



MANAGEMENT'S DISCUSSION & ANALYSIS

Periods ended September 30, 2025 and 2024
(Expressed in Canadian dollars)

The following Management's Discussion and Analysis ("MD&A") of Novra Technologies Inc. ("Novra") should be read in conjunction with the Consolidated Financial Statements for the periods ended September 30, 2025 and 2024, and related notes included therein (the "Consolidated Financial Statements"). These Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All information in this MD&A is presented in Canadian dollars, unless otherwise indicated. Tabular dollars are in thousands, except per share amounts. **Amounts in tables may not reconcile due to rounding differences.**

Throughout this MD&A, "we", "us", "our", "Novra", and "Company" refer to Novra Technologies Inc. and its subsidiaries.

This MD&A is dated as of December 1, 2025 and is current to this date. The MD&A and the Consolidated Financial Statements were approved and authorized for issuance by the Board of Directors on December 1, 2025.

Financial statements, MD&A and other information relating to Novra are available on SEDAR+ at www.sedarplus.ca.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking statements" within the meaning of applicable Canadian securities laws, concerning but not limited to: our outlook, the expected cost savings from integrating Wegener operations with the Novra Group, proposed acquisition of remaining 48.4% of Wegener, anticipated developments in our operations in future periods, the adequacy of Novra's financial resources and other events and conditions that may occur in the future. Forward-looking statements are generally identifiable by words such as "expect", "anticipates", "believes", "intends", "estimates", "predicts", "potential", "promising", "targeted", "plans", "possible", "position for", "prepare for" 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 risks 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 herein under the "Risks and Uncertainties" section of this MD&A.

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

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BUSINESS OVERVIEW

Novra Technologies Inc. (headquartered in Winnipeg, Canada) is a public company on the TSX Venture Exchange ("TSX-V"), which trades under the stock symbol NVI. Novra is also listed in the United States on the OTCQB Venture Exchange, under the symbol NVRVF. Novra owns International Datacasting Corporation ("IDC") based in Ottawa, ON, Canada, as well as controlling interest in Wegener Corporation ("Wegener"), based in Atlanta, GA, USA. Both are long-time leaders in multimedia broadband distribution infrastructure. Together they make up the Novra group of companies ("Novra Group"). For more background see the website at www.novragroup.com.

Novra is a global business with customers on every continent. We provide technology for distribution of broadband data via satellite and IP networks with a specialization in broadcast media. The Novra Group companies offer a comprehensive portfolio of products, systems, and services. Products include hardware and software tailored for advanced applications in key vertical markets: video, radio, and data distribution, digital cinema and digital signage. Areas of expertise and added value include: encryption, next-generation hybrid networks (satellite/terrestrial/cloud), and efficient bandwidth utilization. Novra also has a long and successful history of providing highly-reliable customized hardware, software and service solutions to meet the specific requirements of businesses and governments across the globe.

About our business

Both market-leading standard offerings and customer-specific solutions

Novra companies are recognised for applying our extensive expertise, experience and intellectual properties to meet the specific needs of customers. This can be in the form of integrating our products into powerful systems, making incremental developments to tailor them for specific applications, or designing bespoke hardware, software or solutions. Our building block approach to development has resulted in a toolbox full of components that can form the foundation for quickly delivering new products and custom solutions, particularly in the areas of media distribution over a variety of distribution channels; highly-secure encrypted communications; satellite, ATSC or cable system receivers; or management and control of large fleets of devices (IoT).

Media distribution

The media distribution landscape is going through major upheaval driven by a combination of market and technology factors. Important changes include:

- **Content is changing.** With the explosion of streaming media—video and audio—long form content, limited series, live versus on-demand, the demand for media is growing and evolving.
- **Revenue models are changing.** Advertising can be much more precisely targeted. New subscription models are emerging. Licensing and underwriting practices are changing. Content is being accessed in more granular models (e.g., through specific apps vs. bouquets of live channels).
- **Expense model preferences are changing.** Some businesses are embracing the trend away from one-time infrastructure CAPEX and toward OPEX, paying over time for products and services as they use them. They are often looking to minimize the up-front expense of large infrastructure investments and instead moving toward pay-as-you-go operating expenses. At the same time, others are taking a longer view and moving back toward a preference for one-time CAPEX investments in an effort to minimize total cost of ownership over the long term.

- **Distribution platforms and architectures are changing.** The legacy model of distribution of channel-based media as a broadcast via satellite- "point to multipoint"- is evolving into a bandwidth intensive hybrid satellite/internet model.

These changes are happening fast, and networks are looking for infrastructure that can support these changes - solutions that are adaptable and upgradeable and that can be provided as products and/or services. In many cases this means a move away from purpose-built hardware to software- and service-centric solutions that are scalable, flexible, and cost-effective. We are focused on providing the technology and expertise to advance this paradigm shift.

Embracing and enabling change: designing for today and tomorrow

While addressing the current needs of our customers and key markets, our business strategy is always driving to meet emerging needs through innovation. We're:

- **Targeting the applications and geographical markets where satellite technology still thrives** including government applications (communications, weather, defense) in North America and around the world, international markets where geographical population distribution is wide and availability of terrestrial broadband is low (such as Latin America and Australia), as well as longtime customers with existing networks that continue to evolve and grow.
- **Diversifying into hybrid and IP distribution where we have competitive advantages and see opportunity.** Our products support both satellite and IP distribution and are designed for maximum interoperability.
- **Broadening the available solution architectures.** Our software-based products are available on purpose-built appliances, can be run on off-the-shelf hardware or can be provided as cloud-based services. This provides our clients with the option to use the combination of architectures that best meets their needs.
- **Addressing our customers' need for migration strategies**—We have the expertise and solutions to be a valuable partner to networks as they plan their approach to evolving business needs, new technologies and changing market conditions. We partner with our customers to help them decide whether, when, and how to migrate their systems.

Smart products:

We are taking innovative initiatives to improve functionality, reduce costs, and open new markets for our products:

- We continue to be pioneers in cloud delivery for broadcasters. Our **MISTiQ** managed cloud solution for broadcasters is now in its third generation. It's a mature, proven platform that allows broadcasters (radio and/or video) to use the internet for backup/redundancy, to expand their reach beyond the satellite footprint, even to migrate completely to internet delivery.

The internet is an inhospitable environment for broadcasting, which requires low-latency and reliable timing. MISTiQ uses aggressive strategies for mitigating the challenges of this environment and provides extremely low-latency and high availability. It features a containerized microservices architecture for extensive scalability and includes feature-rich monitoring tools to give customers more visibility and control over their data.

- We recently launched **Cortex**, a highly flexible and scalable platform for centralized management and control of remote devices, as well as integrated oversight of additional functions specific to the

business environment in which it is deployed. For example, our Cortex implementation for the broadcast market brings together content management, playout scheduling, and hardware monitoring into a single, secure interface—making content management and control simple and efficient.

Cortex is built on the MQTT network protocol and uses TLS encryption and device authentication, making it ideal for applications in the rapidly expanding IoT market, including:

- Asset tracking & logistics – monitoring vehicles, containers, valuable equipment, and shipments (without GPS)
 - Agriculture – soil and weather sensors, irrigation control, livestock tracking, and precision farming
 - Industrial automation – facility management, supply chain tracking, predictive maintenance, and shipping
 - Emerging applications – including smart cities, autonomous vehicles, consumer devices, and more
- We also continue to expand our **MAP** series of products. MAP stands for Modular Architecture Platform and it is designed as a set of building blocks that can be put together in various combinations to form a resilient, reliable hardware platform customized/adapted to particular vertical markets or specific customer requirements. For example, MAP Pro Audio has professional balance audio outputs, MAP Pro Cinema has expanded on-board storage for very large files, and MAP Pro Video has specialized video outputs. By using common elements, we reduce both the time to market and inventory requirements.
- We are expanding the list of our products that can be virtualized, offered as software on off-the-shelf servers or in the cloud. This offers our customers new flexibility and versatility to simplify their network design and minimize costs. For some time we have virtualized our head-end control systems, greatly decreasing the complexity of head ends and making them more cost-effective. Now we are introducing virtualization in our MISTiQ and audio product lines including Audiocaster Pro. The virtualized Audiocaster Pro (which we first demonstrated at the 2024 NAB Show) enables broadcasters to incorporate full network broadcast reception technology (Audiocaster Pro) into their modern virtualized infrastructure such as consoles. Additionally, by virtualizing our MISTiQ Gateway, for example, we can integrate our MISTiQ broadcast technology in third-party devices such as Encoders - again reducing cost and complexity.
- We continue to lead the market in IP Encapsulation and encryption solutions, as well as lifecycle support for mission-critical networks.

Our business focus:

We are leaders in an important market niche—**mission-critical professional networks that require rapid, ultra-reliable content delivery**, whether for sharing vital weather data critical to forecasting and aviation control, a live on-air broadcast, urgent secure defence data, the latest Hollywood blockbuster, or encrypted block chain data. Our core product lines are applicable across a range of vertical markets. This provides a diversified business base. Our target vertical markets are:

- *Data distribution:* Our broadband multimedia distribution technology is ideally suited for fast, ultra-reliable, secure delivery of data via satellite or private IP network. In addition to providing hardware infrastructure (transmit and receive), we offer an advanced content distribution network (CDN) software solution, Datacast XD, with sophisticated file broadcasting capabilities and Cyphercast, a specialized software solution to encrypt high-value data and streams where security is paramount.

- ***Broadcast Radio:*** We are a leading global provider of turnkey infrastructure solutions for broadcast radio networks small, medium, and large. We have a reputation for reliable, cost-effective delivery of high-quality audio via satellite, terrestrial, or hybrid networks. The radio product line includes uplink and receive-site equipment as well as network management, encryption, and targeted regionalization/ad insertion options. We have long-established and respected product lines as well as innovative new products recently released for this market and disruptive leading-edge new products in development.
- ***Satellite and terrestrial broadband receivers:*** We offer a line of highly reliable and cost-effective DVB and ATSC compliant receivers for the expanding broadband communications network market. These receivers provide standalone communication gateways to local networks or have been integrated into a wide range of purpose-built appliances.
- ***Video distribution:*** Our products and systems provide end-to-end solutions for traditional and non-traditional video networks. This is a key focus area for our innovation activities, including projects in augmented reality, remote collaboration, and emerging technologies. Our video products target the following key market niches:
 - Delivery of live and file-based video content distribution
 - Digital signage
 - IPTV
 - Professional-quality streaming video
 - Broadcast video networks of all sizes
 - Digital program insertion (for targeted advertising, regionalization, and blackout management)
- ***Digital Cinema:*** We provide leading digital cinema networks with their core distribution infrastructure (uplink equipment, content management, and network management) and high-end appliances for cinemas as well as decoders for live events and alternative content (entertainment and sports) in 2D and 3D. Additionally, we offer a digital cinema distribution software solution for integration onto commercially available servers and third-party equipment. This product line enables our solutions to provide secure file delivery speeds that are unparalleled in the market and ultra-low latency internet distribution for live events.

In addition to addressing these broad market requirements, we are focused on being valued partners to our customers, addressing their particular challenges and opportunities. We are continuing to invest in understanding our customers' businesses and providing the products, services and expertise to support their success. At the same time, we are drawing on the specific domain knowledge and operational expertise of selected customer-partners in driving the direction of our future offerings, including virtualized products and SAAS services.

Our competitive advantage is our people, with more than 30 years of knowledge and experience in developing innovative products, along with the deep relationships that we have established with our international network of reseller partners and, of course, our clients. These close customer relationships give us important market insights that, combined with our extensive engineering experience, form the foundation for our continuing development of advanced products and flexible solutions.

OVERALL PERFORMANCE

Strong revenue in the first nine months of 2025, combined with significantly lower operating expenses, drove improved profitability. Revenue for the first nine months of 2025 is \$4.0 million, significantly above \$2.5 million in the same period of 2024. Gross margin improved to 52.3% from 50.0%, while net income increased to \$509 thousand from a net loss of \$1.6 million during the same period in 2024.

More than \$1.7 million in order backlog was brought forward from 2024 into 2025 and almost all of this was delivered before September 30. Other orders booked in the first nine months of this year have predominantly shipped from inventory or with very short lead-times.

On September 30, 2025, Novra had a deferred revenue balance of \$1.3 million, of which \$1.1 million was current and expected to be recognized within the next 12 months, and \$391 thousand in customer deposits. These combine to provide Novra with a significant pool of already-booked orders to be delivered in coming quarters.

We are continuing to see world markets under increased and fluid protectionism and tariff turmoil creating an ever shifting and complex environment for businesses, including ours. However, as the result of several strategic steps we have taken over the past several years, such as operating manufacturing facilities in both Canada and the US along with selecting many of our subcontractors to be North American based, Novra is better positioned than many others to weather this storm. Our current healthy inventory level of \$898 thousand is allowing us to ship many recent and incoming orders from stock and at costs that were not affected by increased tariffs on production inputs. However, the overall impact of current and any future protectionist efforts by US and other governments to curb free international trade cannot be predicted and may be substantial.

While shifting trade policies, economic uncertainty, and geopolitical instability continue to affect some customers and cause order delays, equipment replacements and upgrades are becoming essential due to obsolescence, aging hardware, and evolving business needs, such as enhanced cybersecurity. This year, we've seen more orders from defence organizations investing in secure network upgrades and expansion. Other customers are also beginning infrastructure improvements focused on enhanced security and reduced operating costs.

In adapting to these evolving market dynamics, management has, and will continue to, take targeted actions – both in the form of strategic investments and in cost controls. The changes we are seeing are bringing both opportunities and challenges. We continue to invest in innovation initiatives to help our customers succeed in their changing markets, and in building customer relationships to understand and address current customer needs and position Novra for future growth. Concrete examples of this include our recent delivery of next-generation data receivers after successful qualification under a government-wide program and our recent introduction of Cortex, a unified software platform and service for centralized management of media distribution as well as remote device control - expanding our offerings for broadcast monitoring and control to also include many types of IoT networks.

On September 30, 2025, Novra had \$1.5 million in cash and \$845 thousand available on its undrawn credit facility, providing total liquidity of approximately \$2.4 million, plus we had \$880 thousand in trade and other receivables, positioning us well to continue making strategic investments to reach customers and develop innovative solutions to meet their requirements.

The financial highlights shown below are derived from our Consolidated Financial Statements and include consolidation of Novra's subsidiaries; International Datacasting Corporation and Wegener Corporation (51.6% controlling interest).

Q3 2025 vs. Q3 2024:

- Revenue was \$1.2 million in Q3 2025, compared to \$703 thousand in Q3 2024, an increase of \$509 thousand. The increase is primarily the result of much stronger product revenue, including delivery of new orders for the recently qualified MAP-GBS platform to government customers.
- Gross profit was \$772 thousand, representing 63.7% of total revenue, compared to \$410 thousand, which was 58.4% of total revenue. The change in gross margin percentage in Q3 2025 was

primarily the result of spreading fixed costs over higher revenue and the reduction of staffing costs that resulted from IRS Employee Retention Credits (ERC) related to earlier periods that were received in Q3. These ERC credits reduced both cost of goods and operating expenses.

- Operating expenses were \$900 thousand in Q3 2025, up from \$722 thousand in Q3 2024, an increase of 24.6%. The increase compared to Q3 2024 was primarily due to forgiveness of a significant accrued liability that was recognised in Q3 of 2024.
- Net loss was \$144 thousand in Q3 2025, compared to a net loss \$361 thousand in Q3 2024, a \$216 thousand improvement driven by increased revenue and higher gross margin percentage.
- Adjusted EBITDA* was a gain of \$62 thousand in Q3 2025, compared to a loss of \$192 thousand in Q3 2024. This change is largely the result of the improvement in net income.

First nine months of 2025 vs. 2024:

- Revenue was \$4.0 million for the nine months ended September 30, 2025, compared to \$2.5 million in 2024, an increase of \$1.5 million. This 59.5% increase is primarily the result of both completing shipments against backlogged orders brought into the year and shipments against more new orders received in the current period.
- Gross profit was \$2.1 million in 2025, compared to \$1.2 million in 2024, an increase of 67.0%. Gross margin improved to 52.3%, compared to 50.0% in the prior year. The increase was primarily the result of spreading fixed costs over higher revenue, the reduction of staffing costs that resulted from ERC credits and the specific product/service mix.
- Operating expenses were \$2.1 million in 2025, compared to \$2.7 million in 2024, a decrease of 21.6%. The ERC credits that reduced staffing costs in the current period contributed to this reduction, but forgiveness of a substantial accrued liability that reduced operating expenses in the comparison period significantly offset this effect.
- Net income was \$509 thousand in 2025, compared to a net loss of \$1.6 million in 2024, representing a \$2.1 million improvement. The improvement primarily reflects higher revenue, reduced operating expenses and increased other income, including \$659 thousand in finance income mostly related to forgiveness of certain accounts payable 2025.
- Adjusted EBITDA* was a gain of \$1.2 million in 2025, compared to a loss of \$925 thousand in 2024. The improvement was largely driven by stronger operating performance and higher net income in the current period.

*Adjusted EBITDA is a non-IFRS financial measure. Adjusted EBITDA provides an important financial measure of Novra's operating performance, allowing comparison of core operating results from period to period. Refer to the "EBITDA and Adjusted EBITDA" section and the table under the "DISCUSSION OF OPERATIONS" section for details regarding calculation of this non-IFRS measure.

Our ongoing drive to realize synergies and efficiencies across the group continued to result in reductions in on-going consolidated operating expenses compared to previous years. We will continue to actively control and adjust operating expenses in response to company performance and current volatile market conditions.

Results and Outlook

We are still dealing with difficult market conditions with often-changing tariffs, increasing trade barriers and escalating uncertainty in the overall environment for international trade, along with ongoing armed conflicts and the potential for local or global recession, which are causing many entities to delay large capital purchase commitments. All of these influences have, and are expected to continue to, put downward pressure on revenue and gross profit. Novra's adaptive strategy to deal with these challenges includes maintaining production capabilities in both Canada and the US, closely managing operating expenses,

remaining flexible to respond to changing conditions, and investing strategically to ensure we are positioned well to respond to customer needs when they make the decision to purchase.

Our clients continue to navigate and adapt through these challenging circumstances to ensure operational reliability of their networks. We play a major part in helping them to achieve their goals by providing expert support services, powerful new products, and customized solutions, which enhance their networks and enable more reliable service to their customers. Their continued confidence in choosing our products and services is demonstrated in the many repeat orders and service renewals we receive. We continue to pride ourselves on being a partner to our customers, there to support them through all business cycles.

Our targeted marketing efforts and our client-centric R&D activities have resulted in new products and service offerings, which generated enthusiastic responses from government and broadcast customers at recent tradeshow and in one-on-one sales visits and partner discussions. We also continue to invest in development of new technologies for use in future products. We are consistently flexible in our product development, with an eye on technological trends and new communications standards, to ensure our products remain relevant throughout their life cycle and provide a valued investment to our clients.

An important component of our R&D strategy is an emphasis on software and services. One example is the recent development of our Cortex network management and control platform for content distribution and management of large and small networks of IoT devices. Another has been the on-going development and enhancement of the MISTiQ platform for cloud-based distribution of content. We are also virtualizing certain products – breaking their dependence on specific hardware, so they are available as software run on purpose-built appliances, off-the-shelf hardware, or provided as cloud-based services. This approach is increasingly popular with customers who want the option to source their own hardware or move to a service-based solution. Transitioning to more recurring revenue from software licenses and services also supports our strategic goal to generate a more consistent and predictable recurring revenue base. The work we've done and our substantial R&D investment over the past several years is paying off as we book new service business.

Highlights of 2025 so far

In late 2024 and early 2025 we saw many current customers taking small steps to refresh and/or expand their networks at a cautious pace due to challenging market conditions. In 2025 so far we've seen significant growth in product and service sales in the government data broadcasting market and steady orders for our radio program broadcasting offerings. There are also positive indications as some customers are beginning to slowly start moving ahead with larger projects. Our ongoing technology enhancements are targeted at providing the new features that can immediately benefit their businesses. This includes shifting to hybrid IP and satellite networks as well as offering software-based and recurring service-based solutions.

Some significant recent developments include:

- ❖ **Customer Specific Solutions:** In keeping with our long history of providing customers with specialized solutions, where we combine our engineering expertise with our suite of highly reliable off-the-shelf products to configure or modify them as needed. Orders for non-recurring engineering and customization of products continued as customers looked for solutions for their specific business and technical requirements.
- ❖ **Government SATCOM Software Modernization:** We completed and delivered a significant software development project for a leading SATCOM prime contractor, supporting the upgrade and modernization of management and control software for a longstanding U.S. government communications platform featuring our Novra data receivers. This work strengthens our role as a

trusted technology partner in critical government programs.

- ❖ **New Radio Network Deployment in the Middle East:** We delivered a new radio network in one of the Gulf States featuring our MAP Pro Audio receivers. This deployment highlights the continued global demand for our audio distribution solutions.
- ❖ **Renewed U.S. Government Activity:** With the recent resolution of a U.S. government shutdown, we are seeing renewed interest and increased activity for our government-focused products and services. This includes growing engagement around—and early adoption of—our MAP Pro Data GBS receiver.
- ❖ **Global Demos in Digital Signage and Advanced Applications:** We have multiple active demonstrations underway across international markets for digital signage and other advanced applications. These demos are a key step in the evaluation and selection process for larger-scale network deployments.
- ❖ **Adjacent Market Expansion Initiative:** We have launched a new marketing and R&D initiative to evaluate expansion into promising adjacent markets, in cooperation with strategic partners. This work supports our long-term growth strategy and leverages our core strengths in distribution technologies along with our well-established network of expert partner organizations.
- ❖ **Major European Radio Network Order:** We continued deliveries against a large order to provide next-generation distribution infrastructure to reliably control and deliver audio content to hundreds of radio stations for a major European broadcast radio network. While details cannot be shared at the current time due to confidentiality considerations, more information is expected to be released as the system is commissioned and rolled out.
- ❖ **IP Infrastructure:** New orders from for a number of our IPE-4000A and IPE-4000B IP Encapsulators reflect our continued longevity in key internet protocol infrastructure technology. The IPE-4000B is our latest-generation IP Encapsulator, which began shipping in early 2025.
- ❖ **Next-Generation High-Reliability Products:** We continue to receive orders related to our high-reliability products used in US government projects. The strong interest in this area is on-going and we recently released an updated MAP PRO Data that adheres to the Department of Defence Security Technical Implementation Guide (STIG). This brings cybersecurity to the next level in our products—an increasingly important feature in both commercial and government markets. Government customers recently completed evaluations and acceptance of our next generation of satellite receivers, which include integrated advanced encryption functionality. We have delivered multiple orders for this product so far in 2025, including to the U.S. Space Force.
- ❖ **New Management & Control Platform:** The new Cortex platform for management and control was introduced at the NAB show in April 2025. This system leverages modern IoT protocols and is architected to be capable of managing both large and small networks of various types of IoT devices—including our own receivers—with the flexibility to tailor it for the specific requirements of different networks. The initial implementation is targeted to meet the needs of the broadcast radio industry. We continue to roll this out and are receiving excellent feedback from customers. Preparations are underway for a broader commercial launch, positioning Cortex as a key element of our future growth.
- ❖ **Meeting with Customers and Showcasing our Offerings:** In addition to one-on-one meetings with some of our key customers, so far this year we've participated in several industry events including Canada's Western Innovation Forum, the Satellite 2025 Conference and Exhibition in

Washington DC as well as the new GovMilSpace show. We successfully exhibited at the NAB Show 2025 in Las Vegas, meeting with customers and partners, as well as contacts old and new.

- ❖ **MISTiQ's Growing Momentum:** Our cloud service for broadcast, MISTiQ, continues to see traction in the market and is currently delivering content for networks in various markets and locations from Canada to Australia. We are particularly pleased that our existing customers continue to renew their contracts with us for this business-critical service. As the broadcast industry increasingly moves to terrestrial delivery and software solutions in order to reduce costs and extend reach, we are there to help with proven products and service.
- ❖ **Legacy Product Inventory Management:** In line with our commitment to support long-time customer networks, we have maintained a strategic inventory of specific legacy products. This initiative continues to support our long-standing customers in maintaining their operations without disruption while we at the same time progress innovative solutions for the future.
- ❖ **New Government Market Partners:** As part of the uptick in our government business, we are working to expand the number of partners we work with to support various government and defence-related initiatives in the US and with our allies around the world.
- ❖ **Long Term Sustainable Networks:** Orders for support contract renewals and equipment to maintain and grow existing networks—across all vertical markets and sectors including government and commercial clients—are strong as we support our customers in maintaining long-term sustainable networks as they continue to operate existing infrastructure longer. We were recently awarded two significant U.S. government support contracts for long-running essential programs, reinforcing our trusted position in supporting critical networks.
- ❖ **New and Expanding Video Networks:** We've received recent orders from video broadcasters in Europe, Asia, Africa and Latin America and are now seeing an uptick in interest from several Mexican broadcasters.
- ❖ **Audio Network Orders:** We continue to receive orders from new and recurring audio network customers around the world. Recently this included a follow-on order for our MAP-Pro Audio units from Taiwan's Voice of Han. Follow-on orders like this reflect strong customer satisfaction and confidence.
- ❖ **Expansion in Digital Signage/Enterprise Video:** We received additional follow-on orders from digital signage/enterprise video networks in the US and Mexico and digital signage advertisers in Canada. These orders further solidify our strong relationships with key long-term partners in this market.
- ❖ **Weather Data Distribution Focus:** Our weather data distribution business continues to be quite active, as government-operated weather data programs launch next-generation satellites with new requirements. Our specialization in this application puts us in an advantageous position to meet their new requirements.

Overall, these accomplishments highlight our ability to deliver innovative solutions, strengthen long-standing customer relationships, and build momentum for future growth.

We continue to integrate and improve our product lines—adding new features and new capabilities—to address increasing opportunities to grow market share in key vertical markets. We also continue to push forward on our corporate vision to bring together great companies with complementary technologies to capitalize on both existing and emerging market opportunities. Our new products have integrated features and a consistent “look and feel”, communicating to the market (including long-time customers) that we are a

strong, unified company. Our engineering team is integrated across companies and is focused on efforts to provide world-class leading-edge products, services and solutions to our clients.

Novra is a strong, scalable, global company oriented to the growing multimedia broadband content distribution business. We are focused on meeting the needs of our clients, who are looking for flexible, cost-effective solutions. Our product development is centred on listening and responding to identified client requirements as well as anticipating next-generation innovations. More and more, our hardware is becoming a platform for increasingly powerful and sophisticated software—bringing agility, forward compatibility, and longevity to the lifespan of our products.

DISCUSSION OF OPERATIONS

The following table shows selected information from our Consolidated Financial Statements, including a reconciliation of IFRS to non-IFRS measures, for the period indicated:

(In thousands)	Three Months Ended September 30,			Period ended September 30,		
	2025	2024	% Chg	2025	2024	% Chg
Revenue by type:						
Products	\$ 712	\$ 237	200.4%	\$ 2,559	\$ 959	166.8%
Services	499	466	7.1%	1,409	1,529	-7.8%
Total revenue	1,211	703	72.3%	3,968	2,488	59.5%
Gross profit	772	410	88.1%	2,077	1,244	67.0%
<i>Gross margin</i>	63.7%	58.4%		52.3%	50.0%	
Operating expenses	900	722	24.6%	2,120	2,703	-21.6%
Operating income (loss)	(128)	(311)	-59.0%	(43)	(1,459)	-97.0%
Other income (expenses)	(17)	(50)	-65.5%	552	(114)	NM
Net income (loss) as reported under IFRS	\$ (145)	\$ (361)	-59.9%	\$ 509	\$ (1,573)	NM
Adjustments:						
Finance costs	40	42	-5.9%	119	133	-10.5%
Depreciation and amortization	194	120	61.8%	585	534	9.6%
EBITDA - non-IFRS measure	89	(199)	NM	1,213	(906)	NM
Loss (gain) on foreign exchange	(27)	8	NM	(12)	(19)	-35.9%
Share-based compensation	0	0	NM	0	0	NM
Adjusted EBITDA - non-IFRS measure	\$ 62	\$ (192)	NM	\$ 1,200	\$ (925)	NM

NM – Not meaningful

*EBITDA and Adjusted EBITDA are non-IFRS financial measures. EBITDA and Adjusted EBITDA provide important financial measures of Novra's operating performance, allowing comparison of core operating results from period to period. Refer to the "EBITDA and Adjusted EBITDA" section for details regarding calculation of this non-IFRS measure.

Revenue and Gross Margin

Revenue for the nine months ended September 30, 2025, increased to \$4.0 million from \$2.5 million in the same period of 2024. Gross profit was \$2.1 million, up from \$1.2 million in 2024. The gross margin percentage for the nine-month period increased from 50.0% in 2024 to 52.3% in 2025, driven by fixed costs being spread over higher revenue, receipt of ERC credits, and the specific product/service mix.

The Company's top 10 customers accounted for 75.9% of total revenue for the nine months ended September 30, 2025, with the largest customers representing 32.1% and 14.1%, or \$1.8 million in aggregate. No other customer accounted for more than 10% of total revenue. For the same period in 2024, the top 10 customers accounted for 70.4% of total revenue, the largest accounting for 22.0%, 13.6%, and 10.9%, or \$1.2 million in aggregate. No other customer accounted for more than 10% of total

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revenue. The Company continually monitors its revenue concentration risk and seeks to diversify its customer base.

While our revenue may be concentrated with a few customers quarterly, with approximately 2,000 customers in over 100 countries, including over 200,000 installations since inception, we have a well-established customer base to provide diversification in our revenue base. The following table summarizes the geographic distribution of our revenues for the period.

(In thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
Geographic Market	2025	2024	2025	2024
Americas ex-Canada	\$ 855	\$ 514	\$ 2,080	\$ 1,851
Canada	77	83	288	241
EMEA	226	40	1,501	266
APAC	53	65	100	130
	\$ 1,211	\$ 702	\$ 3,969	\$ 2,488

Operating Expenses

(In thousands)	Three Months Ended September 30,			Period Ended September 30,		
	2025	2024	% Chg	2025	2024	% Chg
General and administrative ("G&A")	278	200	39%	729	912	-20%
Sales and marketing ("S&M")	166	172	-4%	536	667	-20%
Research and development ("R&D")	456	351	30%	856	1,125	-24%
Total operating expenses	900	722	25%	2,120	2,703	-22%

Total operating expenses increased by 24.6% for the quarter and decreased 21.6% for the full period compared to 2024. Operating expense reductions resulting from IRS Employee Retention Credits (ERC) that were granted and received in the current quarter and the nine-month period, were somewhat countered by a forgiveness of a significant accrued liability in the comparison year. For the full nine-month period, significant reductions were also seen due to the success of ongoing efficiency and cost control initiatives. Our operating costs continued to trend lower year over year despite inflationary pressures, and we will continue to take all necessary steps to adjust expenditures to address revenue uncertainty. Facility-related costs continue to be allocated across OPEX and cost of revenue for reporting purposes.

G&A expenses consist primarily of compensation paid to the corporate, IT, and finance staff as well as professional fees and public company related costs, along with certain general facilities-related costs. These increased for the quarter, primarily due to additional one-time public company costs for our US subsidiary in the current quarter and forgiveness of an accrued liability in Q3 of 2024, and decreased in the period, primarily because of the ERC credits.

S&M costs consist of compensation paid to our sales team, as well as tradeshow, promotion, and travel & entertainment costs. These costs decreased for the quarter and the period, mainly due to lower staffing costs and fewer event-related expenditures.

While R&D costs were lower in the current nine-month period than for the same period in 2024, these will continue to be a significant component of our total operating expenses as we continue to develop innovative products and solutions to remain competitive in our industry. In the third quarter of 2025 R&D expenses were higher than the same quarter of 2024 because we recognised significant development costs related to our new Cortex product. R&D costs include primarily compensation paid to engineering personnel, contractors, and prototype costs. Of note, the R&D expenses reported are net of the investments capitalized to and amortized from Novra's intangible development asset.

Foreign Exchange Gain (Loss)

Although we generate a significant portion of our revenue outside of Canada, denominated in USD, we have determined Novra's functional currency to be Canadian dollars. Additionally, many sales in Canada are also denominated in USD currency. Further, the procurement for most of our raw materials is denominated in USD currency and to a lesser extent in Euros. However, our domestic operating costs are denominated in CAD currency. Accordingly, Novra's financial position and operating results are significantly exposed to foreign currency movements. We actively manage our foreign currency risk and may also enter speculative currency positions based on management's best judgement.

Additional earnings volatility arises from the translation of monetary assets and liabilities denominated in foreign currencies at the rate of exchange on each date of the Consolidated Financial Position; the impact of which is reported as a foreign exchange gain or loss.

For the first nine months of 2025, Novra recorded a foreign exchange gain of \$12 thousand, compared to a gain of \$19 thousand in the same period in 2024.

At September 30, 2025, the foreign currency denominated assets and liabilities, subject to remeasurement, are as follows:

<i>(In thousands)</i>	USD	Euro
Assets	1,558	1
Liabilities	(816)	-
Net assets before hedging	742	1
Currency derivative contracts	-	-
Net assets - unhedged	742	1
Impact on Novra's earnings if 5% change in foreign exchange rates	37	-

If on September 30, 2025, the Canadian dollar had weakened or strengthened by 5.0% against the U.S. dollar and Euro, with all other variables held constant, Novra's consolidated net income would have been impacted by \$37 thousand. Please note that this calculation excludes Wegener's assets and liabilities, which are denominated in USD.

Other Income and Finance Costs

In the first nine months of 2025, the Company recorded \$659 thousand to finance income, mostly relating to the forgiveness of certain accounts payable, compared to \$nil in 2024.

Finance costs were \$119 thousand for the first nine months of 2025 compared to \$133 thousand, a decrease of \$14 thousand from the same period in 2024. This was primarily the result of lower interest expense related to ongoing leases for office and production spaces. There were no bank borrowings on the RBC credit facilities during the current quarter. Earlier in 2025, \$25 thousand was advanced and repaid..

Depreciation and Amortization

Depreciation and amortization costs increased to \$585 thousand for the nine months ended September 30, 2025 (2024: \$534 thousand). This includes intangible asset amortization of \$348 thousand (2024: \$251 thousand), \$184 thousand in amortization of right-of-use assets (2024: \$162 thousand), and \$53 thousand in capital asset amortization (2024: \$83 thousand).

Tax Expense

No current tax provision has been recognized, despite positive net income in the current period, due to the availability of significant non-capital loss carry forwards.

Despite the significant non-capital loss carry forwards and available investment tax credits (see Note 14 of the audited Consolidated Financial Statements for the years ending December 31, 2024 and 2023) to shelter future taxable income from income taxes, we have not recognized deferred tax assets at either September 30, 2025 or 2024 because management concluded it was not probable to realize this benefit in the foreseeable future. In making this determination, management considered the uncertainties in projecting future taxable income, the uncertainties related to the technology industry and competitive environment in which we operate, and the lack of available income tax planning strategies.

EBITDA and Adjusted EBITDA

EBITDA and Adjusted EBITDA are non-IFRS measures. EBITDA is defined as earnings before income tax expense, financing costs (interest), depreciation and amortization. Adjusted EBITDA is defined as EBITDA adjusted for foreign exchange gain or loss, any acquisition-related costs, share-based compensation, any restructuring charges, any material write-down of inventories, and any other material impairment charges.

Management believes that EBITDA and Adjusted EBITDA provide important financial measures of Novra's operating performance because they allow management, investors, and other stakeholders to evaluate and compare Novra's core operating results from period to period by removing the impact of its capital structure (interest expense), asset base (depreciation and amortization), and tax consequences. Because EBITDA and Adjusted EBITDA do not have any standardized meanings prescribed by IFRS, other companies may calculate these non-IFRS measures differently, and therefore our EBITDA and Adjusted EBITDA may not be comparable to similar titled measures of other companies. *Accordingly, readers are cautioned to not place undue reliance on these financial measures and encouraged to read all IFRS accounting disclosures presented in the Consolidated Financial Statements.*

Adjusted EBITDA was a gain of \$1.2 million for the nine months ended September 30, 2025, compared to a loss of \$925 thousand for the same period in 2024. The turnaround reflects higher revenue, improved gross margin percentage, and reduced operating expenses in 2025.

SELECTED QUARTERLY FINANCIAL INFORMATION

(dollars in thousands, except per share data)

The following table sets out selected financial information for our current and eight most recently completed prior quarters.

(In thousands of dollars, except with respect to earnings (loss) per share)	Sep 30, 2025	Jun 30, 2025	Mar 31, 2025	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023
Revenue	\$ 1,212	\$ 1,366	\$ 1,392	\$ 1,484	\$ 703	\$ 1,085	\$ 700	\$ 2,927	\$ 1,241
Gross profit	772	696	609	625	410	627	207	1,587	913
Operating expenses	900	452	768	730	722	954	1,027	891	802
Foreign exchange gain (loss)	27	(20)	5	39	(8)	10	17	(158)	34
Net income (loss) attributable to Novra	(83)	79	569	(59)	(263)	(257)	(728)	(78)	354
Adjusted EBITDA Income (loss)	62	413	726	34	(191)	(145)	(589)	832	253
Earnings (loss) per share - diluted	\$ (0.003)	\$ 0.002	\$ 0.017	\$ (0.002)	\$ (0.008)	\$ (0.008)	\$ (0.022)	\$ (0.002)	\$ 0.011
Weighted average shares outstanding	33,420	33,420	33,420	33,420	33,420	33,420	33,420	33,420	33,420

We occasionally receive large orders from customers and partners that can provide revenue visibility for future quarters. However, a large portion of Novra's quarterly revenues are often generated from orders received during the quarter rather than from order backlog going into the quarter. As a result, Novra's

revenue, profitability and cash flows are difficult to predict and may fluctuate significantly from quarter to quarter.

We continue to expect significant volatility in revenue from quarter to quarter due to particular timing of orders from existing customers, continued economic and supply chain instability and significant unpredictability in the length of sales cycles with new and existing customers in the sales pipeline. The result of limited order visibility is that revenue and, accordingly, profitability and cash flows, will be difficult to predict and will fluctuate. We also expect on-going global geopolitical disruptions and economic challenges to continue to impact markets and economies and therefore our customers and our business (refer to the Risks and Uncertainties section below).

LIQUIDITY

Quick Ratio

Our principal liquidity requirements are for working capital, capital expenditures and for pending acquisitions as previously announced. Management measures liquidity based on Novra's unrestricted cash, certain cashable guaranteed investment certificates (GICs), if any, and accounts receivable. The following table shows our total liquid assets at the following reporting dates.

<i>(In thousands)</i>	September 30, 2025	December 31, 2024
Cash	\$ 1,532	\$ 1,080
Accounts receivable	880	414
Total liquid assets	\$ 2,412	\$ 1,494
Quick ratio ⁽¹⁾	1.42:1	0.64:1

(1) total liquid assets over total current liabilities, excluding amounts due to related parties and deferred revenue

The quick ratio as defined above is a non-IFRS financial measure. We believe this is an important financial metric to investors and other stakeholders to assess Novra's ability to meet its third-party short-term obligations with its most liquid assets. The related parties have expressed no intent to call on their debt in the near term until such time that Novra is in a stronger capital position. We also excluded deferred revenue in the quick ratio calculation as it does not represent a contractual financial obligation (i.e. it is a liability that will reverse once revenue recognition has been met).

As of September 30, 2025, Novra had a quick ratio of 1.42:1, indicating that the company had \$1.42 in liquid assets for every \$1.00 of current liabilities. This represents an increase from 0.64:1 on December 31, 2024. The improvement reflects a stronger liquidity position, the result of increased liquid assets and a significant reduction in trade and other payables.

The following summarizes cash flows by activity for the first nine months of 2025 compared to 2024. Overall, cash increased by \$452 thousand during the nine months ended September 30, 2025, rising to \$1.5 million from \$1.1 million on December 31, 2024.

Operating activities

Cash flows from operating activities totaled \$1.3 million for the nine months ended September 30, 2025, compared with cash outflows of \$462 thousand in the same period of 2024. The improvement reflects a return to profitability, along with higher deferred revenue and increased customer deposits and advances from related parties, partially offset by higher trade and other receivables and lower trade and other payables.

Investing activities

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Cash outflows from investing activities totaled \$454 thousand for the nine months ended September 30, 2025, compared with cash outflows of \$482 thousand in the same period of 2024. The change reflects slightly lower capitalized development costs during the period.

Financing activities

Cash used in financing activities was \$397 thousand for the nine months ended September 30, 2025, compared to \$356 thousand for the same period in 2024. The cash inflows during the current period included proceeds of \$681 thousand from the SNAPS loan. The cash inflows were offset by lease liability payments of \$307 thousand, repayment of disaster assistance funding of \$9 thousand, and repayment of \$84 thousand on the revolving line of credit with the Chymiak trust. In addition, the forgiveness of \$677 thousand in accounts payable was a non-cash transaction and therefore increased the total cash applied to financing activities. There were no WEDC repayments in 2025.

As of the date of this MD&A we continue to have access to a \$845 thousand RBC Credit Facility. The credit limit of our facilities was reduced from \$1.2 million in response to escalating costs to maintain a higher credit limit that was not being utilized.

Working Capital Ratio

Novra's working capital ratio was as follows:

<i>(In thousands)</i>	September 30, 2025	December 31, 2024
Working Capital:		
Current assets	\$ 3,347	\$ 2,539
Current liabilities	4,606	4,889
Working Capital:	\$ (1,260)	\$ (2,350)
Working capital, excluding related party and deferred revenue balances	\$ 1,647	\$ 220
Working capital ratio⁽¹⁾	1.97:1	1.10:1

(1) Total current assets over total current liabilities excluding amounts due to related parties and deferred revenue

"Working capital, excluding related party and deferred revenue balances" and "Working capital ratio" as defined above are both non-IFRS financial measures. Management believes these are useful, relevant financial measures to investors and other stakeholders to assess the available working capital to fund Novra's day-to-day operations.

Working capital increased by \$1.1 million compared to December 31, 2024, primarily due to increases in cash and in trade and other receivables and a reduction in trade and other payables. Excluding related party and deferred revenue balances, working capital was \$1.6 million, up from \$220 thousand at year-end. We consider this an important metric to assess Novra's ability to meet third-party short-term obligations. The working capital ratio (as defined above) was 1.97:1 at September 30, 2025, meaning Novra had \$1.97 of current assets for every \$1.00 of current liabilities (excluding related parties and deferred revenue), reflecting a substantial increase from 1.10:1 at December 31, 2024.

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Contractual obligations and commitments

At September 30, 2025, Novra's contractual obligations and commitments were as follows:

<i>(In thousands)</i>				Total	Within	1 to	5 to	
Payment due:					1 year	5 years	10 years	10+ years
Borrowings (Note 6)				\$ 2,379	\$ 172	\$ 353	\$ 1,695	\$ 158
Operating leases (Note 11)				1,276	350	926	-	-
Trade payables and other payables				788	788	-	-	-
Total third party contractual obligations				4,443	1,310	1,279	1,695	158
Promissory notes from related party (Note 5)				1,393	-	1,393	-	-
Advances from related parties (Note 5)				1,833	1,833	-	-	-
Total contractual obligations				\$ 7,668	\$ 3,142	\$ 2,672	\$ 1,695	\$ 158

Refer to the notes to the Consolidated Financial Statements for further details.

Based on the September 30, 2025 liquid assets (as defined above) and working capital, we have sufficient liquid resources and available credit to fund all third-party contractual obligations coming due within one year.

CAPITAL RESOURCES

Our key objectives and policies for managing capital are to maintain a strong capital base in order to:

- maintain investor, creditor and market confidence;
- advance Novra's corporate strategies to generate attractive risk-adjusted return over the long-term for our shareholders;
- sustain Novra's operations and growth through all cycles; and
- ensure compliance with the covenants of any applicable credit facility and other financing facilities.

At September 30, 2025, Novra had cash and cash equivalents of \$1.5 million and access to undrawn revolving facilities of \$845 thousand (the RBC Credit Facilities as described in Note 6 of the Consolidated Financial Statements), subject to the terms and conditions of the credit facilities.

At September 30, 2025, Novra's total outstanding voting common shares were unchanged from December 31, 2024 at 33,420,293, excluding the 2,000,000 common shares held by our subsidiary. Our debt and equity positions were as follows:

<i>(In thousands)</i>	September 30, 2025	December 31, 2024
Borrowings (drawn)	\$ 2,379	\$ 2,548
Promissory notes from related party	1,393	1,343
Shareholders' equity	(2,997)	(4,331)
Total capital resources	\$ 775	\$ (440)

The change in capital resources was primarily due to an increase in shareholders' equity because of positive net income and the receipt of \$681 thousand for shares paid in advance during the period. See Note 7(a) and Note 12 of the Consolidated Financial Statements for more information on the shares paid in advance and the related convertible loan agreement.

Management believes the Company's current cash, access to the undrawn portion of debt facilities and its access to additional financing in the form of debt or equity will be sufficient to meet its working capital

and capital expenditure requirements for the foreseeable future, including its contractual obligations and the commitments noted above.

OFF BALANCE SHEET ARRANGEMENTS

At September 30, 2025, we had no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

In addition to key management personnel compensation, we have a material unsecured promissory note with IMT (IMT is a shareholder and our CEO has a controlling interest in IMT) as disclosed in the "Liquidity" and "Capital Resources" sections of this MD&A. Refer to Notes 5 and 6 of the Consolidated Financial Statements for a complete disclosure of all related party transactions, including amounts due on demand.

ACCOUNTING MATTERS

Critical Accounting Estimates

The Consolidated Financial Statements include certain amounts that are inherently uncertain and judgmental in nature. As a result, management is required to make assumptions and best estimates in order to determine the reported values. We consider an accounting estimate to be critical if: (1) it requires that significant assumptions be made in order to deal with uncertainties; and (2) changes in the estimate could have a material impact on our results of operations, financial condition or liquidity.

We believe that the material items requiring such subjective and complex estimates are as follows:

- Revenue recognition
- Inventory obsolescence
- Business combinations
- Impairment of non-financial assets

Refer to Note 3 of the audited Consolidated Financial Statements for the years ended December 31, 2024 and 2023 for further details.

We believe that the amounts included in these financial statements reflect management's best judgment. However, factors including, without limitation, those noted under "Risks and Uncertainties" below could cause actual events or results to differ materially from our underlying assumptions and estimates. Accordingly, this could lead to a material adverse impact on our results of operations, financial condition and/or liquidity.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

There were no significant changes to the types of financial instruments held during the nine months ended September 30, 2025. For further details refer to Note 8 of the audited Consolidated Financial Statements for the years ended December 31, 2024 and 2023, with additional information on Borrowings in Note 11.

RISKS AND UNCERTAINTIES

Refer to our December 31, 2024 MD&A for a list of risks and uncertainties facing Novra. We are currently not aware of any new material risks and uncertainties.