



## **CONSOLIDATED FINANCIAL STATEMENTS**

**Six Months ended June 30, 2022 and 2021**  
**(Expressed in Canadian Dollars)**

*[Notice: These interim condensed consolidated financial statements have not been audited or reviewed by Novra's independent auditor.]*

## Table of Contents

Condensed Consolidated Statements of Financial Position .....	3
Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) .....	4
Condensed Consolidated Statements of Changes in Shareholders' Equity.....	5
Condensed Consolidated Statements of Cash Flows .....	6
<i>Notes to Consolidated Financial Statements:</i>	
Note 1 - General Information .....	7
Note 2 - Basis of Preparation and Presentation .....	7
Note 3 - Current Assets.....	8
Note 4 - Right-of-use Assets.....	8
Note 5 - Related Party Transactions.....	8
Note 6 - Borrowings .....	10
Note 7 - Shareholders' Equity .....	11
Note 8 - Depreciation and Amortization .....	12
Note 9 - Finance Income and Finance Costs .....	12
Note 10 - Revenues .....	13
Note 11 - Commitments and Contingent Liabilities.....	14

**NOVRA TECHNOLOGIES INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(Canadian dollars)

	NOTES	June 30, 2022 (Unaudited)	December 31, 2021 (Audited)
<b>ASSETS</b>			
<b>Current Assets</b>			
	3		
Cash		\$ 1,901,544	\$ 2,965,300
Trade and other receivables		1,147,846	1,124,176
Inventories		1,789,830	1,676,557
Note receivable			
Prepayments and other		931,905	742,950
<b>Total Current Assets</b>		<b>5,771,125</b>	<b>6,508,983</b>
<b>Non-Current Assets</b>			
Equipment		21,583	29,380
Right-of-use assets	4	1,436,569	1,720,721
Intangible assets		1,048,354	1,208,274
<b>Total Non-Current Assets</b>		<b>2,506,506</b>	<b>2,958,375</b>
<b>TOTAL ASSETS</b>		<b>\$ 8,277,631</b>	<b>\$ 9,467,358</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities		\$ 1,695,136	\$ 1,558,022
Borrowings	6	53,868	53,829
Lease liabilities	11	346,744	529,242
Customer deposits		1,819,230	2,091,828
Deferred revenue - current portion		562,919	601,035
Advances from related parties	5(c)	1,479,275	1,336,411
Promissory notes from related party - current portion	5(d)	841,345	830,885
<b>Total Current Liabilities</b>		<b>6,798,517</b>	<b>7,001,252</b>
<b>Non-Current Liabilities</b>			
Borrowings	6	2,468,847	2,456,618
Lease liabilities	11	1,360,865	1,448,709
Deferred revenue		688,583	714,701
Promissory notes from related party	5(d)	-	32,967
<b>Total Non-Current Liabilities</b>		<b>4,518,295</b>	<b>4,652,995</b>
<b>TOTAL LIABILITIES</b>		<b>11,316,812</b>	<b>11,654,247</b>
<b>Equity</b>			
Share capital	7	7,372,749	7,372,749
Contributed surplus		500,576	500,576
Accumulated other comprehensive loss		104,280	106,275
Accumulated deficit		(10,579,277)	(9,706,266)
<b>TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF NOVRA</b>		<b>(2,601,672)</b>	<b>(1,726,666)</b>
Non-Controlling Interests		(437,509)	(460,223)
<b>TOTAL EQUITY</b>		<b>(3,039,181)</b>	<b>(2,186,889)</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>\$ 8,277,631</b>	<b>\$ 9,467,358</b>

*The accompanying notes are an integral part of these Condensed Consolidated Financial Statements*

**NOVRA TECHNOLOGIES INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**AND COMPREHENSIVE INCOME (LOSS) (UNAUDITED)**  
(Canadian dollars, except share data)

	NOTES	Quarter ended June 30,		Six Months Ended June 30,	
		2022	2021	2022	2021
<b>REVENUE</b>	10	\$ 2,338,024	\$ 1,078,626	\$ 3,267,355	\$ 4,805,981
<b>COST OF REVENUE</b>		1,167,768	674,610	1,749,279	2,238,170
<b>GROSS PROFIT</b>		1,170,256	404,016	1,518,076	2,567,811
<b>OPERATING EXPENSES</b>					
General and administrative		291,955	381,622	560,774	724,726
Sales and marketing		240,541	250,845	473,863	449,184
Research and development		695,949	712,607	1,276,191	1,361,372
Total operating expenses		1,228,445	1,345,074	2,310,828	2,535,282
<b>OPERATING INCOME (LOSS)</b>		(58,189)	(941,058)	(792,752)	32,529
<b>Other Income (Expenses)</b>					
Foreign exchange gain (loss)		8,021	(90,225)	51,303	30,051
Finance income	9 (a)	3,647	599,748	9,118	678,966
Finance costs	9 (b)	(45,872)	(40,580)	(117,966)	(94,922)
<b>INCOME (LOSS) BEFORE INCOME TAXES</b>		(92,393)	(472,115)	(850,297)	646,624
Income tax recovery (expense)		-	-	-	-
<b>NET INCOME (LOSS)</b>		\$ (92,393)	\$ (472,115)	\$ (850,297)	\$ 646,624
<b>OTHER COMPREHENSIVE LOSS, NET OF TAXES</b>					
Foreign Currency Translation Adjustments on Wegener Consolidation		(40,632)	(378)	(1,995)	48,063
Total other comprehensive loss, net of taxes		(40,632)	(378)	(1,995)	48,063
<b>COMPREHENSIVE INCOME (LOSS)</b>		\$ (133,025)	\$ (472,493)	\$ (852,292)	\$ 694,687
<b>EARNINGS (LOSS) PER SHARE:</b>					
Basic	8	\$ (0.007)	\$ 0.013	\$ (0.026)	\$ 0.010
Diluted		\$ (0.007)	\$ 0.013	\$ (0.026)	\$ 0.010
Weighted average number of shares outstanding - basic		33,396,293	33,396,293	33,396,293	33,396,293
Weighted average number of shares outstanding - diluted		33,396,293	33,396,293	33,396,293	33,396,293
<b>NET INCOME (LOSS) ATTRIBUTABLE TO :</b>					
Shareholders of Novra		\$ (229,651)		\$ (873,011)	
Attributable to non-controlling interest		137,258		22,714	
		(92,393)		(850,297)	
<b>COMPREHENSIVE INCOME( LOSS) ATTRIBUTABLE TO:</b>					
Shareholders of Novra		\$ (270,283)		\$ (875,006)	
Attributable to non-controlling interest		137,258		22,714	
		(133,025)		(852,292)	

*The accompanying notes are an integral part of these Condensed Consolidated Financial Statements*

**NOVRA TECHNOLOGIES INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
(Canadian dollars, except share data)

NOTES	Number of Common Shares	Common Shares	Contributed Surplus	Accumulated Other Comprehensive Loss	Accumulated Deficit	Non- Controlling Interest	Total Shareholders' Equity
<b>At January 1, 2022</b>							-
Total	35,420,293	\$ 7,632,749	\$ 500,576	\$ 106,275	\$ (9,706,266)	\$ (460,223)	(1,926,889)
Less: common shares held by subsidiary	(2,000,000)	\$ (260,000)					(260,000)
	33,420,293	7,372,749	500,576	106,275	(9,706,266)	(460,223)	(2,186,889)
Net income (loss)	-	-	-	-	(873,011)	22,714	(850,297)
Change in foreign currency translation	-	-	-	(1,995)	-	-	(1,995)
Share based compensation 7 (b)	-	-	-	-	-	-	-
Options Exercised 7 (b)	-	-	-	-	-	-	-
Cancellation of common shares 7 (b)	-	-	-	-	-	-	-
<b>At June 30, 2022</b>	33,420,293	\$ 7,372,749	\$ 500,576	\$ 104,280	\$ (10,579,277)	\$ (437,509)	\$ (3,039,181)

NOTES	Number of Common Shares	Common Shares	Contributed Surplus	Accumulated Other Comprehensive Loss	Accumulated Deficit	Non- Controlling Interest	Total Shareholders' Equity
<b>At January 1, 2021</b>							-
Total	35,396,293	\$ 7,629,869	\$ 500,576	\$ 95,391	\$ (9,587,513)	\$ (759,261)	(2,120,938)
Less: common shares held by subsidiary	(2,000,000)	\$ (260,000)					(260,000)
	33,396,293	7,369,869	500,576	95,391	(9,587,513)	(759,261)	(2,380,938)
Net income (loss)	-	-	-	-	327,250	319,374	646,624
Change in foreign currency translation	-	-	-	48,063	-	-	48,063
Share based compensation 7 (b)	-	-	-	-	-	-	-
Options Exercised 7 (b)	-	-	-	-	-	-	-
Cancellation of common shares 7 (b)	-	-	-	-	-	-	-
<b>At June 30, 2021</b>	33,396,293	\$ 7,369,869	\$ 500,576	\$ 143,454	\$ (9,260,263)	\$ (439,887)	\$ (1,686,251)

*The accompanying notes are an integral part of these Condensed Consolidated Financial Statements*

**NOVRA TECHNOLOGIES INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**  
**(Canadian dollars)**

	NOTES	Quarter Ended June 30,		Six Months Ended June 30,	
		2022	2021	2022	2021
<b>OPERATING ACTIVITIES</b>					
Net income (loss)		\$ (92,393)	\$ (472,115)	\$ (850,297)	\$ 646,624
<i>Add items not affecting cash:</i>					
Depreciation and amortization	8	328,206	284,301	652,107	568,823
Share based compensation	7(b)	-	-	-	-
Interest expense	9(b)	45,872	40,580	117,966	94,922
Changes in non-cash working capital items					
Trade and other receivables	12	(279,363)	(103,439)	(23,670)	(404,763)
Inventories		8,958	(157,021)	(113,273)	656,700
Intangible assets		(55,543)	-	(178,318)	-
Other assets		50,697	(634,018)	(188,955)	(661,769)
Trade and other payables and accrued liabilities		13,152	594,427	137,114	294,840
Customer deposits		(560,100)	1,463,107	(272,598)	(286,704)
Deferred revenue		145,477	(115,464)	(64,234)	(492,642)
Provisions		-	-	-	-
Advances Related Party		71,716	71,561	142,864	142,064
Changes in promissory notes					
Interest paid		(24,167)	-	(49,031)	-
<b>Net cash provided by (applied to) operating activities</b>		<b>(347,488)</b>	971,919	<b>(690,325)</b>	558,095
<b>FINANCING ACTIVITIES</b>					
Payments on lease liabilities	11(a)	(167,661)	(152,287)	(330,174)	(307,542)
Payments on WEDC repayable contribution	6(d)	(12,870)	(12,870)	(25,740)	(25,740)
Repayments on IMT promissory notes	5(d)	(18,405)	-	(36,253)	-
Repayments on Crocus loan	6(c)	-	-	-	(52,007)
Proceeds from disaster assistance funding	6	-	-	-	340,599
Forgiveness of disaster assistance funding	6	-	(344,910)	-	(344,910)
Unrealized foreign exchange gain/(loss) on financing activities					
		-	(2,046)	-	(5,861)
<b>Net cash provided by (applied to) financing activities</b>		<b>(198,936)</b>	(512,113)	<b>(392,167)</b>	(395,461)
Effect of exchange rates on cash and cash equivalents		19,124	88,144	18,736	51,372
<b>Net increase in cash</b>		<b>(527,300)</b>	547,950	<b>(1,063,756)</b>	214,006
Cash, beginning of period		2,428,844	3,524,868	2,965,300	3,858,812
<b>CASH, end of period</b>		<b>\$ 1,901,544</b>	\$ 4,072,818	<b>\$ 1,901,544</b>	\$ 4,072,818

*The accompanying notes are an integral part of these Condensed Consolidated Financial Statements*

# NOVRA TECHNOLOGIES INC.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Six Months ended June 30, 2022 and 2021

(Tabular amounts are in 000's, except share data)

---

### 1. General Information

Novra Technologies Inc. ("Novra") is incorporated under the Canada Business Corporations Act and its corporate office and principal place of business is 900-330 St. Mary Avenue, Winnipeg, Manitoba, Canada R3C 3Z5. Novra is a publicly traded company on the TSX Venture Exchange ("TSX-V") under the symbol NVI.

Novra has been in the satellite data distribution business since 2000. During 2016, Novra significantly expanded its product portfolio and global footprint with the acquisition of International Datacasting Corporation and its wholly-owned U.S. subsidiary (collectively referred as "IDC"), a long-time leader in the same sector. On December 29, 2017, Novra acquired a 51.6% controlling interest of Wegener Corporation ("Wegener") to further expand its footprint in digital media management and distribution technologies for applications including digital signage, radio and television.

Through its subsidiaries, Novra offers a comprehensive product portfolio including hardware, software, and services. In addition to its core video, radio, and data products, areas of expertise and added value include: encryption and cybersecurity, next-generation hybrid networks (satellite/terrestrial/cloud), and efficient bandwidth utilization.

In these Consolidated Financial Statements, "Novra", "Company", "we", "us", or "our" refers to Novra Technologies Inc. and its subsidiaries.

The Board of Directors authorized the Condensed Consolidated Financial Statements for issue on August 29, 2022. These unaudited interim financial statements should be read in conjunction with Novra's annual audited Consolidated Financial Statements for the year ended December 31, 2021.

### 2. Basis of Preparation and Presentation

We have prepared these unaudited interim Condensed Consolidated Financial Statements in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting. Accordingly, they do not include all of the information and footnotes normally required in annual financial statements prepared under IFRS. In the opinion of management, these unaudited interim Condensed Consolidated Financial Statements reflect all adjustments considered necessary for a fair presentation of Novra's financial position and results of operations for the periods presented. The results of operations for any interim period are not necessarily indicative of the results for a full year. For areas involving a higher degree of management judgment or complexity, refer to Note 3 of the audited Consolidated Financial Statements for the year ended December 31, 2021.

The Condensed Consolidated Statement of Financial Position at June 30, 2021 and the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss), of Changes in Equity and of Cash flows for the periods ended June 30, 2022 and 2021 have not been audited or reviewed by Novra's auditors. The Condensed Consolidated Statement of Financial Position at December 31, 2021 is derived from Novra's audited Consolidated Financial statements.

The tabular disclosures herein are presented in thousands, except for share data.

#### ***Functional and Presentation Currency***

These consolidated statements are presented in Canadian dollars, which is the Company's functional currency.

# NOVRA TECHNOLOGIES INC.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Six Months ended June 30, 2022 and 2021

(Tabular amounts are in 000's, except share data)

### 3. Current Assets

Details of selected asset balances are as follows:

#### a) Cash and cash equivalents

The Company's cash and cash equivalents are comprised of bank balances at financial institutions.

#### b) Accounts receivable

The Company's accounts receivable is comprised of the following:

	June 30, 2022	June 30, 2021
Trade accounts receivable	\$ 1,187	\$ 1,121
Less: allowance for doubtful accounts	48	50
Net trade accounts receivable	1,139	1,071
Canadian Emergency Wage Subsidy	9	217
Total trade and other receivables	\$ 1,148	\$ 1,288

As at June 30, 2022, four customers accounted for 52% of total receivables from contracts with customers.

### 4. Right-of-use Assets

The following table presents right-of-use assets for the Company:

	2022	2021
Balance, January 1	\$ 1,721	\$ 1,927
Depreciation	(287)	(269)
Effects on movement in exchange rates	3	2
Balance, June 30	\$ 1,437	\$ 1,660

### 5. Related Party Transactions

The following is a summary of Novra's related party transactions:

#### a) Key management personnel compensation

Key management personnel are those persons having the authority and responsibility for planning, directing, and controlling activities of Novra. The key management personnel of Novra is the executive management team and the Board of Directors, who collectively control approximately 18% (President & CEO has direct and indirect ownership of 16%) of the total outstanding and issued common shares of Novra at June 30, 2022.

The following table discloses the compensation for the key management personnel for the second quarter.

# NOVRA TECHNOLOGIES INC.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Six Months ended June 30, 2022 and 2021

(Tabular amounts are in 000's, except share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Salaries and employee benefits	\$ 85	\$ 83	\$ 170	\$ 165
Directors' fees	3	3	6	6
<b>Total</b>	<b>\$ 88</b>	<b>\$ 89</b>	<b>\$ 176</b>	<b>\$ 180</b>

b) Transactions with other related parties

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
<b>Interest on unsecured promissory notes</b>				
InfoMagnetics Technologies Inc. ("IMT") <sup>(1)</sup>	\$ 9	\$ 10	\$ 18	\$ 20
	<b>\$ 9</b>	<b>\$ 10</b>	<b>\$ 18</b>	<b>\$ 20</b>

<sup>(1)</sup> Novra's President & CEO has a controlling interest in IMT.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

c) The breakdown of advances from related parties by party was as follows:

	June 30, 2022	December 31, 2021
Key management and directors (see part (a))	\$ 1,000	\$ 902
IMT	480	435
	<b>\$ 1,480</b>	<b>\$ 1,337</b>

At June 30, 2022, \$953 thousand (2021: \$769 thousand) was due to Novra's President & CEO in regards to unpaid salaries and expense reimbursements for current and prior years in which he voluntarily chose to not collect payment in the interest of preserving liquidity in the company. The payable amount bears no interest and has no repayment term.

d) The movement of unsecured promissory notes due to IMT was as follows:

	2022	2021
At January 1	\$ 863	\$ 906
Loans received	-	-
Transfer from advances	-	-
Loan repayments	(36)	-
Foreign exchange movement	(1)	18
Interest charged	18	21
Interest paid	(3)	-
<b>At June 30</b>	<b>\$ 841</b>	<b>\$ 945</b>

The following table shows the presentation of the above total IMT loans on Novra's Consolidated Statements of Financial Position at June 30:

# NOVRA TECHNOLOGIES INC.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Six Months ended June 30, 2022 and 2021

(Tabular amounts are in 000's, except share data)

	2022	2021
Current portion	\$ 841	\$ 858
Non-current portion	-	87
Total	\$ 841	\$ 945

### 6. Borrowings

The following is a breakdown of our total borrowings with third parties at:

	June 30, 2022	December 31, 2021
Revolving line of credit with the Chymiak Trust	2,161	2,126
WEDC repayable contribution	128	154
Government assistance funding	234	230
Total borrowings	2,523	2,510
Less: current portion	(54)	(54)
Total borrowings - non-current	\$ 2,469	\$ 2,456

#### a) Bank borrowings

The Royal Bank of Canada Credit Facility ("RBC Credit Facilities") includes a revolving demand facility up to \$845,000 and corporate Visa credit cards available for use up to a maximum limit of \$60,000. There was no movement in the credit facilities during the second quarter.

#### b) Revolving line of credit with the Chymiak Trust

There was no movement in the revolving line of credit with the Chymiak Trust during the current quarter. The decrease results from foreign exchange translation.

#### c) WEDC repayable contribution

During the current quarter, we did not receive any additional funds from WEDC. Repayment is scheduled for 60 consecutive monthly installments which commenced on April 1, 2019. Monthly contributions were paused from April to December 2020 due to the COVID-19 pandemic. Contributions recommenced on January 1, 2021. The contributions are subject to interest at the average bank rate plus 3% if any payments are late.

#### d) Disaster assistance funding

Novra received funding from the Government of Canada through the Canada Emergency Business Account (CEBA) in the amount of \$40,000. The loan is interest free, administered through RBC and repayment on or before December 31, 2023 will result in forgiveness of 25% (up to \$10,000).

In August 2020, Wegener received financing in the amount of \$190,980 (USD\$150,000) through the U.S. SmallBusiness Administration, Office of Disaster Assistance. Funds were advanced with the following terms: interest of 3.75%, installment payments of US\$731/month begin after 12 months and the balance of principal and interest payable 30 years from the funding date. In 2021, SBA deferred repayments to begin 24 months from the funding date. In March 2022, SBA deferred repayments to begin 30 months from the funding date. Interest continues to accrue on the balance of the loan outstanding.

# NOVRA TECHNOLOGIES INC.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Six Months ended June 30, 2022 and 2021

(Tabular amounts are in 000's, except share data)

### 7. Shareholders' Equity

#### a) Common Stock

The following table provides a summary of authorized as well as issued and outstanding capital for Novra at:

	2022	2021
<b>Authorized:</b>		
Unlimited Class "A" Common voting shares		
Unlimited Class "B" Common non-voting shares		
Unlimited Class "C" Preferred shares, redeemable and retractable at \$1,000		
<b>Issued:</b>		
33,420,293 (December 31, 2021: 33,420,293)		
Class "A" common voting shares	\$ 7,373	\$ 7,373

During the first six months of 2022, there were no changes to common stock.

#### b) Stock Options

The following table provides a summary of authorized as well as issued and outstanding capital for Novra at:

	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of year	1,148,000	\$ 0.12
Granted	-	\$ 0.12
Exercised	-	\$ 0.12
Forfeited	-	\$ 0.12
Expired		\$ 0.12
Outstanding, end of year	1,148,000	\$ 0.12

At June 30, 2022, the remaining stock option pool for future grants was 1,752,000.

The following table summarizes information about the stock options outstanding at June 30, 2022:

# of Options Outstanding	Grant Date	Expiry Date	Fair Value at Grant Date	# of Options Exercisable	Exercise Price
1,148,000	11-May-17	10-May-24	\$ 0.07	1,148,000	\$ 0.12

# NOVRA TECHNOLOGIES INC.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Six Months ended June 30, 2022 and 2021

(Tabular amounts are in 000's, except share data)

### 8. Depreciation and Amortization

The following table presents the total depreciation and amortization expense by function.

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Cost of revenue	\$ 41,893	\$ 41,236	\$ 80,992	\$ 78,631
Selling and marketing	\$ 10,690	10,690	21,380	21,380
Research and development	\$ 222,878	185,457	444,425	374,444
General and administrative	\$ 52,746	46,917	105,309	94,368
	<b>\$ 328,207</b>	<b>\$ 284,301</b>	<b>\$ 652,107</b>	<b>\$ 568,823</b>

### 9. Finance Income and Finance Costs

#### (a) Finance Income

The Company qualified for the Canada Recovery Hiring Program (CRHP) for the 6-months ended June 2022 and recorded \$9,120 to finance income (2021 - \$nil). The entire balance is accrued as a receivable from the Canadian Government. The CRHP is a federal government program created to provide financial support to businesses affected by COVID-19.

#### (b) Finance Costs

The following table provides a breakdown of total finance costs during the quarter ended June 30, 2022.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Interest expense:				
- Unsecured promissory notes (see Note 5(d))	\$ 9	\$ 11	\$ 18	\$ 21
- Lease Commitments (see Note 11)	27	29	55	60
- Other interest and finance costs	10	1	45	14
	<b>\$ 46</b>	<b>\$ 41</b>	<b>\$ 118</b>	<b>\$ 95</b>

# NOVRA TECHNOLOGIES INC.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Six Months ended June 30, 2022 and 2021

(Tabular amounts are in 000's, except share data)

### 10. Revenues

The following table provides a breakdown of our revenues by category and geographic market at June 30:

Major Products/Service Lines	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Hardware	\$ 1,954	\$ 766	\$ 2,454	\$ 4,046
Software	-	-	4	-
Services, Support and Extended Warranty	348	307	719	742
Other	36	5	90	18
	\$ 2,338	\$ 1,078	\$ 3,267	\$ 4,806

Geographic Market	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Americas ex-Canada (1)	\$ 1,960	\$ 627	\$ 2,689	\$ 3,645
Canada	170	9	315	315
EMEA (2)	183	168	220	175
APAC (3)	25	274	43	671
	\$ 2,338	\$ 1,078	\$ 3,267	\$ 4,806

(1) The geographic region of the Americas includes North America, Central America and South America.

(2) EMEA consists of Europe, the Middle East and Africa.

(3) APAC consists of East Asia, South Asia, Southeast Asia and Oceania.

The timing of revenue recognition may differ from the timing of invoicing to customers. The following table provides a breakdown of revenue timing:

Timing of Revenue Recognition	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Products transferred at a point in time	\$ 1,990	\$ 771	\$ 2,548	\$ 4,064
Products and services transferred over time	348	307	719	742
	\$ 2,338	\$ 1,078	\$ 3,267	\$ 4,806

# NOVRA TECHNOLOGIES INC.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Six Months ended June 30, 2022 and 2021

(Tabular amounts are in 000's, except share data)

---

### 11. Commitments and Contingent Liabilities

#### a) Leases

The Company leases office and production space for the head office and subsidiaries. We had no significant operating leases for equipment. Changes in the right-of-use asset are summarized in Note 4 of these Interim Consolidated Financial Statements. The following table is a summary of the changes in the lease liability during the period:

	<b>2022</b>
Balance, January 1, 2022	\$ 1,978
Interest	55
Effects on movement in exchange rates	5
Lease payments	(330)
Balance June 30, 2022	1,708
Less: current portion	(347)
Lease liabilities non-current, June 30, 2022	\$ 1,361

The following table presents the contractual undiscounted cash flows for lease obligations as at June 30, 2022:

Less than one year	\$ (435)
One to five years	(1,015)
More than five years	(624)
Total undiscounted lease obligations	\$ (2,074)

#### b) Purchase Commitments

In the normal course of business, we may enter purchase commitments, including inventory and third-party software license embedded in our products, to achieve economy of scale. At June 30, 2022, we had no purchase commitments which are due within one year.