BOARDWALKTECH SOFTWARE CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

AS AT AND FOR THE THREE MONTHS AND YEAR ENDED MARCH 31, 2026

DATED: JULY 29, 2026

This Management's Discussion and Analysis ("MD&A") as at and for the three months and year ended March 31, 2026 provides detailed information on the operating activities, performance and financial position of Boardwalktech Software Corp. ("Boardwalktech" or the "Company"). This discussion should be read in conjunction with the Company's March 31, 2026 audited annual consolidated financial statements and accompanying notes. The Company's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are reported in U.S. dollars, unless otherwise stated. The information contained herein is current to July 29, 2026, unless otherwise stated.

The Company's fiscal year commences April 1st of each year and ends on March 31st of the following year. The Company's current fiscal year, which will end on March 31, 2026, is referred to as "Fiscal 2026". The previous fiscal year, which ended on March 31, 2025, is referred to as "Fiscal 2025". The three-month quarter ended March 31, 2026 is referred to as "Q4 Fiscal 2026"; the previous three-month quarter ended December 31, 2025 is referred to as "Q3 Fiscal 2026" and the comparative three-month quarter ended March 31, 2025 is referred to as "Q4 Fiscal 2025".

In this document unless otherwise specified, "we", "us", "our", "Company" and "Boardwalktech" all refer to Boardwalktech Software Corp. collectively with its subsidiaries. The content of this MD&A has been approved by the Board of Directors, on the recommendation of its Audit Committee.

CAUTION REGARDING FORWARD LOOKING INFORMATION

Certain statements in this MD&A which are not historical facts constitute forward-looking statements or information within the meaning of applicable securities laws ("forward-looking statements"). Such statements include, but are not limited to, statements regarding Boardwalktech's projected revenues, gross margins, earnings, growth rates, the impact of new product design wins, market penetration and product plans. The use of terms such as "may", "anticipated", "expected", "projected", "targeting", "estimate", "intend" and similar terms are intended to assist in identification of these forward-looking statements. Readers are cautioned not to place undue reliance upon any such forward-looking statements. Such forward-looking statements are not promises or guarantees of future performance and involve both known and unknown risks and uncertainties that may cause Boardwalktech's actual results to be materially different from historical results or from any results expressed or implied by such forward-looking statements. Accordingly, there can be no assurance that forward-looking statements will prove to be accurate, and readers are therefore cautioned not to place undue reliance upon any such forward-looking statements.

Factors that could cause results or events to differ materially from current expectations expressed or implied by forward looking statements contained herein include, but are not limited to: our history of losses and the risks associated with not achieving or sustaining profitability; the Company's dependence on a limited number of customers for a substantial portion of revenues; fluctuating revenue and expense levels arising from changes in customer demand, sales cycles, product mix, average selling prices, manufacturing costs and timing of product introductions; risks associated with competing against larger and more established companies; competitive risks and pressures from further consolidation amongst competitors, customers, and suppliers; market share risks and timing of revenue recognition associated with product transitions; risks related to intellectual property, including third party licensing or patent infringement claims; the loss of any of the Company's key personnel could seriously harm its business; risks associated with adverse economic conditions; delays in the launch of customer products; price re-negotiations by existing customers; legal proceedings arising from the ordinary course of business; ability to raise needed capital; ongoing liquidity requirements; and other factors discussed in the "Risk Factors" section. All forward-looking statements are qualified in their entirety by this cautionary statement. Boardwalktech provides this information as of the current date and does not undertake any obligation to update any forward-looking statements contained herein as a result of new information, future events or otherwise except as may be required by applicable securities laws.

Risks relating to the Company include, but are not limited to, the following:

- the Company has a history of losses and may not achieve profitability in the future;
- the Company has historically received a substantial portion of its revenue from a limited number of customers;
- the Company expects its operating results to continue to fluctuate;
- the Company faces intense competition and expects continued market competition in the future;
- assertions by third parties of infringement by Boardwalktech of, or of Boardwalktech's failure to protect, their intellectual property rights could result in significant costs and cause Boardwalktech's operating results to suffer;
- the Company may have difficulty accurately predicting revenue for the purpose of appropriately budgeting and adjusting its expenses;
- the loss of customers could affect the Company's financial returns and future plans;
- the Company's customers may cancel future subscriptions that can adversely impact future recurring revenue;
- the Company may be unable to generate funds required to meet its funding requirements and may need to raise additional funds;
- changes in industry standards or technology could impede the sale of Boardwalktech's products;
- the loss of any of the Company's key personnel could seriously harm its business;
- the pattern of customer product ramps as they shift from legacy products to new products based on our more advanced designs could affect both the amount and timing of revenue recognized by the Company;
- the Company's failure to maintain compliance with applicable regulations in certain geographies or other jurisdictions may force it to cease distribution in those areas;
- the majority of the Company's operating expenses are denominated in U.S. dollars; therefore, the Company's earnings are impacted by fluctuations in exchange rates between the U.S. dollar and other currencies; and,
- the Company may be involved in legal proceedings from time to time; arising in the ordinary course of its business and such proceedings may affect the Company's financial position, results of operations or cash flows.

FINANCIAL HIGHLIGHTS

Revenues for Q4 Fiscal 2026 totaled $0.8 million, down from $1 million of revenue reported in Q3 Fiscal 2026. Revenues for Q4 Fiscal 2026 decreased 18% from $1 million in Q4 Fiscal 2025, primarily due to a decline in software and subscription services revenue from three non-renewals in Fiscal 2025.

The Company defines annual recurring revenue (“ARR”) as the recurring revenue expected based on annual license subscriptions and recurring services. ARR is a non-IFRS measure. ARR at March 31, 2026 was $3.5 million.

Gross margin for Q4 Fiscal 2026 was 83.5%, versus 86.9% in Q3 Fiscal 2026 and 85.3% in Q4 Fiscal 2025. The decrease from Q3 Fiscal 2026 is due to lower revenues combined with a slight increase in data center fees. The decrease from Q4 Fiscal 2025 is due to lower revenue levels.

Net loss for Q4 Fiscal 2026 was $(0.9) million ($(0.01) per basic and diluted share), versus a $(0.4) million loss in Q3 Fiscal 2026 ($(0.01) per basic and diluted share), and a $(1.1) million loss in Q4 Fiscal 2025 ($(0.02) per basic and diluted share). The increase over Q3 Fiscal 2026 is due to a lower gross margin combined with $0.2 million for the derecognition of lease liability and impairment of right-of-use assets, $0.1 million of severance costs and a $0.1 loan amendment fee.

Total selling, general and administration (“SG&A”) expenses in Q4 Fiscal 2026 totaled $1 million, a $0.1 million decrease from $1.1 million reported in Q3 Fiscal 2026 and a $0.6 million decrease from the $1.6 million reported in Q4 Fiscal 2025, as the Company continues to recognize savings from previously announced cost alignment efforts.

Adjusted EBITDA (as defined in the Non-IFRS Financial Measures section) for Q4 Fiscal 2026 was a loss of $(0.3) million, which was a 19% decrease versus $(0.2) million of adjusted EBITDA in Q3 Fiscal 2026 and a 63% improvement over $(0.8) million in Q4 Fiscal 2025.

Non-IFRS net loss for Q4 Fiscal 2026 (as defined in the Non-IFRS Financial Measures section) totaled $(0.4) million ($(0.01) per basic and diluted share), versus $(0.3) million in Q3 Fiscal 2026 ($(0.00) per basic and diluted share) and $(0.9) million in Q4 Fiscal 2025 ($(0.02) per basic and diluted share).

OUTLOOK FOR FISCAL 2027

Over the past two years, Boardwalktech has transformed itself from an enterprise information management company into an Intelligent Information AI Platform company focused on solving some of the most significant challenges facing large enterprises: trusted AI data, intelligent controls automation, and enterprise workflow orchestration and visibility. The Company's patented digital ledger technology - which has been deployed by Fortune 100 enterprises for more than a decade - now serves as the foundation for a new generation of AI-powered applications. Today, Boardwalktech is executing three complementary product families:

- Velocity – Modernizes Excel-based enterprise applications while maintaining governance and regulatory compliance.
- Verity – AI-powered controls automation platform that automates control design, testing, evidence collection, monitoring, and compliance across the enterprise.
- Unity Central – AI information management platform that provides trusted, governed enterprise data and a unique digital thread for AI agents and enterprise decision making.

Unlike many emerging AI companies that are still seeking enterprise credibility, Boardwalktech begins with an established customer base. More than 15 Fortune 500 organizations, including Citibank, Verizon, Qualcomm, Mars, Broadcom, Levi's, Accenture, SI Times and Estée Lauder, already rely on Boardwalktech technology for mission critical business processes, providing significant expansion opportunities as these customers adopt the Company's AI solutions. Commercial momentum is accelerating. During 2026, Boardwalktech launched both the Verity and Unity Central products and has begun expanding within existing customers while opening new opportunities across financial services, compliance, supply chain, manufacturing. The Company has also established strategic partnerships with leading global systems integrators and technology companies including IBM, ServiceNow, Accenture, TCS, HCLTech, LTIMindtree, Xoriant and others, substantially expanding its go-to-market reach. Verity is also now available through the ServiceNow ecosystem, while IBM is actively developing a joint go-to-market strategy around the Verity product. The market opportunity is significant. As enterprises move from AI experimentation to production deployments, they require trusted enterprise data, automated governance, and continuous controls monitoring. Boardwalktech's platforms address these requirements directly. In one large financial institution use case, Verity has the potential to reduce manual controls testing by hundreds of personnel while delivering projected annual operating savings exceeding US$20 million, demonstrating the economic value proposition for customers. Looking forward, management's focus is on expanding the Velocity product, scaling the Verity and Unity Central products, expanding within its Fortune 500 customer base, leveraging global channel partners, achieving EBITDA breakeven, and delivering sustained revenue growth. Having completed its transition into an AI-focused enterprise software company, Boardwalktech believes it is entering the next phase of growth as customer adoption and commercial partnerships continue to accelerate. The combination of the cost-reduction actions previously taken, delivery on our new Verity and Unity Central products, adding AI to our Velocity product and leveraging of teaming partners has enabled Boardwalktech to be more efficient. As we execute on closing more new deals in Fiscal 2027 and beyond, the Company will continue to drive profitability improvements toward achieving cash breakeven (on an Adjusted EBITDA basis) based on modest revenue growth assumptions and the effect of the previously discussed cost savings measures implemented over the past year.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following table sets forth selected financial information derived from the Company's March 31, 2026 audited consolidated financial statements and previously published unaudited condensed interim consolidated financial statements. The following information should be read in conjunction with these statements and the accompanying notes.

OPERATING RESULTS	Three month period ended			Year ended	
In thousands of U.S. dollars	Mar 31	Dec 31	Mar 31	Mar 31	Mar 31
except per share amounts	2026	2025	2025	2026	2025
Revenue	805	968	978	3,641	4,797
Cost of sales	133	127	144	538	590
Gross profit	672	841	834	3,103	4,207
SG&A expenses (note 1)	1,016	1,073	1,586	4,677	6,019
Impairment of ROU asset (note 2)	248	-	-	248	-
Share-based payments	(2)	27	113	96	603
Depreciation	4	76	77	233	310
Operating loss	(594)	(335)	(942)	(2,151)	(2,725)
Credit facility interest	70	74	80	300	301
Imputed lease interest	11	11	17	50	79
Other finance costs & expenses (note 3)	164	16	67	245	115
Loss before taxes	(839)	(436)	(1,106)	(2,746)	(3,220)
Taxes	18	-	19	18	19
Net loss for the period	(857)	(436)	(1,125)	(2,764)	(3,239)
Loss per share - basic & diluted	(0.01)	(0.01)	(0.02)	(0.04)	(0.06)

note 1: SG&A expenses are comprised of salaries, wages and benefits, general and administration, professional fees, consulting and deferred compensation.

note 2: Comprised of derecognition of lease liability and impairment of right-of-use asset related to office leases.

note 3: Other finance costs & expenses are comprised of other interest, credit facility fee amortization and other expenses.

STATEMENT OF FINANCIAL POSITION	As at	
In thousands of U.S. dollars	Mar 31 2026	Mar 31 2025
ASSETS		
Current assets		
Cash	140	359
Trade and other receivables	185	600
Prepaid expenses and deposits	107	222
	432	1,181
Non-current assets	60	496
TOTAL ASSETS	492	1,677
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	1,526	913
Credit facility	2,506	2,622
Deferred compensation	787	178
Deferred revenue	634	707
Lease liability	283	353
	5,736	4,773
Non-current liabilities		
Lease liability	39	268
TOTAL LIABILITIES	5,775	5,041
SHAREHOLDERS' DEFICIT	(5,283)	(3,364)
TOTAL LIABILITIES & SHAREHOLDERS' DEFICIT	492	1,677

ADJUSTED-EBITDA AND NON-IFRS FINANCIAL MEASURES

In addition to disclosing results in accordance with IFRS Accounting Standards, the Company also provides Adjusted EBITDA and Non-IFRS financial measures disclosed as a supplement to financial results in order to provide a further understanding of Boardwalktech's results and operational performance from management's perspective. In particular, Boardwalktech uses Adjusted EBITDA and Non-IFRS financial measures to highlight trends in its core business that may not otherwise be readily apparent solely from IFRS measures. Boardwalktech management uses Adjusted EBITDA and Non-IFRS financial measures to facilitate operating performance comparisons from period to period, to prepare annual operating budgets, and to assess Boardwalktech's ability to meet its future expenditures and working capital requirements. Boardwalktech believes that securities analysts, investors and other interested parties frequently use Adjusted EBITDA and Non-IFRS financial measures in the evaluation of publicly traded companies.

Non-IFRS net income (loss) is defined as net income (loss) before share-based payments, depreciation, certain financing and non-recurring or one-time items which may arise from time to time. Non-IFRS net income (loss) does not have any standardized meaning prescribed by IFRS and is not necessarily comparable to similar measures presented by other companies. Non-IFRS net income (loss) should not be considered in isolation or as a substitute for net income (loss) reported in accordance with IFRS.

Adjusted EBITDA is defined as operating income (loss) before other expenses for the period (as reported in the consolidated statement of loss and comprehensive loss) less depreciation and share-based payments, and other non-recurring expenses.

Boardwalktech has provided a comparison of net income (loss) to Non-IFRS net income (loss) and Adjusted EBITDA measures in the following tables:

NON-IFRS NET LOSS	Three month period ended			Year ended	
In thousands of U.S. dollars	Mar 31	Dec 31	Mar 31	Mar 31	Mar 31
except per share amounts	2026	2025	2025	2026	2025
Net loss for the period	(857)	(436)	(1,125)	(2,764)	(3,239)
Adjustments:					
Impairment of ROU asset	248	-	-	248	-
Share-based payments	(2)	27	113	96	603
Depreciation	4	76	77	233	310
Other finance costs & expenses	164	16	67	245	115
Total adjustments	414	119	257	822	1,028
Non-IFRS net loss	(443)	(317)	(868)	(1,942)	(2,211)
Non-IFRS net loss per share - basic & diluted	(0.01)	(0.00)	(0.02)	(0.03)	(0.04)

ADJUSTED EBITDA	Three month period ended			Year ended	
In thousands of U.S. dollars	Mar 31	Dec 31	Mar 31	Mar 31	Mar 31
	2026	2025	2025	2026	2025
Operating loss for the period	(594)	(335)	(942)	(2,151)	(2,725)
Add back:					
Impairment of ROU asset	248	-	-	248	-
Share-based payments	(2)	27	113	96	603
Depreciation	4	76	77	233	310
Adjusted EBITDA	(344)	(232)	(752)	(1,574)	(1,812)

OVERVIEW

Our Company

Boardwalktech was 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.

Boardwalktech designs and licenses industry-leading enterprise software solutions based upon its unique patented digital ledger and intelligent information management technology. The Company has over 40 employees and full-time contractors at its Cupertino, California headquarters and its wholly owned subsidiary in Mumbai, India. Through its extensive data management/database technology expertise, Boardwalktech was first to market in 2005 with a proprietary and patented positional, cell data management technology (aka "digital ledger") - what we call "transaction chaining"- which addresses the digital transformation issues companies face when working with multiple parties and exchanging information in real-time. The Company's solutions resolve two enterprise business problems: (1) connecting multiple users in the enterprise value chain to improve planning and results, and (2) the alignment of data from various/multiple enterprise systems of record used in planning and information exchange processes. Boardwalktech's unique technology allows multiple users secure, simultaneous access to the same data in a relational database environment which supports concurrent access to record objects while being edited. Another key enterprise problem that is solved with Boardwalktech's technology is the chaining of transactions in a database to support provenance and immutable versioning and change management/change history. Concurrent with the Company's initial go-to-market activities, a patent was filed to protect the IP associated with versioned sharing, consolidating, and reporting enterprise information. Also, in 2014 the Company applied for a patent to protect the IP associated with cell-based data management and this patent was issued in September 2018 which coincides with an existing patent issued July 2005 for managing time-based data at the cell or atomic unit level. Boardwalktech's revenue comes primarily from new and recurring license subscription agreements, maintenance, and service contracts. Boardwalktech's customers include over 20 companies in the Global 1000 / Fortune 500.

On June 11, 2018, Boardwalktech began trading on the TSX Venture Exchange under the symbol 'BWLK'; and on November 13, 2019, Boardwalktech began trading on the OTC Markets Group/OTCQB under the symbol "BWLKF".

Products and Solutions

The Boardwalk Digital Ledger enterprise platform is a complete enterprise platform that resolves trust and collaboration issues companies face when working with multiple parties, which enables customers to automate manual business processes and turn them into enterprise "digital" applications using our patented digital ledger data management technology. The Boardwalk Digital Ledger platform can be used to build and maintain applications with multiple internal or external users working in Excel, a web form, or mobile environment as the user interface. The Company's patented software supports a dynamic, cell-based/atomic unit system of information management for AI and machine learning-enabled information exchange that combines Boardwalk's temporal data management, digital thread/transaction chaining and enterprise integration environment with digital ledger-based trust and validation capabilities. The result is an Intelligent Information Platform for enterprise data that supports time-based multi-party workflow transactions and consensus models for automating previously established manual-based processes and turning them into connected AI powered digital applications. The Company has developed three solutions that run on the core Boardwalk Platform technology including: Boardwalk Velocity which is focused on Excel based workflow automation and orchestration ; Unity Central which is targeted at improving enterprise supply chain visibility and order execution fulfillment; and Verity focused on AI Governance, Risk and Compliance for automating controls compliance testing and monitoring controls mainly in the financial services space.

Growth Strategy

Boardwalktech's objective is to be the leading provider of private permissioned digital ledger solutions for global enterprise customers of any size. Elements key to this strategy include:

- expand our network of direct salespeople;
- expand our network of teaming partners and reseller sales channels;
- broader adoption of Boardwalktech's solutions by new markets and new customers;
- greater penetration of our existing customer base;
- introduction of new features and capabilities including digital predictive analytics;
- extending our digital ledger technology into an end-to-end operating system solution; and,
- delivering high ROI industry solutions like Velocity, Verity and Unity Central.

Sales and Distribution

Boardwalktech primarily uses a direct sales model where the Boardwalktech Intelligent Information Platform creates a unique go-to-market opportunity for various Boardwalktech solutions. For direct sales, the Company uses regional sales representatives paired with a Sales Development Representative ("SDR") who will guide lead development, with sales representatives on a standard back-end weighted commission plan while the SDR will have a base salary plus variable compensation. Boardwalktech is continuing to grow its partner sales ecosystem by recruiting new teaming partners that can build and manage solutions for their clients with a focus in the financial services sector leveraging the Boardwalktech Velocity for financial services customers running on the Boardwalktech Digital Ledger platform. Deployment and professional services for direct sales Boardwalktech customers are managed by Boardwalktech professional services group while deployment and professional services for teaming partner sales are mainly managed by the partner.

Boardwalktech offers the Boardwalktech Intelligent Information Platform on an annual subscription basis, with pricing built around multiple AI digital applications and scale/size of data. Boardwalktech engages enterprise clients with an annual subscription for the platform and associated applications, and all platform capabilities are included such as:

- Boardwalktech Digital Ledger Server;
- Boardwalktech Application Design Studio;
- Boardwalktech Integration Framework;
- Boardwalktech Smart Contract engine;
- Boardwalktech APIs;
- Boardwalktech Virtual Machines (Nodes);
- Boardwalktech Velocity product;
- Boardwalktech Unity Central product; and
- Boardwalktech Verity AI Automated Compliance Testing and Monitoring product.

CURRENT PERIOD OPERATING RESULTS

REVENUE	Three month period ended			Year ended	
In thousands of U.S. dollars	Mar 31 2026	Dec 31 2025	Mar 31 2025	Mar 31 2026	Mar 31 2025
Saas license (new & renewals)	608	715	766	2,771	3,795
Legacy (hosting & maintenance)	92	94	68	356	285
Software subscriptions & service	700	809	834	3,127	4,080
Professional services	105	159	144	514	717
Total revenue	805	968	978	3,641	4,797

Boardwalktech derives its revenues from two sources: (1) recurring software subscription revenues ("SaaS"), which are derived from customer licenses for a right to access the Company's cloud services, certain hosting services for dedicated servers, and from customers paying for additional services beyond the standard support that is included in the basic subscription fees; and (2) related professional services such as consulting, application development, quality assurance ("QA"), application delivery, and training. New revenue is defined as newly signed contracts during the reporting period for license subscriptions while recurring or renewal revenue are revenue streams that have been extended from previous periods.

Q4 Fiscal 2026 compared to Q3 Fiscal 2026

Revenues for Q4 Fiscal 2026 totaled $0.8 million, down 17% from $1 million of revenue reported in Q3 Fiscal 2026 due to a decrease in revenue from all sources.

Q4 Fiscal 2026 compared to Q4 Fiscal 2025

Revenues for Q4 Fiscal 2026 decreased 18% from $1 million in Q4 Fiscal 2025, primarily due to a decrease in professional services revenue combined with a decline in software and subscription services revenue attributed to the impact from three customers that did not renew due to internal reorganizations.

Revenue Derived from Major Customers

The Company's revenue is generated in the United States. For the Fiscal 2026, 54.9% of the Company's revenue was earned through sales to one major customer (Fiscal 2025 – 55.5% of revenue, two major customers), each with revenues of 10% or greater:

For the year ended March 31	2026	2025
Customer 1	54.9%	39.2%
Customer 2	7.8%	16.3%
	62.7%	55.5%

The Company's quarterly revenues can be impacted by and fluctuate due to the timing and frequency of new and existing customers. While we currently receive a substantial portion of our revenue from a limited number of customers, we expect our customer concentration to continue to decline in the future.

Gross Margin

Our revenue, cost of sales, and gross margin for the fiscal periods indicated are as follows:

GROSS MARGIN	Three month period ended			Year ended	
In thousands of U.S. dollars	Mar 31 2026	Dec 31 2025	Mar 31 2025	Mar 31 2026	Mar 31 2025
Revenue	805	968	978	3,641	4,797
Cost of sales	133	127	144	538	590
Gross margin	672	841	834	3,103	4,207
Gross margin %	83.5%	86.9%	85.3%	85.2%	87.7%

Q4 Fiscal 2026 compared to Q3 Fiscal 2026

Gross margin for Q4 Fiscal 2026 was 83.5%, a 3.4 percentage point decrease from 86.9% for Q3 Fiscal 2026, due to lower revenue combined with an increase in data center fees. Although the Company negotiated lower data center fees in Q3 Fiscal 2026, Q3 Fiscal 2026 included one-time credits on previously invoiced amounts.

Q4 Fiscal 2026 compared to Q4 Fiscal 2025

Gross margin for Q4 Fiscal 2026 decreased by 1.8 percentage points from 85.3% for Q4 Fiscal 2025, due to lower revenue levels offset by lower costs of sales.

The Company expects to maintain gross margins at the +/- 85% level and, as revenue growth resumes, expects gross margins to improve. The Company intends to make higher investments with its hosting sub-processor to support further growth, especially with deployment of new Velocity customers and Unity Central. That said, the Company expects gross margins in future quarters to increase as revenue grows, but the impact is likely to fluctuate period-to-period due to a variety of factors, including product mix.

Selling, General and Administration Expenses

The following table provides an analysis of the Company's SG&A expenses for the respective periods:

SG&A EXPENSES	Three month period ended			Year ended	
In thousands of U.S. dollars	Mar 31 2026	Dec 31 2025	Mar 31 2025	Mar 31 2026	Mar 31 2025
Salaries, wages and benefits	680	633	924	2,994	4,236
Deferred compensation	41	195	168	612	200
General and administration	139	72	141	417	485
Professional fees	103	89	212	397	618
Consulting	53	84	141	257	480
SG&A expenses	1,016	1,073	1,586	4,677	6,019

Q4 Fiscal 2026 compared to Q3 Fiscal 2026

SG&A expenses for Q4 Fiscal 2026 were $1 million, a $0.1 million improvement versus $1.1 million for Q3 Fiscal 2026 was due to lower compensation expense (salaries, wages and benefits plus deferred compensation) due to staff reductions in the current quarter as well as reductions in other expense categories due to on-going cost-savings efforts.

Q4 Fiscal 2026 compared to Q4 Fiscal 2025

SG&A expenses for Q4 Fiscal 2026 were $0.6 million lower than $1.6 million of SG&A expenses for Q4 Fiscal 2025 due to lower compensation expense and other cost reductions.

Impairment of ROU Asset

The $0.2 million impairment of ROU asset recognized in Q4 Fiscal 2026 is comprised of amounts for derecognition of lease liability and impairment of ROU asset related to office leases.

Due to a dispute with the landlord for leased premises in the United States, the Company was required to vacate the leased premises in December 2025 but continues to be a party to the lease agreement until its expiry on November 30, 2026. As a result, the Company recognized $0.2 million of impairment for the right-of-use asset.

In India, the Company was a party to lease agreement for office premises set to expire on May 19, 2026. As permitted by the lease agreement, the Company provided a minimum of three months' notice and terminated the lease in October 2025. As a result, the Company recognized a small net gain for the $0.02 million derecognition of lease liability net of the $0.02 million net book value of the related right-of-use asset. In November 2025, the Company executed a lease agreement for new office premises in India until October 2028.

Share-based Payments

Share-based payments for Q4 Fiscal 2026 were a small recovery compared to $0.03 million of expense for Q3 Fiscal 2026 and $0.1 million of expense for Q4 Fiscal 2025. The recovery recognized in Q4 Fiscal 2026 relates to the forfeiture of restricted share units ("RSUs") in the current quarter for which previously recognized share-based payment expense related to unvested RSUs is reversed.

Interest and Other Expenses

Other expenses primarily consist of imputed interest related to office lease liabilities, which will fluctuate as leases expire or are extended and reduced due to the passage of time, plus interest and accretion on the credit facility and other interest on overdue accounts payable.

INTEREST & OTHER EXPENSES	Three month period ended			Year ended	
In thousands of U.S. dollars	Mar 31 2026	Dec 31 2025	Mar 31 2025	Mar 31 2026	Mar 31 2025
Credit facility interest	70	74	80	300	301
Accretion of credit facility	31	16	15	79	63
Imputed lease interest	11	11	17	50	79
Severance	117	-	-	117	-
Loss on debt settlement	-	-	52	-	52
Other interest	16	-	-	49	-
	245	101	164	595	495

Credit Facility Interest and Accretion

Credit facility interest was mainly unchanged in the periods presented. Q4 Fiscal 2026 accretion of credit facility increased due to amortization of the amendment fee. See the Liquidity and Capital Resources section.

Severance

In Q4 Fiscal 2026, the Company paid $0.1 million of severance costs to a former employee in connection with a settlement and release agreement.

LIQUIDITY AND CAPITAL RESOURCES

Historically, the Company has financed its operations primarily through the sale of equity securities, debt, and cash from operating activities.

Working Capital

Working capital represents the Company's current assets less its current liabilities. The Company defines pro-forma working capital (a Non-IFRS metric) as working capital plus deferred revenue and the credit facility, when the maturity date is more than one year from the balance sheet date. The credit facility was not included as a pro-forma adjustment at March 31, 2026 as it matures within one year in March 2027.

WORKING CAPITAL	As at	
In thousands of U.S. dollars	Mar 31 2026	Mar 31 2025
Current assets	432	1,181
Current liabilities	5,736	4,773
Working capital deficit	(5,304)	(3,592)
Credit facility	-	2,622
Deferred revenue	634	707
Working capital deficit (pro forma)	(4,670)	(263)

The Company reported a pro-forma working capital deficit of $(4.7) million at March 31, 2026 (including $0.1 million of cash and $0.2 million of trade and other receivables) compared to a $(0.3) million pro-forma working capital deficit reported at March 31, 2025 (including $0.4 million of cash and $0.6 million of trade and other receivables). The change is primarily from a $0.2 million decrease in cash, a $0.7 million increase in accounts payable and accrued liabilities, a $0.6 million increase in deferred compensation payable and a $0.4 million decrease in trade and other receivables from the invoicing of license renewals. It should be noted that deferred revenue of $0.6 million reflects new and recurring licenses that are contractually non-refundable at the beginning of each annual license term, then recognized over the license term (amortizing the deferred revenue down), versus a liability expected to be paid in cash. It should also be noted that a few large customers have negotiated the payment of their binding annual licenses on a quarterly basis which lowers absolute deferred revenue levels compared to historical levels of previous quarters.

The credit facility agreement contains a liquidity covenant requiring the Company maintain "gross working capital" of at least $500,000 at all times, measured quarterly. In Q4 Fiscal 2026, the Company and its lender agreed to the following temporary amendments to the credit facility:

- A decrease in the liquidity covenant from $500,000 to $100,000 from January 31, 2026 to May 31, 2026;
- An over-advance up to $250,000 until May 31, 2026, based on the monthly available amount; and
- A $100,000 amendment fee due at payoff or maturity of the loan, amortized over the remaining term of the loan.

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. Although the Company did not meet the amended gross working capital at March 31, 2026, the credit facility is a current liability regardless of the covenant as it matures in March 2027. Management has not received any notice of default or demand for repayment from the lender as of the date of this MD&A and continues to work collaboratively with the lender to address the covenant breach.

The Company expects working capital to improve as revenue growth occurs. While the Company plans to keep its targeted collection days in-line with its payment terms, aggregate trade receivables level should increase in absolute dollars as revenue levels grow.

The following table shows our cash flows from operating activities, financing activities and investing activities for the periods indicated:

CASH INFLOWS (OUTFLOWS)	Three month period ended			Year ended	
In thousands of U.S. dollars	Mar 31 2026	Dec 31 2025	Mar 31 2025	Mar 31 2026	Mar 31 2025
Operating activities	(160)	337	(309)	(251)	(2,248)
Financing activities	208	(282)	472	33	375
Investing activities	-	-	-	-	-
Net cash inflows (outflows)	48	55	163	(218)	(1,873)

Cash Flows Provided By (Used In) Operating Activities

Cash flows used in operating activities primarily consist of our net loss adjusted for non-cash expenses and for changes in non-cash working capital items. Non-cash adjustments to operating activities generally include depreciation, share-based payments and interest and financing fees. Changes in non-cash working capital items include changes in accounts receivable, which will increase as revenue increases, deferred revenue, and changes to accounts payable as we purchase more goods and services from suppliers to support such growth.

Q4 Fiscal 2026 compared to Q3 Fiscal 2026

During Q4 Fiscal 2026, the Company reported $(0.2) million of cash flows used in operating activities, a reduction from 0.3 million of cash flows provided by operating activities in Q3 Fiscal 2026. The reduction is primarily due to an increase in the reported net loss and a decrease in deferred revenue in Q4 Fiscal 2026.

Q4 Fiscal 2026 compared to Q4 Fiscal 2025

During Q4 Fiscal 2026, the Company reported $(0.2) million of cash flows used in operating activities compared to $(0.3) million of cash flows used in operating activities in Q4 Fiscal 2025. The year-over-year improvement is primarily due to lower costs and improved accounts receivable collections in Q4 2026.

Cash Flows Provided By (Used In) Financing Activities

Q4 Fiscal 2026 compared to Q3 Fiscal 2026

During Q4 Fiscal 2026, the Company reported $0.2 million of cash flows provided by financing activities versus $(0.3) million of cash flows used in financing activities in Q3 Fiscal 2026. The increase in Q4 Fiscal 2026 is due to $0.1 million of net private placement proceeds combined with $0.3 million of lease payments in accounts payable and accrued liabilities at March 31, 2026.

Q4 Fiscal 2026 compared to Q4 Fiscal 2025

During Q4 Fiscal 2026, the Company reported $0.2 million of cash flows provided by financing activities versus $0.5 million of cash flows provided by financing activities in Q4 Fiscal 2025. The variance is primarily due to $0.3 million of lease payments in accounts payable and accrued liabilities at March 31, 2026 offset by $0.7 million of net private placement proceeds raised in Q4 Fiscal 2025.

Cash Flows Used in Investing Activities

The Company did not engage in any investing activities (primarily related to the purchase of computers and other minor equipment) during the periods presented.

FINANCIAL RISK MANAGEMENT

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and to a lesser degree from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade accounts receivable

Customer credit risk is managed through the Company's established policy, procedures and control relating to customer credit risk management. In order to further reduce charges for doubtful accounts, the Company has recently adopted new policies to ensure customer acceptance is explicitly confirmed in writing before an invoice is generated against recognized or deferred revenue.

Financial instruments and cash deposits

Credit risk from balances on deposit with banks and financial institutions is managed in accordance with the Company's policies. Investments of surplus funds are made only with approved counterparties and within credit limits approved for each of those counterparties. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through potential counterparty failure.

Liquidity risk

The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and cash equivalents, managing cash from operations, and if required through financing activities.

As at March 31, 2026, the Company has not yet achieved profitable operations and has an accumulated deficit of $58.1 million. Whether, and when, the Company can attain profitability and positive cash flows from operations indicates the existence of material uncertainty, which casts significant doubt upon the Company's ability to continue as a going concern. The application of the going concern assumption is dependent upon the Company's ability to generate future profitable operations and obtain necessary financing to do so. While the Company has been successful in obtaining financing to date, there can be no assurance that it will be able to do so in future on terms favorable for the Company. The Company believes it will be able to acquire sufficient funds to cover planned operations through the next twelve-month period from anticipated revenue growth during Fiscal 2027, continued credit access from its primary lender and other sources. The outcome of these matters cannot be predicted at this time.

As at March 31, 2026, the Company had $0.14 million in cash, $0.18 million in accounts receivable. In April 2026, the Company closed a private placement for gross proceeds of $0.8 million (see the Subsequent Events section).

As at March 31, 2026, the contractual maturities of the Company's financial liabilities are as follows:

	Carrying amount	Contractual cash flows	Within 1 year	2 years	3 years
Accounts payable and accrued liabilities	1,526,317	1,526,317	1,526,317	–	–
Credit facility	2,505,753	2,651,605	2,651,605	–	–
Lease liability	322,423	341,256	298,844	26,507	15,905
Deferred compensation	787,072	787,072	787,072	–	–
	5,141,565	5,306,250	5,263,838	26,507	15,905

Foreign currency risk

Foreign currency risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company maintains cash balances and enters into transactions denominated in foreign currencies, principally the Indian Rupee (INR) and the Canadian Dollar (CAD), which exposes the Company to fluctuating balances and cash flows due to variations in foreign exchange rates.

The USD equivalent carrying amounts of the Company's foreign denominated monetary assets and monetary liabilities are as follows:

As at March 31	2026	2025
Cash	6,180	9,870
Accounts payable and accrued liabilities	(193,644)	(204,083)
Lease liability	(59,334)	(42,162)
Net monetary liabilities	(246,798)	(236,375)

Assuming all other variables remain constant, a fluctuation of +/- 5.0% in the exchange rate between the USD and foreign currencies would increase or decrease net loss for the year by approximately $12,340 (2025 – $11,820). To date, the Company has not entered into financial derivative contracts to manage exposure to fluctuations in foreign exchange rates.

Interest rate risk

The Company is not exposed to interest rate risk on financial assets as there are no investments of excess cash in short-term money market investments at variable rates of interest. The Company is exposed to interest rate risk on financial liabilities as the credit facility 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 year ended March 31, 2026 by approximately $25,245 (2025 – $6,420).

SUBSEQUENT EVENTS

On April 19, 2026, the Company renewed its engagement with Sophic Capital Inc. ("Sophic") as its investor relations partner under a new agreement. Pursuant to the agreement between the Company and Sophic Capital, Sophic will receive $8,000 per month for a term of 12 months. In addition, the Company granted Sophic 700,000 stock options to purchase up to 700,000 common shares at a price of CAD 0.05 per share. The options vest quarterly in four equal tranches of 175,000 and expire on the earlier of (i) 90 days after the termination of the engagement, or (ii) April 19, 2031.

On April 24, 2026, the Company closed a second tranche of the non-brokered placement pursuant to which the Company issued 31,905,286 units at a price of CAD 0.05 per unit for aggregate gross proceeds of approximately $0.8 million (CAD 1.1 million). In connection with private placement, the Company paid approximately $0.05 million (CAD 0.07 million) of commissions to qualified non-related parties and issued a total of 2,001,142 finders' warrants exercisable at a price of CAD 0.05 per share for a period of two years from the date of issuance.

SHARE CAPITAL

	Common shares	Common are warrants	Stock options	Restricted share units
Balance, March 31, 2025	64,449,149	17,865,722	885,000	8,358,875
Issued/granted	16,866,397	17,457,089	-	-
Forfeited	-	-	-	(880,609)
Expired	-	(9,135,569)	(40,000)	-
Balance, March 31, 2026	81,315,546	26,187,242	845,000	7,478,266
Issued	31,905,286	33,906,428	700,000	-
Forfeited	-	-	-	(2,300)
Expired	-	(6,160,404)	(7,500)	-
Balance, date of MD&A	113,220,832	53,933,266	1,537,500	7,475,966

OFF-BALANCE SHEET ARRANGEMENTS

During the periods presented, the Company did not have, nor do we currently have, any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, which would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There were no changes in the Company's internal control over financial reporting that occurred in the three months and year ended March 31, 2026 that have materially affected, or are likely to materially affect, the Company's internal control over financial reporting.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements in accordance with IFRS Accounting Standards requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses in the reporting period. The actual results experienced by us may differ materially and adversely from our estimates. To the extent there are material differences between our estimates and actual results, our future results of operations will be affected. Revisions to accounting estimates are recognized in the year in which the estimates are revised and for any future years affected. The Company's significant judgments and estimates are disclosed in Note 4 of the audited March 31, 2026 consolidated financial statements.