

BOARDWALKTECH REPORTS FIRST QUARTER FISCAL 2026 FINANCIAL RESULTS

CUPERTINO, Calif., Aug. 28, 2025 /PRNewswire/ - (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, 2025 ("Q1-FY26"). 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"). Please refer to the Unaudited Condensed Consolidated Financial Statements and Management's Discussion and Analysis ("MD&A") for the three-month period ended June 30, 2025, filed on SEDAR+ at www.sedarplus.ca for more information.



Financial Highlights:

- Revenue for Q1-FY26 was \$0.9 million, a 6% decrease from \$1.0 million in Q4-FY25, and a 28% decrease versus \$1.3 million in Q1-FY25, mainly due to two previously announced customer non-renewals.
- Annual recurring revenue ("ARR"), a non-IFRS metric, at March 31, 2025 was \$3.8 million. The Company defines ARR, as the annual recurring revenue expected based on trailing quarterly revenue from license subscriptions and certain recurring services.
- Gross margin for Q1-FY26 was 83.5%, versus 85.3% in Q4-FY25, and 87.9% in Q1-FY25, with the change in margin levels due to lower revenue levels. The Company expects gross margins to return to prior levels at or about 90% but expects gross margins to fluctuate by quarter.
- Total adjusted operating expenses (excluding share-based payments and depreciation) in Q1-FY26 was \$1.4 million, a \$0.2 million decrease from \$1.6 million in Q4-FY25 and a \$0.1 million decrease from \$1.5 in Q1-FY25, as the Company continues to recognize savings from previously announced (and new) cost alignment efforts.
- Adjusted EBITDA for Q1-FY26 was a loss of \$(0.6) million, which was a 15% improvement versus \$(0.8) million of adjusted EBITDA in Q4-FY25, and versus a loss of \$(0.4) million in Q1-FY25.
- Non-IFRS net loss for Q1-FY26 (as defined in the Non-IFRS Financial Measures

section) totaled \$(0.7) million, \$(0.01) per basic and diluted share, versus a \$(0.9) million non-IFRS loss in Q4-FY25, \$(0.02) per basic and diluted share, and a \$(0.5) million non-IFRS loss in Q1-FY25, \$(0.01) per basic and diluted share. These changes were due to lower revenues, offset by lower operating costs.

- Net loss for Q1-FY26 was \$(0.9) million, \$(0.01) per basic and diluted share, versus a \$(1.1) million loss in Q4-FY25, \$(0.02) per basic and diluted share and a \$(0.8) million loss in Q1-FY25, \$(0.01) per basic and diluted share. This represented a 17% sequential improvement despite the lower revenue levels.
- Cash ending Q1-FY26 was \$0.1 million, plus \$0.4 million of accounts receivables, while cash burn from Operations decreased by \$1.6 million in Q1-FY26 versus Q1-FY25, to a burn rate of \$75,000 per month.
- Outstanding debt as at June 30, 2025 was \$2.5 million which was drawn against the previously announced \$4 million line of credit from Celtic Bank, with approximately \$0.4 million of available credit as of the last loan compliance report on July 31, 2025. Due to requirements under IFRS, this debt was reclassified under current liabilities even though the final debt maturity remains unchanged at March of 2027.

Subsequent Events:

- On July 25, 2025, the Company closed a non-brokered placement of 2,793,800 units at a price of CAD 0.13 per unit for gross proceeds of \$0.3 million, pursuant to the Listed Issuer Financing Exemption.
- Additional cash and cost saving actions were taken subsequent to the end of Q1-FY26 for cash savings of \$0.7-\$0.8 million projected over the next year, in addition to the \$0.9 million of cost savings recognized last year.

"Boardwalktech continues to diligently execute on its land-and-expand strategy with our Velocity and Digital Ledger solutions, addressing critical enterprise pain points and delivering strong ROI for our customers," said Andrew Duncan, CEO of Boardwalktech. "While sales conversions have taken longer than initially expected due to several reasons including the threat of tariffs and the reduction by the current administration on compliance in our financial services sector, our pipeline remains large with several material license agreements now in late-stage execution. We expect to close several large deals in the coming months, which gives us confidence in accelerated and sustainable revenue growth in Fiscal 2026 and beyond. The addition of new partners and business development resources, particularly in financial services, is already showing positive traction. At the same time, we remain disciplined on managing our costs. We recently implemented a new initiative this month to reduce cash needs by around \$700,000 to \$800,000 annually from a combination of personnel and salary cuts, targeted salary savings and deferred compensation. Savings from similar actions in the past exceeded our initial projections, without impacting core engagements. Looking forward, we have focused on adding the Boardwalk AI Agent to our Digital Ledger and Velocity products, adding new and expansive AI capabilities to our Unity Central product and we introduced a new product to market for the financial services sector – AI driven Automated Controls Testing that we expect to be a revenue generating product in the very near term. We are excited by growing customer interest in our Unity Central and EUC Asset Tracker solutions, as well as our new Boardwalk Agent AI offering, which extends the value of our Digital Ledger platform into AI-driven enterprise workflows. Taken together, these initiatives position Boardwalktech for stronger growth, improved execution, and enhanced shareholder value in the year ahead."

Resignation of CFO and Director

Charlie Glavin announced his resignation as Chief Financial Officer and Director of Boardwalktech, effective September 5, 2025. After seven years with Boardwalktech implementing its new revenue model and other business processes, Mr. Glavin is leaving for a new opportunity but will continue to advise the Company as it strives to expand its digital ledger solutions. "While I still believe in the untapped potential of Boardwalktech, this new venture I am embarking upon was unexpected, but an opportunity I could not refuse," said Charlie Glavin. "I still fervently trust in the powerful potential of Boardwalk's Digital Ledger focusing on its core differentiations as a high-valued business solution. I was drawn to Boardwalk because I wished I had such a tool during my prior ventures on Wall Street and Silicon Valley. As such, I plan to continue to hold all of my shares as an investor in Boardwalktech, while wishing Andy and his team success in monetizing its potential."

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 August 28, 2025. 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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