Common Stock on a share-for-share basis. Holders of Class A Common Stock have one vote per share and holders of Class B Common Stock have four votes per share.

Exact title and class of the security:	<u>Preferred Stock</u>
Par or stated value:	<u>par value: \$0.01 per share</u>
Total shares authorized:	<u>1,000,000</u> as of date: <u>December 31, 2024</u>
Total shares outstanding:	<u>None</u> as of date: <u>December 31, 2024</u>
Total number of shareholders of record:	<u>N/A</u> as of date: <u>December 31, 2024</u>

*Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.*

None

**Security Description:**

*The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:*

1. For common equity, describe any dividend, voting and preemption rights.

Class A Common Stock is freely transferable. Class B Common Stock is transferable only to certain permitted transferees (generally tied to the Penny family (the Company's principal stockholders)) but is convertible into Class A Common Stock on a share-for-share basis. Holders of Class A Common Stock have one vote per share and holders of Class B Common Stock have four votes per share. Except as previously described, no other dividend or preemptive rights.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

The Board of Directors has the authority to issue up to 1,000,000 shares of preferred stock in one or more series and to fix the rights, preferences, privileges and restrictions thereof, including dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences, sinking fund terms and the number of shares constituting any series or the designation of such series, without any further vote or action by stockholders

3. Describe any other material rights of common or preferred stockholders.

The members of the Penny family (principal stockholders) have a Stock Transfer Restriction Agreement that prohibits, with limited exceptions, such members from transferring their Class B Common Stock acquired prior to November 30, 1995, without first offering such stock to the other members of the Penny family. If converted, Class B stock converts on a one-for-one basis into shares of Class A Common Stock upon a transfer.

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

None

### 3) Issuance History

*The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities in the past two completed fiscal years and any subsequent interim period.*

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

#### A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: ☐ Yes: ☒ (If yes, you must complete the table below)

Shares Outstanding <u>Opening Balance:</u> Date <u>03/31/2022</u> Class A Common: <u>7,705,826</u> Class B Common: <u>3,484,287</u> Preferred: <u>0</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance (1)	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to.  ***You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>4/1/2022</u>	<u>New issuance</u>	<u>34,013</u>	<u>Class A</u>	<u>\$1.30</u>	<u>No</u>	<u>Timothy L. Duitsman</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>4/1/2022</u>	<u>New issuance</u>	<u>21,667</u>	<u>Class A</u>	<u>\$1.30</u>	<u>No</u>	<u>Jeniffer L. Jaynes</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>4/1/2022</u>	<u>Shares returned to Treasury</u>	<u>(7,496)</u>	<u>Class A</u>	<u>\$1.30</u>	<u>No</u>	<u>Jeniffer L. Jaynes</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>4/1/2022</u>	<u>New issuance</u>	<u>15,000</u>	<u>Class A</u>	<u>\$1.30</u>	<u>No</u>	<u>Jesse Swartwood</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4) (5)</u>
<u>4/1/2022</u>	<u>Shares returned to Treasury</u>	<u>(5,190)</u>	<u>Class A</u>	<u>\$1.30</u>	<u>No</u>	<u>Jesse Swartwood</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4) (5)</u>
<u>4/1/2022</u>	<u>New issuance</u>	<u>29,000</u>	<u>Class A</u>	<u>\$1.30</u>	<u>No</u>	<u>Employee(s)</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>4/1/2022</u>	<u>Shares returned to Treasury</u>	<u>(10,099)</u>	<u>Class A</u>	<u>\$1.30</u>	<u>No</u>	<u>Employee(s)</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>April 2022</u>	<u>Shares returned to Treasury</u>	<u>(21,324)</u>	<u>Class A</u>	<u>\$1.26</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (6)</u>
<u>May 2022</u>	<u>Shares returned to Treasury</u>	<u>(11,953)</u>	<u>Class A</u>	<u>\$1.24</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (7)</u>
<u>6/1/2022</u>	<u>New issuance</u>	<u>34,364</u>	<u>Class A</u>	<u>\$1.18</u>	<u>No</u>	<u>Timothy L. Duitsman</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>6/1/2022</u>	<u>New issuance</u>	<u>21,477</u>	<u>Class A</u>	<u>\$1.18</u>	<u>No</u>	<u>Jeniffer L. Jaynes</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>6/1/2022</u>	<u>Shares returned to Treasury</u>	<u>(6,835)</u>	<u>Class A</u>	<u>\$1.18</u>	<u>No</u>	<u>Jeniffer L. Jaynes</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>6/1/2022</u>	<u>New issuance</u>	<u>12,886</u>	<u>Class A</u>	<u>\$1.18</u>	<u>No</u>	<u>Jesse Swartwood</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4) (5)</u>

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at issuance (1)	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>6/1/2022</u>	<u>Shares returned to Treasury</u>	<u>(4,458)</u>	<u>Class A</u>	<u>\$1.18</u>	<u>No</u>	<u>Jesse Swartwood</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4) (5)</u>
<u>6/1/2022</u>	<u>New issuance</u>	<u>36,681</u>	<u>Class A</u>	<u>\$1.18</u>	<u>No</u>	<u>Employee(s)</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>6/1/2022</u>	<u>Shares returned to Treasury</u>	<u>(12,470)</u>	<u>Class A</u>	<u>\$1.18</u>	<u>No</u>	<u>Employee(s)</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>6/10/2022</u>	<u>New issuance</u>	<u>81,881</u>	<u>Class A</u>	<u>\$1.22</u>	<u>No</u>	<u>Timothy L. Duitsman</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>6/10/2022</u>	<u>New issuance</u>	<u>33,434</u>	<u>Class A</u>	<u>\$1.22</u>	<u>No</u>	<u>Jeniffer L. Jaynes</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>6/10/2022</u>	<u>Shares returned to Treasury</u>	<u>(9,560)</u>	<u>Class A</u>	<u>\$1.22</u>	<u>No</u>	<u>Jeniffer L. Jaynes</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>6/10/2022</u>	<u>New issuance</u>	<u>56,292</u>	<u>Class A</u>	<u>\$1.22</u>	<u>No</u>	<u>Jesse Swartwood</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4) (5)</u>
<u>6/10/2022</u>	<u>Shares returned to Treasury</u>	<u>(16,618)</u>	<u>Class A</u>	<u>\$1.22</u>	<u>No</u>	<u>Jesse Swartwood</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4) (5)</u>
<u>6/10/2022</u>	<u>New issuance</u>	<u>64,437</u>	<u>Class A</u>	<u>\$1.22</u>	<u>No</u>	<u>Employee(s)</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>6/10/2022</u>	<u>Shares returned to Treasury</u>	<u>(22,386)</u>	<u>Class A</u>	<u>\$1.22</u>	<u>No</u>	<u>Employee(s)</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>6/26/2022</u>	<u>New issuance</u>	<u>5,000</u>	<u>Class A</u>	<u>\$1.12</u>	<u>No</u>	<u>Employee(s)</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>6/26/2022</u>	<u>Shares returned to Treasury</u>	<u>(1,757)</u>	<u>Class A</u>	<u>\$1.12</u>	<u>No</u>	<u>Employee(s)</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>June 2022</u>	<u>Shares returned to Treasury</u>	<u>(21,553)</u>	<u>Class A</u>	<u>\$1.11</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (8)</u>
<u>July 2022</u>	<u>Shares returned to Treasury</u>	<u>(15,757)</u>	<u>Class A</u>	<u>\$1.13</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (9)</u>

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance (1)	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>August 2022</u>	<u>Shares returned to Treasury</u>	<u>(2,242)</u>	<u>Class A</u>	<u>\$1.28</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (10)</u>
<u>9/01/2022</u>	<u>New issuance</u>	<u>33,334</u>	<u>Class A</u>	<u>\$1.32</u>	<u>No</u>	<u>Timothy L. Duitsman</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>9/01/2022</u>	<u>New issuance</u>	<u>5,000</u>	<u>Class A</u>	<u>\$1.32</u>	<u>No</u>	<u>Employee(s)</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>9/01/2022</u>	<u>Shares returned to Treasury</u>	<u>(1,172)</u>	<u>Class A</u>	<u>\$1.32</u>	<u>No</u>	<u>Employee(s)</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>9/17/2022</u>	<u>New issuance</u>	<u>5,001</u>	<u>Class A</u>	<u>\$1.29</u>	<u>No</u>	<u>Employee(s)</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>9/17/2022</u>	<u>Shares returned to Treasury</u>	<u>(1,482)</u>	<u>Class A</u>	<u>\$1.29</u>	<u>No</u>	<u>Employee(s)</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>September 2022</u>	<u>Shares returned to Treasury</u>	<u>(7,400)</u>	<u>Class A</u>	<u>\$1.25</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (11)</u>
<u>October 2022</u>	<u>Shares returned to Treasury</u>	<u>(13,757)</u>	<u>Class A</u>	<u>\$1.16</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (12)</u>
<u>11/08/2022</u>	<u>New issuance</u>	<u>4,166</u>	<u>Class A</u>	<u>\$1.20</u>	<u>No</u>	<u>Kirk R. Brannock</u>	<u>Board Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>11/08/2022</u>	<u>New issuance</u>	<u>4,166</u>	<u>Class A</u>	<u>\$1.20</u>	<u>No</u>	<u>Robert W. Foskett</u>	<u>Board Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>11/08/2022</u>	<u>New issuance</u>	<u>4,166</u>	<u>Class A</u>	<u>\$1.20</u>	<u>No</u>	<u>Robert C. Penny III</u>	<u>Board Compensation</u>	<u>Unrestricted</u>	<u>(2) (4) (13)</u>
<u>11/08/2022</u>	<u>New issuance</u>	<u>6,666</u>	<u>Class A</u>	<u>\$1.20</u>	<u>No</u>	<u>Walter J. Skipper</u>	<u>Board Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>11/08/2022</u>	<u>New issuance</u>	<u>4,166</u>	<u>Class A</u>	<u>\$1.20</u>	<u>No</u>	<u>Cary B. Wood</u>	<u>Board Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>11/08/2022</u>	<u>New issuance</u>	<u>4,166</u>	<u>Class A</u>	<u>\$1.20</u>	<u>No</u>	<u>Mark A. Zorko</u>	<u>Board Compensation</u>	<u>Unrestricted</u>	<u>(2) (4) (14)</u>
<u>November 2022</u>	<u>Shares returned to Treasury</u>	<u>(5,088)</u>	<u>Class A</u>	<u>\$1.20</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (15)</u>

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at issuance (1)	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>December 2022</u>	<u>Shares returned to Treasury</u>	<u>(13,900)</u>	<u>Class A</u>	<u>\$1.22</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (16)</u>
<u>January 2023</u>	<u>Shares returned to Treasury</u>	<u>(15,922)</u>	<u>Class A</u>	<u>\$1.26</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (17)</u>
<u>February 2023</u>	<u>Shares returned to Treasury</u>	<u>(2,604)</u>	<u>Class A</u>	<u>\$1.37</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (18)</u>
<u>March 2023</u>	<u>Shares returned to Treasury</u>	<u>(2,095)</u>	<u>Class A</u>	<u>\$1.61</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (19)</u>
<u>4/1/2023</u>	<u>New issuance</u>	<u>64,783</u>	<u>Class A</u>	<u>\$1.65</u>	<u>No</u>	<u>Timothy L. Duitsman</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>4/1/2023</u>	<u>Shares returned to Treasury</u>	<u>(19,803)</u>	<u>Class A</u>	<u>\$1.65</u>	<u>No</u>	<u>Timothy L. Duitsman</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>4/1/2023</u>	<u>New issuance</u>	<u>29,487</u>	<u>Class A</u>	<u>\$1.65</u>	<u>No</u>	<u>Jeniffer L. Jaynes</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>4/1/2023</u>	<u>Shares returned to Treasury</u>	<u>(10,201)</u>	<u>Class A</u>	<u>\$1.65</u>	<u>No</u>	<u>Jeniffer L. Jaynes</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>4/1/2023</u>	<u>New issuance</u>	<u>17,692</u>	<u>Class A</u>	<u>\$1.65</u>	<u>No</u>	<u>Jesse Swartwood</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4) (5)</u>
<u>4/1/2023</u>	<u>Shares returned to Treasury</u>	<u>(6,121)</u>	<u>Class A</u>	<u>\$1.65</u>	<u>No</u>	<u>Jesse Swartwood</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4) (5)</u>
<u>4/1/2023</u>	<u>New issuance</u>	<u>19,000</u>	<u>Class A</u>	<u>\$1.65</u>	<u>No</u>	<u>Employee(s)</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>4/1/2023</u>	<u>Shares returned to Treasury</u>	<u>(6,612)</u>	<u>Class A</u>	<u>\$1.65</u>	<u>No</u>	<u>Employee(s)</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>April 2023</u>	<u>Shares returned to Treasury</u>	<u>(5,649)</u>	<u>Class A</u>	<u>\$1.69</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (20)</u>



Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance (1)	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>May 2023</u>	<u>Shares returned to Treasury</u>	<u>(14,722)</u>	<u>Class A</u>	<u>\$1.69</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (21)</u>
<u>6/1/2023</u>	<u>New issuance</u>	<u>34,364</u>	<u>Class A</u>	<u>\$1.70</u>	<u>No</u>	<u>Timothy L. Duitsman</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>6/1/2023</u>	<u>Shares returned to Treasury</u>	<u>(10,068)</u>	<u>Class A</u>	<u>\$1.70</u>	<u>No</u>	<u>Timothy L. Duitsman</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>6/1/2023</u>	<u>New issuance</u>	<u>21,478</u>	<u>Class A</u>	<u>\$1.70</u>	<u>No</u>	<u>Jeniffer L. Jaynes</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>6/1/2023</u>	<u>Shares returned to Treasury</u>	<u>(6,146)</u>	<u>Class A</u>	<u>\$1.70</u>	<u>No</u>	<u>Jeniffer L. Jaynes</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>6/1/2023</u>	<u>New issuance</u>	<u>12,886</u>	<u>Class A</u>	<u>\$1.70</u>	<u>No</u>	<u>Jesse Swartwood</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4) (5)</u>
<u>6/1/2023</u>	<u>Shares returned to Treasury</u>	<u>(4,015)</u>	<u>Class A</u>	<u>\$1.70</u>	<u>No</u>	<u>Jesse Swartwood</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4) (5)</u>
<u>6/1/2023</u>	<u>New issuance</u>	<u>23,795</u>	<u>Class A</u>	<u>\$1.70</u>	<u>No</u>	<u>Employee(s)</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>6/1/2023</u>	<u>Shares returned to Treasury</u>	<u>(8,012)</u>	<u>Class A</u>	<u>\$1.70</u>	<u>No</u>	<u>Employee(s)</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>6/26/2023</u>	<u>New issuance</u>	<u>5,000</u>	<u>Class A</u>	<u>\$1.70</u>	<u>No</u>	<u>Employee(s)</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>6/26/2023</u>	<u>Shares returned to Treasury</u>	<u>(1,770)</u>	<u>Class A</u>	<u>\$1.70</u>	<u>No</u>	<u>Employee(s)</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>June 2023</u>	<u>Shares returned to Treasury</u>	<u>(13,850)</u>	<u>Class A</u>	<u>\$1.70</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (22)</u>
<u>7/21/2023</u>	<u>Shares returned to Treasury</u>	<u>(4,166)</u>	<u>Class A</u>	<u>\$1.20</u>	<u>No</u>	<u>Robert C. Penny III</u>	<u>Forfeiture due to departure from the Board prior to vesting</u>	<u>Restricted</u>	<u>Forfeited (4) (13)</u>
<u>July 2023</u>	<u>Shares returned to Treasury</u>	<u>(17,042)</u>	<u>Class A</u>	<u>\$1.71</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (23)</u>

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at issuance (1)	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>August 2023</u>	<u>Shares returned to Treasury</u>	<u>(40,031)</u>	<u>Class A</u>	<u>\$1.79</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (24)</u>
<u>9/1/2023</u>	<u>New issuance</u>	<u>5,000</u>	<u>Class A</u>	<u>\$1.70</u>	<u>No</u>	<u>Employee(s)</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>9/1/2023</u>	<u>Shares returned to Treasury</u>	<u>(1,172)</u>	<u>Class A</u>	<u>\$1.70</u>	<u>No</u>	<u>Employee(s)</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>September 2023</u>	<u>Shares returned to Treasury</u>	<u>(28,114)</u>	<u>Class A</u>	<u>\$1.73</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (25)</u>
<u>October 2023</u>	<u>Shares returned to Treasury</u>	<u>(10,047)</u>	<u>Class A</u>	<u>\$1.62</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (26)</u>
<u>11/07/2023</u>	<u>New issuance</u>	<u>3,205</u>	<u>Class A</u>	<u>\$1.56</u>	<u>No</u>	<u>Kirk R. Brannock</u>	<u>Board Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>11/07/2023</u>	<u>New issuance</u>	<u>3,205</u>	<u>Class A</u>	<u>\$1.56</u>	<u>No</u>	<u>Robert W. Foscett</u>	<u>Board Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>11/07/2023</u>	<u>New issuance</u>	<u>3,205</u>	<u>Class A</u>	<u>\$1.56</u>	<u>No</u>	<u>Walter J. Skipper</u>	<u>Board Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>11/07/2023</u>	<u>New issuance</u>	<u>3,205</u>	<u>Class A</u>	<u>\$1.56</u>	<u>No</u>	<u>Cary B. Wood</u>	<u>Board Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>11/07/2023</u>	<u>New issuance</u>	<u>3,205</u>	<u>Class A</u>	<u>\$1.56</u>	<u>No</u>	<u>Mark A. Zorko</u>	<u>Board Compensation</u>	<u>Unrestricted</u>	<u>(2) (4) (14)</u>
<u>November 2023</u>	<u>Shares returned to Treasury</u>	<u>(1,200)</u>	<u>Class A</u>	<u>\$1.55</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (27)</u>
<u>December 2023</u>	<u>Shares returned to Treasury</u>	<u>(6,722)</u>	<u>Class A</u>	<u>\$1.62</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (28)</u>
<u>January 2024</u>	<u>Shares returned to Treasury</u>	<u>(21,462)</u>	<u>Class A</u>	<u>\$1.63</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (29)</u>

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance (1)	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>February 2024</u>	<u>Shares returned to Treasury</u>	<u>(24,216)</u>	<u>Class A</u>	<u>\$1.56</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (30)</u>
<u>March 2024</u>	<u>Shares returned to Treasury</u>	<u>(18,935)</u>	<u>Class A</u>	<u>\$1.50</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (31)</u>
<u>4/1/2024</u>	<u>New issuance</u>	<u>79,253</u>	<u>Class A</u>	<u>\$1.49</u>	<u>No</u>	<u>Timothy L. Duitsman</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>4/1/2024</u>	<u>Shares returned to Treasury</u>	<u>(26,107)</u>	<u>Class A</u>	<u>\$1.49</u>	<u>No</u>	<u>Timothy L. Duitsman</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>4/1/2024</u>	<u>New issuance</u>	<u>20,900</u>	<u>Class A</u>	<u>\$1.49</u>	<u>No</u>	<u>Jeniffer L. Jaynes</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>4/1/2024</u>	<u>Shares returned to Treasury</u>	<u>(7,230)</u>	<u>Class A</u>	<u>\$1.49</u>	<u>No</u>	<u>Jeniffer L. Jaynes</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>4/1/2024</u>	<u>New issuance</u>	<u>13,752</u>	<u>Class A</u>	<u>\$1.49</u>	<u>No</u>	<u>Jesse Swartwood</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4) (5)</u>
<u>4/1/2024</u>	<u>Shares returned to Treasury</u>	<u>(4,757)</u>	<u>Class A</u>	<u>\$1.49</u>	<u>No</u>	<u>Jesse Swartwood</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4) (5)</u>
<u>April 2024</u>	<u>Shares returned to Treasury</u>	<u>(8,258)</u>	<u>Class A</u>	<u>\$1.45</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (32)</u>
<u>5/30/2024</u>	<u>Shares returned to Treasury</u>	<u>(64,430)</u>	<u>Class A</u>	<u>\$1.42</u>	<u>No</u>	<u>Estate of the former board member, Mr. Robert C. Penny III</u>	<u>Repurchase pre-approved by Audit Committee and Board of Directors</u>	<u>Unrestricted</u>	<u>(4) (13)</u>
<u>May 2024</u>	<u>Shares returned to Treasury</u>	<u>(33,664)</u>	<u>Class A</u>	<u>\$1.42</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (33)</u>
<u>6/1/2024</u>	<u>New issuance</u>	<u>34,364</u>	<u>Class A</u>	<u>\$1.42</u>	<u>No</u>	<u>Timothy L. Duitsman</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>6/1/2024</u>	<u>Shares returned to Treasury</u>	<u>(10,068)</u>	<u>Class A</u>	<u>\$1.42</u>	<u>No</u>	<u>Timothy L. Duitsman</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4)</u>

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at issuance (1)	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>6/1/2024</u>	<u>New issuance</u>	<u>21,478</u>	<u>Class A</u>	<u>\$1.42</u>	<u>No</u>	<u>Jeniffer L. Jaynes</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>6/1/2024</u>	<u>Shares returned to Treasury</u>	<u>(7,328)</u>	<u>Class A</u>	<u>\$1.42</u>	<u>No</u>	<u>Jeniffer L. Jaynes</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4)</u>
<u>6/1/2024</u>	<u>New issuance</u>	<u>12,887</u>	<u>Class A</u>	<u>\$1.42</u>	<u>No</u>	<u>Jesse Swartwood</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2) (4) (5)</u>
<u>6/1/2024</u>	<u>Shares returned to Treasury</u>	<u>(4,458)</u>	<u>Class A</u>	<u>\$1.42</u>	<u>No</u>	<u>Jesse Swartwood</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2) (4) (5)</u>
<u>6/1/2024</u>	<u>New issuance</u>	<u>23,799</u>	<u>Class A</u>	<u>\$1.42</u>	<u>No</u>	<u>Employee(s)</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>6/1/2024</u>	<u>Shares returned to Treasury</u>	<u>(8,012)</u>	<u>Class A</u>	<u>\$1.42</u>	<u>No</u>	<u>Employee(s)</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>July 2024</u>	<u>Shares returned to Treasury</u>	<u>(33,810)</u>	<u>Class A</u>	<u>\$1.39</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (34)</u>
<u>August 2024</u>	<u>Shares returned to Treasury</u>	<u>(2,916)</u>	<u>Class A</u>	<u>\$1.40</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (35)</u>
<u>9/1/2024</u>	<u>New issuance</u>	<u>8,789</u>	<u>Class A</u>	<u>\$1.53</u>	<u>No</u>	<u>Employee(s)</u>	<u>Employee Compensation</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>9/1/2024</u>	<u>Shares returned to Treasury</u>	<u>(2,681)</u>	<u>Class A</u>	<u>\$1.53</u>	<u>No</u>	<u>Employee(s)</u>	<u>Repurchase for tax withholdings</u>	<u>Unrestricted</u>	<u>(2)</u>
<u>September 2024</u>	<u>Shares returned to Treasury</u>	<u>(7,411)</u>	<u>Class A</u>	<u>\$1.48</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (36)</u>
<u>October 2024</u>	<u>Shares returned to Treasury</u>	<u>(7,155)</u>	<u>Class A</u>	<u>\$1.60</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (37)</u>
<u>11/05/2024</u>	<u>New issuance</u>	<u>3,012</u>	<u>Class A</u>	<u>\$1.66</u>	<u>No</u>	<u>Kirk R. Brannock</u>	<u>Board Compensation</u>	<u>Restricted</u>	<u>(2) (4)</u>
<u>11/05/2024</u>	<u>New issuance</u>	<u>3,012</u>	<u>Class A</u>	<u>\$1.66</u>	<u>No</u>	<u>Robert W. Foskett</u>	<u>Board Compensation</u>	<u>Restricted</u>	<u>(2) (4)</u>

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at issuance (1)	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>11/05/2024</u>	<u>New issuance</u>	<u>3,012</u>	<u>Class A</u>	<u>\$1.66</u>	<u>No</u>	<u>Walter J. Skipper</u>	<u>Board Compensation</u>	<u>Restricted</u>	<u>(2) (4)</u>
<u>11/05/2024</u>	<u>New issuance</u>	<u>3,012</u>	<u>Class A</u>	<u>\$1.66</u>	<u>No</u>	<u>Cary B. Wood</u>	<u>Board Compensation</u>	<u>Restricted</u>	<u>(2) (4)</u>
<u>November 2024</u>	<u>Shares returned to Treasury</u>	<u>(8,319)</u>	<u>Class A</u>	<u>\$1.62</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (38)</u>
<u>December 2024</u>	<u>Shares returned to Treasury</u>	<u>(14,026)</u>	<u>Class A</u>	<u>\$1.50</u>	<u>No</u>	<u>Open Market Class A Purchase</u>	<u>Repurchase pursuant to the rule 10b5-1(c) purchase plan</u>	<u>Unrestricted</u>	<u>(3) (39)</u>
Shares Outstanding on Date of This Report:									
<u>Ending Balance:</u>									
Date: <u>December 31, 2024</u>									
Class A Common: <u>7,935,745</u>									
Class B Common: <u>3,484,287</u>									
Preferred: 0									

**Example:** A company with a fiscal year end of December 31<sup>st</sup> 2024, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2023 through December 31, 2024 pursuant to the tabular format above.

Any additional material details, including footnotes to the table are below:

- (1) Stock price or value at the date of grant was equal to the market price on the grant date. See Notes 7 and 13 in the attached Financial Statements for additional information regarding stock-based compensation and share repurchases, respectively.
- (2) Issued pursuant to an exemption from the registration requirements of the Securities Act, as provided by Rule 701, Regulation D and/or Section 4(a)(2) of the Securities Act, as applicable.
- (3) In August 2024, the Company's Board of Directors authorized a new stock repurchase authorization of up to \$2.0 million of Class A Common Stock (the "2023 authorization"). The 2023 authorization is in addition to the \$61,000 that was remaining in August 2024 from the May 2017 \$2.0 million authorization (the "2017 authorization"). There was \$2.0 million remaining for repurchase under the 2023 authorization and approximately \$3,000 remaining under the 2017 authorization, respectively, as of December 31, 2024. These shares were purchased pursuant to the rule 10b5- 1(c) purchase plan.
- (4) Control persons – see section 6 - All Officers, Directors, and Control Persons of the Company below for additional information.
- (5) Mr. Swartwood resigned from the Company effective August 5, 2024.
- (6) The price represents the weighted-average purchase price for the multiple transactions reported on this line. The prices of the transactions range from \$1.1995 to \$1.3933 per share. Upon request of the OTC staff, the issuer or a stockholder, the reporting entity will provide full information regarding the number of shares purchased at each separate price.
- (7) The price represents the weighted-average purchase price for the multiple transactions reported on this line. The prices of the transactions range from \$1.2100 to \$1.2840 per share. Upon request of the OTC staff, the issuer or a stockholder, the reporting entity will provide full information regarding the number of shares purchased at each separate price.



- (27) The price represents the weighted-average purchase price for the multiple transactions reported on this line. The prices of the transactions range from \$1.4900 to \$1.5800 per share. Upon request of the OTC staff, the issuer or a stockholder, the reporting entity will provide full information regarding the number of shares purchased at each separate price.
- (28) The price represents the weighted-average purchase price for the multiple transactions reported on this line. The prices of the transactions range from \$1.5500 to \$1.7600 per share. Upon request of the OTC staff, the issuer or a stockholder, the reporting entity will provide full information regarding the number of shares purchased at each separate price.
- (29) The price represents the weighted-average purchase price for the multiple transactions reported on this line. The prices of the transactions range from \$1.5665 to \$1.7700 per share. Upon request of the OTC staff, the issuer or a stockholder, the reporting entity will provide full information regarding the number of shares purchased at each separate price.
- (30) The price represents the weighted-average purchase price for the multiple transactions reported on this line. The prices of the transactions range from \$1.5000 to \$1.6879 per share. Upon request of the OTC staff, the issuer or a stockholder, the reporting entity will provide full information regarding the number of shares purchased at each separate price.
- (31) The price represents the weighted-average purchase price for the multiple transactions reported on this line. The prices of the transactions range from \$1.4300 to \$1.5400 per share. Upon request of the OTC staff, the issuer or a stockholder, the reporting entity will provide full information regarding the number of shares purchased at each separate price.
- (32) The price represents the weighted-average purchase price for the multiple transactions reported on this line. The prices of the transactions range from \$1.4000 to \$1.4900 per share. Upon request of the OTC staff, the issuer or a stockholder, the reporting entity will provide full information regarding the number of shares purchased at each separate price.
- (33) The price represents the weighted-average purchase price for the multiple transactions reported on this line. The prices of the transactions range from \$1.3700 to \$1.4700 per share. Upon request of the OTC staff, the issuer or a stockholder, the reporting entity will provide full information regarding the number of shares purchased at each separate price.
- (34) The price represents the weighted-average purchase price for the multiple transactions reported on this line. The prices of the transactions range from \$1.3500 to \$1.4000 per share. Upon request of the OTC staff, the issuer or a stockholder, the reporting entity will provide full information regarding the number of shares purchased at each separate price.
- (35) The price represents the weighted-average purchase price for the multiple transactions reported on this line. The prices of the transactions range from \$1.4000 to \$1.4100 per share. Upon request of the OTC staff, the issuer or a stockholder, the reporting entity will provide full information regarding the number of shares purchased at each separate price.
- (36) The price represents the weighted-average purchase price for the multiple transactions reported on this line. The prices of the transactions range from \$1.4300 to \$1.5300 per share. Upon request of the OTC staff, the issuer or a stockholder, the reporting entity will provide full information regarding the number of shares purchased at each separate price.
- (37) The price represents the weighted-average purchase price for the multiple transactions reported on this line. The prices of the transactions range from \$1.5200 to \$1.6600 per share. Upon request of the OTC staff, the issuer or a stockholder, the reporting entity will provide full information regarding the number of shares purchased at each separate price.
- (38) The price represents the weighted-average purchase price for the multiple transactions reported on this line. The prices of the transactions range from \$1.5500 to \$1.6900 per share. Upon request of the OTC staff, the issuer or a stockholder, the reporting entity will provide full information regarding the number of shares purchased at each separate price.
- (39) The price represents the weighted-average purchase price for the multiple transactions reported on this line. The prices of the transactions range from \$1.4000 to \$1.5882 per share. Upon request of the OTC staff, the issuer or a stockholder, the reporting entity will provide full information regarding the number of shares purchased at each separate price.

## **B. Convertible Debt**

The following is a complete list of the Company's Convertible Debt which includes all promissory notes, convertible notes, convertible debentures, or any other debt instruments convertible into a class of the issuer's equity securities. The table includes all issued or outstanding convertible debt at any time during the last complete fiscal year and any interim period between the last fiscal year end and the date of this Certification.

☒ Check this box to confirm the Company had no Convertible Debt issued or outstanding at any point during this period.

Date of Note Issuance	Principal Amount at Issuance (\$)	Outstanding Balance (\$) (include accrued interest)	Maturity Date	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	# Shares Converted to Date	# of Potential Shares to be Issued Upon Conversion <sup>5</sup>	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)
Total Outstanding Balance:				Total Shares:				

Any additional material details, including footnotes to the table are below:

#### 4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. Ensure that these descriptions are updated on the Company's Profile on [www.OTCMarkets.com](http://www.OTCMarkets.com).

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Westell Technologies, Inc., (the "Company") was incorporated in Delaware in 1980 and is headquartered at 750 North Commons Drive, Aurora, Illinois 60504. The Company is a holding company that primarily conducts business through its wholly owned subsidiary, Westell, Inc. ("Westell"). Westell, through its three segments, is a leading provider of high-performance network infrastructure solutions focused on innovation and differentiation at the edge of communication networks where end users connect. Westell's portfolio of products and solutions enable service providers and network operators to improve performance and reduce operating expenses.

B. List any subsidiaries, parent company, or affiliated companies.

Westell Technologies, Inc. (the "Company") is a holding company. Its wholly owned subsidiary, Westell, Inc. ("Westell"), designs and distributes high-performance network infrastructure solutions, which are sold primarily to telecommunication companies.

The Company has a 50% equity ownership in AccessTel Kentrox Australia PTY LTD ("AKA"). AKA distributes network management solutions provided by Westell and the other 50% owner to one customer.

<sup>5</sup> The total number of shares that can be issued upon full conversion of the Outstanding Balance. The number should not factor any "blockers" or limitations on the percentage of outstanding shares that can be owned by the Noteholder at a particular time. For purposes of this calculation, please use the current market pricing (e.g. most recent closing price, bid, etc.) of the security if conversion is based on a variable market rate.



C. Describe the issuers' principal products or services.

The Company has three reportable operating segments: In-Building Wireless (“IBW”), Intelligent Site Management (“ISM”), and Communications Network Solutions (“CNS”).

IBW Segment

IBW segment solutions enable public safety and cellular coverage in stadiums, arenas, malls, buildings, and other indoor areas not served well by the existing outdoor radio network. For the public safety market, solutions include Class A repeaters, Class B repeaters, VHF/UHF repeaters, Public Safety distributed antenna systems (“DAS”), and battery backup units. IBW also offers passive signal distribution, attenuation solutions, protection products, and antennas for both the public safety and cellular markets.

ISM Segment

ISM segment solutions include a suite of remote units, which provide machine-to-machine (“M2M”) communications that enable operators to remotely monitor, manage, and control physical site infrastructure and support systems. Remote units can be combined with the Company’s Optima management software system. ISM also offers support services (i.e., maintenance agreements) and deployment services (i.e., installation).

CNS Segment

CNS segment solutions include a broad range of hardened network infrastructure offerings suitable for both indoor and outdoor use. The offerings consist of integrated cabinets, fiber distribution hubs (“FDHs”), power distribution products, copper and fiber network connectivity products, and fiber access products.

**5) Issuer’s Facilities**

*The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.*

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

The Company leases the following real property as of December 31, 2024:

Location	Purpose	Square footage	Termination calendar year	Segment
Aurora, IL	Corporate headquarters, office, manufacturing and distribution	83,000	2025	
Dublin, OH <sup>(1)</sup>	Engineering design center	5,798/2,756	2025/2030	ISM
Manchester, NH	IBW engineering test facility	2,225	2025	IBW

<sup>(1)</sup> See below for Dublin, OH lease amendment details

During fiscal year ended March 31, 2022, the Company executed a two-year lease extension for approximately 2,300 square feet for our Manchester, New Hampshire IBW engineering test facility (the “Original NH Lease”). During the quarter ended December 31, 2023, at the landlord’s request, the Company terminated the Original NH Lease and executed a replacement lease for 2,225 square feet at a new Manchester, New Hampshire location (the “Replacement NH Lease”). The original expiration of the Replacement NH Lease was scheduled for August 31, 2024, the same expiration date that was in the Original NH Lease. In the first quarter of fiscal year 2025, the Company executed a one year extension option on the Replacement NH lease which will expire August 31, 2025.

During fiscal year ended March 31, 2021, the Company executed a 62- month lease extension for approximately 83,000 square feet for our Aurora, Illinois headquarters facility. The Aurora lease expires November 30, 2025.

During fiscal year ended March 31, 2020, the Company executed a 63-month lease for approximately 5,800 square feet for the ISM engineering design center in Ohio (the “Original Dublin Lease”). The Original Dublin Lease expires on February 28, 2025. During the quarter ended September 30, 2024, the Company executed an amendment to reduce square footage from 5,798 to 2,756 effective March 1, 2025 and extend the term sixty-three months to expire on May 31, 2030.

## 6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer’s securities.

If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

*The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.*

Individual Name (First, Last) or Entity Name (Include names of control person(s) if a corporate entity)	Position/Company Affiliation (ex: CEO, 5% Control person)	City and State (Include Country if outside U.S.)	Number of Shares Owned (List common, preferred, warrants and options separately)	Class of Shares Owned <sup>(1)</sup>	Percentage of Class of Shares Owned (undiluted) <sup>(2)</sup>
Kirk R. Brannock	Chairman of the Board	Bloomfield Hills, MI	219,283 <sup>(3)(4)</sup>	Class A Common Stock	2.8%
Robert W. Foskett	Director	Boulder, CO	83,563 <sup>(4)</sup>	Class A Common Stock	1.1%
Robert W. Foskett	Director	Boulder, CO	3,484,287 <sup>(5)(6)</sup>	Class B Common Stock	100% <sup>(7)</sup>
Walter J. Skipper	Director	Elm Grove, WI	12,883 <sup>(4)</sup>	Class A Common Stock	<u>0.2%</u>
Cary B. Wood	Director	South Haven, MI	64,813 <sup>(4)</sup>	Class A Common Stock	<u>0.8%</u>
Timothy L. Duitsman	President, CEO and Director/ 5% Class A Common Stockholder	Naperville, IL	561,175 <sup>(8)(9)</sup>	Class A Common Stock	<u>7.1%</u>

Individual Name (First, Last) or Entity Name (Include names of control person(s) if a corporate entity)	Position/Company Affiliation (ex: CEO, 5% Control person)	City and State (Include Country if outside U.S.)	Number of Shares Owned (List common, preferred, warrants and options separately)	Class of Shares Owned <sup>(1)</sup>	Percentage of Class of Shares Owned (undiluted) <sup>(2)</sup>
Jeniffer L. Jaynes	CFO, Treasurer and Secretary	Aurora, IL	172,713 <sup>(10)</sup>	Class A Common Stock	<u>2.2%</u>
David C. Hoeft	5% Class A Common Stockholder	San Francisco, CA	509,033 <sup>(11)</sup>	Class A Common Stock	<u>6.4%</u>

Confirm that the information in this table matches your public company profile on [www.OTCMarkets.com](http://www.OTCMarkets.com). If any updates are needed to your public company profile, log in to [www.OTCIQ.com](http://www.OTCIQ.com) to update your company profile.

- (1) Class A Common Stock is freely transferable and Class B Common Stock is transferable only to certain transferees but is convertible into Class A Common Stock on a share-for-share basis. Holders of Class A Common Stock have one vote per share and holders of Class B Common Stock have four votes per share.
- (2) Percentage of beneficial ownership is based on 7,935,745 shares of Class A Common Stock and 3,484,287 shares of Class B Common Stock outstanding as of December 31, 2024.
- (3) 179,340 shares are held by Revocable Trust.
- (4) Includes unvested restricted stock awards where the holder has voting rights but not dispositive rights as follows: Mr. Brannock: 3,012 shares; Mr. Foscett: 3,012 shares; Mr. Skipper: 3,012 shares; Mr. Wood: 3,012 shares.
- (5) Includes 246,409 shares held in trust for the benefit of Mr. Penny's children for which Mr. Foscett is trustee and has sole voting and dispositive power. Mr. Foscett disclaims beneficial ownership of these shares.
- (6) Includes 3,237,878 shares of Class B Common Stock held in the Voting Trust Agreement dated February 23, 1994, as amended (the "Voting Trust"), among Robert C. Penny III and certain members of the Penny family. Mr. Foscett, and Mr. Patrick J. McDonough, Jr. are co-trustees and have joint voting and dispositive power over all shares in the Voting Trust. Messrs. Foscett and McDonough each disclaim beneficial ownership with respect to all shares held in the Voting Trust in which they do not have a pecuniary interest. For additional information on the Voting Trust, see the Schedule 13D/A filed with the SEC on May 5, 2015. The Voting Trust contains 120,656 shares held for the benefit of Mr. Foscett. The address for Messrs. Foscett and McDonough is Robert W. Foscett, 1035 Pearl St. #400, Boulder, Colorado 80302.
- (7) As of December 31, 2024, Robert W. Foscett and Patrick J. McDonough, Jr., as trustees of the Voting Trust containing common stock held for the benefit of the Penny family, have the exclusive power to vote over 59.2% of the votes entitled to be cast by the holders of the Company's common stock. Certain Penny family members also own, or are beneficiaries of, trusts that own shares outside of the Voting Trust. Messrs. Foscett and McDonough, as trustees of the Voting Trust and other trusts, control 64.1% of the voting power of the Company's outstanding stock and therefore effectively control the Company.
- (8) 35,833 shares are held in a Trust titled "TIMOTHY L. DUTSMAN TRUST DATED AUGUST 1, 2022".
- (9) Excludes 150,000 non-qualified stock options to purchase shares Class A Common Stock, 168,007 of unvested restricted stock units, and 107,142 (at target) of unvested performance-based restricted stock units. See Note 7 in the attached Financial Statements for additional information regarding stock-based compensation.
- (10) Excludes 55,828 of unvested restricted stock units, and 71,428 (at target) of unvested performance-based restricted stock units. See Note 7 in the attached Financial Statements for additional information regarding stock-based compensation.
- (11) Based upon the most current information contained in Schedules 13D or 13G filings with the SEC, unless more recent information was obtained.

## 7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

To the knowledge of Westell Technologies, Inc., none of the foregoing officers, directors or control persons has been the subject of any such proceeding in the past 10 years.

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or

otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

To the knowledge of Westell Technologies, Inc., none of the foregoing officers, directors or control persons has been the subject of any such proceeding in the past 10 years.

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

To the knowledge of Westell Technologies, Inc., none of the foregoing officers, directors or control persons has been the subject of any such proceeding in the past 10 years.

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

To the knowledge of Westell Technologies, Inc., none of the foregoing officers, directors or control persons has been the subject of any such proceeding in the past 10 years.

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

To the knowledge of Westell Technologies, Inc., none of the foregoing officers, directors or control persons has been the subject of any such proceeding in the past 10 years.

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

To the knowledge of Westell Technologies, Inc., none of the foregoing officers, directors or control persons has been the subject of any such proceeding in the past 10 years.

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

The Company and its subsidiaries are involved in various assertions, claims, proceedings and requests for indemnification concerning intellectual property, including patent infringement suits involving technologies that may be incorporated in the Company's products, which are being handled and defended in the ordinary course of business. These matters are in various stages of investigation and litigation. Although the Company does not expect that the outcome in any of these matters, individually or collectively, will have a material adverse effect on its financial condition or results of operations, litigation is inherently unpredictable. Therefore, judgments could be rendered, or settlements entered, that could adversely affect the Company's operating results or cash flows in a particular period. The Company routinely assesses all of its litigation and threatened litigation as to the probability of ultimately incurring a liability, and it records its best estimate of the ultimate loss in situations where it assesses the likelihood of loss as probable.

A significant customer is a defendant in a patent infringement claim and is asserting possible indemnity rights under contracts with the Company. The customer initially won summary judgment for all claims, which was subsequently reversed on appeal. After the reversal, the customer filed another motion for summary judgment for non-infringement on all claims, which was granted by the District Court. Prior to issuance of the most recent summary judgment order, the customer informed the Company that the customer intends to seek to recover from the Company a share of the settlement and defense costs. The timeframe for appeal of denial of the second summary judgment motion has lapsed, and accordingly, the litigation has concluded. The Company has received notice from the customer that they intend to seek \$273,000 as the Company's share of litigation defense costs from June 2019 to the conclusion of litigation. (The Company has a release as to all defense costs incurred prior to June 2019.) The Company is seeking additional information to fully evaluate the merits of the claim in order to determine potential exposure, which will vary from a high of the asked-for amount to some lower figure, which we cannot determine with certainty at this point. The merits of the claim depend on the Company's contribution ratio and the reasonableness of the defense costs allegedly incurred by the customer. This claim relates to a business that was previously sold and therefore any future expense would be presented as discontinued operations in the financial statements.

## **8) Third Party Service Providers**

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Confirm that the information in this table matches your public company profile on [www.OTCMarkets.com](http://www.OTCMarkets.com). If any updates are needed to your public company profile, update your company profile.

### Securities Counsel

Name: Ryan P. Morrison  
Firm: Quarles & Brady LLP  
Address 1: 411 East Wisconsin Avenue, Suite 2400  
Address 2: Milwaukee, WI 53202-4428  
Phone: (414) 277-5401  
Email: ryan.morrison@quarles.com

### Accountant or Auditor

Name: Rocco Rinaldi  
Firm: Baker Tilly US, LLP  
Address 1: 205 North Michigan Avenue, 28<sup>th</sup> Floor  
Address 2: Chicago, IL 60601-5927  
Phone: (312) 385-9351  
Email: rocco.rinaldi@bakertilly.com

### Investor Relations

Name: Timothy L. Duitsman  
Firm: Westell Technologies, Inc.  
Address 1: 750 North Commons Drive  
Address 2: Aurora, IL 60504  
Phone: (630) 898-2500  
Email: tduitsman@westell.com

*All other means of Investor Communication:*

X (Twitter): [https://x.com/Westell\\_Tech](https://x.com/Westell_Tech)  
Discord: N/A  
LinkedIn <https://www.linkedin.com/company/westell/>  
Facebook: <https://www.facebook.com/WestellTech>  
[Other ] <https://www.youtube.com/@westelltech>

Additionally, the Company may publish news releases through the OTC Markets Websites, PR Newswire or Accesswire.

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

NONE.

**9) Disclosure & Financial Information**

A. This Disclosure Statement was prepared by (name of individual):

Name: Jeniffer L Jaynes  
Title: Chief Financial Officer  
Relationship to Issuer: Officer of the Issuer

B. The following financial statements were prepared in accordance with:

- ☐ IFRS  
☒ U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: Jeniffer L Jaynes  
Title: Chief Financial Officer  
Relationship to Issuer: Officer of the Issuer

Describe the qualifications of the person or persons who prepared the financial statements:<sup>6</sup> Jeniffer L. Jaynes has served as the Company's Chief Financial Officer, Treasurer and Secretary since November 2020. Prior to assuming the role of the CFO, she served as interim CFO since August 2019 and the Vice President and Corporate Controller since July 2018. She previously served as the Company's Assistant Vice President of Financial Reporting from 2016 until 2018, and as Director of SEC Reporting from 2007 to 2016. Ms. Jaynes initially joined the Company in 1996 and held various accounting positions with the Company through 2000. Prior to rejoining the Company in 2007, Ms. Jaynes served as the Director of SEC Reporting at Infinity Property and Casualty Corporation (Nasdaq: IPCC), and as the Manager of Financial Reporting at Pemco Aviation Group, Inc. (subsequently known as Alabama Aircraft Industries, Inc. (Nasdaq: AAIL)). Ms. Jaynes is a Certified Public Accountant and began her career as an auditor with Arthur Andersen LLP.

Provide the following qualifying financial statements:

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<sup>6</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes

**Financial Statement Requirements:**

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be “machine readable”. Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

**“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995**

Certain statements contained herein that are not historical facts or that contain the words “believe,” “expect,” “intend,” “anticipate,” “estimate,” “may,” “will,” “plan,” “should,” or derivatives thereof and other words of similar meaning are forward-looking statements that involve risks and uncertainties. Actual results may differ materially from those expressed in or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, the product demand and market acceptance risks, customer spending patterns, need for financing and capital, economic weakness in the United States (“U.S.”) economy and telecommunications market, the effect of international economic conditions and trade, legal, social and economic risks (such as import, licensing and trade restrictions), the impact of competitive products or technologies, competitive pricing pressures, customer product selection decisions, product cost increases, component supply shortages, new product development, excess and obsolete inventory, commercialization and technological delays or difficulties (including delays or difficulties in developing, producing, testing and selling new products and technologies), the ability to successfully consolidate and rationalize operations, the ability to successfully identify, acquire and integrate acquisitions, the effects of the Company's accounting policies, retention of key personnel, the effects and consequences of pandemics. The Company undertakes no obligation to publicly update these forward-looking statements to reflect current events or circumstances after the date hereof, or to reflect the occurrence of unanticipated events, or otherwise.

## 10) Issuer Certification

### *Principal Executive Officer:*

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Timothy L. Duitsman certify that:

1. I have reviewed this Disclosure Statement for Westell Technologies, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

February 14, 2025 [Date]

/s/ Timothy L. Duitsman [CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

### *Principal Financial Officer:*

I, Jeniffer L. Jaynes certify that:

1. I have reviewed this Disclosure Statement for Westell Technologies, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

February 14, 2025 [Date]

/s/ Jeniffer L. Jaynes [CFO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")



# WESTELL TECHNOLOGIES, INC. AND SUBSIDIARIES

## CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share amounts)	(unaudited)	
	December 31, 2024	March 31, 2024
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 22,582	\$ 19,942
Short-term investments	—	2,047
Accounts receivable (net of allowance of \$100 at December 31, 2024 and March 31, 2024)	6,173	4,249
Inventories, net	10,876	8,481
Prepaid expenses and other current assets	682	1,124
Total current assets	40,313	35,843
Non-current assets:		
Property and equipment, net	285	199
Right-of-use assets on operating leases, net	640	891
Other non-current assets	117	119
<b>Total assets</b>	<b>\$ 41,355</b>	<b>\$ 37,052</b>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 4,810	\$ 1,857
Accrued expenses	2,245	2,139
Deferred revenue	283	469
Total current liabilities	7,338	4,465
Non-current liabilities:		
Deferred revenue non-current	309	332
Lease liabilities non-current	130	273
Other non-current liabilities	105	109
<b>Total liabilities</b>	<b>7,882</b>	<b>5,179</b>
Commitments and contingencies (see Note 11)		
Stockholders' equity:		
Class A common stock, par \$0.01, Authorized – 109,000,000 shares, Outstanding – 7,935,745 and 7,959,105 shares at December 31, 2024 and March 31, 2024, respectively	79	80
Class B common stock, par \$0.01, Authorized – 25,000,000 shares, Issued and outstanding – 3,484,287 shares at both December 31, 2024 and March 31, 2024	35	35
Preferred stock, par \$0.01, Authorized – 1,000,000 shares, Issued and outstanding – none	—	—
Additional paid-in capital	421,355	421,162
Treasury stock at cost – 10,989,813 and 10,739,183 shares at December 31, 2024 and March 31, 2024, respectively	(45,714)	(45,353)
Accumulated deficit	(342,282)	(344,051)
Total stockholders' equity	33,473	31,873
<b>Total liabilities and stockholders' equity</b>	<b>\$ 41,355</b>	<b>\$ 37,052</b>

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

**WESTELL TECHNOLOGIES, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In thousands, except per share amounts)  
(Unaudited)

	Three months ended December 31,		Nine months ended December 31,	
	2024	2023	2024	2023
Revenue	\$ 9,816	\$ 6,851	\$ 28,400	\$ 28,076
Cost of revenue	5,923	4,040	17,495	17,216
Gross profit	3,893	2,811	10,905	10,860
<b>Operating expenses:</b>				
Research and development	1,104	866	3,377	2,863
Sales and marketing	1,308	1,018	4,035	3,762
General and administrative	820	791	2,408	2,769
Total operating expenses	3,232	2,675	9,820	9,394
<b>Operating income</b>	661	136	1,085	1,466
Other income (expense), net	218	239	742	602
<b>Income before income taxes</b>	879	375	1,827	2,068
Income tax expense	(26)	(7)	(58)	(57)
<b>Net income <sup>(1)</sup></b>	<u>\$ 853</u>	<u>\$ 368</u>	<u>\$ 1,769</u>	<u>\$ 2,011</u>
<b>Basic net income per share:</b>	\$ 0.07	\$ 0.03	\$ 0.15	\$ 0.17
<b>Diluted net income per share:</b>	\$ 0.07	\$ 0.03	\$ 0.15	\$ 0.17
<b>Weighted-average number of shares outstanding:</b>				
Basic	11,417	11,480	11,430	11,509
Effect of dilutive securities: restricted stock, restricted stock units (RSUs), performance-based RSUs, and stock options <sup>(2)</sup>	301	176	256	201
Diluted	<u>11,718</u>	<u>11,656</u>	<u>11,686</u>	<u>11,710</u>

<sup>(1)</sup> Net income and comprehensive income are the same for the periods reported.

<sup>(2)</sup> The Company has zero and approximately 8,000 shares represented by common stock equivalents for the three and nine months ended December 31, 2024, respectively, and approximately 18,000 and 36,000 shares represented by common stock equivalents for both the three and nine months ended December 31, 2023, respectively, which were not included in the computation of average dilutive shares outstanding because they were anti-dilutive.

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

**WESTELL TECHNOLOGIES, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(In thousands)  
(Unaudited)

	Common Stock Class A	Common Stock Class B	Additional Paid-in Capital	Treasury Stock	Accumulated Deficit	Total Stockholders' Equity
<b>Balance, March 31, 2024</b>	<b>\$ 80</b>	<b>\$ 35</b>	<b>\$ 421,162</b>	<b>\$ (45,353)</b>	<b>\$ (344,051)</b>	<b>\$ 31,873</b>
Net income	—	—	—	—	513	513
Common stock issued	2	—	(2)	—	—	—
Purchase of treasury stock	(2)	—	—	(249)	—	(251)
Stock-based compensation	—	—	80	—	—	80
<b>Balance, June 30, 2024</b>	<b>\$ 80</b>	<b>\$ 35</b>	<b>\$ 421,240</b>	<b>\$ (45,602)</b>	<b>\$ (343,538)</b>	<b>\$ 32,215</b>
Net income	—	—	—	—	403	403
Common stock issued	—	—	—	—	—	—
Purchase of treasury stock	—	—	—	(66)	—	(66)
Stock-based compensation	—	—	53	—	—	53
<b>Balance, September 30, 2024</b>	<b>\$ 80</b>	<b>\$ 35</b>	<b>\$ 421,293</b>	<b>\$ (45,668)</b>	<b>\$ (343,135)</b>	<b>\$ 32,605</b>
Net income	—	—	—	—	853	853
Common stock issued	—	—	—	—	—	—
Purchase of treasury stock	(1)	—	—	(46)	—	(47)
Stock-based compensation	—	—	62	—	—	62
<b>Balance, December 31, 2024</b>	<b>\$ 79</b>	<b>\$ 35</b>	<b>\$ 421,355</b>	<b>\$ (45,714)</b>	<b>\$ (342,282)</b>	<b>\$ 33,473</b>

  

	Common Stock Class A	Common Stock Class B	Additional Paid-in Capital	Treasury Stock	Accumulated Deficit	Total Stockholders' Equity
<b>Balance, March 31, 2023</b>	<b>\$ 80</b>	<b>\$ 35</b>	<b>\$ 420,896</b>	<b>\$ (44,891)</b>	<b>\$ (345,845)</b>	<b>\$ 30,275</b>
Net income	—	—	—	—	847	847
Common stock issued	2	—	(2)	—	—	—
Purchase of treasury stock	(1)	—	—	(179)	—	(180)
Stock-based compensation	—	—	87	—	—	87
<b>Balance, June 30, 2023</b>	<b>\$ 81</b>	<b>\$ 35</b>	<b>\$ 420,981</b>	<b>\$ (45,070)</b>	<b>\$ (344,998)</b>	<b>\$ 31,029</b>
Net income	—	—	—	—	796	796
Common stock issued	—	—	—	—	—	—
Purchase of treasury stock	(1)	—	—	(152)	—	(153)
Stock-based compensation	—	—	43	—	—	43
<b>Balance, September 30, 2023</b>	<b>\$ 80</b>	<b>\$ 35</b>	<b>\$ 421,024</b>	<b>\$ (45,222)</b>	<b>\$ (344,202)</b>	<b>\$ 31,715</b>
Net income	—	—	—	—	368	368
Common stock issued	—	—	—	—	—	—
Purchase of treasury stock	—	—	—	(29)	—	(29)
Stock-based compensation	—	—	71	—	—	71
<b>Balance, December 31, 2023</b>	<b>\$ 80</b>	<b>\$ 35</b>	<b>\$ 421,095</b>	<b>\$ (45,251)</b>	<b>\$ (343,834)</b>	<b>\$ 32,125</b>

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

**WESTELL TECHNOLOGIES, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands)  
(Unaudited)

(In thousands)	Nine Months ended December 31,	
	2024	2023
<b>Cash flows from operating activities:</b>		
Net income	\$ 1,769	\$ 2,011
Reconciliation of net income to net cash used in operating activities:		
Depreciation and amortization	107	104
Stock-based compensation	195	201
Exchange rate loss (gain)	3	(4)
Changes in assets and liabilities:		
Accounts receivable	(1,927)	1,634
Inventories	(2,395)	3,896
Prepaid expenses and other current assets	442	(342)
Other assets	253	401
Deferred revenue	(209)	102
Accounts payable and accrued expenses	2,912	(1,297)
Net cash provided by (used in) operating activities	1,150	6,706
<b>Cash flows from investing activities:</b>		
Maturities of held-to-maturity short-term debt securities	2,047	2,950
Purchases of property and equipment	(193)	(95)
Net cash provided by (used in) investing activities	1,854	2,855
<b>Cash flows from financing activities:</b>		
Purchases of treasury stock	(364)	(362)
Net cash provided by (used in) financing activities	(364)	(362)
Net increase (decrease) in cash and cash equivalents	2,640	9,199
Cash and cash equivalents, beginning of period <sup>(1) (2)</sup>	19,942	10,314
<b>Cash and cash equivalents, end of period</b>	<b>\$ 22,582</b>	<b>\$ 19,513</b>

- (1) As of March 31, 2024, the Company had approximately \$2.0 million of short-term investments in addition to the \$19.9 million of cash and cash equivalents.
- (2) As of March 31, 2023, the Company had approximately \$3.0 million of short-term investments in addition to the \$10.3 million of cash and cash equivalents.

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

**WESTELL TECHNOLOGIES, INC. AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**Note 1. Basis of Presentation**

***Description of Business***

Westell Technologies, Inc., (the “Company”) was incorporated in Delaware in 1980 and is headquartered at 750 North Commons Drive, Aurora, Illinois 60504. The Company is a holding company that primarily conducts business through its wholly owned subsidiary, Westell, Inc. (“Westell”). Westell, through its three segments, is a leading provider of high-performance network infrastructure solutions focused on innovation and differentiation at the edge of communication networks where end users connect. Westell’s portfolio of products and solutions enable service providers and network operators to improve performance and reduce operating expenses.

***OTC Market Announcement***

In October 2024, the OTC Markets announced that in July 2025, Pink Current will become OTCID – a basic reporting market for companies that meet a minimal current information standard and provide management certifications. Issuers that do not provide updated information will shift to the Pink Limited Market or to the Expert Market. Recently, the OTC Markets published the requirements to meet the new market eligibility standards for the OTCID Market. While the Company believes it will meet the requirements, at this time, the Company does not know what, if any, affect this will have on the trading, volume or liquidity of its shares.

***Basis of Presentation and Reporting***

The accompanying Condensed Consolidated Financial Statements include the accounts of the Company and its wholly-owned subsidiaries. The Condensed Consolidated Financial Statements have been prepared using generally accepted accounting principles (“GAAP”) in the United States for interim financial reporting, and, accordingly, they do not include all of the information and footnotes required in the annual consolidated financial statements and accompanying footnotes. The Condensed Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and accompanying notes included in the Company’s Annual Report for the year ended March 31, 2024. All intercompany accounts and transactions have been eliminated in consolidation.

In the opinion of management, the unaudited interim financial statements included herein reflect all adjustments, consisting of normal recurring adjustments, necessary to present fairly the Company’s condensed consolidated financial position and the results of operations, comprehensive income and cash flows at December 31, 2024, and for all periods presented. The results of operations for the periods presented are not necessarily indicative of the results that may be expected for fiscal year 2025.

***Use of Estimates***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and that affect revenue and expenses during the periods reported. Estimates are used when accounting for income taxes, the allowance for uncollectible accounts receivable, net realizable value of inventory, product warranty accrued, relative stand-alone selling prices, stock-based compensation, intangible assets fair value, depreciation, right-of-use lease assets and related lease liabilities, and contingencies, among other things. Actual results could differ from those estimates.

### ***Recently Issued Accounting Pronouncements Not Yet Adopted as of December 31, 2024***

In November 2024, the FASB issued Accounting Standards Update (“ASU”) ASU 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40)* (“ASU 2024-03”). ASU 2024-03 requires the disaggregation of certain expense captions on the face of the income statement into specified categories in disclosures within the notes to the financial statements. The FASB further clarified the effective date with the issuance of ASU 2025-01, *Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date* (“ASU 2025-01”). ASU 2024-03 is effective for annual periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027, on a prospective or retrospective basis, with early adoption permitted. The Company is currently evaluating the effects of the adoption of ASU 2024-03 on the Company’s Condensed Consolidated Financial Statements.

In March 2024, the FASB issued ASU 2024-02, *Codification Improvements - Amendments to Remove References to the Concepts Statements* (“ASU 2024-02”). This amendment to the Codification removes references to various Concepts Statements. This update will be effective for public business entities for fiscal years beginning after December 15, 2024, with early adoption permitted if adopted as of the beginning of the fiscal year that includes that interim period. The Company is currently evaluating the effects of the adoption of ASU 2024-02 on the Company’s Condensed Consolidated Financial Statements.

In March 2024, the FASB issued ASU 2024-01, *Compensation—Stock Compensation (Topic 718): Scope Application of Profits Interest and Similar Awards* (“ASU 2024-01”), to clarify the scope application of profits interest and similar awards by adding illustrative guidance in ASC 718, Compensation - Stock Compensation. The ASU clarifies how to determine whether profits interest and similar awards are in the scope of ASC 718 and applies to all reporting entities that account for profits interest awards as compensation to employees or non-employees. In addition to adding the illustrative guidance, the ASU modified the language in paragraph 718-10-15-3 to improve its clarity and operability. However, this amendment does not change the intent of that guidance, nor how it should be applied. The ASU’s amendments are effective for fiscal years beginning after December 15, 2024, including interim periods within those years. The Company is currently evaluating the effects of the adoption of ASU 2024-01 on the Company’s Condensed Consolidated Financial Statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740) - Improvements to Income Tax Disclosures* (“ASU 2023-09”). ASU 2023-09 is intended to address investor requests for more transparency about income tax information through improvements to income tax disclosures primarily related to the effective tax rate reconciliation as well as additional income taxes paid information. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, and should be applied prospectively. Retrospective application is permitted. Early adoption is permitted. The Company is currently evaluating the impact of ASU 2023-09 on the Company’s Condensed Consolidated Financial Statements.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures* (“ASU 2023-07”). ASU 2023-07 is intended to improve reportable segment disclosure requirements primarily through enhanced disclosures about significant segment expenses in annual and interim periods. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, and requires retrospective application to all prior periods presented in the financial statements. Early adoption is permitted. The Company is currently evaluating the impact of ASU 2023-07 on the Company’s Condensed Consolidated Financial Statements.

### ***Subsequent Events***

The Company evaluates subsequent events occurring between the most recent balance sheet date and the date that the consolidated financial statements are available to be issued in order to determine whether the subsequent events are to be recorded and/or disclosed in the Company’s financial statements and footnotes. Management considers the consolidated financial statements available to be issued at the time that they are filed with the OTC. See Note 13, *Share Repurchases*.

## Note 2. Leases

The Company accounts for leases under ASC Topic 842, *Leases*. Leases with an initial term of 12 months or less are not recorded on the Condensed Consolidated Balance Sheets. The Company also made the accounting policy election to account for each separate lease component and non-lease component associated with that lease component as a single lease component. The Company determines lease terms based on whether or not it is reasonably certain to exercise the lease extensions. The Company determines at inception whether an arrangement is a lease.

Right-of-use (“ROU”) assets represent the Company's right to use an underlying asset during the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the net present value of remaining fixed lease payments over the lease term. Lease terms used to calculate the present value of the lease payments include any options to extend, renew, or terminate the lease, when it is reasonably certain that these options will be exercised. ROU assets also include any advance lease payments made and exclude any lease incentives. As the implicit interest rate for our leases is not readily determinable, the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. Lease expense is recognized on a straight-line basis over the lease term. The Company has lease arrangements with non-lease components that are not in-substance fixed and considered variable, which were not included in the carrying balances of the ROU asset and lease liability. The Company does not have any finance leases. No lease requires residual value guarantees.

The Company reviews the impairment of ROU assets consistent with the approach applied to other long-lived assets. ROU assets are reviewed for recoverability whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Determination of recoverability is based on an estimate of undiscounted future cash flows resulting from the use of the asset and its eventual disposition. If the carrying amount of an asset exceeds its estimated future undiscounted cash flows, an impairment loss is recorded for the excess of the asset's carrying amount over its fair value.

The Company's operating leases primarily include building leases for the corporate headquarters in Aurora, IL, an engineering and service center in Dublin, OH, and engineering test facility in Manchester, NH.

Future minimum lease payments as of December 31, 2024, consisted of the following (in thousands):

<b>Fiscal Year Ending March 31,</b>	<b>Operating Leases</b>
2025 <sup>(1)</sup>	\$ 105
2026	318
2027	33
2028	34
2029	35
Thereafter	44
Total lease payments	569
Less: imputed interest	(44)
Total operating lease liabilities	<u>\$ 525</u>

<sup>(1)</sup> Represents the future minimum operating lease payments expected to be made over the remaining balance of the fiscal year.

As of December 31, 2024, the weighted-average remaining lease term was 2.3 years and the weighted-average discount rate was 5.7%. As of March 31, 2024, the weighted-average remaining lease term was 1.6 years and the weighted-average discount rate was 4.5%.

During the quarter ended December 31, 2023, at the landlord's request, the Company terminated the Original NH Lease and executed a replacement lease for 2,225 square feet at a new Manchester, New Hampshire location (the "Replacement NH Lease"). The Replacement NH Lease was originally set to expire August 31, 2024. In the first quarter of fiscal year 2025, the Company executed a one-year extension option on the Replacement NH lease, which will expire August 31, 2025.

During the quarter ended September 30, 2024, the Company executed an amendment to the Dublin, Ohio design service center to reduce square footage from 5,798 to 2,756 effective March 1, 2025 and extend the term for additional sixty-three months, which expires on May 31, 2030.

Our building leases include variable lease payments that are not included in the lease liability balances as they are based on the expenses, which can vary during the term of each lease.

Lease expenses are included in Cost of revenue, Research and development, Sales and marketing, and General and administrative in the Company's Condensed Consolidated Statements of Operations.

The components of lease expense are as follows:

(in thousands)	Three months ended December 31,		Nine months ended December 31,	
	2024	2023	2024	2023
Operating lease expense	\$ 152	\$ 145	\$ 456	\$ 449
Variable lease expense <sup>(1)</sup>	60	51	180	157
Total lease expense <sup>(2)</sup>	<u>\$ 212</u>	<u>\$ 196</u>	<u>\$ 636</u>	<u>\$ 606</u>

<sup>(1)</sup> Variable lease expense is related to our leased real estate and primarily includes labor and operational costs as well as taxes and insurance.

<sup>(2)</sup> Short-term lease expense is immaterial.

For both the three and nine months ended December 31, 2024 and 2023, cash paid for operating leases included in the measurement of lease liabilities was \$0.2 million and \$0.5 million, respectively. All of these payments are presented in Operating activities cash flows on the Condensed Consolidated Statements of Cash Flows. In addition, the Company obtained approximately \$0.1 million of ROU assets in exchange for related operating lease liabilities during the nine months ending December 31, 2024.

The following table summarizes the classification of ROU assets and lease liabilities as of December 31, 2024 and March 31, 2024:

(in thousands)	December 31, 2024	March 31, 2024	Balance Sheet Classification
<b>Assets:</b>			
ROU assets	\$ 640	\$ 891	Right-of-use assets on operating leases, net
<b>Liabilities:</b>			
Current operating lease liability	395	527	Accrued expenses
Non-current operating lease liabilities	130	273	Lease liabilities non-current
Total lease liabilities	<u>\$ 525</u>	<u>\$ 800</u>	



### Note 3. Revenue Recognition and Deferred Revenue

#### Disaggregation of revenue

The following table disaggregates our revenue by major source:

(in thousands)	Three months ended December 31,		Nine months ended December 31,	
	2024	2023	2024	2023
<b>Revenue:</b>				
Products	\$ 8,824	\$5,522	\$ 25,049	\$ 24,412
Software	78	189	362	396
Services	914	1,140	2,989	3,268
<b>Total revenue</b>	<b>\$ 9,816</b>	<b>\$ 6,851</b>	<b>\$ 28,400</b>	<b>\$ 28,076</b>

The following is the expected future revenue recognition timing of deferred revenue as of December 31, 2024:

(in thousands)	< 1 year	1-2 years	> 2 years
Deferred Revenue	\$ 283	\$ 155	\$ 154

During both the three months ended December 31, 2024 and 2023, the Company recognized \$0.1 million of revenue related to contract liabilities at the beginning of the periods. During the nine months ended December 31, 2024 and 2023, the Company recognized \$0.4 million and \$0.3 million of revenue related to contract liabilities at the beginning of the periods, respectively.

The Company allows certain customers to return unused product under specified terms and conditions. The Company estimates product returns based on historical sales and return trends and records a corresponding refund liability. The refund liability, which is recorded in Accrued expenses on the accompanying Condensed Consolidated Balance Sheets, was approximately \$0.1 million at both December 31, 2024 and March 31, 2024. The gross product return asset, which is recorded in Prepaid and other current assets in the Condensed Consolidated Balance Sheets, was approximately \$0.1 million at both December 31, 2024 and March 31, 2024.

### Note 4. Revolving Credit Agreement

#### Revolving Credit Agreement

Effective November 21, 2024, the Company executed a second amendment (the “2<sup>nd</sup> Amendment”) to its credit agreement dated as of December 15, 2022 (the “Credit Agreement”) with St. Charles Bank & Trust Company, N.A. The 2<sup>nd</sup> Amendment extends the maturity on the revolving credit facility in an amount up to \$5.0 million to August 31, 2025, with availability under the line of credit subject to a borrowing base calculated as a percentage of eligible accounts receivable (the “Borrowing Base Calculation”). Effective December 15, 2023, the Company executed an amendment (the “Amendment”) to the Credit Agreement. The Amendment had extended the maturity of the Credit Agreement to December 15, 2024. Prior to the Amendment, the Credit Agreement contained one financial covenant requiring the Borrower to maintain a minimum fixed charge coverage ratio of 1.2x, measured semi-annually. The Company maintained compliance with this covenant, which was eliminated with the Amendment. The line of credit is secured by a blanket lien on all tangible and intangible assets of the Company and its domestic subsidiary. Borrowings under the Credit Agreement will bear interest at SOFR plus 300 basis points. The line of credit is to be repaid in monthly payments of interest only and is renewable at maturity. The Credit Agreement contains certain restrictive covenants customary for transactions of this type. There were

no borrowings under this facility at December 31, 2024 or March 31, 2024. Based upon the Borrowing Base Calculation, there was approximately \$3.8 million available under this facility at December 31, 2024.

**Note 5. Interim Segment Information**

Segment information is presented in accordance with a “management approach”, which designates the internal reporting used by the chief operating decision-maker (“CODM”) for making decisions and assessing performance as the source of the Company's reportable segments. The Company’s CODM is the Chief Executive Officer. The CODM continues to define segment profit as gross profit less research and development expenses. The accounting policies of the segments are the same as those for Westell Technologies, Inc. described in the summary of significant accounting policies included in the Company's Annual Report for year ended March 31, 2024.

The Company’s three reportable segments are as follows:

*In-Building Wireless (“IBW”) Segment*

IBW segment solutions enable public safety and cellular coverage in stadiums, arenas, malls, buildings, and other indoor areas not served well by the existing outdoor radio network. For the public safety market, solutions include Class A repeaters, Class B repeaters, VHF/UHF repeaters, Public Safety distributed antenna systems (“DAS”), and battery backup units. IBW also offers passive signal distribution, attenuation solutions, protection products, and antennas for both the public safety and cellular markets.

*Intelligent Site Management (“ISM”) Segment*

ISM segment solutions include a suite of remote units, which provide machine-to-machine communications that enable operators to remotely monitor, manage, and control physical site infrastructure and support systems. Remote units can be combined with the Company's Optima management software system. ISM also offers support services (i.e., maintenance agreements) and deployment services (i.e., installation).

*Communications Network Solutions (“CNS”) Segment*

CNS segment solutions include a broad range of hardened network infrastructure offerings suitable for both indoor and outdoor use. The offerings consist of integrated cabinets, fiber distribution hubs (“FDHs”), power distribution products, copper and fiber network connectivity panels, and fiber access products.

Segment information for the three and nine months ended December 31, 2024 and 2023, is set forth below:

	<b>Three months ended December 31, 2024</b>			
(in thousands)	<b>IBW</b>	<b>ISM</b>	<b>CNS</b>	<b>Total</b>
Revenue	\$ 2,909	\$ 4,365	\$ 2,542	\$ 9,816
Cost of revenue	1,981	2,070	1,872	5,923
Gross profit	928	2,295	670	3,893
Gross margin	31.9%	52.6%	26.4%	39.7%
Research and development	399	474	231	1,104
Segment profit	<u>\$ 529</u>	<u>\$ 1,821</u>	<u>\$ 439</u>	2,789
Operating expenses:				
Sales and marketing				1,308
General and administrative				820
Operating income				661
Other income (expense), net				218
Income tax benefit (expense)				(26)
Net income				<u>\$ 853</u>

	<b>Three months ended December 31, 2023</b>			
(in thousands)	<b>IBW</b>	<b>ISM</b>	<b>CNS</b>	<b>Total</b>
Revenue	\$ 1,992	\$ 3,219	\$ 1,640	\$ 6,851
Cost of revenue	1,303	1,484	1,253	4,040
Gross profit	689	1,735	387	2,811
Gross margin	34.6%	53.9%	23.6%	41.0%
Research and development	293	371	202	866
Segment profit	<u>\$ 396</u>	<u>\$ 1,364</u>	<u>\$ 185</u>	1,945
Operating expenses:				
Sales and marketing				1,018
General and administrative				791
Operating income				136
Other income (expense), net				239
Income tax benefit (expense)				(7)
Net income				<u>\$ 368</u>

**Nine months ended December 31, 2024**

(in thousands)	<b>IBW</b>	<b>ISM</b>	<b>CNS</b>	<b>Total</b>
Revenue	\$ 8,546	\$ 10,813	\$ 9,041	\$ 28,400
Cost of revenue	5,823	5,150	6,522	17,495
Gross profit	2,723	5,663	2,519	10,905
Gross margin	31.9%	52.4%	27.9%	38.4%
Research and development	1,228	1,449	700	3,377
Segment profit	\$ 1,495	\$ 4,214	\$ 1,819	7,528
Operating expenses:				
Sales and marketing				4,035
General and administrative				2,408
Operating income				1,085
Other income (expense), net				742
Income tax benefit (expense)				(58)
Net income				\$ 1,769

**Nine months ended December 31, 2023**

(in thousands)	<b>IBW</b>	<b>ISM</b>	<b>CNS</b>	<b>Total</b>
Revenue	\$ 6,949	\$ 12,187	\$ 8,940	\$ 28,076
Cost of revenue	4,842	5,857	6,517	17,216
Gross profit	2,107	6,330	2,423	10,860
Gross margin	30.3%	51.9%	27.1%	38.7%
Research and development	1,024	1,199	640	2,863
Segment profit	\$ 1,083	\$ 5,131	\$ 1,783	7,997
Operating expenses:				
Sales and marketing				3,762
General and administrative				2,769
Operating income				1,466
Other income (expense), net				602
Income tax benefit (expense)				(57)
Net income				\$ 2,011

Segment asset information is not reported to or used by the CODM.

## Note 6. Inventories

Inventories are stated at the lower of cost, on a first-in, first-out basis, or net realizable value. The components of net inventories are as follows:

(in thousands)	December 31, 2024		March 31, 2024	
Raw materials	\$	3,258	\$	3,018
Finished goods		7,618		5,463
Total inventories	\$	10,876	\$	8,481

The Company records provisions against inventory for excess and obsolete inventory, which are determined, based on the Company's best estimates of future demand, product lifecycle status and product development plans. These provisions reduce the inventory cost basis. The Company believes the estimates and assumptions underlying its provisions are reasonable. However, there is risk that additional charges may be necessary if future demand is less than current forecasts due to technological changes, uncertain customer requirements, or other factors.

## Note 7. Stock-Based Compensation

### Employee Stock Incentive Plans

The Westell Technologies, Inc. 2023 Omnibus Incentive Compensation Plan (the "2023 Plan") was approved at the annual meeting of stockholders on November 7, 2023. The 2023 Plan replaces the Westell Technologies, Inc. 2019 Omnibus Incentive Compensation Plan (the "2019 Plan"). The 2023 Plan includes a total of 500,000 shares of Class A Common Stock ("Shares") plus the number of Shares reserved for issuance under the 2019 Plan that have not been granted or reserved for issuance under an outstanding award that may be issued under the 2023 Omnibus Plan. If any award granted under the 2023 Plan or the 2019 Plan is canceled, terminates, expires, or lapses for any reason, any Shares subject to such award shall again be available for the grant of an award under the 2023 Plan. Shares subject to an award shall not again be made available for issuance under the Plan if such Shares are: (a) delivered to or withheld by the Company to pay the grant or purchase price of an award, or (b) delivered to or withheld by the Company to pay the withholding taxes related to an award. Any awards or portions thereof that are settled in cash and not in Shares shall not be counted against the foregoing Share limit.

The stock options, restricted stock awards ("RSAs"), and restricted stock units ("RSUs") awarded under both the 2023 Plan and the 2019 Plan generally vest in equal annual installments over 3 years for employees and 1 year for non-employee directors. Performance-based restricted stock units ("PSUs") earned generally vest over the performance period, as described below. Certain awards provide for accelerated vesting if there is a change in control (as defined in the 2023 Plan and the 2019 Plan), or when provided within individual employment contracts. The Company accounts for forfeitures as they occur. The Company issues new shares for stock awards under the 2023 Plan and the 2019 Plan.

### Stock-Based Compensation

The following table is a summary of total stock-based compensation expense resulting from stock options, restricted stock, RSUs and PSUs during the three and nine months ended December 31, 2024, and 2023:

(in thousands)	Three months ended December 31,		Nine months ended December 31,	
	2024	2023	2024	2023
Stock-based compensation expense	\$ 62	\$ 71	\$ 195	\$ 201
Income tax benefit	—	—	—	—
Total stock-based compensation expense, after taxes	\$ 62	\$ 71	\$ 195	\$ 201

### Stock Options

Stock option activity for the nine months ended December 31, 2024, is as follows:

	Shares	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value <sup>(1)</sup> (\$ in thousands)
Outstanding on March 31, 2024	150,000	\$ 1.35	2.4	\$ 21
Granted	—	—		
Exercised	—	—		
Forfeited	—	—		
Expired	—	—		
Outstanding as of December 31, 2024	150,000	\$ 1.35	1.7	\$ 24
Exercisable as of December 31, 2024	150,000	1.35	1.7	\$ 24

<sup>(1)</sup> The intrinsic value for the stock options is calculated based on the difference between the exercise price of the underlying awards and the Westell Technologies' closing stock price as of the respective reporting date.

### RSAs

The following table sets forth restricted stock activity for the nine months ended December 31, 2024:

	Shares	Weighted-Average Grant Date Fair Value
Non-vested as of March 31, 2024	16,025	\$ 1.56
Granted	12,048	1.66
Vested	(16,025)	1.56
Forfeited	—	—
Non-vested as of December 31, 2024	12,048	\$ 1.66

### RSUs

The following table sets forth the RSU activity for the nine months ended December 31, 2024:

	Shares	Weighted-Average Grant Date Fair Value
Non-vested as of March 31, 2024	387,968	\$ 1.34
Granted	156,710	1.47
Vested	(211,433)	1.16
Forfeited	(39,947)	1.50
Non-vested as of December 31, 2024	293,298	\$ 1.51

### PSUs

In May 2024, the Compensation Committee granted 232,141 PSUs to executives pursuant to the Westell Technologies, Inc. 2023 Omnibus Incentive Compensation Plan. These PSUs will be earned based upon achievement of a pre-determined performance goal for

fiscal year 2027. The PSUs will cliff vest based on actual attainment on the Compensation Committees certification date for the fiscal 2027 results. Actual attainment could range from 0% to 200% depending on actual results, but capped at 175,000 shares per participant. Upon vesting, the PSUs convert into shares of Class A Common Stock of the Company on a one-for-one basis.

A total of 29,411 PSUs were granted during fiscal year ended March 31, 2024 with a weighted-average grant date fair value of \$1.70. PSUs were earned based upon achievement of a performance goal tied to growing a specific revenue target for fiscal year 2024, but have a continued employment provision. Based upon the actual results for fiscal year 2024, 18,046 of these PSUs were forfeited prior to vesting and the remaining 11,365 PSUs will vest in three equal annual installments beginning on September 1, 2024. Upon vesting, the PSUs convert into shares of Class A Common Stock of the Company on a one-for-one basis. The following table sets forth the PSU activity for the nine months ended December 31, 2024:

	Shares	Weighted-Average Grant Date Fair Value
Non-vested as of March 31, 2024	11,365	\$ 1.70
Granted, at target	232,141	1.40
Vested	(3,789)	1.70
Forfeited	(53,571)	1.40
Non-vested as of December 31, 2024	186,146	\$ 1.41

#### Note 8. Product Warranties

The Company's products carry a limited warranty ranging from one to three years for the products within the IBW segment, typically one year for products within the ISM segment, and one to seven years for products within the CNS segment. The specific terms and conditions of those warranties vary depending upon the customer and the products sold. Factors that affect the estimate of the Company's warranty reserve include: the number of units shipped, anticipated rates of warranty claims, and cost per claim. The Company periodically assesses the adequacy of its recorded warranty liability and adjusts the reserve as necessary. The current portions of the warranty reserve are \$134,000 and \$130,000 as of December 31, 2024 and March 31, 2024, respectively, and are presented on the Condensed Consolidated Balance Sheets in Accrued expenses. The non-current portions of the warranty reserves are \$46,000 and \$50,000 as of December 31, 2024 and March 31, 2024, respectively, and are presented on the Condensed Consolidated Balance Sheets in Other non-current liabilities.

The following table presents the changes in the Company's product warranty reserve:

(in thousands)	Three months ended December 31,		Nine months ended December 31,	
	2024	2023	2024	2023
Total product warranty reserve at the beginning of the period	\$ 180	\$ 215	\$ 180	\$ 205
Warranty expense to cost of revenue	57	34	130	94
Utilization	(57)	(34)	(130)	(84)
Total product warranty reserve at the end of the period	<u>\$ 180</u>	<u>\$ 215</u>	<u>\$ 180</u>	<u>\$ 215</u>

#### Note 9. Variable Interest Entity and Guarantee

The Company has a 50% equity ownership in AccessTel Kentrox Australia PTY LTD ("AKA"). AKA distributes network management solutions provided by the Company and the owner of the remaining 50% equity to one customer. The Company holds equal voting control with the other owner. All actions of AKA are decided at the board level by majority vote. The Company evaluated ASC 810, *Consolidations*, and concluded that AKA is a variable interest entity ("VIE") and the Company has a variable interest in the VIE. The Company has concluded that it is not the primary beneficiary of AKA and, therefore, consolidation is not

required. The carrying amount of the Company's investment in AKA was approximately \$0.1 million as of both December 31, 2024 and March 31, 2024, which is presented on the Condensed Consolidated Balance Sheets within Other non-current assets.

The Company's revenue from sales to AKA for both the three months ended December 31, 2024 and 2023 was \$0.4 million. The Company's revenue from sales to AKA for the nine months ended December 31, 2024 and 2023 was \$1.1 million and \$1.4 million, respectively. Accounts receivable from AKA is \$0.2 million and \$0.4 million at December 31, 2024 and March 31, 2024, respectively. Deferred revenue relating to AKA maintenance contracts is \$0.3 million as of both December 31, 2024 and March 31, 2024. The Company also has an unlimited guarantee for the performance of the other owner in AKA, who primarily provides support and engineering services to the customer. This guarantee was put in place at the request of the AKA customer. The guarantee, which is estimated to have a maximum potential future payment of \$0.7 million, will stay in place as long as the contract between AKA and the customer is in place. The Company would have recourse against the other owner in AKA in the event the guarantee is triggered. The Company determined that it could perform on the obligation it guaranteed at a positive rate of return and, therefore, did not assign value to the guarantee. The Company's exposure to loss as a result of its involvement with AKA, exclusive of lost profits, is limited to the items noted above.

#### **Note 10. *Income Taxes***

At the end of each interim period, the Company makes its best estimate of the effective tax rate expected to be applicable for the full fiscal year and uses that rate to provide for income taxes on a current year-to-date basis before discrete items. If a reliable estimate cannot be made, the Company may make a reasonable estimate of the annual effective tax rate, including use of the actual effective rate for the year-to-date. The impact of discrete items is recorded in the quarter in which they occur. The Company utilizes the liability method of accounting for income taxes and deferred taxes, which are determined based on the differences between the financial statements and tax basis of assets and liabilities given the enacted tax laws.

The Company evaluates the need for valuation allowances on the net deferred tax assets under the rules of ASC Topic 740, *Income Taxes*. In assessing the realizability of the Company's deferred tax assets, the Company considers whether it is more likely than not that some or all of the deferred tax assets will be realized through the generation of future taxable income. This evaluation involves the application of significant judgement and objectively verifiable data. Due to the sensitivity of the analysis, changes to the assumptions in subsequent periods could have a material effect on the valuation allowance. In making this determination, the Company assessed all of the evidence available at the time, including recent earnings, forecasted income projections, historical performance, project-based revenue, and macroeconomic conditions. The Company determined that the negative evidence outweighed the objectively verifiable positive evidence and previously recorded a full valuation allowance against deferred tax assets as a result of this assessment as of December 31, 2024. As the Company's moves into the fourth quarter of the fiscal year, we are closely monitoring developments that could impact our income tax position, particularly with respect to our deferred tax assets. The Company is currently updating the annual forecast and the three-year plan, reflecting both current performance and expectations for the future. Although it is uncertain, given the anticipated positive evidence emerging from our financial performance and other relevant factors, there is a possibility that some portion of our deferred tax asset valuation allowance may be reversed. This information is based on current trends, but it is important to note that uncertainty still exists, and the full impact of any reversal has not yet been determined. As a result, we are maintaining a cautious approach and will continue to assess our tax position as more information becomes available. The Company will continue to monitor key indicators and market conditions that could affect the reversals of the deferred tax asset allowance and will provide further updates as necessary.

As of December 31, 2024, the Company had net deferred tax assets of approximately \$30.0 million before a valuation allowance of \$30.0 million and is subject to review and future assessment.

The Company recorded \$26,000 and \$58,000 of income tax expense in the three and nine months ended December 31, 2024, using an effective rate of 3.0% plus discrete items. The Company recorded \$7,000 and \$57,000 of income tax expense in the three and nine months ended December 31, 2023, using an effective rate of 2.6% plus discrete items. The effective income tax rate in both periods is impacted by the intraperiod allocation as a result of income from continuing operations, and states which base tax on gross margin and not pretax income.



## **Note 11. Commitments and Contingencies**

### ***Litigation and Contingency Reserves***

The Company and its subsidiaries are involved in various assertions, claims, proceedings and requests for indemnification concerning intellectual property, including patent infringement suits involving technologies that may be incorporated in the Company's products, which are being handled and defended in the ordinary course of business. These matters are in various stages of investigation and litigation. Although the Company does not expect that the outcome in any of these matters, individually or collectively, will have a material adverse effect on its financial condition or results of operations, litigation is inherently unpredictable. Therefore, judgments could be rendered, or settlements entered, that could adversely affect the Company's operating results or cash flows in a particular period. The Company routinely assesses all of its litigation and threatened litigation as to the probability of ultimately incurring a liability, and it records its best estimate of the ultimate loss in situations where it assesses the likelihood of loss as probable.

In January 2022, a former stockholder of the Company filed a complaint in the Delaware Court of Chancery (the "Court") on behalf of a putative class of former stockholders against the Company, its directors, a former director, and the Voting Trust concerning the October 1, 2020, Reverse/Forward Stock Split Transaction (the "Transaction"). The complaint asserts that the \$1.48 per share price paid in the Transaction was unfair and seeks, among other things, damages for the class. The complaint also asserts a state law claim for purported insider trading in connection with an officer's purchase of Company shares in August 2020. In April 2022, a second complaint was filed on behalf of two putative classes against the same parties concerning the Transaction. In March 2023, the Court granted the Company's motion to partially dismiss the second suit, consolidated the two suits, and appointed the plaintiff that filed the first complaint and his counsel as the lead plaintiff and lead counsel for representation of the class. In February 2024, the parties reached agreement on formal settlement documentation to resolve this shareholder class action lawsuit, captioned *In re Westell Technologies, Inc. Stockholder Litigation*, C.A. No. 2022-0090-NAC (Del. Ch.). The settlement contains no admission of wrongdoing, fault, liability or damage by the Company or any defendant. The settlement provides for consideration of a gross payment of \$2.2 million in cash, plus payment of up to \$49,000 in expense for notice to the class, which amounts will be funded fully by proceeds of existing Directors and Officers insurance. The settlement will resolve this matter against all defendants, releasing them from all claims by the plaintiffs and the class. The settlement was contingent upon various conditions, including, but not limited to final approval by the Court. On June 14, 2024, the Court approved the settlement. In July 2024, the Company's insurer made the payment in full to the settlement account.

In the ordinary course of operations, the Company receives claims where the Company believes an unfavorable outcome is possible or probable but no estimate of possible losses can currently be made. A significant customer is a defendant in a patent infringement claim and is asserting possible indemnity rights under contracts with the Company. The customer initially won summary judgment for all claims, which was subsequently reversed on appeal. After the reversal, the customer filed another motion for summary judgment for non-infringement on all claims, which was granted by the District Court. Prior to issuance of the most recent summary judgment order, the customer informed the Company that the customer intends to seek to recover from the Company a share of the settlement and defense costs. The timeframe for appeal of denial of the second summary judgement motion has lapsed, and accordingly, the litigation has concluded. The Company has received notice from the customer that they intend to seek \$273,000 as the Company's share of litigation defense costs from June 2019 to the conclusion of litigation. (The Company has a release as to all defense costs incurred prior to June 2019.) The Company is seeking additional information to fully evaluate the merits of the claim in order to determine potential exposure, which will vary from a high of the asked-for amount to some lower figure, which we cannot determine with certainty at this point. The merits of the claim depend on the Company's contribution ratio and the reasonableness of the defense costs allegedly incurred by the customer. This claim relates to a business that was previously sold and therefore any future expense would be presented as discontinued operations in the financial statements.

As of December 31, 2024 and March 31, 2024, the Company has not recorded any contingent liability attributable to existing litigation.

### ***Lease Obligations***

The Company currently occupies office space under operating leases, with various expiration dates through May 2030. The Company's office leases provide for rental payments on a graduated scale. Lease expense is recognized on a straight-line basis over the lease term. For further details, refer to Note 2. *Leases*.

### **Note 12. Fair Value Measurements**

Fair value is defined by ASC 820, *Fair Value Measurements and Disclosures* ("ASC 820"), as the price that would be received upon selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- Level 1 – Quoted prices in active markets for identical assets and liabilities.
- Level 2 – Quoted prices in active markets for similar assets and liabilities, or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

### ***Assets Measured at Fair Value on a Recurring Basis***

The Company's money market funds are measured using Level 1 inputs. The following table presents available-for-sale securities measured at fair value on a recurring basis as of December 31, 2024:

(in thousands)	Total Fair Value of Asset or Liability	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance Sheet Classification
<b>Assets:</b>					
Money market funds	\$ 269	\$ 269	—	—	Cash and cash equivalents

The following table presents available-for-sale securities measured at fair value on a recurring basis as of March 31, 2024:

(in thousands)	Total Fair Value of Asset or Liability	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance Sheet Classification
<b>Assets:</b>					
Money market funds	\$ 324	\$ 324	—	—	Cash and cash equivalents

The fair value of the money market funds approximates their carrying amounts due to the short-term nature of these financial instruments.

Additionally, the Company invests in debt instruments consisting of U.S. treasury bonds. The treasury bonds are classified as held-to-maturity and are carried at amortized cost. Investments with an original maturity up to three months are carried at cost and reported as Cash and cash equivalents on the Condensed Consolidated Balance Sheets. The Company had \$18.4 million and \$16.6 million of U.S.

treasury bonds presented in Cash and cash equivalents as of December 31, 2024 and March 31, 2024, respectively. Investments with an original maturity greater than three months, but less than one year are carried at cost and reported as Short-term investments on the Condensed Consolidated Balance Sheets. As of March 31, 2024, there were also \$2.0 million of short-term investments. The fair value of short-term investments approximates their carrying amounts due to the short-term nature of these financial assets and therefore there are no unrecognized gains or losses. The Company does not intend to sell the investments and it is not more likely than not that, the Company will be required to sell the investments before recovery of their amortized cost basis.

### **Note 13. Share Repurchases**

#### ***Share Repurchase Programs***

In August 2024, the Company's Board of Directors authorized a new stock repurchase authorization of up to \$2.0 million of Class A Common Stock (the "2023 authorization"). The 2023 authorization is in addition to the \$61,000 that was remaining in August 2024 from the May 2017 \$2.0 million authorization (the "2017 authorization"). The Company repurchased 29,500 and 115,559 shares under the 2017 authorization under a 10b5-1(c) purchase plan during the three and nine months ended December 31, 2024 at a weighted-average purchase price of \$1.56 and \$1.45 per share, respectively. The Company repurchased 17,969 and 137,377 shares under the 2017 authorization under a 10b5-1(c) purchase plan during the three and nine months ended December 31, 2023 at a weighted-average purchase price of \$1.62 and \$1.72 per share, respectively. As of December 31, 2024, there was \$2.0 million remaining for additional share repurchases under the 2023 authorization and approximately \$3,000 available under the 2017 authorization.

Additionally, in the nine months ended December 31, 2024 and 2023, the Company repurchased 70,641 and 73,920 shares of Class A Common Stock, respectively, from certain employees that were surrendered to satisfy the minimum statutory tax withholding obligations on the vesting of restricted stock units. These repurchases were not included in the authorized share repurchase programs and had a weighted-average purchase price of \$1.46 and \$1.67 per share, respectively.

#### ***Related-Party Share Repurchase***

On May 30, 2024, the Company repurchased 64,430 shares of the Company's Class A Common Stock from the estate of the former board member, Mr. Robert C. Penny III at a weighted-average purchase price of \$1.42. This purchase was pre-approved by the Audit Committee and Board of Directors and was outside of the 2017 authorization.

#### ***Subsequent Event – Related –Party Share Repurchase***

The Company regularly has a stock repurchase program to help support liquidity for stockholders and believes repurchases are a good use of resources as so far the repurchases have been made at prices below book value so have been accretive to the Company and its stockholders.

On February 11, 2025, the Audit Committee and Board of Directors authorized the Company to purchase up to 1,208,032 shares of the Company's Class A Common Stock that will be converted from the Company's Class B Common Stock (up to 961,623 shares of the Class B Common Stock from the Voting Trust Agreement dated February 23, 1994, as amended (the "Voting Trust"), among Robert C. Penny III and certain members of the Penny family and up to 246,409 shares of Class B Common Stock held in trusts for the benefit of Mr. Penny's children) on February 20, 2025 from the estate of the former board member, Mr. Robert C. Penny III (the "Repurchase"). These shares will be purchased in an off-market share repurchase outside of the 2023 authorization. The price paid by the Company will be the weighted-average closing price of the Company's Class A Common Stock for the five daily trading sessions on February 12, 13, 14, 18 and 19, 2025.

Following the Repurchase, the Voting Trust beneficially will own 2,276,255 shares of the Company's Class B Common Stock, which represents 53.4% of the total voting power of the Company based on shares outstanding as of December 31, 2024.

**Note 14. Accrued Expenses**

The components of accrued expenses are as follows:

(in thousands)	December 31, 2024	March 31, 2024
Accrued compensation	\$ 1,207	\$ 934
Current operating lease liability	395	527
Other accrued expenses	643	678
Total accrued expenses	<u>\$ 2,245</u>	<u>\$ 2,139</u>

**Note 15. Property and Equipment, net**

Long-lived assets consist of property and equipment. Long-lived assets that are held and used should be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the long-lived assets might not be recoverable. There was no long-lived asset impairment during the nine months ended December 31, 2024 or 2023.

The components of Property and equipment are as follows:

(in thousands)	December 31, 2024	March 31, 2024
Machinery and equipment	\$ 1,590	\$ 1,439
Office, computer and research equipment	4,623	4,581
Leasehold improvements	788	788
Property and equipment, gross	7,001	6,808
Less accumulated depreciation and amortization	(6,716)	(6,609)
Property and equipment, net	<u>\$ 285</u>	<u>\$ 199</u>