

Boardwalktech Software Corp.
Condensed Interim Consolidated Financial Statements

As at and for the three months ended June 30, 2025

Stated in United States dollars
(Unaudited)

**Notice of No Auditor Review of
Condensed Interim Consolidated Financial Statements**

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed these unaudited condensed interim consolidated financial statements as at and for the three months ended June 30, 2025.

Boardwalktech Software Corp.

Condensed Interim Consolidated Statements of Financial Position

(United States dollars)

(Unaudited)

As at	June 30 2025	March 31 2025
ASSETS		
Current assets		
Cash	52,113	358,510
Trade and other receivables (Note 3)	307,050	600,073
Prepaid expenses and deposits	173,898	222,042
Total current assets	533,061	1,180,625
Non-current assets		
Property and equipment	3,850	4,271
Right-of-use assets (Note 4)	415,543	491,857
Total assets	952,454	1,676,753
LIABILITIES and SHAREHOLDERS' DEFICIENCY		
Current liabilities		
Accounts payable and accrued liabilities (Note 5)	1,050,473	912,985
Credit facility (Note 6)	2,505,219	2,622,017
Deferred compensation (Note 11)	294,888	177,762
Deferred revenue (Note 7)	477,571	707,415
Current portion of lease liabilities (Note 8)	359,584	353,167
Total current liabilities	4,687,735	4,773,346
Non-current liabilities		
Lease liabilities (Note 8)	178,193	267,816
Total liabilities	4,865,928	5,041,162
Shareholders' deficit		
Share capital (Note 13)	44,761,925	44,582,334
Contributed surplus	7,636,736	7,426,200
Accumulated other comprehensive loss	(10,961)	(11,059)
Deficit	(56,254,919)	(55,319,120)
Total deficit attributed to shareholders	(3,867,219)	(3,321,645)
Non-controlling interest (Note 2)	(46,255)	(42,764)
Total shareholders' deficit	(3,913,474)	(3,364,409)
Total liabilities and shareholders' deficit	952,454	1,676,753

Going concern (Note 1)

Subsequent event (Note 18)

Approved by the Board of Directors:

(signed) "Andrew T. Duncan"
Director

(signed) "Steve Bennet"
Director

Boardwalktech Software Corp.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(United States dollars)

(Unaudited)

For the three months ended June 30	2025	2024
Revenue (Note 9)	914,924	1,249,311
Cost of sales	150,932	150,674
Gross margin	763,992	1,098,637
Expenses		
Salaries, wages and benefits	948,511	1,147,552
Share-based payments (Note 14)	111,160	200,780
General and administration (Note 10)	124,100	142,292
Professional fees	133,097	141,671
Consulting	78,348	73,800
Deferred compensation (Note 11)	119,876	—
Depreciation (Note 4)	76,626	77,657
Total expenses	1,591,718	1,783,752
Operating loss before other expenses	(827,726)	(685,115)
Credit facility interest and fee amortization (Note 6)	(96,701)	(94,196)
Imputed lease interest (Note 8)	(14,863)	(22,710)
Loss for the period	(939,290)	(802,021)
Other comprehensive income (loss)		
Items that may be reclassified to profit or loss		
Exchange differences on translation of subsidiaries	98	46,182
Comprehensive loss for the period	(939,192)	(755,839)
Loss attributable to:		
Non-controlling interest	(3,491)	—
Boardwalktech Software Corp. shareholders	(935,799)	(802,021)
	(939,290)	(802,021)
Comprehensive loss attributable to:		
Non-controlling interest	(3,491)	—
Boardwalktech Software Corp. shareholders	(935,701)	(755,839)
	(939,192)	(755,839)
Loss per share (Note 15)		
Basic and diluted	(0.01)	(0.01)

Boardwalktech Software Corp.

Condensed Interim Consolidated Statements of Changes in Shareholders' Deficit

(United States dollars)

(Unaudited)

	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income (Loss)	Deficit	Non-controlling Interest	Total
Balance, March 31, 2025	44,582,334	7,426,200	(11,059)	(55,319,120)	(42,764)	(3,364,409)
Unit private placement (Note 12)	196,950	96,696	—	—	—	293,646
Share issue costs (Note 12)	(17,359)	2,680	—	—	—	(14,679)
Share-based payments (Note 14)	—	111,160	—	—	—	111,160
Net loss	—	—	—	(935,799)	(3,491)	(939,290)
Exchange differences on translation of subsidiaries	—	—	98	—	—	98
Balance, June 30, 2025	44,761,925	7,636,736	(10,961)	(56,254,919)	(46,255)	(3,913,474)

	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income (Loss)	Deficit	Non-controlling Interest	Total
Balance, March 31, 2024	43,871,564	6,716,856	(56,496)	(52,121,627)	(479)	(1,590,182)
Share-based payments (Note 14)	—	200,780	—	—	—	200,780
Net loss	—	—	—	(802,021)	—	(802,021)
Exchange differences on translation of subsidiaries	—	—	46,182	—	—	46,182
Balance, June 30, 2024	43,871,564	6,917,636	(10,314)	(52,923,648)	(479)	(2,145,241)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Boardwalktech Software Corp.

Condensed Interim Consolidated Statements of Cash Flows

(United States dollars)

(Unaudited)

For the three months ended June 30	2025	2024
Cash provided by (used in) the following activities:		
Operating activities		
Net loss for the period	(939,290)	(802,021)
Depreciation (Note 4)	76,626	77,657
Share-based payments (Notes 14)	111,160	200,780
Credit facility interest and fee amortization (Note 6)	96,701	94,196
Imputed lease interest (Note 8)	14,863	22,710
Unrealized foreign exchange	28	46,207
Changes in non-cash working capital:		
Trade and other receivables	329,793	(942,810)
Prepaid expenses and deposits	48,144	23,777
Accounts payable and accrued liabilities	145,144	(59,472)
Deferred revenue	(229,844)	(208,071)
Deferred compensation	119,876	(241,307)
Cash flows used in operating activities	(226,799)	(1,788,354)
Financing activities		
Credit facility proceeds (Note 6)	400,010	—
Credit facility repayments (Note 6)	(532,400)	—
Credit facility interest paid (Note 6)	(81,109)	(78,090)
Lease payments (Note 8)	(97,960)	(95,377)
Proceeds from unit private placements (Note 12)	246,470	—
Share issuance costs (Note 12)	(14,679)	—
Cash flows used in financing activities	(79,668)	(173,467)
Change in cash	(306,467)	(1,961,821)
Foreign exchange effect on cash held in foreign currencies	70	(22)
Cash, beginning of period	358,510	2,231,652
Cash, end of period	52,113	269,809
Taxes paid	—	—

Boardwalktech Software Corp.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended June 30, 2025

(United States dollars unless otherwise disclosed)

(Unaudited)

1. Description of Business

Boardwalktech Software Corp. ("Boardwalk" or the "Company") was originally incorporated pursuant to the Business Corporations Act of Alberta. The Company operates from locations in the United States and India and provides enterprise software-as-a-service (SaaS) to global customers. Boardwalk is a publicly traded company whose shares are listed on the TSX Venture Exchange under the symbol BWLK.V and on the OTCQB under the symbol BWLKF. The address of the Company's corporate and registered office is 10050 N Wolfe Road, Cupertino, CA, 95014 USA.

The Company designs and sells collaborative enterprise digital ledger data management technology offered as either a cloud-based platform service that runs industry, or customer specific applications, Boardwalk Application Engine ("BAE") or Boardwalk Enterprise Blockchain ("BEB") platforms.

Going Concern

These unaudited condensed interim consolidated financial statements have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. During the three months ended June 30, 2025, the Company generated a loss of \$939,290 and reported \$226,799 of cash flows used by operating activities. As at June 30, 2025, the Company had an accumulated deficit of \$56,254,919 and a working capital deficit of \$4,154,674. These conditions indicate the existence of material uncertainty which may cast significant doubt on the Corporation's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to achieve and maintain profitable operations and to generate funds therefrom and to continue to raise equity or debt financing sufficient to meet current and future obligations.

Management has been proactive in seeking sources of funding to continue to advance operations. There can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company. Subsequent to June 30, 2025, the Company raised approximately \$265,000 of gross proceeds by way of a private placement of units as disclosed in Note 18.

If the going concern assumption is not appropriate, adjustments may be necessary to the carrying amounts and the classification of the Corporation's assets and liabilities. The accompanying unaudited condensed interim consolidated financial statements do not include any adjustments that may result if the Corporation is unable to continue as a going concern, and such adjustments could be material.

2. Basis of Presentation

Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") in effect at April 1, 2025 and adhere to the guidance of International Accounting Standard 34 – Interim Financial Reporting. Certain information and disclosures included in the March 31, 2025 audited consolidated financial statements, prepared in accordance with IFRS, have been condensed or omitted. The Company has consistently applied the same accounting policies throughout all periods presented. These unaudited condensed interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended March 31, 2025.

These unaudited condensed interim consolidated financial statements were authorized for issue in accordance with a resolution of the Board of Directors on August 28, 2025.

Consolidation

These unaudited condensed interim consolidated financial statements include the accounts of the following entities:

Name of entity	Principle activity	Place of business and operations	Legal ownership
Boardwalk	Legal parent	Canada	–
Boardwalktech, Inc. ("Boardwalktech")	Accounting parent and operating company	United States	100% owned by Boardwalk
Boardwalktech Solutions Private Limited ("BWSPL")	Research and development company	India	98% owned by Boardwalktech

Functional and presentation currency

The functional currency of Boardwalk is the Canadian dollar ("CAD"), the functional currency of Boardwalktech is the United States dollar ("USD") and the functional currency of BWSPL is the Indian Rupee ("INR"). The presentation currency of the Company is the USD.

Boardwalktech Software Corp.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended June 30, 2025

(United States dollars unless otherwise disclosed)

(Unaudited)

3. Trade and Other Receivables

The Company's trade and other receivables are exposed to the risk of financial loss if the counterparty fails to meet its contractual obligations. Trade and other receivables credit exposure is minimized by entering into transactions with creditworthy counterparties and monitoring the age and balances outstanding on an ongoing basis. Most of the Company's credit exposures are with counterparties in the consulting and technology industries and are subject to normal industry credit risk. Payment terms with customers are 30 days from invoice date.

The Company's maximum exposure to credit risk at June 30, 2025 is in respect of \$307,050 (March 31, 2025 – \$600,073) of trade and other receivables. The Company's trade and other receivables consist of:

	June 30 2025	March 31 2025
Trade receivables for professional services	147,280	155,880
Receivables from contracts with customers	123,000	444,193
Share subscription receivable (Note 12(a))	36,770	–
	307,050	600,073

As at June 30, 2025, three customers accounted for 88% of trade and other receivables (March 31, 2025 – four customers; 70%), each with balances greater than 10%.

The Company's trade and other receivables are aged as follows:

	June 30 2025	March 31 2025
Current 0 to 30 days	199,650	586,993
Past due 31 to 89 days	107,400	–
Past due for greater than 90 days	–	13,080
	307,050	600,073

As at June 30, 2025, the Company evaluated the collectability of trade and other receivables and lifetime expected credit losses and recognized \$15,000 (March 31, 2025 – \$15,000) provision for expected credit losses. The assessment of expected credit losses due to doubts of collectability resulted in no change to the allowance for credit losses.

4. Right-Of-Use Assets

The Company has recognized right-of-use ("ROU") assets and corresponding lease liabilities (Note 8) related to office premises. The ROU assets are depreciated on a straight-line basis over the term of the related lease.

	United States	India	Total
Carrying amount, March 31, 2025	453,790	38,067	491,857
Depreciation	(68,070)	(8,147)	(76,217)
Foreign exchange translation	–	(97)	(97)
Carrying amount, June 30, 2025	385,720	29,823	415,543

During the three months ended June 30, 2025, the Company recognized \$76,626 of depreciation expense comprised of \$76,217 for ROU assets and \$409 for property and equipment (three months ended June 30, 2024 – \$77,657 of depreciation expense comprised of \$76,248 for ROU assets and \$1,229 for property and equipment).

5. Accounts Payable and Accrued Liabilities

	June 30 2025	March 31 2025
Accounts payable (United States)	795,089	617,807
Accounts payable (India)	209,495	204,083
Total accounts payable	1,004,584	821,890
Accrued liabilities (United States)	45,889	91,095
	1,050,473	912,985

Boardwalktech Software Corp.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended June 30, 2025

(United States dollars unless otherwise disclosed)

(Unaudited)

6. Credit Facility

On March 28, 2024, the Company secured a three-year \$4 million credit facility with Celtic Bank, for which the available amount is based 60% of trailing 12-month annual recurring revenue. The credit facility matures on March 27, 2027, at which time the principal amount plus any unpaid interest is due in full and requires interest-only payments during the initial three-year term at an initial interest rate of 12.5% based on the prime rate plus 4%. In connection with the credit facility, the Company paid \$187,441 of fees which have been net against the credit proceeds and will be amortized over the term of the credit facility.

Principal amount outstanding	2,746,407
Unamortized credit facility fees	(124,390)
Balance, March 31, 2025	2,622,017
Advances	400,010
Repayments	(532,400)
Amortization of credit facility fees	15,592
Balance, June 30, 2025	2,505,219

The credit facility agreement requires that the Company maintain "gross working capital" of at least \$500,000 at all times, measured quarterly. Gross working capital, for the purposes of the financial covenant, is defined as the sum of (1) cash on hand plus (2) the borrowing base less the outstanding principal balance of the loan. The financial covenant was not met as at June 30, 2025.

During the three months ended June 30, 2025, the Company recognized \$81,109 (three months ended June 30, 2024 – \$78,090) of interest expense on the credit facility of which \$81,109 (three months ended June 30, 2024 – \$78,090).

7. Deferred Revenue

Balance, March 31, 2025	707,415
Invoiced in the year, excluding amount recognized directly in revenue	581,000
Amount recognized as revenue	(810,844)
Balance, June 30, 2025	477,571

8. Lease Liabilities

The Company incurs lease payments related to office premises.

	United States	India	Total
Balance, March 31, 2025	578,821	42,162	620,983
Imputed interest	13,889	974	14,863
Lease payments	(88,153)	(9,807)	(97,960)
Foreign currency translation	–	(109)	(109)
Balance, June 30, 2025	504,557	33,220	537,777

The current and non-current portions of lease liabilities are as follows:

	United States	India	Total
Balance, June 30, 2025	504,557	33,220	537,777
Current portion	(326,364)	(33,220)	(359,584)
Non-current portion	178,193	–	178,193

As at June 30, 2025, the annual future undiscounted lease payments under the office lease agreements are as follows:

	United States	India	Total
Fiscal year ended March 31, 2026	271,475	30,051	301,526
Fiscal year ended March 31, 2027	273,599	4,764	278,363
	545,074	34,815	579,889

Boardwalktech Software Corp.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended June 30, 2025

(United States dollars unless otherwise disclosed)

(Unaudited)

9. Revenue

The following table presents the Company's revenue disaggregated by type:

For the three months ended June 30	2025	2024
Software-as-a-service (SaaS)	731,092	1,059,904
Legacy (hosting and maintenance)	79,752	71,567
Software subscriptions and services	810,844	1,131,471
Professional services	104,080	117,840
Total revenue	914,924	1,249,311

As at June 30, 2025, trade and other receivables (Note 4) included \$123,000 of receivables from software subscriptions and services customers (March 31, 2025 – \$432,193) and \$147,580 of receivables from professional services customers (March 31, 2025 – \$155,880).

The Company's revenue is generated in the United States. For the three months ended June 30, 2025, 54.6% of the Company's revenue was earned through sales to one major customers (three months ended June 30, 2024 – 69.5% of revenue, three major customers), each with revenues of 10% or greater:

For the three months ended June 30	2025	2024
Customer 1	54.6%	31.2%
Customer 2	-	28.0%
Customer 3	9.1%	10.2%
	61.4%	69.5%

10. Nature of Expenses

The nature of the Company's general and administrative expenses is as follows:

For the three months ended June 30	2025	2024
Office	37,857	47,143
Marketing	42,843	51,892
Travel and lodging	16,561	16,492
Rent and utilities	12,912	8,591
Shareholder, regulatory and other	13,927	18,174
	124,100	142,292

11. Deferred Compensation

During the three months ended June 30, 2025, the Company recognized \$119,876 of deferred compensation (three months ended June 30, 2024 – nil).

Balance, March 31, 2025	177,762
Expense	119,876
Unit private placement (Note 12(a))	(2,750)
Balance, June 30, 2025	294,888

Boardwalktech Software Corp.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended June 30, 2025

(United States dollars unless otherwise disclosed)

(Unaudited)

12. Share Capital

Issued:	Number of Shares	Amount (\$)
Common shares		
Balance, March 31, 2025	64,449,149	44,582,334
Unit private placement (a)	3,078,312	196,950
Share issue costs (b)		(17,359)
Balance, June 30, 2025	67,527,461	44,761,925

- (a) On June 13, 2025, the Company closed a non-brokered placement of 2,962,692 units at a price of CAD 0.13 per unit for gross proceeds of \$283,240 (CAD 385,150), pursuant to the Listed Issuer Financing Exemption, of which \$36,770 (CAD 50,000) is included trade and other receivables at June 30, 2025 (Note 3) due to a banking issue and was collected in August 2025. Concurrently, the Company issued 115,620 units at a price of \$0.09 (CAD 0.13) per unit to two officers of the Company as settlement of \$2,750 of deferred compensation Note 11 and \$7,656 of accounts payable. Each unit is comprised of one common share and one common share purchase warrant exercisable at a price of CAD 0.25 per share for a period of one year from the date of issuance.

Gross proceeds from the sale of units was allocated to the respective equity instruments whereby \$196,950 (CAD 267,812) of fair value has been assigned to common shares at a market price of CAD 0.087 per share on the date of issue, with the remaining \$96,696 (CAD 131,488) allocated to the warrants (CAD 0.043 per warrant).

- (b) In connection with the June 13, 2025 private placement, the Company paid \$14,679 of commissions to qualified non-related parties, issued 153,542 finders' warrants exercisable at a price of CAD 0.25 per share for a period of one year from the date of issuance.

Finders' warrants have been recorded at their estimated fair value of \$2,680 (CAD 3,635) issue date fair value using the Black-Scholes pricing model based on the following assumptions:

Share price	CAD 0.087	Exercise price	CAD 0.25
Expected volatility	139%	Expected dividend yield	0%
Expected life	1 year	Risk-free interest rate	2.71%

13. Warrants

	Number of Warrants	Weighted Average Exercise Price (USD Equivalent) ⁽¹⁾
Balance, March 31, 2025	17,865,722	0.26
Issued (Note 12(a))	3,078,312	0.18
Finders' warrants issued (Note 12(b))	153,542	0.18
Balance, June 30, 2025	21,097,576	0.25

⁽¹⁾ Translated to CAD at the June 30, 2025 USD exchange rate.

Information about the Company's warrants outstanding as at June 30, 2025 is summarized in the following table:

Expiry Date	Number of Warrants Outstanding	Weighted Average Exercise Price	Weighted Average Life Remaining (Years)
March 14, 2026	9,135,569	0.18 ⁽¹⁾	0.7
June 13, 2026	3,231,854	0.18 ⁽¹⁾	1.0
December 28, 2026	7,375,246	0.37 ⁽²⁾	1.5
February 26, 2027	544,097	0.37 ⁽²⁾	1.7
November 8, 2029	810,810	0.15 ⁽³⁾	4.4
	21,097,576	0.25	1.2

⁽¹⁾ CAD 0.25, the USD equivalent of which is \$0.18 on June 30, 2025.

⁽²⁾ CAD 0.50, the USD equivalent of which is \$0.37 on June 30, 2025.

⁽³⁾ CAD 0.20, the USD equivalent of which is \$0.15 on June 30, 2025.

Boardwalktech Software Corp.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended June 30, 2025

(United States dollars unless otherwise disclosed)

(Unaudited)

14. Share-Based Payments

Stock options:

As at March 31, 2025 and June 30, 2025, the Company had 885,000 stock options outstanding. Information about the Company's stock options outstanding and exercisable as at June 30, 2025 is summarized in the following table:

Expiry Date	Outstanding	Weighted Average Exercise Price	Weighted Average Life Remaining (Years)	Exercisable
January 28, 2026	40,000	0.44	0.6	40,000
April 26, 2026	7,500	0.44	0.8	7,500
February 10, 2028	337,500	2.00	2.6	337,500
October 9, 2029	500,000	0.10 ⁽¹⁾	4.3	125,000
	885,000	0.84	3.5	510,000

⁽¹⁾ CAD 0.14, the USD equivalent of which is \$0.10 on June 30, 2025.

RSUs:

RSUs entitle participants the conditional right to receive one common share of the Company for each share unit. As at March 31, 2025 and June 30, 2025, the Company had 8,358,875 RSUs outstanding, of which 3,793,007 were exercisable.

Vesting information for RSUs outstanding at June 30, 2025 is summarized below:

Vesting Date	Number of RSUs
February 28, 2023	58,331
August 31, 2023	1,799,812
February 28, 2024	197,997
August 31, 2024	1,638,863
February 28, 2025	98,004
August 31, 2025	2,097,041
February 28, 2026	40,001
August 31, 2026	1,538,374
August 31, 2027	890,452
	8,358,875

Share-based payments expense:

During the three months ended June 30, 2025, the Company recognized \$111,160 (three months ended June 30, 2024 – \$200,780) of share-based payment expense in respect of stock options and RSUs. As at June 30, 2025, the remaining unvested balance of share-based payments was \$240,338.

15. Per Share Amounts

For the three months ended June 30	2025	2024
Net loss	(939,290)	(802,021)
Basic and diluted weighted average number of shares	64,449,149	55,622,576
Basic and diluted net loss per share	(0.01)	(0.01)

For the three months ended June 30, 2025 and 2024, all warrants, stock options and RSUs were excluded from the diluted per share amounts as their effect is anti-dilutive.

Boardwalktech Software Corp.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended June 30, 2025

(United States dollars unless otherwise disclosed)

(Unaudited)

16. Financial Risk Management

The Company's activities expose it to a variety of financial risks. The primary financial risks to the Company during the three months ended June 30, 2025 are:

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company generally relies on funds generated from operations, acquisitions and/or equity financing to provide sufficient liquidity to meet budgeted operating requirements.

As at June 30, 2025, maturities of the Company's financial liabilities are as follows:

	Carrying amount	Contractual cash flows	Within 1 year	2 years
Accounts payable and accrued liabilities (Note 5)	1,050,473	1,050,473	1,050,473	–
Credit facility (Note 6)	2,505,219	2,614,017	–	2,614,017
Lease liability (Note 8)	537,777	579,889	301,526	278,363
Deferred compensation (Note 11)	294,888	294,888	294,888	–
	4,388,357	4,539,267	1,646,887	2,892,380

The Company has current assets of \$496,291 to satisfy its financial liabilities to satisfy liabilities as they come due. See Note 1 and Note 18.

Interest rate risk

The Company is not exposed to interest rate risk as there are no investments of excess cash in short-term money market investments at variable rates of interest. The credit facility (Note 6) bears interest based on the prime rate plus 4%. A 1% increase/decrease in the prime rate of interest would increase/decrease interest expense and net loss for the three months ended June 30, 2025 by approximately \$2,320.

17. Capital Management

The Company's objectives when managing capital are to:

- Deploy capital to provide an appropriate return on investment to its shareholders;
- Maintain financial flexibility in order to preserve the Company's ability to meet financial obligations; and
- Maintain a capital structure that provides financial flexibility to execute on strategic opportunities.

The Company's strategy is formulated to maintain a flexible capital structure consistent with the objectives as stated above and to respond to changes in economic conditions and the risk characteristics of the underlying assets. The Board of Directors does not establish quantitative return on capital criteria for management but rather promotes year-over-year sustainable profitable growth. The Company is subject to a financial covenant in respect of the credit facility (Note 6) whereby the Company must maintain "gross working capital" of at least \$500,000 at all times, measured quarterly. There are no other externally imposed capital requirements.

The Company's capital structure consists of shareholders' equity (deficit) and working capital surplus (deficit). In order to maintain or alter the capital structure, the Company may adjust capital spending, obtain credit facilities, raise new debt and issue share capital.

	June 30 2025	March 31 2025
Deficit attributed to shareholders of Boardwalktech Software Corp.	(3,837,219)	(3,321,645)
Working capital deficit	(4,154,674)	(3,592,721)

18. 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 \$265,023 (CAD 363,194), pursuant to the Listed Issuer Financing Exemption. Each unit is comprised of one common share and one common share purchase warrant exercisable at a price of CAD 0.25 per share for a period of one year from the date of issuance. In connection with private placement, the Company paid \$12,783 (CAD 17,518) of commissions to qualified non-related parties and issued 134,750 finders' warrants exercisable at a price of CAD 0.25 per share for a period of one year from the date of issuance.

Boardwalktech Software Corp.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended June 30, 2025

(United States dollars unless otherwise disclosed)

(Unaudited)

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, he is leaving for an unexpected new opportunity but will continue to advise the Company as it strive to tap the unlocked potential of its digital ledger solutions.