

Boardwalktech Reports Second Quarter Fiscal 2022 Financial Results

CUPERTINO, Calif., Nov. 24, 2021 /CNW/ - Boardwalktech Software Corp. ("Boardwalktech" or the "Company") (TSXV: BWLK) (OTCQB: BWLKF), a leading digital ledger platform and enterprise software solutions company, is pleased to report its financial results for the three and six month period ended September 30, 2021. All figures are reported in U.S. dollars, unless otherwise indicated. Boardwalktech's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS").

Financial Highlights:

- Revenue for Q2-FY22 was \$1.1 million, a 9% sequential increase from \$1.0 million in Q1-FY22 due to higher subscription revenue, and a 3% year-over-year increase from \$1.1 million in Q2-FY21 (even with a 47% year-over-year drop in pre-2018 legacy revenue).
- Approximately 56% of revenue in Q2-FY22 came from new and recurring software subscription licenses (SaaS licenses). Since the Company implemented its new SaaS business model in 2018, total revenue from new contracts signed since then is now approximately 65% of total revenue and has grown at a 40% CAGR, while revenue from new SaaS licenses signed since 2018 has grown at a 35% CAGR.
- Gross margin in Q2-FY22 was 86.0%, an increase of 0.5% sequentially and flat with 86.3% in Q2-21, even with a one-time investment to upgrade and enhance its data servers (roughly 0.9% impact to gross margins).
- Adjusted EBITDA for Q2-FY22 was \$(0.4) million, compared to Adjusted EBITDA of \$(0.4) million in Q2-FY21, and a 19% improvement from \$(0.5) million in Q1-FY22.
- Non-IFRS net loss for Q2-FY22 (as defined in the Non-IFRS Financial Measures section) totaled \$(0.45) million, or \$(0.01) per basic and diluted share, compared to a net loss of \$(0.56) million in Q2-FY21, or \$(0.03) per basic and diluted share, an improvement of 16%.

Operations highlights

- On September 23, 2021, the Company announced it executed another new recurring license for a new application developed on the Boardwalk digital ledger – part of the Company's land and expand strategy -- with an existing Fortune 500 multinational consumer products company.
- On July 26, 2021, the Company announced it had expanded its relationship with Sekisui Specialty Chemicals America LLC, to both add a new application and expands its current sales and operations execution application for its demand, supply, and allocation planning.

"We continue to see traction on our SaaS business model, as we add new customers as well as expand within existing customers since we launched our recurring revenue model in

2018. Our pipeline remains above \$9 million and we have made significant progress working with these enterprise opportunities to convert them into strong long term revenue accounts moving ahead," said Andrew T. Duncan, CEO of Boardwalktech. "This quarter's sequential growth highlights the strength of our recurring revenue business model that is driving high margin, sticky revenue for Boardwalktech. As we focus on moving into the new calendar year, we are enthusiastic about the prospective opportunities that are in front of us, and while they typically have a long sales cycle, we are confident that we are now at the tail end and will see strong conversions in the months ahead."

About Boardwalktech Software Corp.

Boardwalktech has developed a patented Digital Ledger Technology Platform currently used by Fortune 500 companies running mission-critical applications worldwide. Boardwalktech's digital ledger technology and its unique method of managing vast amounts of structured and unstructured data is the only platform on the market today where multiple parties can effectively work on the same data simultaneously while preserving the fidelity and provenance of the data. Boardwalktech can deliver collaborative, purpose-built enterprise information management applications on any device or user interface with full integration with enterprise systems of record in a fraction of the time it takes other non-digital ledger technology-based platforms. Boardwalktech is headquartered in Cupertino, California with offices in India and operations in North America. For more information on Boardwalktech, visit our website at www.boardwalktech.com.

Forward-Looking Information and Statements

This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking information and statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking information or statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved".

By identifying such information and statements in this manner, the Company is alerting the reader that such information and statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance, or achievements of the Company to be materially different from those expressed or implied by such information and statements.

An investment in securities of the Company is speculative and subject to several risks including, without limitation, the risks discussed under the heading "Risk Factors" in the Company's filing statement dated May 30, 2018. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information and forward-looking statements, there may be

other factors that cause results not to be as anticipated, estimated or intended.

In connection with the forward-looking information and forward-looking statements contained in this press release, the Company has made certain assumptions. Although the Company believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws. All subsequent written and oral forward-looking information and statements attributable to the Company or persons acting on its behalf is expressly qualified in its entirety by this notice.

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