



CONSOLIDATED FINANCIAL STATEMENTS

Three Months ended March 31, 2024 and 2023
(Expressed in Canadian Dollars)

[Notice: These interim condensed consolidated financial statements have not been audited or reviewed by Novra's independent auditor.]

Table of Contents

| | |
|---|----|
| Condensed Consolidated Statements of Financial Position | 3 |
| Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) | 4 |
| Condensed Consolidated Statements of Changes in Shareholders' Equity..... | 5 |
| Condensed Consolidated Statements of Cash Flows | 6 |
| <i>Notes to Consolidated Financial Statements:</i> | |
| Note 1 - General Information | 7 |
| Note 2 - Basis of Preparation and Presentation | 7 |
| Note 3 - Current Assets..... | 8 |
| Note 4 - Right-of-use Assets..... | 8 |
| Note 5 - Related Party Transactions..... | 8 |
| Note 6 - Borrowings | 10 |
| Note 7 - Shareholders' Equity..... | 11 |
| Note 8 - Depreciation and Amortization..... | 12 |
| Note 9 - Finance Income and Finance Costs | 12 |
| Note 10 - Revenues..... | 13 |
| Note 11 - Commitments and Contingent Liabilities..... | 14 |

NOVRA TECHNOLOGIES INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Canadian dollars)

| | NOTES | March 31, 2024 | December 31, 2023 |
|---|-------|---------------------|---------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash | 3(a) | \$ 1,952,865 | 2,448,436 |
| Trade and other receivables | 3(b) | 295,653 | 755,982 |
| Sub-lease receivable - current portion | | 58,312 | 59,013 |
| Inventories | | 1,375,553 | 1,338,035 |
| Prepayments and other | | 93,948 | 36,608 |
| Total Current Assets | | 3,776,331 | 4,638,074 |
| Non-Current Assets | | | |
| Sub-lease receivable | | 33,249 | 47,627 |
| Equipment | | 7,891 | 9,062 |
| Right-of-use assets | 4 | 1,271,942 | 1,317,292 |
| Intangible assets | | 1,377,442 | 1,299,830 |
| Total Non-Current Assets | | 2,690,524 | 2,673,811 |
| TOTAL ASSETS | | \$ 6,466,855 | \$ 7,311,885 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | |
| Current Liabilities | | | |
| Trade and other payables | | \$ 1,594,670 | 1,618,232 |
| Borrowings | 6 | 204,833 | 170,195 |
| Lease liabilities | 11(a) | 284,144 | 268,847 |
| Customer deposits | | 144,595 | 62,898 |
| Deferred revenue | | 874,376 | 947,539 |
| Advances from related parties | 5(c) | 1,722,287 | 1,673,037 |
| Total Current Liabilities | | 4,824,905 | 4,740,748 |
| Non-Current Liabilities | | | |
| Borrowings | 6 | 2,238,933 | 2,268,989 |
| Lease liabilities | 11(a) | 1,381,901 | 1,448,864 |
| Deferred revenue | | 227,804 | 198,083 |
| Promissory notes from related party | 5(d) | 1,290,127 | 1,272,197 |
| Total Non-Current Liabilities | | 5,138,765 | 5,188,133 |
| TOTAL LIABILITIES | | \$ 9,963,670 | 9,928,881 |
| Equity | | | |
| Share capital | 7 | 7,372,749 | 7,372,749 |
| Contributed surplus | | 500,576 | 500,576 |
| Accumulated other comprehensive gain (loss) | | (16,810) | 13,900 |
| Accumulated deficit | | (11,440,867) | (10,713,049) |
| TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF NOVRA | | (3,584,352) | (2,825,824) |
| Non-Controlling Interests | | 87,537 | 208,828 |
| TOTAL EQUITY | | (3,496,815) | (2,616,996) |
| TOTAL LIABILITIES AND EQUITY | | \$ 6,466,855 | \$ 7,311,885 |

The accompanying notes are an integral part of these Consolidated Financial Statements

NOVRA TECHNOLOGIES INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE INCOME (LOSS)
(Canadian dollars, except share data)

| | NOTES | Three months ended March 31, | |
|---|-------|------------------------------|--------------|
| | | 2024 | 2023 |
| REVENUE | 10 | \$ 699,524 | \$ 1,086,553 |
| COST OF REVENUE | | 492,976 | 390,860 |
| GROSS PROFIT | | 206,548 | 695,693 |
| OPERATING EXPENSES | | | |
| General and administrative | | 335,655 | 287,599 |
| Sales and marketing | | 233,369 | 222,976 |
| Research and development | | 458,069 | 540,627 |
| Total operating expenses | | 1,027,093 | 1,051,202 |
| OPERATING INCOME (LOSS) | | (820,545) | (355,509) |
| Other Income (Expenses) | | | |
| Foreign exchange gain (loss) | | 17,418 | 84,923 |
| Finance income | 9(a) | - | 165 |
| Finance costs | 9(b) | (45,982) | (53,356) |
| INCOME (LOSS) BEFORE INCOME TAXES | | (849,109) | (323,777) |
| Income tax recovery (expense) | | - | - |
| NET INCOME (LOSS) | | \$ (849,109) | \$ (323,777) |
| OTHER COMPREHENSIVE INCOME, NET OF TAXES | | | |
| Foreign Currency Translation Adjustments on Wegener Consolidation | | (30,710) | 146,998 |
| Total other comprehensive income, net of taxes | | (30,710) | 146,998 |
| COMPREHENSIVE INCOME (LOSS) | | \$ (879,819) | \$ (176,779) |
| EARNINGS (LOSS) PER SHARE: | | | |
| Basic | | \$ (0.0218) | \$ (0.0100) |
| Diluted | | \$ (0.0218) | \$ (0.0100) |
| Weighted average number of shares outstanding - basic | | 33,420,293 | 33,420,293 |
| Weighted average number of shares outstanding - diluted | | 33,420,293 | 33,420,293 |
| NET INCOME (LOSS) ATTRIBUTABLE TO : | | | |
| Shareholders of Novra | | \$ (727,818) | \$ (333,274) |
| Non-controlling interest | | \$ (121,291) | \$ 9,496 |
| | | (849,109) | (323,777) |
| COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO: | | | |
| Shareholders of Novra | | \$ (758,528) | \$ (186,276) |
| Non-controlling interest | | \$ (121,291) | \$ 9,496 |
| | | (879,819) | (176,779) |

The accompanying notes are an integral part of these Consolidated Financial Statements

NOVRA TECHNOLOGIES INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Canadian dollars, except share data)

| NOTES | Number of Common Shares | Common Shares | Contributed Surplus | Accumulated Other Comprehensive Loss | Accumulated Deficit | Non- Controlling Interest | Total Shareholders' Equity |
|--|-------------------------------|---------------------|------------------------|---|------------------------|---------------------------------|----------------------------------|
| At January 1, 2024 | | | | | | | |
| Total | 35,420,293 | \$ 7,632,749 | \$ 500,576 | \$ 13,900 | \$ (10,713,049) | \$ 208,828 | \$ (2,356,996) |
| Less: common shares held by subsidiary | (2,000,000) | \$ (260,000) | | | | | (260,000) |
| | 33,420,293 | 7,372,749 | 500,576 | 13,900 | (10,713,049) | 208,828 | (2,616,996) |
| Net income (loss) | - | - | - | - | (727,818) | (121,291) | (849,109) |
| Change in foreign currency translation | - | - | - | (30,710) | - | - | (30,710) |
| Share based compensation 7(a) | - | - | - | - | - | - | - |
| Options Exercised 7(a) | - | - | - | - | - | - | - |
| Cancellation of common shares 7(a) | - | - | - | - | - | - | - |
| At March 31, 2024 | 33,420,293 | \$ 7,372,749 | \$ 500,576 | \$ (16,810) | \$ (11,440,867) | \$ 87,537 | \$ (3,496,815) |

| NOTES | Number of Common Shares | Common Shares | Contributed Surplus | Accumulated Other Comprehensive Loss | Accumulated Deficit | Non- Controlling Interest | Total Shareholders' Equity |
|--|-------------------------------|---------------------|------------------------|---|------------------------|---------------------------------|----------------------------------|
| At January 1, 2023 | | | | | | | |
| Total | 35,420,293 | \$ 7,632,749 | \$ 500,576 | \$ (73,753) | \$ (10,613,436) | \$ (27,022) | \$ (2,580,886) |
| Less: common shares held by subsidiary | (2,000,000) | \$ (260,000) | | | | | (260,000) |
| | 33,420,293 | 7,372,749 | 500,576 | (73,753) | (10,613,436) | (27,022) | (2,840,886) |
| Net income (loss) | - | - | - | - | (186,276) | 9,496 | (176,779) |
| Change in foreign currency translation | - | - | - | - | - | - | - |
| Share based compensation 7(a) | - | - | - | - | - | - | - |
| Options Exercised 7(a) | - | - | - | - | - | - | - |
| Cancellation of common shares 7(a) | - | - | - | - | - | - | - |
| At March 31, 2023 | 33,420,293 | \$ 7,372,749 | \$ 500,576 | \$ (73,753) | \$ (10,799,712) | \$ (17,526) | \$ (3,017,665) |

NOVRA TECHNOLOGIES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Canadian dollars)

| | NOTES | Three Months Ended March 31, | |
|---|-------|------------------------------|---------------------|
| | | 2024 | 2023 |
| OPERATING ACTIVITIES | | | |
| Net income (loss) | | \$ (849,109) | \$ (323,777) |
| <i>Add items not affecting cash:</i> | | | |
| Depreciation and amortization | 8 | 231,307 | 116,322 |
| Interest expense | 9(b) | 45,982 | 53,356 |
| Changes in non-cash working capital items | | | |
| Trade and other receivables | | 460,321 | (136,535) |
| Provision for trade and other receivables | | 8 | (85,767) |
| Sub-lease receivable | | 15,079 | - |
| Inventories | | (37,518) | (136,190) |
| Other assets | | (57,340) | (129,255) |
| Trade and other payables and accrued liabilities | | (23,562) | (129,132) |
| Customer deposits | | 81,697 | 117,866 |
| Deferred revenue | | (43,442) | 35,895 |
| Advances from Related Party | | 49,250 | 37,360 |
| Changes in promissory notes | | 17,930 | - |
| Interest paid | | - | (27,581) |
| Net cash provided by (applied to) operating activities | | (109,397) | (607,438) |
| INVESTING ACTIVITIES | | | |
| Intangible assets | | (171,467) | (124,252) |
| Net cash provided by (applied to) investing activities | | (171,467) | (124,252) |
| FINANCING ACTIVITIES | | | |
| Payments on lease liabilities | 11(a) | (85,904) | (64,270) |
| Payments on WEDC repayable contribution | 6(c) | (12,870) | (12,870) |
| Payments on Chymiak loan | 6(b) | - | - |
| Payments on disaster assistance funding | 6(d) | (41,972) | - |
| Net cash provided by (applied to) financing activities | | (140,746) | (77,140) |
| Effect of exchange rates on cash and cash equivalents | | (73,961) | 173,048 |
| Net decrease in cash | | (495,571) | (635,782) |
| Cash, beginning of year | | 2,448,436 | 1,965,537 |
| CASH, end of period | | \$ 1,952,865 | \$ 1,329,755 |

The accompanying notes are an integral part of these Consolidated Financial Statements

NOVRA TECHNOLOGIES INC.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Three Months ended March 31, 2024 and 2023

(Tabular amounts are in 000's, except share data)

1. General Information

Novra Technologies Inc. ("Novra") is incorporated under the Canada Business Corporations Act and its corporate office and principal place of business is 210-100 Innovation Drive, Winnipeg, Manitoba, Canada R3T 6G2. Novra is a publicly traded company on the TSX Venture Exchange ("TSX-V") under the symbol NVI.

Novra has been in the satellite data distribution business since 2000. During 2016, Novra significantly expanded its product portfolio and global footprint with the acquisition of International Datacasting Corporation and its wholly-owned U.S. subsidiary (collectively referred as "IDC"), a long-time leader in the same sector. On December 29, 2017, Novra acquired a 51.6% controlling interest of Wegener Corporation ("Wegener") to further expand its footprint in digital media management and distribution technologies for applications including digital signage, radio and television.

With its subsidiaries, Novra offers a comprehensive product portfolio including hardware, software, and services. In addition to its core video, radio, and data products, areas of expertise and added value include: encryption, next-generation hybrid networks (satellite/terrestrial/cloud), and efficient bandwidth utilization.

In these Consolidated Financial Statements, "Novra", "Company", "we", "us", or "our" refers to Novra Technologies Inc. and its subsidiaries.

The Board of Directors authorized the Condensed Consolidated Financial Statements for issue on May 30, 2024. These unaudited interim financial statements should be read in conjunction with Novra's annual audited Consolidated Financial Statements for the year ended December 31, 2023.

2. Basis of Preparation and Presentation

We have prepared these unaudited interim Condensed Consolidated Financial Statements in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting. Accordingly, they do not include all of the information and footnotes normally required in annual financial statements prepared under IFRS. In the opinion of management, these unaudited interim Condensed Consolidated Financial Statements reflect all adjustments considered necessary for a fair presentation of Novra's financial position and results of operations for the periods presented. The results of operations for any interim period are not necessarily indicative of the results for a full year. For areas involving a higher degree of management judgment or complexity, refer to Note 3 of the audited Consolidated Financial Statements for the year ended December 31, 2023.

The Condensed Consolidated Statement of Financial Position at March 31, 2024 and the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss), of Changes in Equity and of Cash Flows for the periods ended March 31, 2024 and 2023 have not been audited or reviewed by Novra's auditors. The Condensed Consolidated Statement of Financial Position at December 31, 2023 is derived from Novra's audited Consolidated Financial statements.

The tabular disclosures herein are presented in thousands, except for share data.

Functional and Presentation Currency

These consolidated statements are presented in Canadian dollars, which is the Company's functional currency.

NOVRA TECHNOLOGIES INC.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Three Months ended March 31, 2024 and 2023

(Tabular amounts are in 000's, except share data)

3. Current Assets

Details of selected asset balances are as follows:

a) Cash and cash equivalents

The Company's cash and cash equivalents are comprised of bank balances at financial institutions.

b) Accounts receivable

The Company's accounts receivable is comprised of the following:

| | March 31, 2024 | March 31, 2023 |
|---------------------------------------|----------------|----------------|
| Trade accounts receivable | \$ 512 | \$ 933 |
| Less: allowance for doubtful accounts | 216 | 12 |
| Total trade and other receivables | \$ 296 | \$ 921 |

As at March 31, 2024, six customers individually accounted for 61% of total receivables from contracts with customers.

4. Right-of-use Assets

The following table presents right-of-use assets for the Company:

| | 2023 | 2022 |
|---------------------------------------|----------|----------|
| Balance, January 1 | \$ 1,317 | \$ 1,454 |
| Depreciation | (54) | (77) |
| Effects on movement in exchange rates | 9 | 28 |
| Balance, March 31 | \$ 1,272 | \$ 1,405 |

5. Related Party Transactions

The following is a summary of Novra's related party transactions:

a) Key management personnel compensation

Key management personnel are those persons having the authority and responsibility for planning, directing, and controlling activities of Novra. The key management personnel of Novra is the executive management team and the Board of Directors, who collectively control approximately 18% (CEO has direct and indirect ownership of 16%) of the total outstanding and issued common shares of Novra at March 31, 2024.

NOVRA TECHNOLOGIES INC.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Three Months ended March 31, 2024 and 2023

(Tabular amounts are in 000's, except share data)

The following table discloses the compensation for the key management personnel for the first quarter.

| | Three months ended March 31 | |
|--------------------------------|-----------------------------|--------------|
| | 2024 | 2023 |
| Salaries and employee benefits | \$ 119 | \$ 85 |
| Share-based compensation | - | - |
| Directors' fees | 3 | 3 |
| Total | \$ 122 | \$ 88 |

b) Transactions with other related parties

| | Three Months Ended March 31, | |
|--|------------------------------|--------------|
| | 2024 | 2023 |
| Interest on unsecured promissory notes | | |
| InfoMagnetics Technologies Inc. ("IMT") ⁽¹⁾ | \$ 19 | 18 |
| | \$ 19 | \$ 18 |

⁽¹⁾ Novra's CEO has a controlling interest in IMT.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

c) The breakdown of advances from related parties by party was as follows:

| | March 31, 2024 | December 31, 2023 |
|---|-----------------|-------------------|
| Key management and directors (see part (a)) | 1,220 | 1,171 |
| IMT | 502 | 502 |
| | \$ 1,722 | \$ 1,673 |

At March 31, 2024, \$1.17 million (March 31, 2023: \$903 thousand) was due to Novra's CEO in regard to unpaid salaries and expense reimbursements for current and prior years in which he voluntarily chose to not collect payment in the interest of preserving liquidity in the company. The payable amount bears no interest and has no repayment term.

At March 31, 2024, \$502 thousand (March 31, 2023: \$502 thousand) was due to IMT relating to amounts invoiced but not paid for current and prior years. The payable amount bears no interest and has no repayment term.

d) The movement of unsecured promissory notes due to IMT was as follows:

| | 2024 | 2023 |
|--------------------|-----------------|-----------------|
| At January 1 | \$ 1,272 | \$ 1,200 |
| Interest charged | 19 | 18 |
| Interest paid | - | (18) |
| At March 31 | \$ 1,291 | \$ 1,200 |

NOVRA TECHNOLOGIES INC.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Three Months ended March 31, 2024 and 2023

(Tabular amounts are in 000's, except share data)

The following table shows the presentation of the above total IMT loans on Novra's Consolidated Statements of Financial Position at March 31:

| | 2024 | 2023 |
|---------------------|----------|----------|
| Current portion | \$ - | \$ - |
| Non-current portion | 1,291 | 1,200 |
| Total | \$ 1,291 | \$ 1,200 |

6. Borrowings

The following is a breakdown of our total borrowings with third parties at:

| | March 31, 2024 | December 31, 2023 |
|---|----------------|-------------------|
| Revolving line of credit with the Chymiak Trust | 2,191 | 2,139 |
| WEDC repayable contribution | 38 | 51 |
| Government disaster assistance funding | 215 | 249 |
| Total borrowings | 2,444 | 2,439 |
| Less: current portion | (205) | (170) |
| Total borrowings - non-current | \$ 2,239 | \$ 2,269 |

a) Bank borrowings

The Royal Bank of Canada Credit Facility ("RBC Credit Facilities") includes a revolving demand facility up to \$1.2 million and corporate Visa credit cards available for use up to a maximum limit of \$60 thousand. There was no movement in the credit facilities during the first quarter.

b) Revolving line of credit with the Chymiak Trust

There was no movement in the revolving line of credit with the Chymiak Trust during the current quarter. The increase results from foreign exchange translation.

c) WEDC repayable contribution

During the current quarter, we did not receive any additional funds from WEDC. Repayment is scheduled for 60 consecutive monthly installments which commenced on April 1, 2019. Repayment obligations were paused from April to December 2020 due to the COVID-19 pandemic. Repayments recommenced on January 1, 2021. The contributions are subject to interest at the average bank rate plus 3% if any payments are late.

NOVRA TECHNOLOGIES INC.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Three Months ended March 31, 2024 and 2023

(Tabular amounts are in 000's, except share data)

d) Disaster assistance funding

Novra received funding from the Government of Canada through the Canada Emergency Business Account (CEBA) in the amount of \$40 thousand. The loan was interest free and administered through RBC. Repayment on or before January 18, 2024 was to result in forgiveness of 25% (up to \$10 thousand). This loan was repaid on January 8, 2024 and \$10 thousand subsequently forgiven.

In August 2020, Wegener received financing in the amount of \$190,980 (USD\$150,000) through the U.S. SmallBusiness Administration, Office of Disaster Assistance. Funds were advanced with the following terms: interest of 3.75%, installment payments of US\$731/month begin after 12 months and the balance of principal and interest payable 30 years from the funding date. In 2021, SBA deferred repayments to begin 24 months from the funding date. In March 2022, SBA deferred repayments to begin 30 months from the funding date. Interest continues to accrue on the balance of the loan outstanding. Wegener began making repayments in November 2022. Included in borrowings is an accrued interest payable of \$11 thousand (2023: \$20 thousand).

7. Shareholders' Equity

a) Common Stock

The following table provides a summary of authorized as well as issued and outstanding capital for Novra at:

| | 2024 | 2023 |
|---|----------|----------|
| Authorized: | | |
| Unlimited Class "A" Common voting shares | | |
| Unlimited Class "B" Common non-voting shares | | |
| Unlimited Class "C" Preferred shares, redeemable and retractable at \$1,000 | | |
| Issued: | | |
| 33,420,293 (December 31, 2023: 33,420,293) | | |
| Class "A" common voting shares | \$ 7,373 | \$ 7,373 |

During the first quarter of 2024, there were no changes to common shares issued.

b) Stock Options

The following table provides a summary of stock option activity for the first quarter of 2024:

| | Number of Options | Weighted Average Exercise Price |
|--------------------------------|-------------------|---------------------------------|
| Outstanding, beginning of year | 1,172,000 | \$ 0.12 |
| Granted | - | - |
| Exercised | - | - |
| Forfeited | - | - |
| Expired | - | - |
| Outstanding, end of year | 1,172,000 | \$ 0.12 |

At March 31, 2024, the remaining stock option pool for future grants was 1,728,000.

The following table summarizes information about the stock options outstanding at March 31, 2024:

NOVRA TECHNOLOGIES INC.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Three Months ended March 31, 2024 and 2023

(Tabular amounts are in 000's, except share data)

| # of Options Outstanding | Grant Date | Expiry Date | Fair Value at Grant Date | # of Options Exercisable | Exercise Price |
|-----------------------------|------------|-------------|-----------------------------|-----------------------------|----------------|
| 1,172,000 | 11-May-17 | 10-May-24 | \$ 0.07 | 1,172,000 | \$ 0.12 |

8. Depreciation and Amortization

The following table presents the total depreciation and amortization expense by function.

| | Three months ended March 31, | |
|----------------------------|------------------------------|---------------|
| | 2024 | 2023 |
| Cost of revenue | \$ 13 | \$ 16 |
| Selling and marketing | 7 | 16 |
| Research and development | 196 | 72 |
| General and administrative | 16 | 13 |
| | \$ 231 | \$ 117 |

9. Finance Income and Finance Costs

(a) Finance Income

The Company did not recognize any finance income in the first quarter of 2024.

(b) Finance Costs

The following table provides a breakdown of total finance costs during the first quarter.

| | Three Months Ended March 31, | |
|--|------------------------------|--------------|
| | 2024 | 2023 |
| Interest expense: | | |
| - Unsecured promissory notes (see Note 5(d)) | \$ 19 | \$ 18 |
| - Lease Commitments (see Note 11) | 25 | 28 |
| - Other interest and finance costs | 2 | 7 |
| | \$ 46 | \$ 53 |

NOVRA TECHNOLOGIES INC.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Three Months ended March 31, 2024 and 2023

(Tabular amounts are in 000's, except share data)

10.Revenues

The following table provides a breakdown of our revenues by category and geographic market at March 31:

| Major Products/Service Lines | Three Months Ended March 31, | |
|---|------------------------------|----------|
| | 2024 | 2023 |
| Hardware and Software | \$ 139 | \$ 431 |
| Services, Support and Extended Warranty | 528 | 604 |
| Other | 32 | 52 |
| | \$ 700 | \$ 1,087 |

| Geographic Market | Three Months ended March 31, | |
|--|------------------------------|----------|
| | 2024 | 2023 |
| Americas (excluding Canada) ⁽¹⁾ | \$ 577 | \$ 1,018 |
| Canada | 67 | 30 |
| EMEA ⁽²⁾ | 26 | 1 |
| APAC ⁽³⁾ | 29 | 38 |
| | \$ 700 | \$ 1,087 |

(1) The geographic region of the Americas includes North America, Central America and South America.

(2) EMEA consists of Europe, the Middle East and Africa.

(3) APAC consists of East Asia, South Asia, Southeast Asia and Oceania.

The timing of revenue recognition may differ from the timing of invoicing to customers. The following table provides a breakdown of revenue timing:

| Timing of Revenue Recognition | Three Months Ended March 31, | |
|---|------------------------------|----------|
| | 2024 | 2023 |
| Products transferred at a point in time | \$ 171 | \$ 483 |
| Products and services transferred over time | 528 | 604 |
| | \$ 700 | \$ 1,087 |

NOVRA TECHNOLOGIES INC.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Three Months ended March 31, 2024 and 2023

(Tabular amounts are in 000's, except share data)

11. Commitments and Contingent Liabilities

a) Leases

The Company leases office and production space for the head office and subsidiaries. We had no significant operating leases for equipment. Changes in the right-of-use asset are summarized in Note 4 of these Interim Consolidated Financial Statements. The following table is a summary of the changes in the lease liability during the period:

| | 2024 | 2023 |
|---|----------|----------|
| Balance, January 1 | \$ 1,718 | \$ 1,901 |
| Interest | 25 | 28 |
| Effects on movement in exchange rates | 9 | (5) |
| Lease payments | (86) | (64) |
| Balance March 31 | 1,666 | 1,859 |
| Less: current portion | (284) | (244) |
| Lease liabilities non-current, March 31 | \$ 1,382 | \$ 1,615 |

The following table presents the contractual undiscounted cash flows for lease obligations as at March 31:

| | 2024 | 2023 |
|--------------------------------------|------------|------------|
| Less than one year | \$ (375) | \$ (340) |
| One to five years | (1,405) | (1,708) |
| More than five years | (158) | (158) |
| Total undiscounted lease obligations | \$ (1,938) | \$ (2,205) |

b) Purchase Commitments

In the normal course of business, we may enter purchase commitments, including inventory and third-party software license embedded in our products, to achieve economy of scale. At March 31, 2024 and 2023, we had no purchase commitments which are due within one year.