BOARDWALKTECH SOFTWARE CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

AS AT AND FOR THE THREE MONTHS AND YEAR ENDED MARCH 31, 2024

DATED: JUNE 26, 2024

This Management's Discussion and Analysis ("MD&A") for the three months and year ended March 31, 2024 provides detailed information on the operating activities, performance and financial position of Boardwalktech Software Corp. ("Boardwalk" or the "Company"). This discussion should be read in conjunction with the Company's March 31, 2024 audited 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 June 26, 2024, 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 ended on March 31, 2024 is referred to as "current fiscal year", "Fiscal 2024" or similar words. The previous fiscal year, which ended on March 31, 2023, is referred to as "previous fiscal year", "Fiscal 2023" or similar words. The three-month quarter ended March 31, 2024 is referred to as "Q4 Fiscal 2024"and the previous three-month quarter ended December 31, 2023 is referred to as "Q3 Fiscal 2024" and the comparative three-month quarter ended March 31, 2023 is referred to as "Q4 Fiscal 2023".

In this document unless otherwise specified, "we", "us", "our", "Company" and "Boardwalk" 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 Boardwalk'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 Boardwalk'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, cloud hosting 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. Boardwalk is providing 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 Boardwalk of, or of Boardwalk's failure to protect, their intellectual property rights could result in significant costs and cause Boardwalk'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 Boardwalk'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

Revenue for Fiscal 2024 totaled $6.0 million compared to $6.5 million for Fiscal 2023, representing an 8% decrease in annual revenue. The portion of revenue from new and recurring SaaS licenses earned in Fiscal 2024 actually increased by 12% year-over-year but was offset by a 60% decline in professional services revenue.

The Company defines annual recurring revenue (“ARR”) as the recurring revenue expected based on annual license subscriptions and recurring services recognized in the quarter. ARR is a non-IFRS measure. ARR at March 31, 2024 was $5.6 million, a 3% year-over-year increase versus ARR of $5.5 million at March 31, 2023.

Gross margin for Fiscal 2024 was 89.6%, down from Fiscal 2023’s level of 90.6% primarily 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.

The Company finished Fiscal 2024 with a stronger balance sheet both in terms of cash balance of $2.2 million and the highest positive working capital level since the end of COVID restrictions in 2021. The Company also secured a three-year, $4.0 million credit facility to further support its growth efforts.

Net loss for Fiscal 2024 was $(3.1) million, $(0.06) per basic and diluted share, which was a 13% improvement versus a net loss of $(3.6) million for Fiscal 2023, $(0.08) per basic and diluted share. Adjusted operating expenses for Fiscal 2024 totaled $7.0 million, a $0.5 million decrease from the $7.5 million of adjusted operating expenses reported for Fiscal 2023. The full impact of the Company’s realignment and cost efforts announced in January 2024 are expected to be realized during the upcoming fiscal year.

Non-IFRS net loss for Fiscal 2024 (as defined in the Adjusted EBITDA and Non-IFRS Financial Measures section) was $(1.6) million, $(0.03) per basic and diluted share, versus the $(1.7) million non-IFRS loss for Fiscal 2023, $(0.04) per basic and diluted share. Non-IFRS net loss for Q4 Fiscal 2024 was $(0.4) million, a 13% improvement over the $(0.5) million Non-IFRS net loss for Q4 Fiscal 2023 and 4% sequential improvement over the Non-IFRS net loss for Q3 Fiscal 2024.

Adjusted EBITDA for Fiscal 2024 was $(1.6) million, compared to Adjusted EBITDA of $(1.6) million for Fiscal 2023. However, these annual figures do not show the quarterly progress as the Adjusted EBITDA loss for Q4 Fiscal 2024 was $(0.3) million, a 20% improvement over the $(0.4) million Adjusted EBITDA for Q4 Fiscal 2023 and a 10% sequential improvement over Adjusted EBITDA for Q3 Fiscal 2024.

OUTLOOK

Guidance for Fiscal Year 2025:

The Company continues to execute on its “land and expand” strategy, as recurring revenue from new SaaS licenses has grown at a compound annual growth rate (CAGR) of 49% over the last three years. Even factoring out the contributions from our Velocity customers, revenue from our core Digital Ledger customers has grown 22% since 2022 on a trailing twelve-month basis. While those growth targets are good considering the Company’s limited resources, the Company is targeting and expecting higher growth rates going forward. Despite slower than expected conversions from its sales pipeline since the last earnings report, the Company has seen a pick-up of license agreements in process of execution, with corresponding announcements expected as those license deals commence. The addition of new teaming partners announced during the last months of Fiscal 2024, targeted at the financial services market for our Velocity software product offering, is a positive leading indicator towards those revenue expectations. The Company is also experiencing good initial interest in its new Unity Central product offering, initially targeting solutions for the supply chain based on managing documents, signals and unstructured data. The Unity Central offering will complement and expand our digital ledger solutions delivering solutions to better manage unstructured data with an initial focus in the enterprise supply chain.

While the sales pipeline remains robust and we have not lost any prospective customers, sales conversions in the second half of Fiscal 2024 were lower than projected last summer, led by challenging market headwinds and internal customer issues in calendar year 2024 which has resulted in longer times to close transactions with large, multinational organizations and financial institutions. We believe these factors and delays were not so much related to the sales cycle of customers choosing our product per se, but more customer-centric delays in this “year of efficiency” focus. Further, as evidenced by the revenue reported in the first two quarters of Fiscal 2024, the quarterly fluctuations in professional services revenue came in lower than originally expected. While the Company expects professional service revenue to rebound in absolute dollars over the future quarters, it should remain as a lower percentage of total revenue than historic levels.

Following an internal review which began in the fall of 2023, to improve execution and reduce reliance on slower than expected sales pipeline conversions, the Company implemented steps to improve its balance sheet and reallocate resources from completed development efforts towards sales and marketing efforts. While the total annualize cash savings is projected to exceed $1 million, the reality is that the net realized savings will likely be $500,000 over this next fiscal year, as the Company selectively hires more effective sales and marketing personnel over the next few quarters.

Concurrent with that realignement process, the Company executed four new teaming or partnership agreements with leading IT consultancy and service firms that have existing business relationships with targeted customers in the banking, financial services, CPG and manufacturing markets who would benefit from and license Boardwalk’s Digital Ledger, Unity Central and Velocity solutions. These teaming agreements would not be executed if those partners did not anticipate upcoming deals and revenue opportunities where Boardwalktech gets the direct license and the partner get the corresponding services revenue. These agreements provide operating leverage as these partners provide customer access and scale that Boardwalktech could not if it relied on only its own direct sales efforts.

Consequently, the Company does expect to achieve cash breakeven (Adjusted EBITDA) in the next few quarters based on modest revenue growth assumptions and less reliance on large pipeline conversions (than in previous projections), along with the cost savings measures announced in January 2024.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following table sets forth selected financial information derived from the Company's March 31, 2024 audited consolidated financial statements. The selected quarterly financial information was prepared in accordance with interim financial reporting requirements in a manner consistent with the Company's annual consolidated financial statements.

in thousands of U.S. dollars	for Three-month period ended			Fiscal Year, period ended	
except per share amounts	Mar 31, **2024**	Dec 31, **2023**	Mar 31, **2023**	Mar 31, **2024**	Mar 31, **2023**
Revenue	$1,423	$1,469	$1,652	$5,972	$6,475
Cost of sales	155	160	161	622	608
Gross Profit	$1,267	$1,309	$1,490	$5,350	$5,867
SG&A expenses *	$1,614	$1,695	$1,921	$6,953	$7,479
Share-based payments	111	292	318	1,007	1,566
Depreciation	79	79	86	321	345
Operating Loss	(537)	(757)	(835)	(2,931)	(3,523)
Severance	$104	$0	$0	$104	$0
Interest oncredit facility	2	-	-	2	-
Imputed interest, lease	24	26	6	73	41
Financing costs & other expenses	104	-	-	104	0
Loss before taxes	($667)	($783)	($841)	(3,110)	(3,564)
Taxes	23	-	20	23	20
Loss for the period	**($690)**	**($783)**	**($861)**	**($3,132)**	**($3,584)**
Loss per share, basic and diluted	($0.01)	($0.02)	($0.02)	($0.06)	($0.08)

in thousands of U.S. dollars	as at March 31, **2024**	as at March 31, **2023**
Current Assets		
Cash	$ 2,232	$ 2,187
Trade and other receivables	445	1,331
Prepaid expenses and deposits	281	150
Total Current aAsets	**$ 2,958**	**$ 3,669**
Total non-current assets	**807**	**115**
`	**$ 3,765**	**$ 3,783**
Current liabilities		
Account payables and accrued liabilities	$ 643	$ 1,229
Deferred revenue	1,290	3,390
Deferred compensation	241	-
Current portion of lease liability	309	127
Total current liabilities	**$ 2,483**	**$ 4,746**
Credit facility	2,250	-
Lease liabilities	622	-
Total Liabilities	**$ 5,355**	**$ 4,746**
Shareholders' Equity	**(1,590)**	**(962)**
Total Liabilities and Shareholders' Equity	**$ 3,765**	**$ 3,783**

ADJUSTED EBITDA AND NON-IFRS FINANCIAL MEASURES

In addition to disclosing results in accordance with IFRS as issued by the International Accounting Standards Board, 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 Boardwalk's results and operational performance from management's perspective. In particular, Boardwalk 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. Boardwalk 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 Boardwalk's ability to meet its future expenditures and working capital requirements. Boardwalk 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) for the period (as reported in the consolidated statement of loss and comprehensive loss) less depreciation and share-based payments.

Boardwalk 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 Income (Loss)	for Three-month period ended			Fiscal Year, period ended	
in thousands of U.S. dollars except per share amounts	Mar 31, **2024**	Dec 31, **2023**	Mar 31, **2023**	Mar 31, **2024**	Mar 31, **2023**
Net Loss for the period	**($690)**	**($783)**	**($861)**	**($3,132)**	**($3,584)**
Adjustments:					
Share-Based Payments	111	292	318	1,007	1,566
Depreciation	79	79	86	321	345
Share Issue costs	72	83	0	155	0
Rent concessions	0	(28)	0	(28)	0
Severance	104	0	0	104	0
Total Adjustments	366	426	404	1,559	1,910
Non-IFRS Net Loss	**($324)**	**($356)**	**($457)**	**($1,574)**	**($1,674)**
Non-IFRS amount per share, basic and diluted:	($0.01)	($0.01)	($0.01)	($0.03)	($0.04)

Adjusted-EBITDA	for Three-month period ended			Fiscal Year, period ended	
figures in U.S. dollars, thousands	March 31, **2024**	Dec 31, **2023**	March 31, **2023**	March 31, **2024**	March 31, **2023**
Operating Loss for the Period	**($537)**	**($757)**	**($835)**	**($2,931)**	**($3,523)**
Add back (deduct)					
Depreciation	79	79	86	321	345
Share-Based Payments	111	292	318	1,007	1,566
Adjusted EBITDA	**($346)**	**($386)**	**($431)**	**($1,603)**	**($1,613)**

OVERVIEW

Our Company

Boardwalk was incorporated pursuant to the Business Corporations Act of British Columbia. The Company operates from locations in the United States and India and provides enterprise software-as-a-service (SaaS) to global customers.

Boardwalk designs and licenses industry-leading enterprise software solutions based upon its unique patented digital ledger technology. The Company has over 50 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, Boardwalk 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 – connecting multiple users in the enterprise value chain to improve planning and results and the alignment of data from various/multiple enterprise systems of record used in planning and information exchange processes. Boardwalk'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 Boardwalk'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. Boardwalk's revenue comes primarily from new and recurring license subscription agreements, maintenance, and service contracts. Boardwalk's customers include over 20 companies in the Global 1000 / Fortune 500.

On June 11, 2018, Boardwalk began trading on the TSX Venture Exchange under the symbol 'BWLK'; and on November 13, 2019, Boardwalk 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 software supports a dynamic, cell-based/atomic unit smart contract and machine learning-enabled information exchange that combines Boardwalk's temporal data management and enterprise integration environment with digital ledger-based trust and validation capabilities. The result is a private permissioned enterprise data management environment that supports time-based multi-party workflow transactions and consensus models for automating previously established manual-based processes and turning them into connected digital applications. The Company has developed two solutions that run on the core Boardwalk Digital Ledger technology including Boardwalk Velocity which is focused on the risk management and compliance within the financial services sector and Unity Central which is targeted at improving enterprise supply chain visibility and order execution fulfillment metrics.

Growth Strategy

Boardwalk'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 sales people;
- expand our network of teaming partners and reseller sales channels;
- broader adoption of Boardwalk'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 and Unity Central.

Sales and Distribution

Boardwalk primarily uses a direct sales model where the Boardwalk Digital Ledger enterprise platform creates a unique go-to-market opportunity for the Boardwalk solution. 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. Boardwalk is also growing 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 area leveraging the Boardwalk Velocity for financial services customers running on the Boardwalk Digital Ledger platform. Deployment and professional services for direct sales Boardwalk customers are handled by Boardwalk professional services group while deployment and professional services for teaming partner sales are mainly handled by the partner.

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

- Boardwalk Digital Ledger Server;
- Boardwalk Application Design Studio;
- Boardwalk Integration Framework;
- Boardwalk Smart Contract engine;
- Boardwalk APIs;
- Boardwalk Virtual Machines (Nodes);
- Boardwalk Velocity product; and
- Boardwalk Unity Central product.

CORPORATE DEVELOPMENTS

- On June 1, 2023, the Company announced that it 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 is expected to exceed $200,000 in the next twelve months, over $100,000 of recurring revenue in the first year.
- On August 29, 2023, the Company announced results of its Annual and Special Meeting, where shareholders elected all proposed Directors, appointed MNP LLP as auditors of the Company and approved an amendment to refresh the existing Equity Incentive Plan.
- On October 2, 2023, Boardwalktech and Hexaware announced a teaming agreement for a partnership targeting the banking and financial services customers to drive risk management, compliance, and process improvement.
- On October 26, 2023, LTIMindtree announced it had partnered with Boardwalktech to market Boardwalk's Velocity solution to improve data governance and compliance for banking and financial services clients
- On November 27, 2023, the Company announced it had extended and expanded its commercial engagement with a Fortune 50 technology company for supply chain management, including the execution of its first long-term license with Boardwalk, following an ROI analysis by the customer. This is expected to be the first of several phases/licenses to improve the customer's supply chain execution.
- On December 28, 2023, the Company closed the initial tranche of its Listed Issuer Financing Exemption ("LIFE") offering and concurrent non-brokered private placement, for 7,015,353 Units at CAD $0.30 per Unit a for gross proceeds of $1,590,738 (CAD$2,104,606), pursuant to the National Instrument 45-106 - Prospectus Exemptions ("NI 45-106"). Each Unit included one common share purchase warrant at a price of CAD$0.50 per common share for a period of 36 months from the closing date. Insiders of the Company participated in the Offering for approximately CAD$53,000.
- On January 16, 2024, the Company announced it had expanded commercial agreements with three existing customers, including existing Digital Ledger customer Sekisui Chemical who signed a license for Boardwalk's new Unity Central application for supply chain solution
- Also on January 16, 2024, the Company announced it had executed steps to realign its internal resources with a focus on achieving overall profitability, without compromising sales growth, to generate approximately US$1,000,000 in annual cost savings.
- On February 26, 2024, the Company closed the second tranche of its upsized LIFE offering and non-brokered private placement, of which 473,400 Units were subscribed at CAD $0.30 per Unit and 32,825 Units were subscribed by an Insider of the Company at US$0.22 per Unit, for aggregate gross proceeds of $112,303 (CAD $151,868).

- On March 28, 2024, Boardwalktech secured a US$4.0 Million Credit Facility with Celtic Bank to provide available growth funds.
- On April 8, 2024, Boardwalktech announced it had signed a strategic agreement with Tata Consultancy Services (TCS), one of the world's largest IT services and consulting companies with operations in 46 countries and over 615,000 employees, to teaming with Boardwalktech to engage customers in financial services market for the Boardwalk Velocity product, used to rapidly remediate and transform Excel and Access based End User Computing ("EUC") environments into a compliant, auditable, and scalable solution.
- On May 9, 2024 the Company announced it had added Jay Cherrie to its corporate Advisory Board and as a business development asset. Mr. Cherrie's career has included senior executive roles including Global Industry Lead (Financial Services) for Appian Corporation, Chief Technology Officer for First Republic Bank, and led the technology strategy department for Charles Schwab Bank. As the Company continues to expand its presence in the financial services sector, Mr. Cherrie's expertise and vast relationships will prove to be highly valuable for the Company and its shareholders.

CURRENT PERIOD OPERATING RESULTS

Revenue

	for Three-month period ended			Fiscal Year, ended	
in thousands of U.S. dollars	Mar 31, **2024**	Dec 31, **2023**	Mar 31, **2023**	Mar 31, **2024**	Mar 31, **2023**
SaaS License (New and Renewals)	$1,265	$1,270	$1,120	$4,970	$4,411
Legacy (Hosting and Maintenance)	73	72	101	344	411
Software Subscriptions and Service	$1,338	$1,342	$1,221	$5,314	$4,823
Professional Services	85	127	431	658	1,652
Total Revenue	**$1,423**	**$1,469**	**$1,652**	**$5,972**	**$6,475**

Boardwalk 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 2024 compared to Q4 Fiscal 2023

Total revenue for Q4 Fiscal 2024 was $1.42 million, a 14% decrease from $1.65 million of revenue for Q4 Fiscal 2023, primarily due to a 80% decline in professional services revenue plus a 27% drop in legacy contract revenue. This offset a 13% increase in SaaS License revenue, which was more important given its relative size (89% of total revenue) and recurring revenue nature.

Q4 Fiscal 2024 compared to Q3 Fiscal 2024

Total revenue for Q4 Fiscal 2024 was $1.42 million, a 3% sequential decrease from $1.47 million of revenue for Q3 Fiscal 2024, due primarily to flat SaaS revenue offset by a 33% decrease in professional services revenue which tends to fluctuate on a quarterly basis.

Fiscal 2024 Year compared to Fiscal 2023 Year

Revenue for Fiscal 2024 was $5.97 million, an 8% decrease over $6.47 million for Fiscal 2023. While SaaS revenue grew 13% year-over -year, this was offset by a $1.0 million decrease (60% year-over-year) in professional services revenue, compounded by a smaller 13% decrease in legacy revenue.

While the Company does expect a continued revenue contribution from professional services, which is expected to rebound from current levels and grow in absolute dollars, professional services revenue is expected to remain as a lower percentage of total revenue and may fluctuate on a quarter-by-quarter basis, as evidenced by recently reported quarters. The Company's primary focus remains on growing recurring revenue.

Revenue Derived from Major Customers

Based on information from our direct and reseller sales, our customers representing greater than 10% of our revenue for the periods are:

	for Three-month period ended			Fiscal Year, period ended	
	Mar 31, **2024**	Dec 31, **2023**	Mar 31, **2023**	Mar 31, **2024**	Mar 31, **2023**
Customer A	28.0%	28.1%	32.0%	30.0%	32.5%
Customer B	39.5%	38.3%	29.0%	37.7%	27.7%
Top 5	82.8%	81.5%	78.8%	82.2%	79.8%
Top 10	91.4%	90.3%	88.8%	91.1%	89.4%

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:

	for Three-month period ended			Fiscal Year, period ended	
thousands of U.S. dollars	Mar 31, **2024**	Dec 31, **2023**	Mar 31, **2023**	Mar 31, **2024**	Mar 31, **2023**
Revenue	$1,423	$1,469	$1,652	$5,972	$6,475
Cost of Sales	155	160	161	622	608
Gross Margin $	$1,267	$1,309	$1,490	$5,350	$5,867
Gross Margin %	*89.1%*	*89.1%*	*90.2%*	*89.6%*	*90.6%*

Q4 Fiscal 2024 compared to Q4 Fiscal 2023

Gross margin for Q4 Fiscal 2024 was 89.1%, a 1.1%-point increase from 90.2% for Q4 Fiscal 2023, due to lower revenue levels.

Q4 Fiscal 2024 compared to Q3 Fiscal 2024

Gross margin for Q4 Fiscal 2024 was 89.1%, unchanged from Q3 Fiscal 2024.

Fiscal 2024 Year compared to Fiscal 2023 Year

Gross margin for Fiscal 2024 was 89.6% compared to 90.6% for Fiscal 2023, 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. The Company intends to make higher investments with its hosting sub-processor to support further growth, especially with deployment of 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.

Operating Expenses

The following table provides an analysis of the Company's total operating expenses plus adjusted operating expenses which exclude non-cash share-based compensation expenses, as a percentage of total revenue. The analysis following the table will primarily focus on the adjusted operating expenses for the respective periods.

figures in U.S. dollars, thousands	for Three-month period ended			Fiscal Year, period ended	
	Mar 31, **2024**	Dec 31, **2023**	Mar 31, **2023**	Mar 31, **2024**	Mar 31, **2023**
Total Operating Expenses*	$1,804	$2,066	$2,325	$8,281	$9,390
Total Adjusted Operating Expenses**	$1,614	$1,695	$1,921	$6,953	$7,479

* *Total Operating Expenses include the amortization of revenue contract costs.*

** *Total Adjusted Operating Expenses exclude non-cash share-based payment expenses and depreciation.*

Q4 Fiscal 2024 compared to Q4 Fiscal 2023

Total adjusted operating expenses for Q4 Fiscal 2024 were $1.6 million, $0.3 million lower than adjusted operating expenses for Q4 Fiscal 2023, due to $0.2 million of lower general administrative costs and $0.1 million of lower professional fees, slightly offset by higher consulting fees. Q4 Fiscal 2023 included $0.2 million of amortization of revenue contract costs ("teaming fees") related to certain new revenue contracts in Fiscal 2023, via teaming agreements with channel partners, for which the Company incurred incremental costs to obtain such contracts.

Q4 Fiscal 2024 compared to Q3 Fiscal 2024

Total adjusted operating expenses for Q4 Fiscal 2024 were $0.1 million lower than adjusted operating expense reported for Q3 Fiscal 2024. Given the severance costs related to the January 2024 realignment, the Company expects the full cost impact of those savings to be recognized during the upcoming fiscal year.

Fiscal 2024 Year compared to Fiscal 2023 Year

Total adjusted operating expenses of $6.95 million for the Fiscal 2024 were $0.5 million lower than the $7.48 million of adjusted operating expenses for Fiscal 2023, due to $0.6 million lower general and administrative expenses (mainly due to no teaming fees in Fiscal 2024), $0.1 million of lower consulting fees, slightly offset by $0.1 million of higher professional fees. Salaries, benefits and deferred compensation was up $0.1 million, but does not fully reflect recent cost and realignment efforts late in the fiscal year. Fiscal 2023 included $0.6 million of teaming fees.

The Company plans to reallocate resources and upgrade our sales and marketing organizations through selective expenditures and hiring to support additional customers and to close opportunities in our sales pipeline, as we continue to expand into existing and new markets. Currently, the Company believes it has more opportunities than resources to address all potential growth prospects. During the next year, we expect our SG&A expenses to decrease in absolute dollars as a result of cost cutting and resource reallocation actions, and generally decrease as a percentage of revenue, as our investments in SG&A translate into higher sales. We note that there is a lag between the investment in new SG&A costs (such as the hiring of new sales personnel) and the revenue generated from those expenses, though the timing of that lag may vary by market.

As a percentage of revenue, research and development costs are expected to fluctuate from one quarter or period to another. We do not expect any significant changes in R&D spending, even as we continue enhancements and the creation of new products, and there is no requirement to do so in order to meet our revenue and strategic plans in the next 12 months. The Company continues to invest in and develop both new upgrades to our platform and new updates, and thus expects overall R&D spending to increase in absolute dollars but decrease as a percentage of total revenue.

Other Expenses

Other expenses primarily consist of imputed interest related to office lease liabilities, which will fluctuate as leases expire or are extended and due to the passage of time. During Q4 Fiscal 2024, the Company incurred $0.1 million of one-time severance costs from its realignment and nominal interest on the Company's new credit facility executed on March 28, 2024.

	for Three-month period ended			Fiscal Year, period ended	
figures in U.S. dollars, thousands	Mar 31, **2024**	Dec 31, **2023**	Mar 31, **2023**	Mar 31, **2024**	Mar 31, **2023**
Severance costs	104			104	
Imputed interest	24	26	6	73	41
Interest on credit facility	2	-	-	2	-
Other Expenses, net	131	26	6	179	41

LIQUIDITY AND CAPITAL RESOURCES

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

Cash

As at March 31, 2024, the Company's reported cash balance was $2.23 million, compared to $2.19 million as at March 31, 2023.

Working Capital

Working capital represents the Company's current assets less its current liabilities. The Company's working capital as at March 31, 2024 was a $0.5 million surplus compared to a $(1.1) million deficit as at March 31, 2023. The improvement is primarily due to $2.25 million of net proceeds from the credit facility and $1.4 million of net proceeds from unit private placements, a $0.6 million decrease in accounts payable and accrued liabilities and a $0.9 million decrease in trade and other receivables, plus a $2.1 million decrease in deferred revenue due to timing of license invoices (and shift of a few large customers to quarterly invoice installments). This is actually the highest positive working capital levels for the Company since the end of COVID restrictions in 2021.

It should be noted that deferred revenue of $1.3 million reflects new and recurring licenses that are contractually non-refundable at the beginning of each annual license term and recorded based on invoice date of that binding license fee, then recognized over the license term (amortizing the deferred revenue down), versus a liability expected to be paid in cash. Thus, changes in deferred revenue can be impacted by the timing of invoicing, which is important to note since several large customers have negotiated quarterly invoice installments for the binding annual fees.

in thousands of U.S. dollars	as at March 31, **2024**	as at March 31, **2023**
Current Assets	$ 2,958	$ 3,669
Current Liabilities	2,483	4,746
Working Capital	$ 475	$ (1,077)
Deferred Revenue	1,290	3,390
Working Capital (pro forma)	$ 1,765	$ 2,313

The Company expects working capital to increase 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, investing activities and financing activities for the periods indicated.

Cash inflows (outflows) by activity:	for Three-month period ended			Fiscal Year, period ended	
in thousands of U.S. dollars	Mar 31, **2024**	Dec 31, **2023**	Mar 31, **2023**	Mar 31, **2024**	Mar 31, **2023**
Operating Activities	($1,246)	($731)	$1,757	($3,356)	$1,121
Investing Activities	0	(1)	(2)	(6)	(15)
Financing Activities	2,582	969	59	3,407	215
Net Inflows (outflows)	**$1,336**	**$237**	**$1,815**	**$45**	**$1,320**

Cash Flows Provided By (Used In) Operating Activities

Cash flows provided by (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 2024 compared to Q4 Fiscal 2023

During Q4 Fiscal 2024, cash outflow from operating activities was $(1.2) million versus cash inflow of $1.8 million during Q4 Fiscal 2023. It should be noted that two of the Company's largest customers have shifted from one-time payments for its annual licenses, to quarterly installments. This will decrease the quarterly fluctuations in operating cash flows, but we would continue to advise investors to look at moving averages to get a better reflection of improving cash flow trends.

Q4 Fiscal 2024 compared to Q3 Fiscal 2024

During Q4 Fiscal 2024, cash outflow from operating activities was $(1.2) million versus cash outflow of $(0.7) million during Q3 2024. Much of this difference in sequential cash flow came from Q4 2024 Adjusted EBITDA operating losses of $(0.3) million plus a $0.4 million decrease in accounts payable and accrued liabilities and $0.6 million decrease in deferred revenue, slightly offset by a combined $0.1 million increase in trade and other receivables and prepaids.

Fiscal 2024 Year compared to Fiscal 2023 Year

For Fiscal 2024, cash outflow from operating activities was $(3.3) million versus $1.1 million inflow for Fiscal 2023. Fiscal 2024 saw cash outflows from $1.6 million in Adjusted EBITDA losses plus a $0.6 million decrease in accounts payable and accrued liabilities and $2.1 million decrease in deferred revenue and a $0.1 increase in prepaid, partially offset by a $0.9 million decrease in trade and other receivables

Cash Flows from Financing Activities

Q4 Fiscal 2024 compared to Q4 Fiscal 2023

During Q4 Fiscal 2024, cash inflow from financing activities was $2.58 million versus an inflow of $0.06 million during Q4 Fiscal 2023. The Q4 Fiscal 2024, the Company received $0.5 million of cash proceeds from the issuance of common shares and $2.25 million from a draw on the credit facility offset by $0.09 million of office lease payments and $0.07 million of share issue costs, versus Q4 Fiscal 2023 which saw $0.16 million of cash proceeds from exercised common share warrants, offset by $0.10 million of office lease payments.

Q4 Fiscal 2024 compared to Q3 Fiscal 2024

During Q4 Fiscal 2024, cash inflow from financing activities was $2.58 million versus an inflow of $0.97 million for Q3 Fiscal 2024. The Q3 Fiscal 2024 inflow came from $1.1 million of proceeds from the issuance of common shares offset by $0.08 million of share issue costs. Share subscriptions receivable of $0.4 million relate to electronic payments for unit private placement proceeds initiated as of the financing closing date but as of December 31, 2023 were in transit or in process of settlement into cash. All outstanding share subscriptions receivable were collected in January 2024.

Fiscal 2024 Year compared to Fiscal 2023 Year

Cash flows from financing activities for Fiscal 2024 were $3.4 million versus $0.2 million for Fiscal 2023. Fiscal 2024 saw $1.6 million of proceeds from issuance of common shares and $2.25 million from a draw on the credit facility, offset by $0.3 million of office lease payments and $0.16 million of share issue costs, versus $0.6 million of proceeds from exercised common share warrants offset by $0.4 million of office lease payments for Fiscal 2023.

Cash Flows from Investing Activities

Cash flows used in investing activities relate to purchases of computer equipment. Such purchases are generally small but necessary as the Company continues to replace old laptops, buy new computers for new hires, and upgrade its development services to support new customer projects. The Company expects a minor increase in equipment purchases (under $0.1 million) during the upcoming year to replace old laptops and upgrade its development servers, to support new customer projects.

SHARE CAPITAL

	Common shares	Common share warrants	Stock options	Restricted share units
Balance, March 31, 2023	48,100,998	319,540	818,915	3,964,450
Issued	7,521,578	7,919,343	-	2,245,000
Granted	-	-	(250,000)	(521,875)
Expired	-	(319,540)	(173,915)	-
Balance, March 31, 2024	55,622,576	7,919,343	395,000	5,687,575
Issued	-	-	-	-
Cancelled	-	-	-	-
Balance, date of this MD&A	55,622,576	7,919,343	395,000	5,687,575

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.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks. The Company is exposed to credit risk and liquidity risk because of holding certain financial instruments. The Company is exposed to market risks related to financial instruments denominated in foreign currencies. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by senior management, in particular, the board of directors of Boardwalk.

Fair Value

Boardwalk's financial instruments consist of cash, trade and other receivables, accounts payables and accrued liabilities, credit facility, deferred compensation and lease liabilities. The carrying amounts of current financial instrument items approximate their fair value due to their short period to maturity. As at March 31, 2024, the Company measured all of its financial instruments at amortized cost.

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, 2024, the contractual maturities of the Company's financial liabilities are as follows:

	Carrying		From balance sheet date		
	amount	Contractual	1 year	2 years	3+ years
Accounts payable and accrued liabilities	643,032	643,032	643,032	-	-
Credit Facility	2,250,000	2,437,441	-	-	2,437,441
Deferred Compensation	241,307	241,307	241,307	-	-
Lease liability	930,996	1,067,485	388,396	400,592	278,497
	4,065,335	4,389,265	1,272,735	400,592	2,715,938

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 in INR and 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 is follows:

figures in U.S. dollars, thousands; as at	Mar 31, **2024**	Mar 31, **2023**
Cash	$15	$40
Accounts payable nad accrued liabilities	(173)	(149)
Lease liability	(76)	(10)
Other Expenses, net	**($235)**	**($119)**

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 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, 2024 by a nominal amount.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There were no changes in the Company's internal control over financial reporting that occurred during the year ended March 31, 2024 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 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. We regularly evaluate our estimates and assumptions related to revenue recognition, accounts receivable, share-based transaction expense, and warrant liability. We base our estimates and assumption on current facts, historical experience and various other factors that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the recording of revenues, costs and expenses that are not readily apparent from other sources. 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.

Estimates

Critical accounting estimates are those that require management to make assumptions about matters that are highly uncertain at the time the estimate or assumption is made. Critical accounting estimates are also those that could potentially have a material impact on the Company's financial results where a different estimate or assumption is used. The significant areas of estimation uncertainty are:

Expected credit losses

The Company's trade and other receivables are typically short-term in nature, as payment for License and Software Service Agreements is prepaid at the beginning of the license term, and the Company recognizes an amount equal to the lifetime ECL based on a probability-weighted matrix. The Company measures loss allowances based customer-specific factors, historical default rates and forecasted economic conditions. The amount of ECLs is sensitive to changes in circumstances of forecast economic conditions.

Revenue recognition

Where the outcome of performance obligations for contracts can be estimated reliably, revenue is recognized. The Company recognizes revenue when obligations have been satisfied and, where such provisions exist, the Company does not begin revenue recognition for license subscriptions that have conditional or trial periods until such periods expire. Where the outcome of performance obligations for sales contracts cannot be reliably measured, contract revenue is recognized in the current year to the extent that costs have been incurred until such time that the outcome of the performance obligations can be reasonably measured. Significant estimation assumptions are required to estimate total contract costs, which are recognized as expenses in the year in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

Leases

Lease terms are based on assumptions regarding extension terms that allow for operational flexibility and future market conditions.

Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Determining the fair value of such share-based awards granted as common share warrants and stock options requires estimate as to the appropriate valuation model (Black-Scholes pricing model) and the inputs for the model require assumptions including the rate of forfeiture of warrants or options granted, the expected life of the warrant or option, the Company's share price and its expected volatility, the risk-free interest rate and expected dividends. RSUs are valued based on the market price of the Company's shares at the time of grant.

Deferred taxes

Deferred taxes are based on estimates as to the timing of the reversal of temporary and taxable differences, substantively enacted tax rates and the likelihood of assets being realized.

Judgments

Judgment is used in situations when there is a choice and/or assessment required by management. The following are critical judgments apart from those involving estimations, that management has made in the process of applying the Company's accounting policies and that have a significant effect on the amounts recognized in the consolidated financial statements.

Going concern

The going concern assessment requires management's judgment on the ability of the Company to achieve positive cash flow from operations and/or obtain necessary equity or other financing to increase the number of licensed customers and continue with expansion in the digital ledger market.

Leases

The incremental borrowing rates are based on judgments including economic environment, term, currency, and the underlying risk inherent to the asset. The carrying balance of the right-of-use assets, lease liabilities, and the resulting interest expense and depreciation expense, may differ due to changes in the market conditions and lease term.

Contingencies

Management uses judgment to assess the existence of contingencies. By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. Management also uses judgment to assess the likelihood of the occurrence of one or more future events.

Taxation

The calculations for current and deferred taxes require management's interpretation of tax regulations and legislation in the various tax jurisdictions in which the Company operates, which are subject to change. The measurement of deferred tax assets and liabilities requires estimates of the timing of the reversal of temporary differences identified and management's assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income before they expire, which involves estimating future taxable income.

The Company is subject to assessments by various taxation authorities in the tax jurisdictions in which it operates and these taxation authorities may interpret the tax legislation and regulations differently. In addition, the calculation of income taxes involves many complex factors. As such, income taxes are subject to measurement uncertainty and actual amounts of taxes may vary from the estimates made by management.

ACCOUNTING PRONOUNCEMENTS

The Company adopted amendments to certain accounting pronouncements effective April 1, 2023, however, the amendments had no impact on the Company's March 31, 2024 audited consolidated financial statements nor do the amendments relate to accounting policies considered material to the Company. An accounting policy is considered material to the Company if it provides information to facilitate the understanding of other material information reported and disclosed in the Company's consolidated financial statements.

The Company has reviewed amended accounting pronouncements that have been issued but are not yet effective and determined that the following pronouncements are applicable to the Company but are not expected to have a material impact:

IAS 1 Presentation of Financial Statements

Effective for the Company on April 1, 2024, amendments to IAS 1 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability as current or non-current.