



## NOVRA ANNOUNCES THIRD QUARTER 2018 FINANCIAL RESULTS

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

The results below represent the first nine 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 continued to be primarily driven by the inclusion of Wegener’s operating results and the lumpy nature of our products revenue.

### Third Quarter 2018 Financial Results

<i>(in thousands, except for Gross margin and % Chg)</i>	Quarter ended September 30,			Nine Months Ended September 30,		
	2018	2017	% Chg	2018	2017	% Chg
<b>Revenue by type:</b>						
Products	\$ 2,908	\$ 1,654	76%	\$ 5,494	\$ 6,785	-19%
Services	650	394	65%	1,730	946	83%
<b>Total revenue</b>	<b>3,558</b>	<b>2,048</b>	<b>74%</b>	<b>7,224</b>	<b>7,731</b>	<b>-7%</b>
<b>Gross profit</b>	<b>2,087</b>	946	121%	<b>3,725</b>	3,886	-4%
<i>Gross margin</i>	<b>58.7%</b>	46.2%		<b>51.6%</b>	50.3%	
Operating expenses <sup>(1)</sup>	1,527	815	87%	4,808	2,842	69%
<b>Operating income (loss) <sup>(1)</sup></b>	<b>560</b>	131	NM	<b>(1,083)</b>	1,044	NM
Other income (expenses) <sup>(1)</sup>	(93)	(88)	6%	(5)	(119)	-96%
<b>Net income (loss) as reported under IFRS</b>	<b>\$ 467</b>	\$ 43	NM	<b>\$ (1,088)</b>	\$ 924	NM
<b>Adjusted EBITDA - non-IFRS measure</b>	<b>\$ 862</b>	\$ 244	NM	<b>\$ (215)</b>	\$ 1,378	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.

Revenue in this quarter more than doubled from Q2 to \$3.6 million. This brought total revenue in the first nine months to within 7% of the 2017 value, after running at 36% under 2017 for the first 6 months of this year. Strong Q3 revenues drove a profitable quarter, with positive net income of \$467 thousand for the three month period.

If Wegener’s operating results and the amortization of intangible assets related to the acquisition are excluded, our nine month results for Novra and IDC would be positive, continuing the profitable trend from 2017. In Q3, Wegener’s operating results were positive and it is anticipated that they will contribute positively to the consolidated bottom line in the fourth quarter.

With strong bookings, which are currently approximately \$2.0 million, and \$2.7 million in deferred revenue as of September 30, we expect revenue to continue to improve through the end of the year.

Harris Liontas, President and CEO stated “As expected, this quarter marked a significant improvement in results over the first two quarters of the year. Our integration and cost-reduction efforts continued to bring expenses in line with our income. With our strong backlog, significant deferred revenue and continued focus on cost controls, we are well positioned for a profitable Q4 and a strong start to 2019. At the same time, our investments in the development of innovative new products and services are positioning us to not only remain relevant in our current markets, but to allow us to expand into new developing market segments.”

A copy of the MD&A and the unaudited interim Condensed Consolidated Financial Statements for the period ended September 30, 2018, are available on SEDAR ([www.sedar.com](http://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](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”, “potential”, “targeted”, “plans” “possible”, “poised for”, “positioned 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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