



NOVRA ANNOUNCES FIRST QUARTER 2021 FINANCIAL RESULTS

Winnipeg, MB – (Newsfile Corp. – June 2, 2021): Novra Technologies Inc. (“Novra”) (TSX-V: NVI) has announced its financial results for the first quarter ended March 31, 2021. All amounts are in Canadian dollars unless otherwise noted.

First Quarter 2021 Consolidated Financial Results

Novra’s first quarter (Q1) financial results were strong, with revenue increasing by 263% compared to the same period in 2020 and net income of more than \$1.1 million for the quarter. This solid performance was built on the significant backlog brought into 2021 and the acceleration of new bookings that has continued into early 2021. We currently have an order backlog of more than \$4.4 million and at March 31, 2021 we also had more than \$900 thousand in deferred revenue. Most of this backlog and deferred revenue is expected to be recognised in 2021.

(In Thousands)	Three Months Ended March 31,		
	2021	2020	% Chg
Revenue by type:			
Products	\$ 3,280	\$ 536	512%
Services	448	490	-9%
Total revenue	3,728	1,026	263%
Gross profit	2164	488	343%
<i>Gross margin</i>	58.0%	47.6%	
Operating expenses	1,190	1,446	-18%
Operating income (loss)	974	(958)	NM
Other income (expenses)	145	443	-67%
Net income loss as reported under IFRS	1,119	\$ (515)	NM
Adjusted EBITDA - non-IFRS measure	1,338	\$ (580)	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 for the quarter grew to \$3.7 million, an increase of \$2.6 million over 2020. This coupled with operating expense reduction of 18% and gross margin improvement to 58% resulted in the shift to significant net income and positive adjusted EBITDA⁽²⁾ of more than \$1.3 million for the period. Because our revenues have historically been project-based and spiky, the strength of results in this quarter should not be directly extrapolated to annual results.

However, the significant bookings backlog and deferred revenue do provide some positive indications for future results.

We expect continued volatility in our revenue and bookings for the next several quarters due to COVID-19's ongoing impact on our clients and the global economy in general. Supply chain delays due to COVID-19 are expected to impact lead times and deliveries for some larger or customized orders, but we continue to build inventory of standard products and those orders are generally fulfilled quickly. Management continues to invest in technical innovation, growing customer relationships, and providing outstanding customer support. Our strategy of developing next-generation products based on modular, platform-oriented designs is giving us new agility and flexibility to respond to customers' current and future requirements. Not only will this enable us to win new orders, it puts us in a better position to respond to opportunities to enter new market verticals.

"Although our financial results for last year were negatively affected by COVID-19, our Q1 results are very encouraging, as we are beginning to see the global economy come back. It is very gratifying to be able to report our Q1 revenue of \$3.7 million and \$5.4 million in backlog and deferred revenue. These results are indicative of the confidence our clients have in our technology to meet their mission-critical needs. We will continue our quest to provide innovative and flexible solutions to our clients by investing in R&D to enhance the functionality of our software and hardware, develop integrated control systems, and expand our product lines to embrace opportunities in the high-growth video market", said Harris Lontas, President and CEO. "Our significant cash balance and available credit combine to position us well to support ongoing investment in innovation and future growth."

For additional details on Novra's results and outlook for the three months ended March 31, 2021, 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) 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", "position us for", "looking forward to", "getting ready 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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