



NOVRA ANNOUNCES FINANCIAL RESULTS FOR Q4 AND THE FULL YEAR 2022

Winnipeg, MB – (Newsfile Corp. – **May 2, 2023**): Novra Technologies Inc. (“Novra”) (TSX-V: NVI) has released its financial results for the year ended December 31, 2022. All amounts are in Canadian dollars unless otherwise noted.

Novra is pleased to announce improvements in our financial results, with a profitable second half of the year. Although our net income for the year was a loss of \$474 thousand, there was year-over-year improvement in our revenue, our gross profit, and our operating income. Net income for 2021 was higher only because it included over \$1.0 million in Covid-related government assistance. EBITDA⁽¹⁾ and Adjusted EBITDA⁽¹⁾, both non-IFRS measures, were positive for the full year, at \$982 thousand and \$884 thousand respectively. Revenue for the year was \$7.6 million, an increase of \$398 thousand over 2021.

We entered 2022 with a backlog of more than \$4.8 million, but global supply chain disruptions caused shipments against most of this backlog to slide into Q2 and the second half of the year. Novra’s fourth quarter was strong, with net income of \$363 thousand, which is higher compared both to the previous quarter (\$15 thousand) and to the same period of 2021 (\$227 thousand). Revenue in Q4 also increased year-over-year, at \$2.2 million in 2022 compared to \$1.5 million in 2021. See more financial highlights in the chart below.

(In Thousands)	Three months ended December 31			Year ended December 31		
	2022	2021	% Chg	2022	2021	% Chg
Revenue by type:						
Products	\$ 1,586	\$ 1,025	55%	\$ 5,853	\$ 5,606	4%
Services	609	484	26%	1,750	1,600	9%
Total revenue	2,195	1,509	45%	7,603	7,206	6%
Gross profit	1,618	569	184%	4,135	3,329	24%
<i>Gross margin</i>	73.7%	37.7%	95%	54.4%	46.2%	
Operating expenses	1,234	279	342%	4,554	3,999	14%
Operating income (loss)	384	290	32%	(419)	(670)	-38%
Other income (expenses)	(21)	(62)	-66%	(55)	850	NM
Net income (loss) as reported under IFRS	\$ 363	\$ 227	60%	\$ (474)	\$ 180	NM
Adjusted EBITDA⁽¹⁾ - non-IFRS measure	\$ 653	\$ 594	10%	\$ 884	\$ 1,494	-41%

NM – Not meaningful

Amounts in the table may not reconcile due to rounding differences.

(1) Refer to the Management’s Discussion & Analysis (“MD&A”) for a reconciliation of EBITDA and Adjusted EBITDA to Net Income (loss) as reported under IFRS.

We are encouraged by the recent increases in our revenue and, looking ahead, indications that our customers will need to replace infrastructure and make new investments due to a combination of factors including: aging equipment, new technology developments, and emerging business requirements. Many of these upgrades have been deferred over the past few years. This creates significant opportunity for us. However, our cautiously optimistic outlook for the next few quarters is

tempered by the fact that our clients still face continuing global economic uncertainty, rising interest rates, geopolitical conflicts and bank failures, which are causing many businesses to delay investments in infrastructure.

We are aggressively managing expenses and we will continue to take necessary steps to adjust expenditures to address the uncertainty in the timing of new bookings. Recent rightsizing of our facilities footprints is anticipated provide approximately \$400 thousand in annualized occupancy cost savings beginning in 2023.

This year we have already seen a number of customers taking steps to refresh, upgrade, and/or expand their networks. Orders received in the early months of 2023 include: a large order to upgrade encryption technology for a major US government broadcast service; an order from an Eastern European radio network for a redundant uplink to mitigate risks caused by the current war in Ukraine; and an order from a major Mexican television network to expand its encryption infrastructure to add and protect competitive sports content. Many of this year's new orders are for our newly developed technology and indicate that by taking the right steps in new product development, maintaining our expertise at the forefront of new technologies, supporting our existing customers, and building new relationships, we are well positioned when customers are ready to buy.

At December 31, 2022, Novra's deferred revenue and bookings backlog totalled more than \$3.5 million and our recurring support services revenue continues to be strong. Together, these provide some visibility into future revenues and help moderate the volatility we expect in our revenue and income over the next several quarters.

"We are pleased that the positive trends we saw in Q2 and Q3 financial results continued through the end of 2022. Even more so, we are gratified to see both long-time existing customers and new customers embracing our latest products and services. We will continue our strategy on applying strategic R&D investments to develop flexible and cost-effective products and services that enable our customers to address their evolving business needs. In these times of accelerating change, we know that our customers value a partner who, in addition to providing the products and services they need, is also there to help guide them through the technology transitions they and their businesses are facing. Our team is focused on being that trusted partner to our customers", said Harris Liontas, President & CEO.

For additional details on Novra's results and outlook for the year ended December 31, 2022, please refer to our MD&A and the audited Annual Consolidated Financial Statements, which are available on SEDAR (www.sedar.com).

About Novra Technologies Inc.:

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

For more information visit: www.novragroup.com

Forward-Looking Statements:

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

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

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

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