

Novra Announces Financial Results for Q3 and the First Nine Months of 2023

Winnipeg, Manitoba--(Newsfile Corp. - November 30, 2023) - Novra Technologies Inc. (TSXV: NVI) (OTCQB: NVRVF) ("Novra") has released its financial results for the nine months ended September 30, 2023. All amounts are in Canadian dollars unless otherwise noted.

Novra is pleased to announce a profitable Q3, along with improved gross margins and continued reductions in operating expenses for the nine-month period. Our third quarter results were positive with a net income of \$102 thousand and \$253 thousand Adjusted EBITDA⁽¹⁾.

Our financial performance improved significantly after a slow start to the year. Although our nine-month revenue was down by \$888 thousand, our net income loss improved by 55%, or \$464 thousand, over the same period of 2022. The positive Q3 results partially offset losses incurred in earlier quarters. Novra's substantial deferred revenue of more than \$1.6 million as of September 30, 2023, also provides some positive visibility into future revenue.

Pent up demand is continuing to grow in our markets as networks maintain their existing infrastructure longer. Infrastructure replacements will be necessary due to technology obsolescence, aging equipment, and new business requirements. However, this is countered by the economic uncertainty, higher interest rates and contracting availability of capital that are leading businesses to delay these investments. We are therefore continuing to adjust expenditures to address these economic conditions.

Novra's cash position at the end of the period was strong, with bank deposits of over \$1.2 million, \$1.4 million in cashable guaranteed investment certificates (GICs), and a bank credit facility of \$845 thousand providing a large pool of liquid funds.

The following financial summary shows results for the three and nine months ended September 30, 2023.

(In Thousands)	Three Months Ended September 30,			Period Ended September 30,		
	2023	2022	% Chg	2023	2022	%Chg
Revenue by type:						
Products	\$ 821	\$ 1,809	-55%	\$ 2,140	\$ 4,267	-50%
Services	419	332	26%	2,379	1,141	109%
Total revenue	1,241	2,141	-42%	4,519	5,408	-16%
Gross profit	913	999	-9%	2,495	2,517	-1%
<i>Gross margin</i>	<i>73.6%</i>	<i>46.7%</i>		<i>55.2%</i>	<i>46.5%</i>	
Operating expenses	802	1,008	-20%	2,858	3,319	-14%
Operating income (loss)	111	(9)	NM	(362)	(802)	-55%
Other income (expenses)	(9)	23	NM	(10)	(34)	-71%
Net income (loss) as reported under IFRS	\$ 102	\$ 14	632%	\$ (372)	\$ (836)	-55%
Adjusted EBITDA - non-IFRS measure⁽¹⁾	\$ 253	\$ 318	-20%	\$ 13	\$ 188	-93%

(1) Refer to the Management's Discussion & Analysis ("MD&A") for a reconciliation of Adjusted EBITDA to Net Income (loss) as reported under IFRS. Amounts in the table may not reconcile due to rounding differences.

At \$4.5 million, revenue for the period was 16% lower than last year. However, improved gross margin (55.2% versus 46.5%) and a 14% reduction in operating expenditures resulted in only a small reduction (\$22 thousand) in gross profit. The shift in product/service mix in 2023 was instrumental in the improved gross margins and net income loss compared to the same period in 2022.

In recent months, we've seen many customers taking small steps to refresh and/or expand their networks, although at a cautious pace influenced by their challenging market conditions. With this measured approach, many are looking at software and service solutions, to reduce or eliminate the need

to invest in capital equipment, and we are addressing this with expanding software and service offerings. The work we've done and our substantial R&D investment over the past several years are paying off as we book more and more service business.

As always, we continue to invest in innovation initiatives addressing our customers' current and emerging needs and in building customer relationships - the core of our business.

"The entire Novra team is here to support our customers in meeting their business goals, by providing the powerful new products and services, responsive support, and technical expertise they need now and into the future. Our businesses have been in operation for more than 30 years, so we understand the importance of long-term relationships with our customers. That's why our products, services and overall business operations are all designed around earning the trust of our customers every day, over decades. As customers work through challenging times or embrace exciting new opportunities, we see our role as being an extension of their team, supporting them toward their next great achievements," said Patti Gair, Executive Vice President, Business Operations.

For additional details on Novra's results and outlook for the nine months ended September 30, 2023, please refer to our MD&A and Consolidated Financial Statements, which are available on SEDAR+ (www.sedarplus.ca).

About Novra Technologies Inc.:

Novra (TSXV: NVI) (OTCQB: NVRVF) is an international technology provider of products, systems and services for the distribution of multimedia broadband content. The Novra Group of companies includes Novra Technologies Inc, International Datacasting Corporation, and Wegener Corporation. The companies in the group are known for a strong focus on applications, including: broadcast video and radio, digital cinema, digital signage, and highly reliable data communications.

For more information visit: www.novragroup.com

Forward-Looking Statements:

This press release contains "forward-looking statements" within the meaning of applicable Canadian securities laws, concerning but not limited to: our profitability outlook, the pending acquisition of Wegener, and anticipated developments in our operations in future periods. Forward-looking statements are generally identifiable by words such as "expect", "anticipate", "believe", "intend", "estimate", "predict", "outlook", "opportunity", "momentum", "potential", "targeted", "plans", "possible", "positive indication for", "looking forward to", "scheduled to", "in the process of", "getting ready to", "is starting to", and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. As such, forward-looking statements are not historical facts but reflect our current assumptions and expectations regarding future events. These are subject to a number of risk and uncertainties that could cause actual results or events to differ materially from current expectations and assumptions. Some of these risks and uncertainties are described under the "Risks and Uncertainties" section of Novra's MD&A.

For the above reasons, readers are cautioned not to place undue reliance on forward-looking statements.

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

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