



NOVRA ANNOUNCES FIRST QUARTER 2018 FINANCIAL RESULTS

Winnipeg, MB – (CNW – May 30, 2018): Novra Technologies Inc. (“Novra”) (TSX-V: NVI) today announced its consolidated financial results for the first quarter of 2018. All amounts are in Canadian dollars unless otherwise noted.

The results below represent the first quarter of operations that include Wegener Communications (“Wegener”), after acquiring a 51.6% controlling interest in Wegener at the end of 2017. The significant variances in our financial highlights from those in 2017 were primarily driven by the inclusion of Wegener’s operating results and the lumpy nature of our products revenue.

First Quarter 2018 Financial Results

<i>(in thousands, except for Gross margin and % Chg)</i>	Three Months Ended March 31,		
	2018	2017	% Chg
Revenue by type:			
Products	\$ 1,517	\$ 2,172	-30%
Services	555	250	122%
Total revenue	2,072	2,422	-14%
Gross profit	880	1,130	-22%
<i>Gross margin</i>	<i>42.5%</i>	<i>46.7%</i>	
Operating expenses ("OPEX")	1,699	953	78%
Operating income (loss)	(819)	177	NM
Finance costs, net	(52)	(47)	11%
Other income (expenses)	108	112	-4%
Net income (loss) as reported under IFRS	\$ (763)	\$ 242	NM
Adjusted EBITDA - non-IFRS measure ⁽²⁾	\$ (570)	\$ 274	NM

NM – Not meaningful

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

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

Total revenue decreased by 14% or \$0.4 million. The decrease in revenue was due to a softer quarter for product shipments, including very little product revenue from our recent acquisition of Wegener. Some of the reasons for lower revenue from product shipments were delays of several of our clients’ projects and manufacturing lead-times for some of our products. However, as we reported, our Q1 total revenue and bookings combined were approximately \$6.0 Million and as of May 15, 2018 that total further increased to \$8.0 million. Also, our cash position on March 31, 2018 improved to \$2,098,000 (Dec 31, 2017: \$1,804,000)

Harris Liontas, President and CEO stated “Although we were expecting a soft start to 2018, I am still disappointed with our operating performance for the first quarter of 2018. Our on-going integration and cost rationalization initiatives are being implemented to position Novra to better weather lumpy revenue patterns in the future. Also, on the positive side, I am happy to report strong sales for our products and services with total orders as of May 15th, 2018 at \$8.0 million. With Wegener Communications now part of the Novra Group, we are executing on our vision to bring great companies with complementary technologies together to capitalize on market opportunities and operational efficiencies. The \$8.0 million in combined bookings and revenue in the first 4.5 months of 2018 is indicative of Novra’s significant evolution into a strong, scalable global company in the growing multimedia broadband content distribution business. Our clients are trusting us to be their technology partner as they are looking for next generation advanced, reliable and cost-effective solutions to deliver their services”.

A copy of the MD&A and the unaudited interim Condensed Consolidated Financial Statements for the quarter ended March 31, 2018, are available on SEDAR (www.sedar.com).

About Novra Technologies Inc.:

Novra (TSX-V: NVI) is an international technology provider of products, systems and services for the distribution of multimedia broadband content. The Novra Group of companies includes Novra, 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 “expects”, “anticipates”, “believes”, “intends”, “estimates”, “predicts”, “outlook”, “potential”, “targeted”, “plans” “possible”, “poised for”, 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 herein under the “Risks and Uncertainties” section of the 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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