



NOVRA ANNOUNCES FINANCIAL RESULTS FOR THE FIRST THREE MONTHS OF 2022

Winnipeg, MB – (Newsfile Corp. – May 30, 2022): Novra Technologies Inc. (“Novra”) (TSX-V: NVI) has announced its financial results for the three months ended March 31, 2022. All amounts are in Canadian dollars unless otherwise noted.

Continued COVID-19 lockdowns and escalating geopolitical turmoil negatively impacted the world’s supply chains and this had a major effect on Novra’s Q1 2022 financial results by delaying our ability to ship our \$5.7 million in backlog orders. However, shipments against Novra’s order backlog have commenced subsequent to quarter-end and are expected to begin positively impacting our financial results for the remainder of 2022. As a result of making strategic investments to build product inventory, Novra also continues to be able to ship most orders for standard products from stock.

First Three Months of 2022 Consolidated Financial Results

Revenue was down significantly compared to the same period in 2021 (\$929 thousand versus \$3.73 million) and this materially impacted our financial results. Net income and Adjusted EBITDA⁽²⁾ were both negative for the first three months of 2022.

Due to on-going global geopolitical and public health situations, we expect volatility in our revenue and income to continue over the next several quarters as these impact our clients and the economy in general. Global supply chain issues will also continue to affect lead-times to deliver new orders we may receive through at least the next few quarters, particularly orders for custom or unstocked products.

(In Thousands)	Three Months Ended March 31,		
	2022	2021	% Chg
Revenue by type:			
Products	\$ 504	\$ 3,280	-85%
Services	425	448	-5%
Total revenue	929	3,727	-75%
Gross profit	348	2,164	-84%
<i>Gross margin</i>	37.4%	58.0%	
Operating expenses	1,082	1,190	-9%
Operating income (loss)	(735)	974	NM
Other income (expenses)	(23)	145	NM
Net income loss as reported under IFRS	(758)	\$ 1,119	NM
Adjusted EBITDA - non-IFRS measure	(425)	\$ 1,338	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.

Gross margin for the period fell by more than 20% compared to the same period in 2021 (37.4% versus 58.0%). This was the result of certain fixed costs being spread over much lower revenue, as well as differences in the product/service mix.

Operating expenses improved by 9%, or \$108 thousand, as the result of targeted cost saving measures. At the same time, we continued to invest in product development and ramped up in-person meetings with customers and attendance at industry events to nurture existing customer relationships and build new ones.

On March 31, 2022 Novra's deferred revenue was \$1.1 million, and our bookings backlog remained strong at \$5.7 million. Shipments against backlog orders have begun to ramp up in second quarter. This, coupled with additional subsequent sales and bookings, provides some visibility into our revenue for the remainder of 2022.

"We are working closely with our customers and partners to make sure they get what they need when they need it. The complexities of supply chain challenges make communications and cooperation more important than ever. At the same time, we are heartened to see industry events coming back to life and to have major projects picking up momentum. These are positive signs for our company and the industry as a whole", said Diana Cantu, Vice President, Sales and Marketing.

For additional details on Novra's results and outlook for the three months ended March 31, 2022, please refer to our MD&A and the Consolidated Financial Statements, which are available on SEDAR (www.sedar.com).

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 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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