

NOVRA ANNOUNCES FINANCIAL RESULTS FOR Q4 AND THE FULL YEAR 2023

Winnipeg, MB – (Newsfile Corp. – April 30, 2024): Novra Technologies Inc. (“Novra”) (TSX-V: NVI) has released its financial results for the year ended December 31, 2023. All amounts are in Canadian dollars unless otherwise noted.

Novra’s financial performance improved significantly after a slow start to the year and returned to net income profitability for the full year. Although our annual revenue was down by \$157 thousand, our net income was \$136 thousand, a \$610 thousand improvement over the \$474 thousand loss in 2022 and our Adjusted EBITDA⁽¹⁾ was \$845 thousand.

This improvement is largely a result of strategically reducing operating expenses compared to last year, while maintaining the ability to deliver leading products and outstanding service. Our cost savings measures implemented in 2023 will carry forward into 2024 and beyond.

Novra’s cash position at the end of the period was strong, with bank deposits of over \$2.4 million and a bank credit facility of \$1.2 million providing a pool of liquid funds, and our current deferred revenue of \$948 thousand is expected to be recognised in 2024.

See more financial highlights from 2023 in the chart below.

<i>thousands)</i>	Three Months Ended December 31,			Year ended December 31,		
	2023	2022	% Chg	2023	2022	% Chg
Revenue by type:						
Products	\$ 2,129	\$ 1,586	34%	\$ 4,269	\$ 5,853	-27%
Services	798	609	31%	3,177	1,750	82%
Total revenue	2,927	2,195	33%	7,446	7,603	-2%
Gross profit	1,587	1,618	-2%	4,082	4,135	-1%
<i>Gross margin</i>	54.2%	73.7%		54.8%	54.4%	
Operating expenses	891	1,234	-28%	3,749	4,554	-18%
Operating income (loss)	696	384	81%	333	(419)	NM
Other income (expenses)	(187)	(21)	790%	(197)	(55)	258%
Net income (loss) as reported under IFRS	\$ 509	\$ 363	40%	\$ 136	\$ (474)	NM
Adjusted EBITDA - non-IFRS measure⁽¹⁾	\$ 832	\$ 653	27%	\$ 845	\$ 884	-4%

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.

Novra’s fourth quarter was particularly strong in 2023 with net income of \$509 thousand, a 40% improvement compared to Q4 of 2022. Revenue was \$2.9 million, \$732 higher than in the same quarter in 2022. Operating expenses continued their downward trend compared to 2022. However, these were particularly high in Q4 2022 due, in large part, to certain one-time expenses associated with reducing on-going occupancy costs at that time.

Revenue for the year was \$7.4 million, slightly down from \$7.6 million in 2022. In 2023 there was a significant shift from product revenue to service revenue, with service revenue increasing by \$1.4 million year over year. This was primarily the result of the particular product/service mix in the year. While the shift to service revenue isn't expected to continue on the same trajectory in 2024, we do expect the proportion of our revenue that comes from services to continue to be higher than historic averages as we grow our service and SaaS offerings.

We continue to see pent-up demand - infrastructure replacements will be needed in our markets due to technology obsolescence, aging equipment, and new business requirements. However, this is countered by the economic uncertainty, higher interest rates and contracting availability of capital that are leading businesses to delay investments in their infrastructures. We are confident that opportunities exist and we are taking the right steps to be ready when customers decide to buy, but we cannot know when the pent-up demand will turn into orders. We expect revenue to be soft in the first half of 2024 and we are therefore continuing to aggressively manage expenses and take steps to adjust expenditures to address revenue uncertainty. We are also investing in innovation initiatives to help our customers succeed in their changing markets, and in building customer relationships to understand and address current customer needs, to position Novra for future growth.

"I am pleased with our 2023 financial results and although 2024 will be challenging we are excited with the business opportunities that we are currently working on, including our commitment to invest in our future by converting some of our key hardware products into software and services." said Rodney Allan, President. "This strategy will not only help our customers with their current financial pressures, but it will position Novra to smooth some of the variability in our revenue over time by transitioning to more recurring revenue. We will also be prioritizing investment and research into growing and adjacent areas of business."

For additional details on Novra's results and outlook for the year ended December 31, 2023, please refer to our MD&A and the audited Annual Consolidated Financial Statements, which are available on SEDAR+ (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

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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