



CONSOLIDATED FINANCIAL STATEMENTS

Nine Months ended September, 2023 and 2022
(Expressed in Canadian Dollars)

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

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

	NOTES	September 30, 2023		December 31, 2022
ASSETS				
Current Assets				
Cash		1,128,762	\$	1,965,537
Restricted non-redeemable GIC's		1,402,700		1,354,400
Trade and other receivables		862,500		698,435
Sub-lease receivable - current portion		59,718		61,896
Inventories		2,005,374		2,031,288
Prepayments and other		30,721		90,845
Total Current Assets		5,489,775		6,202,401
Non-Current Assets				
Sub-lease receivable		62,058		111,907
Equipment		12,798		21,915
Right-of-use assets	4	1,357,589		1,453,962
Intangible assets		1,242,952		1,022,912
Total Non-Current Assets		2,675,397		2,610,696
TOTAL ASSETS		\$ 8,165,172	\$	8,813,097
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current Liabilities				
Trade and other payables		\$ 1,474,514	\$	1,710,834
Borrowings	6	176,700		217,610
Lease liabilities	11(a)	257,284		240,472
Customer deposits		1,000,485		1,142,541
Deferred revenue - current portion		1,258,234		795,936
Advances from related parties		1,725,561		1,589,701
Promissory notes from related party - current portion		-		-
Total Current Liabilities		5,892,778		5,697,094
Non-Current Liabilities				
Borrowings	6	2,330,179		2,397,621
Lease liabilities	11(a)	1,527,009		1,660,221
Deferred revenue		347,380		699,047
Promissory notes from related party	5(d)	1,241,136		1,200,000
Total Non-Current Liabilities		5,445,704		5,956,889
TOTAL LIABILITIES		11,338,482		11,653,983
Equity				
Share capital	7	7,372,749		7,372,749
Contributed surplus		500,576		500,576
Accumulated other comprehensive gain (loss)		(34,611)		(73,753)
Accumulated deficit		(11,034,512)		(10,613,436)
TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF NOVRA		(3,195,798)		(2,813,864)
Non-Controlling Interests		22,488		(27,022)
TOTAL EQUITY		(3,173,310)		(2,840,886)
TOTAL LIABILITIES AND EQUITY		\$ 8,165,172	\$	8,813,097

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

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

	NOTES	Quarter ended September 30,		Nine months ended September 30,	
		2023	2022	2023	2022
REVENUE	10	\$ 1,240,796	\$ 2,140,431	\$ 4,519,369	\$ 5,407,786
COST OF REVENUE		327,722	1,141,472	2,024,042	2,890,751
GROSS PROFIT		913,074	998,959	2,495,327	2,517,035
OPERATING EXPENSES					
General and administrative		378,845	201,323	1,064,862	762,097
Sales and marketing		189,223	260,757	658,954	734,620
Research and development		233,551	546,443	1,133,957	1,822,634
Total operating expenses		801,619	1,008,523	2,857,773	3,319,351
OPERATING INCOME (LOSS)		111,455	(9,564)	(362,446)	(802,316)
Other Income (Expenses)					
Foreign exchange gain (loss)		33,645	28,993	104,600	80,296
Finance income		6,804	-	40,829	9,118
Finance costs	9(b)	(50,154)	(4,712)	(154,549)	(122,678)
INCOME (LOSS) BEFORE INCOME TAXES		101,750	14,717	(371,566)	(835,580)
Income tax recovery (expense)		-	-	-	-
NET INCOME (LOSS)		\$ 101,750	\$ 14,717	\$ (371,566)	\$ (835,580)
OTHER COMPREHENSIVE INCOME, NET OF TAXES					
Foreign Currency Translation Adjustments on Wegener Consolidation		(14,213)	(206,113)	39,142	(208,108)
Total other comprehensive income, net of taxes		(14,213)	(206,113)	39,142	(208,108)
COMPREHENSIVE INCOME (LOSS)		\$ 87,537	\$ (191,396)	\$ (332,424)	\$ (1,043,688)
EARNINGS (LOSS) PER SHARE:					
Basic		\$ 0.0106	\$ (0.007)	\$ (0.0068)	\$ (0.033)
Diluted		\$ 0.0106	\$ (0.007)	\$ (0.0068)	\$ (0.033)
Weighted average number of shares outstanding - basic		33,420,293	33,420,293	33,420,293	33,420,293
Weighted average number of shares outstanding - diluted		33,420,293	33,420,293	33,420,293	33,420,293
NET INCOME (LOSS) ATTRIBUTABLE TO :					
Shareholders of Novra		\$ 353,679	\$ (233,835)	\$ (226,611)	\$ (1,106,846)
Non-controlling interest		\$ (251,929)	\$ 248,552	\$ (144,955)	\$ 271,265
		101,750	14,717	(371,566)	(835,580)
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:					
Shareholders of Novra		\$ 339,466	\$ (439,948)	\$ (187,469)	\$ (1,314,954)
Non-controlling interest		\$ (251,929)	\$ 248,552	\$ (144,955)	\$ 271,265
		87,537	(191,396)	(332,424)	(1,043,688)

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

NOVRA TECHNOLOGIES INC.
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
At January 1, 2023							-
Total	35,420,293	\$ 7,632,749	\$ 500,576	\$ (73,753)	\$ (10,613,436)	\$ (27,022)	\$ (2,580,886)
Less: common shares held by subsidiary	(2,000,000)	\$ (260,000)					(260,000)
	33,420,293	7,372,749	500,576	(73,753)	(10,613,436)	(27,022)	(2,840,886)
Net income (loss)	-	-	-	-	(421,076)	49,510	(371,566)
Change in foreign currency translation	-	-	-	39,142	-	-	39,142
Share based compensation	-	-	-	-	-	-	-
Options Exercised	-	-	-	-	-	-	-
Cancellation of common shares	-	-	-	-	-	-	-
At September 30, 2023	33,420,293	\$ 7,372,749	\$ 500,576	\$ (34,611)	\$ (11,034,512)	\$ 22,488	\$ (3,173,310)

NOTES	Number of Common Shares	Common Shares	Contributed Surplus	Accumulated Other Comprehensive Loss	Accumulated Deficit	Non- Controlling Interest	Total Shareholders' Equity
At January 1, 2022							
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)	-	-	-	-	(907,170)	433,201	(473,969)
Change in foreign currency translation	-	-	-	(180,028)	-	-	(180,028)
Share based compensation	-	-	-	-	-	-	-
Options exercised	-	-	-	-	-	-	-
Cancellation of common shares	-	-	-	-	-	-	-
At December 31, 2022	33,420,293	\$ 7,372,749	\$ 500,576	\$ (73,753)	\$ (10,613,436)	\$ (27,022)	\$ (2,840,886)

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

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

	NOTES	Quarter Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022
OPERATING ACTIVITIES					
Net income (loss)		\$ 101,750	\$ 14,717	\$ (371,566)	\$ (835,580)
<i>Add items not affecting cash:</i>					
Depreciation and amortization	8	134,781	328,707	335,911	980,814
Interest expense	9(b)	50,154	4,712	154,549	122,678
Changes in non-cash working capital items					
Restricted non-redeemable GIC's		(48,300)	-	(48,300)	-
Trade and other receivables		858,210	58,778	(164,065)	35,108
Sub-lease receivable		52,027	-	52,027	-
Inventories		269,958	(281,798)	25,914	(395,071)
Other assets		25,708	742,404	60,124	553,449
Trade and other payables and accrued liabilities		(608,838)	(132,298)	(236,320)	4,816
Customer deposits		(138,659)	(656,954)	(142,056)	(929,552)
Deferred revenue		(24,338)	197,876	110,631	133,642
Advances Related Party		49,250	69,898	135,860	212,762
Interest paid		35,901	(18,926)	-	(67,957)
Net cash provided by (applied to) operating activities		757,604	327,116	(87,291)	(184,891)
INVESTING ACTIVITIES					
Intangible assets		(127,178)	-	(471,198)	(178,318)
Net cash provided by (applied to) investing activities		(127,178)	-	(471,198)	(178,318)
FINANCING ACTIVITIES					
Payments on lease liabilities	11(a)	(73,266)	(138,868)	(187,740)	(469,042)
Payments on WEDC repayable contribution	6(c)	(12,870)	(12,870)	(38,610)	(38,610)
Payments on Chymiak loan	6(b)	-	-	(80,046)	-
Repayments on IMT promissory notes	5(d)	35,901	209,074	-	209,074
Net cash provided by (applied to) financing activities		(50,235)	57,336	(306,396)	(298,578)
Effect of exchange rates on cash and cash equivalents		174,158	(149,687)	28,110	(167,204)
Net increase (decrease) in cash		754,349	234,765	(836,775)	(828,991)
Cash, beginning of period		374,413	1,901,544	1,965,537	2,965,300
CASH, end of period		\$ 1,128,762	\$ 2,136,309	\$ 1,128,762	\$ 2,136,309

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

NOVRA TECHNOLOGIES INC.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Nine Months ended September 30, 2023 and 2022

(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 210-100 Innovation Drive, Winnipeg, Manitoba, Canada R3T 6G2. 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.

With 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, 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 November 29, 2023. These unaudited interim financial statements should be read in conjunction with Novra's annual audited Consolidated Financial Statements for the year ended December 31, 2022.

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, 2022.

The Condensed Consolidated Statement of Financial Position at September 30, 2023 and the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss), of Changes in Equity and of Cash Flows for the periods ended September 30, 2023 and 2022 have not been audited or reviewed by Novra's auditors. The Condensed Consolidated Statement of Financial Position at December 31, 2022 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

Nine Months ended September 30, 2023 and 2022

(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:

	September 30, 2023	September 30, 2022
Trade accounts receivable	\$ 962	\$ 1,132
Less: allowance for doubtful accounts	99	47
Net trade accounts receivable	863	1,085
Canadian Emergency Wage Subsidy	-	4
Total trade and other receivables	\$ 863	\$ 1,089

As at September 30, 2023, three customers individually accounted for 44% of total receivables from contracts with customers.

4. Right-of-use Assets

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

	2023	2022
Balance, January 1	\$ 1,454	\$ 1,721
Additions	73	-
Depreciation	(146)	(431)
Effects on movement in exchange rates	(23)	93
Balance, September 30	\$ 1,358	\$ 1,383

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 September 30, 2023.

NOVRA TECHNOLOGIES INC.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Nine Months ended September 30, 2023 and 2022

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

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Salaries and employee benefits	\$ 85	\$ 85	\$ 256	\$ 256
Share-based compensation	-	-	-	-
Directors' fees	3	3	9	9
Total	\$ 88	\$ 88	\$ 265	\$ 265

b) Transactions with other related parties

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Interest on unsecured promissory notes				
InfoMagnetics Technologies Inc. ("IMT") ⁽¹⁾	\$ 18	\$ 10	\$ 54	\$ 28
	\$ 18	\$ 10	\$ 54	\$ 28

⁽¹⁾ 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:

	September 30, 2023	December 31, 2022
Key management and directors (see part (a))	1,224	1,095
IMT	502	495
	\$ 1,726	\$ 1,590

At September 30, 2023, \$1.18 million (September 30, 2022: \$994 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:

	2023	2022
At January 1	\$ 1,200	\$ 863
Loan repayments	-	(36)
Foreign exchange movement	-	(1)
Interest charged	54	18
Interest paid	-	(3)
At September 30	\$ 1,254	\$ 841

NOVRA TECHNOLOGIES INC.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Nine Months ended September 30, 2023 and 2022

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

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

	2023	2022
Current portion	\$ -	\$ 841
Non-current portion	1,254	-
Total	\$ 1,254	\$ 841

6. Borrowings

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

	September 30, 2023	December 31, 2022
Revolving line of credit with the Chymiak Trust	2,187	2,272
WEDC repayable contribution	64	102
Government disaster assistance funding	256	241
Total borrowings	2,507	2,615
Less: current portion	(177)	(218)
Total borrowings - non-current	\$ 2,330	\$ 2,398

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 first quarter.

b) Revolving line of credit with the Chymiak Trust

A \$60 thousand US payment was made on the Chymiak loan in June 2023.

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. Repayment obligations were paused from April to December 2020 due to the COVID-19 pandemic. Repayments recommenced on January 1, 2021. The contributions are subject to interest at the average bank rate plus 3% if any payments are late.

NOVRA TECHNOLOGIES INC.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Nine Months ended September 30, 2023 and 2022

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

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 January 18, 2024 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. Small Business 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.

7. Shareholders' Equity

a) Common Stock

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

	2023	2022
Authorized:		
Unlimited Class "A" Common voting shares		
Unlimited Class "B" Common non-voting shares		
Unlimited Class "C" Preferred shares, redeemable and retractable at \$1,000		
Issued:		
33,444,293 (December 31, 2022: 33,444,293)		
Class "A" common voting shares	\$ 7,373	\$ 7,373

During the third quarter of 2023, there were no changes to options.

b) Stock Options

The following table provides a summary of stock option activity for the third quarter of 2023:

	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of year	1,172,000	\$ 0.12
Granted	-	\$ 0.12
Exercised	-	\$ 0.12
Forfeited	-	\$ 0.12
Expired		\$ 0.12
Outstanding, end of year	1,172,000	\$ 0.12

At September 30, 2023, the remaining stock option pool for future grants was 1,172,000.

NOVRA TECHNOLOGIES INC.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Nine Months ended September 30, 2023 and 2022

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

The following table summarizes information about the stock options outstanding at September 30, 2023.

# 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

8. Depreciation and Amortization

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

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Cost of revenue	\$ 12,404	\$ 38,691	\$ 37,528	\$ 119,683
Selling and marketing	5,433	10,690	17,484	32,071
Research and development	102,029	226,213	238,772	670,639
General and administrative	14,914	53,112	42,127	158,421
	\$ 134,781	\$ 328,707	\$ 335,911	\$ 980,814

9. Finance Income and Finance Costs

(a) Finance Income

The Company did not qualify for the Canada Recovery Hiring Program (CRHP) for the 9-months ended September 2023 and recorded \$nil to finance income (2022 - \$9 thousand). The CRHP is a federal government program created to provide financial support to businesses affected by COVID-19.

The following table provides a breakdown of total finance income during the third quarter.

	Nine Months Ended September 30,	
	2023	2022
Interest income:		
- COVID-19 Income	\$ -	\$ 9
- Restricted non-redeemable GIC	48	-
	\$ 48	\$ 9

(b) Finance Costs

The following table provides a breakdown of total finance costs during the third quarter.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Interest expense:				
- Unsecured promissory notes (see Note 5(d))	\$ 18	\$ 11	\$ 54	\$ 29
- Lease Commitments (see Note 11)	20	23	80	78
- Other interest and finance costs	13	(29)	21	16
	\$ 51	\$ 5	\$ 155	\$ 123

NOVRA TECHNOLOGIES INC.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Nine Months ended September 30, 2023 and 2022

(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 September 30:

Major Products/Service Lines	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Hardware and Software	\$ 821	\$ 1,808	\$ 2,140	\$ 4,267
Services, Support and Extended Warranty	394	327	2,131	1,046
Other	25	5	249	95
	\$ 1,241	\$ 2,140	\$ 4,519	\$ 5,408

Geographic Market	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Americas ex-Canada ⁽¹⁾	\$ 1,060	\$ 1,720	\$ 3,701	\$ 4,262
Canada	63	111	167	5
EMEA ⁽²⁾	19	34	268	1,046
APAC ⁽³⁾	120	276	383	95
	\$ 1,262	\$ 2,140	\$ 4,519	\$ 5,408

(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 September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Products transferred at a point in time	\$ 846	\$ 1,814	\$ 2,389	\$ 4,362
Products and services transferred over time	394	326	2,131	1,046
	\$ 1,241	\$ 2,140	\$ 4,519	\$ 5,408

NOVRA TECHNOLOGIES INC.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Nine Months ended September 30, 2023 and 2022

(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:

	2023
Balance, January 1, 2023	\$ 1,901
Interest	80
Effects on movement in exchange rates	(2)
Additions	73
Lease payments	(268)
Balance September 30, 2023	1,784
Less: current portion	(257)
Lease liabilities non-current, September 30, 2023	\$ 1,527

The following table presents the contractual undiscounted cash flows for lease obligations as at September 30, 2023:

Less than one year	\$ (356)
One to five years	(1,393)
More than five years	(359)
Total undiscounted lease obligations	\$ (2,107)

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 September 30, 2023 and 2022, we had no purchase commitments which are due within one year.