

BOARDWALKTECH REPORTS FIRST QUARTER FISCAL 2024 FINANCIAL RESULTS

SaaS Revenue Grows 23% Y/Y, Offsetting Expected Seasonal Professional Services

CUPERTINO, Calif., Aug. 24, 2023 /CNW/ - (TSXV: BWLK) (OTCQB: BWLKF) Boardwalktech Software Corp. ("Boardwalktech" or the "Company"), a leading digital ledger platform and enterprise software solutions company, is pleased to report its financial results for the three-month period ended June 30, 2023. 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 Q1-FY24 was \$1.55 million, a 3% increase from \$1.51 million in Q1-FY23, and versus \$1.65 million in Q4-FY23. Revenue from recurring SaaS licenses in Q1-FY24 increased 23% year-over-year from higher incremental licenses executed with both new and existing customers, but was offset by a 46% seasonal decline in professional services.
- Annual recurring revenue ("ARR"), at June 30, 2023 was \$5.8 million, a 14% year-over-year increase versus ARR of \$5.1 million at June 30, 2022. ARR is a non-IFRS measure, and the Company defines ARR as the recurring revenue expected based on annual license subscriptions and recurring services.
- Gross margin for Q1-FY24 was 90.0%, comparable with the 90.2% level in Q1-FY23 and Q4-FY23.
- Adjusted EBITDA for Q1-FY24 was a loss of \$(0.5) million, versus the \$(0.3) million loss in Q1 -FY23, and \$(0.4) million loss in Q4-FY23.
- Non-IFRS net loss for Q1-FY24 (as defined in the Non-IFRS Financial Measures section) totaled \$(0.5) million, or a loss of \$(0.01) per basic and diluted share, versus a \$(0.3) million non-IFRS loss in Q1 -FY23, or a loss of \$(0.01) per basic and diluted share, and a versus a \$(0.5) million non-IFRS loss in Q4-FY23, or a loss of \$(0.01) per basic and diluted share. These changes were due to the lower professional services revenue in Q1-FY24.
- Net loss for Q1-FY24 was \$(0.9) million, or a loss of \$(0.02) per basic and diluted share, which was largely unchanged versus a \$(0.9) million loss in Q1-FY23, or \$(0.2) per basic and diluted share, and a \$(0.9) million loss in Q4-FY23, or \$(0.02) per basic and diluted share.

Outlook Update

- The Company continues to project revenue for the upcoming fiscal year to be \$8.5 million to \$10.0 million range, based upon a pick-up of business activity and customer (re)engagements as summer winds down.
- While the Company believes it has sufficient funds and current receivables to achieve its guidance, the Company does recognize it has more opportunities than sales and services resources to close upside growth.

Operational Highlights

- On June 1, 2023, the Company announced that it had both added another new customer (Nintex) to its list of growing clients while securing a fourth license with an existing global customer (Estee Lauder), with incremental revenue from these contracts expected to exceed \$200,000 in the next twelve months, including over \$100,000 of recurring revenue in the first year.

"Growth exiting Fiscal Year 2023 continued into the first quarter of this year, as the Company recorded a new historic high in recurring revenue licenses, both from new and existing customers, further demonstrating our 'land and expand' strategy. Our ARR is approaching \$6 million and continues to grow each quarter." Chief Executive Officer Andrew T. Duncan commented, "We continue to build on and replenish our pipeline, adding new prospects in both the enterprise sector and via our teaming partners in the global banking and financial services channel. Exiting the summer, we have been experiencing a notable pick up in both new engagements and even customer re-engagements. Thus, we expect to close incremental deals with new enterprises and financial services companies in the months ahead. The Boardwalktech low code digital ledger platform continues to gain traction with these enterprises, especially in supply chain, as it seamlessly solves the many problems associated with structured and unstructured data delivering improved visibility and decision making along with outstanding results and ROI."

Earnings Conference Call Details

Boardwalktech management will be hosting its earnings conference call today (August 24, 2023)

Time: at 4:15 PM Eastern Time / 1:15 PM Pacific Time.

To join the call, please use the following dial-in information:

US/Canada:	1-888-664-6383 (toll free)		
International:	UK: 08006522435	Germany: 0800 7240293	Switzerland: 0800312635
Webcast:	https://emportal.ink/45p28GH		

Replay: A replay of the call will be available until August 31, 2023 and can be accessed by dialing **1-888-390-0541** and entering access code **225070#**

RSU Grants

As part of the Company's annual ongoing retention program and as allowed under the 2019 Equity Incentive Plan, as amended and approved by shareholders on June 2, 2022, the Company has granted an aggregate of 2,245,000 Restricted Stock Units ("RSU's") to officers, directors and employees of the Company, set to vest over a three-year period. These grants will be deemed effective as of August 31, 2023.

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.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

 View original content: <https://www.prnewswire.com/news-releases/boardwalktech-reports-first-quarter-fiscal-2024-financial-results-301909030.html>

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