SUPERSEDED — NOT THE CURRENT CALL

This May 4, 2026 report is no longer current. Microcap Research kept its Spec. Buy rating on Novra Technologies Inc. (NVI) but lowered the price target from C$0.35 to C$0.30 in the Jun 2, 2026 update.

Current report: https://microcapresearch.ca/reports/nvi-novra-technologies-inc-2026-q1update

Microcap Research INDEPENDENT EQUITY ANALYSIS NVI-2026-05

Novra Technologies Inc.

TSXV: NVI · COMMUNICATIONS EQUIPMENT / SATELLITE INFRASTRUCTURE · MAY 4, 2026

RATING	12-MO TARGET	AT PUBLICATION	IMPLIED UPSIDE	MARKET CAP
Spec. Buy	C$0.35	C$0.14	150%	C$4.7M

Bottom line: Microcap Research rates Novra Technologies Inc. (TSXV: NVI) Spec. Buy with a 12-month price target of C$0.35, about 150% above the C$0.14 share price at publication on May 4, 2026. Market capitalisation at publication: C$4.7M.

A dramatic FY2025 turnaround — revenue +37%, gross margin 55.8%, Adj. EBITDA swings from -C$891K to +C$1.60M — yet the stock trades at 2.9x trailing Adj. EBITDA and 0.86x revenue. SNAPS's strategic US$9M investment at C$0.34/share (a 143% premium) signals the market is deeply mispricing this satellite infrastructure and government SATCOM business.

KEY STATISTICS — AS OF MAY 4, 2026

Market Cap	C$4.7M
EV/Adj. EBITDA	~3x
Revenue (FY2025)	C$5.44M
Adj. EBITDA (FY2025)	C$1.60M
Gross Margin	55.8%
Rev. Growth (YoY)	+37.1%

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Executive Summary

Novra Technologies Inc. (TSXV: NVI) is a Winnipeg-based technology company providing satellite and IP-based broadband content distribution infrastructure to broadcast, government, and enterprise customers across more than 100 countries. Through its three operating entities — Novra Technologies, International Datacasting Corporation (IDC), and Wegener Corporation (51.6% controlled) — the Novra Group has over two decades of engineering heritage in satellite receivers, broadcast radio network infrastructure, digital cinema, and secure government SATCOM systems, with over 200,000 units shipped globally.

We initiate coverage with a **Speculative Buy** rating and a 12-month price target of C$0.35, representing approximately 150% upside from current levels. FY2025 delivered a dramatic operating turnaround: revenue grew 37% to C$5.44M, gross margin expanded to 55.8%, and Adjusted EBITDA swung from a loss of C$891K to a gain of C$1.60M. At a C$4.7M market cap, the company trades at approximately 3x trailing Adj. EBITDA — a valuation that ascribes essentially zero strategic premium to an accelerating government defence business, a US$9M investment by AIoT strategic partner SNAPS at a 143% share price premium, and a growing software/SaaS recurring revenue base.

Company Overview

The Novra Group operates through three integrated business units sharing engineering resources, customer relationships, and global distribution:

- **International Datacasting Corporation (IDC) — Ottawa, ON:** The Group's flagship technology subsidiary. IDC is a globally recognized provider of satellite broadcast solutions, including MAP Pro audio receivers for nationwide radio networks, data distribution receivers for government SATCOM platforms, and content management software. IDC has a multi-decade footprint in European broadcast radio and U.S. government secure communications, with growing activity in defence-adjacent sectors.
- **Novra Technologies — Winnipeg, MB:** Hardware-focused business producing DVB and ATSC-compliant satellite receivers, IP encapsulators, and broadband communications products. Creator of the MISTiQ cloud-based content delivery platform (now in its third generation) and the new Cortex unified device management and IoT network control platform.
- **Wegener Corporation (51.6% controlling interest) — Atlanta, GA:** Legacy broadcast solutions provider with North American broadcast customer relationships and ongoing integration into the Novra Group's unified engineering and product strategy. Novra continues to evaluate acquiring the remaining 48.4% minority interest.

Revenue is split approximately evenly between products (54%) and services (46%), with the Americas generating 65% of revenue and EMEA contributing a strong 33%. The company served approximately 2,000 active customers as of FY2025.

Investment Thesis — Five Pillars

1. FY2025 TURNAROUND IS LARGE AND REAL

After a difficult FY2024 that saw revenue decline 47% to C$3.97M and Adj. EBITDA fall to a loss of C$891K, FY2025 represented a decisive reversal. Revenue grew 37.1% to C$5.44M, driven by the delivery of C$1.7M+ in backlogged orders carried into the year plus organic new orders. Gross margin expanded from 47.1% to 55.8% — driven by operating leverage on higher revenue, IRS Employee Retention Credits (ERC) received in 2025 that reduced staffing costs, and a favorable product/service mix. Adj. EBITDA turned from a loss of C$891K to a gain of C$1.60M, a C$2.5M swing. Q4 2025 alone delivered a 65.0% gross margin — the highest quarterly figure in recent memory — and net income of C$210K. The momentum is clear and the balance sheet improved sharply, with the third-party working capital ratio reaching 2.07:1 at year-end, up from 1.10:1 a year earlier.

2. GOVERNMENT AND DEFENCE: A GROWING ANCHOR

The most durable new growth vector for Novra is the expansion of government and defence activity across both IDC and Novra. Management highlighted in each quarterly filing through 2025 that defence organizations are stepping up investments in secure network upgrades and expansion, and that Novra is benefitting directly. Specific accomplishments in FY2025 include: completing a significant software development project to upgrade and modernize management and control software for a longstanding U.S. government SATCOM platform, transitioning from the legacy S300 to the next-generation S401 receiver (a project that strengthens Novra's embedded position for future hardware pull-through orders); receiving multiple significant U.S. government support contracts for long-running essential programs; and expanding the network of government-focused distribution partners in the U.S. and allied nations. The Novra MAP Pro Data GBS receiver is seeing growing adoption across U.S. government programs. Government SATCOM relationships are inherently sticky — once an architecture is embedded at the platform level, replacement cycles span years to decades.

3. CORTEX, MISTIQ, AND THE RECURRING REVENUE BUILD

Novra is deliberately pivoting its business model toward higher-margin, recurring software and services revenue. MISTiQ, the company's third-generation cloud-based broadcast delivery platform, is seeing growing traction and contract renewals among radio and video broadcasters migrating from satellite to internet delivery — a market that is expanding as the media industry seeks cost reduction and geographic reach. Cortex, launched in FY2025, is a new unified platform for centralized management of content distribution networks and large-scale IoT device fleets. Built on the MQTT protocol with TLS encryption, Cortex is designed for broadcast monitoring/control as well as commercial IoT use cases including asset tracking, agriculture, and industrial automation — giving Novra a foothold in IoT adjacencies well beyond its core broadcast market. Additionally, management flagged growing on-going security update service revenue from high-security government customers, and a new initiative targeting Unmanned Aerial Vehicle (UAV) communications modules developed with a strategic partner. Services represented 46% of FY2025 revenue and are growing the deferred revenue and customer deposit balances (C$1.3M and C$391K at Q3 year-end) that provide forward revenue visibility.

4. SNAPS: STRATEGIC CAPITAL AND AIOT OPTIONALITY

In 2024–2026 Novra entered into a transformative relationship with SNAPS Holding Company, an AIoT (Artificial Intelligence of Things) company building a vertically integrated ecosystem on proprietary wireless spectrum. SNAPS committed a total of US$9M in convertible financing. As of May 2026, US$3.7M has been received, and a new agreement for the remaining US$5.3M (to be provided by September 30, 2026) has been signed — all convertible at not less than C$0.34 per share. The C$0.34 conversion price represents a 143% premium to the current market price of C$0.14, providing strong independent third-party validation of Novra's strategic asset value. SNAPS cited Novra's global market reach, engineering excellence, SaaS/cloud proficiency, and wireless technology expertise as the drivers of their investment — attributes that align directly with SNAPS's strategy to build next-generation connected infrastructure. Subsequent to year-end, Novra received an additional US$3.2M (approximately C$4.4M) from SNAPS, materially strengthening the balance sheet. If the full US$9M converts at C$0.34, SNAPS will hold approximately 36.8 million Novra shares, making them the company's largest shareholder and aligning their interests firmly with long-term value creation.

5. VALUATION: 3X ADJ. EBITDA FOR A GROWING, PROFITABLE BUSINESS

At C$0.14 per share and a C$4.7M market cap, Novra trades at approximately 2.9x its trailing FY2025 Adj. EBITDA of C$1.60M, and at less than 1x revenue. This is a remarkably compressed multiple for a technology company that has just demonstrated 37% revenue growth, a 55.8% gross margin, and a Adj. EBITDA margin of 29%. Even applying a steep small-cap and illiquidity discount, 8–10x Adj. EBITDA would be an unremarkable multiple for this business — implying a stock price of C$0.27–0.34 on current earnings alone, before any growth credit. The SNAPS conversion price of C$0.34 provides an independently derived anchor precisely in this range. Our base-case price target of C$0.35 implies roughly 8.4x trailing Adj. EBITDA — a level we consider still very conservative for a company with Novra's trajectory.

Financial Summary

METRIC	FY2023	FY2024	FY2025	YOY CHANGE
Revenue (C$M)	$7.4M	$4.0M	**$5.44M**	+37.1%
Products	—	$1.92M	**$2.97M**	+54%
Services	—	$2.05M	**$2.48M**	+21%
Gross Profit (C$M)	~$3.5M	$1.87M	**$3.04M**	+62%
Gross Margin	~47%	47.1%	**55.8%**	+8.7 pts
Operating Expenses (C$M)	—	$3.43M	**$2.83M**	-17.5%
Net Income / (Loss) (C$M)	+$0.14M	-$1.68M	**+$0.72M**	NM
Adj. EBITDA (C$M)	$0.85M	-$0.89M	**+$1.60M**	NM
Cash & Liquidity (C$M)	—	$1.44M	**$1.88M**	+31%

Note: FY2025 net income includes C$660K in one-time accounts payable forgiveness income. Adj. EBITDA adjusts for non-recurring items and is the preferred measure of underlying operating performance. Post year-end, Novra received an additional US$3.2M (~C$4.4M) from SNAPS, materially improving the cash position.

Quarterly Revenue Progression (FY2025)

QUARTER	REVENUE	GROSS MARGIN	ADJ. EBITDA
Q1 2025	$1.39M	43.7%	**$0.73M***
Q2 2025	$1.37M	51.0%	**$0.41M**
Q3 2025	$1.21M	63.7%	**$0.06M**
Q4 2025	$1.48M	65.0%	**$0.40M**
FY2025 Total	**$5.44M**	**55.8%**	**$1.60M**

**Q1 Adj. EBITDA includes benefit from AP forgiveness of C$676K and ERC credits.*

Valuation

We value Novra using both an EV/Revenue and EV/Adj. EBITDA approach. At a ~C$4.7M market cap, Novra trades at 2.9x trailing Adj. EBITDA and 0.86x trailing revenue — deeply discounted even before accounting for post-year-end SNAPS cash inflows that strengthen the net balance sheet position. Our base case applies 8x Adj. EBITDA — a modest multiple anchored by a comparable small-cap hardware/software technology peer set — to arrive at a price target of C$0.35. Notably, C$0.35 aligns closely with SNAPS's C$0.34 strategic conversion price, independently validating our estimate.

SCENARIO	BASIS	EV	PRICE / SHARE (DILUTED)	VS. CURRENT
Bear Case	4x Adj. EBITDA	$6.4M	**C$0.17**	~+20%
Base Case	8x Adj. EBITDA	$12.8M	**C$0.28–0.35**	~+100–150%
Bull Case	1.5x FY2026E Revenue	$9.5M+	**C$0.45**	~+220%
SNAPS Reference	Conversion price	—	**C$0.34**	+143%

Key Risks

- **Revenue Lumpiness / Volatility (HIGH):** Novra's hardware-driven revenue is project-based and inherently lumpy. The company itself cautions that "a large portion of quarterly revenues are generated from orders received during the quarter rather than from order backlog." Despite the FY2025 recovery, quarter-to-quarter swings remain significant — Q3 2025 Adj. EBITDA was only C$62K while Q1 and Q2 were much stronger. Investors must be comfortable with meaningful earnings volatility.
- **Customer Concentration (HIGH):** The top 2 customers accounted for 34% of FY2025 revenue (~C$1.9M combined). The top 10 accounted for 66.5%. While Novra serves ~2,000 customers across 100+ countries, quarterly results can be heavily influenced by the timing of a small number of large orders.

- **SNAPS Dilution (MEDIUM):** Full conversion of the US$9M SNAPS commitment at C$0.34/share would result in approximately 36.8 million new shares — growing total diluted shares from 33.4M to ~70M. At current prices, this would roughly halve the per-share equity value if no re-rating occurs. However, SNAPS's C$0.34 reference price implies a re-rating to approximately that level is the expected outcome, limiting dilution risk on a percentage-upside basis.
- **Secular Headwinds in Broadcast (MEDIUM):** Traditional satellite broadcast distribution continues to face displacement by IP and streaming delivery. Novra's strategy of pivoting toward government/defence, cloud software (MISTiQ, Cortex), and IoT adjacencies is the correct response, but execution requires sustained R&D investment and sales development in new markets.
- **Credit Facility Risk (MEDIUM):** The RBC credit facility (currently C$380K available) is subject to annual review. Non-renewal would limit financial flexibility, though the post-year-end SNAPS cash infusion substantially reduces the likelihood this creates a liquidity problem.
- **Micro-Cap Illiquidity (HIGH):** At a ~C$4.7M market cap, Novra is one of the smallest TSXV-listed technology companies. Trading is extremely thin; any meaningful position cannot be exited without significant price impact. Not suitable for any but the smallest speculative allocation.

Conclusion

Novra Technologies (TSXV: NVI) has quietly delivered one of the more compelling turnaround stories in the TSXV technology universe. After a painful FY2024 revenue contraction, FY2025 saw revenue grow 37%, gross margin expand by nearly 9 percentage points to 55.8%, and Adj. EBITDA swing from a loss of C$891K to a gain of C$1.60M — a C$2.5 million operational improvement in a single year. The company is solidly profitable on an adjusted basis, has a healthy balance sheet (working capital ratio of 2.07:1 excluding related parties), and carries C$1.3M+ in deferred revenue and customer deposits providing forward visibility.

Underpinning the recovery is a structural shift toward government and defence customers who are investing in secure satellite network upgrades — an accelerating market with sticky, multi-year contract dynamics. SNAPS's commitment of US$9M in capital at C$0.34 per share — a 143% premium to the current price — is perhaps the most direct signal: an AIoT-focused strategic investor has independently concluded that Novra's wireless technology expertise, global distribution, and engineering depth are worth nearly three times what the public market ascribes.

At C$0.14 per share, ~C$4.7M market cap, and only 2.9x trailing Adj. EBITDA, the margin of safety is compelling and the upside is substantial. We rate NVI **Speculative Buy** with a 12-month price target of C$0.35. Position sizing should remain modest given extreme illiquidity and inherent lumpiness in project-driven revenue.

Novra Technologies Inc. (NVI) — key questions

> **What is Microcap Research's rating and price target on Novra Technologies Inc. (NVI)?**
>
> This May 4, 2026 report is no longer current. Microcap Research kept its Spec. Buy rating on Novra Technologies Inc. (NVI) but lowered the price target from C$0.35 to C$0.30 in the Jun 2, 2026 update. As published, this report said: Microcap Research rates Novra Technologies Inc. (TSXV: NVI) Spec. Buy with a 12-month price target of C$0.35, about 150% above the C$0.14 share price at publication on May 4, 2026. Market capitalisation at publication: C$4.7M.

What does Novra Technologies Inc. (NVI) do?

The Novra Group operates through three integrated business units sharing engineering resources, customer relationships, and global distribution:

What is the investment thesis for Novra Technologies Inc. (NVI)?

A dramatic FY2025 turnaround — revenue +37%, gross margin 55.8%, Adj. EBITDA swings from -C$891K to +C$1.60M — yet the stock trades at 2.9x trailing Adj. EBITDA and 0.86x revenue. SNAPS's strategic US$9M investment at C$0.34/share (a 143% premium) signals the market is deeply mispricing this satellite infrastructure and government SATCOM business.

How is Novra Technologies Inc. (NVI) valued?

We value Novra using both an EV/Revenue and EV/Adj. EBITDA approach. At a ~C$4.7M market cap, Novra trades at 2.9x trailing Adj. EBITDA and 0.86x trailing revenue — deeply discounted even before accounting for post-year-end SNAPS cash inflows that strengthen the net balance sheet position.

What are the key risks for Novra Technologies Inc. (NVI)?

Risks flagged in this report — Revenue Lumpiness / Volatility (HIGH); Customer Concentration (HIGH); SNAPS Dilution (MEDIUM); Secular Headwinds in Broadcast (MEDIUM); Credit Facility Risk (MEDIUM); Micro-Cap Illiquidity (HIGH)

What are the key financial metrics for Novra Technologies Inc. (NVI)?

As of May 4, 2026 — Market Cap: C$4.7M · EV/Adj. EBITDA: ~3x · Revenue (FY2025): C$5.44M · Adj. EBITDA (FY2025): C$1.60M · Gross Margin: 55.8% · Rev. Growth (YoY): +37.1%.

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If you believe a report contains a factual error, Microcap Research wants to correct it. Material corrections are made to the report itself and noted in the subsequent update.

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