



NOVRA ANNOUNCES SECOND QUARTER 2018 FINANCIAL RESULTS

Winnipeg, MB – (CNW – August 29, 2018): Novra Technologies Inc. (“Novra”) (TSX-V: NVI) today announced its consolidated financial results for the second quarter and six months ended June 30, 2018. All amounts are in Canadian dollars unless otherwise noted.

The results below represent the first six months 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.

Second Quarter 2018 Financial Results

<i>(in thousands, except for Gross margin and % Chg)</i>	Quarter ended June 30,			Six Months Ended June 30,		
	2018	2017	% Chg	2018	2017	% Chg
Revenue by type:						
Products	\$ 1,081	\$ 2,959	-63%	\$ 2,593	\$ 5,132	-49%
Services	513	302	70%	1,073	552	94%
Total revenue	1,594	3,261	-51%	3,666	5,684	-36%
Gross profit	758	1,810	-58%	1,638	2,940	-44%
<i>Gross margin</i>	<i>47.6%</i>	<i>55.5%</i>		<i>44.7%</i>	<i>51.7%</i>	
Operating expenses ⁽¹⁾	1,582	1,074	47%	3,281	2,027	62%
Operating income (loss) ⁽¹⁾	(824)	736	NM	(1,643)	913	NM
Other income (expenses) ⁽¹⁾	32	(96)		89	(31)	
Net income (loss) as reported under IFRS	\$ (792)	\$ 640	NM	\$ (1,554)	\$ 882	NM
Adjusted EBITDA - non-IFRS measure	\$ (592)	\$ 851	NM	\$ (1,178)	\$ 1,114	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.

As previously reported we expected slower sales for the first half of 2018 with total revenue decreasing by 36% or \$2 million primarily due to fewer product shipments because of manufacturing lead-times and customer project schedules being delayed. However, our current year-to-date total revenue and bookings combined are approximately \$8.5 Million of which approximately \$5 million is expected to be recognized in the second half of 2018, along with new orders that we are expecting in the second half of 2018. Also, our cash position on June 30, 2018 improved to \$1,835,000 (Dec 31, 2017: \$1,804,000).

Harris Liontas, President and CEO stated “Although I am not happy with our financial results for the first half of 2018, I also understand and expected the short-term negative impact that Wegener’s results would have on Novra’s financials for 2018. Without consolidating Wegener’s financials, we would have been profitable for this reporting period. Our on-going integration and cost rationalization initiatives are beginning to have material impacts that will reduce our operating expenses going forward. This coupled with the strong backlog positions us well for a strong and profitable second half of the year”.

A copy of the MD&A and the unaudited interim Condensed Consolidated Financial Statements for the period ended June 30, 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”, “positions us 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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