



## NOVRA ANNOUNCES FINANCIAL RESULTS FOR THE FIRST SIX MONTHS OF 2023

**Winnipeg, MB – (Newsfile Corp. – August 30, 2023):** Novra Technologies Inc. (“Novra”) (TSX-V: NVI; OTC:NVRVF) has released its financial results for the six months ended June 30, 2023. All amounts are in Canadian dollars unless otherwise noted.

Novra is pleased to announce our revenue improved significantly in Q2 compared to the previous quarter and our current healthy product inventory levels are allowing us to ship many of our new orders from stock. We expect to deliver the remainder of our significant backlog brought into this year in the second half of 2023.

Net Income loss for the 6-month period improved by 44% or \$375 thousand compared to a loss of \$850 thousand in 2022. An 11% reduction in operating costs made a significant contribution to this improvement. In the most recent quarter, Novra’s Adjusted EBITDA<sup>(1)</sup> was positive \$85 thousand. We continue to aggressively manage expenses and adjust expenditures in response to market conditions and expect operating expenses to continue to trend lower.

Novra currently has more than \$2.7 million in cash deposits and cashable guaranteed investment certificates (GICs), providing a large pool of liquid funds. While actively controlling costs, we are also investing prudently in developing the technologies and products needed to meet the future requirements of current and new customers. As part of this effort, we were recently awarded a US patent for new technology that harnesses our experience in image processing to tackle the challenge of remote collaboration. We are in the process of refining the design for manufacture and exploring applications for this new technology.

We continue to see pent up demand in our markets. Infrastructure replacements will be necessary due to technology obsolescence, aging equipment, and new business requirements. However, this is countered by the economic uncertainty, rising interest rates and contracting availability of capital that are leading some of our large clients to delay investments in their infrastructures. Novra has been able to compensate for this in 2023, achieving slightly higher revenue and much improved customer diversity, through sales to a broad range of smaller customers. Our top 10 customers in this period last year drove 84% of total revenue - this year our top 10 customers drove just 59% of total revenue.

An important component of our R&D strategy over the last three years has been the continued development of the MISTiQ platform for cloud-based distribution of content, which we provide as a service. We are also expanding our software products—including Datacast XD content management and distribution—into the Software as a Service (SaaS) model. This recurring-revenue model is increasingly popular with customers who don’t have to invest upfront in software, and it’s part of our approach to our ongoing strategic goal of generating a more consistent revenue base. In a project-based business like Novra’s this offers the advantage of smoothing out inconsistent revenues. The work we’ve done and our substantial R&D investment over the

past several years is paying off as we book more and more service business, including the recent selection by two major Canadian broadcasters of MISTiQ for their cloud-based content distribution.

See more financial highlights in the chart below.

(In Thousands)	Three Months Ended June 30,			Period Ended June 30,		
	2023	2022	% Chg	2023	2022	% Chg
<b>Revenue by type:</b>						
Products	\$ 836	\$ 1,954	-57%	\$ 1,319	\$ 2,458	-46%
Services	1,356	384	253%	1,960	809	142%
<b>Total revenue</b>	<b>2,192</b>	<b>2,338</b>	<b>-6%</b>	<b>3,279</b>	<b>3,267</b>	<b>0%</b>
<b>Gross profit</b>	<b>887</b>	<b>1170</b>	<b>-24%</b>	<b>1582</b>	<b>1,518</b>	<b>4%</b>
<i>Gross margin</i>	<b>40.5%</b>	<i>50.0%</i>		<b>48.3%</b>	<i>46.5%</i>	
Operating expenses	1,005	1,228	-18%	2,056	2,311	-11%
<b>Operating income (loss)</b>	<b>(118)</b>	<b>(58)</b>	<b>103%</b>	<b>(474)</b>	<b>(793)</b>	<b>-40%</b>
Other income (expenses)	(32)	(34)	-6%	(1)	(58)	-98%
<b>Net income (loss) as reported under IFRS</b>	<b>\$ (150)</b>	<b>\$ (92)</b>	<b>63%</b>	<b>\$ (475)</b>	<b>\$ (850)</b>	<b>-44%</b>
<b>Adjusted EBITDA - non-IFRS measure <sup>(1)</sup></b>	<b>\$ 85</b>	<b>\$ 274</b>	<b>-69%</b>	<b>\$ (156)</b>	<b>\$ (131)</b>	<b>19%</b>

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

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

"We are happy to see positive trends in Novra's results and to have diversified our customer base to compensate for interruptions in some of our key customers' infrastructure investments, which result from the challenges of current global conditions and shifts in their markets. At the same time, we are also focussed on developing products and services that will help our customers, new and old, to survive and thrive in their current challenging markets. Our customer-proven subscription services, financing options, and flexible, cost-effective products are all targeted to address customers' key technical requirements and business needs. Our primary focus continues to be on enabling the success of our clients through our products, services, technical expertise and partnership", said Harris Liontas, President & CEO.

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

#### 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](http://www.novragroup.com)

#### Forward-Looking Statements:

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

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

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