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IBEX REPORTS RESULTS FOR THE SECOND QUARTER AND THE SIX MONTHS ENDED JANUARY 31, 2019

MONTRÉAL, Québec, March 22, 2019 – IBEX Technologies Inc. (“IBEX” or the “Company”) (TSX Venture: IBT) today reported its financial results for the six months ended January 31, 2019.

“We were pleased with our operating results for the quarter, driven by a rebound in sales revenue. Net earnings were positive \$42,798 and EBITDA was \$111,616. Much of the revenue gain was, however, due to customer order-timing which will be at the expense of the second half of this fiscal year, where we expect to see a significant reduction vs. the previous year’s revenues”, said Mr. Baehr, IBEX President & CEO.

Mr. Baehr also noted that “Subsequent to the end of the quarter we announced that our Iowa facility will close on July 31, 2019, with production of all major products transferred to Montréal. The closure will produce annual operational savings of over \$800,000 beginning in F2020 and further savings of \$200,000 annually when the facility is sold.”

Note: All figures are in Canadian dollars unless otherwise stated. The Company’s audited consolidated financial statements for the year ended July 31, 2018 and the accompanying notes and the related management’s discussion and analysis can be found on the Company’s website at www.ibex.ca or under the Company’s profile on SEDAR at www.sedar.com.

SECOND QUARTER FISCAL 2019 FINANCIAL RESULTS

Revenues for the quarter ended January 31, 2019 increased by \$539,858 to \$1,432,632 compared to \$892,774 in the same period of the prior year. The increase in revenues traces mainly to the changes in quarterly purchasing patterns on the part of several of our major customers.

As a result of the increase in revenues, partially offset by an increase in expenses, the Company recorded EBITDA of \$111,616 vs. negative \$332,832 EBITDA in same period year ago.

It should be noted that Earnings Before Interest, Tax, Depreciation & Amortization (“EBITDA”) is not a performance measure defined by IFRS, but we, as well as investors and analysts, consider that this performance measure facilitates the evaluation of our ongoing operations and our ability to generate cash flows to fund our cash requirements, including our capital expenditures program. Note that our definition of this measure may differ from the ones used by other public corporations.



EBITDA for the three months ended

| | January 31, 2019 | January 31, 2018 |
|---|---------------------|---------------------|
| Net earnings (loss) | \$42,798 | (\$415,596) |
| Depreciation of property, plant, equipment and intangible assets | \$69,902 | \$78,498 |
| Interest – Net | (\$1,084) | \$4,266 |
| Income taxes | - | - |
| Earnings (loss) before interest, taxes, depreciation and amortization | \$111,616 | (\$332,832) |

Net earnings for the period were \$42,798 compared to a net loss of \$415,596 for the same period year ago. The positive change of \$458,394 is related mainly to the increase in revenues.

FINANCIAL RESULTS FOR THE SIX MONTHS ENDED JANUARY 31, 2019

Revenues for the six months ended January 31, 2019 of \$2,472,105 are up as compared to \$2,075,787 in the same period of the prior year. The increase in revenues traces to the factor mentioned above.

The Company recorded EBITDA of negative \$25,919 vs. negative \$136,561 EBITDA in the same period year ago due to the increase in revenues which were offset by increases in expenses.

The Company recorded a net loss of \$165,943 compared to a net loss of \$285,737 for the same period year ago. This positive variation can be mainly traced to the increase in revenues.

Cash and cash equivalents increased by \$187,030 during the six months ended January 31, 2019 as compared to the year ended July 31, 2018. Net working capital decreased by \$62,840 during the six months ended January 31, 2019 as compared to the year ended July 31, 2018.

Financial Summary for the six months ended

| | January 31, 2019 | January 31, 2018 |
|--|---------------------|---------------------|
| Revenues | \$2,472,105 | \$2,075,787 |
| Loss before interest, tax, depreciation & amortization | (\$25,919) | (\$136,561) |
| Depreciation | \$141,069 | \$139,406 |
| Net loss | (\$165,943) | (\$285,737) |
| Loss per share | (\$0.01) | (\$0.01) |



EBITDA for the six months ended

| | January 31, 2019 | January 31, 2018 |
|--|---------------------|---------------------|
| Net loss | (\$165,943) | (\$285,738) |
| Depreciation of property, plant, equipment and intangible assets | \$141,069 | \$139,406 |
| Interest – Net | (\$1,045) | \$9,771 |
| Income taxes | - | - |
| Loss before interest, taxes, depreciation and amortization | (\$25,919) | (\$136,561) |

Balance Sheet Summary as at

| | January 31, 2019 | January 31, 2018 |
|---|---------------------|---------------------|
| Cash and cash equivalents | \$3,327,402 | \$2,708,984 |
| Net working capital | \$3,556,616 | \$3,216,453 |
| Outstanding shares at report date (common shares) | 24,773,244 | 24,703,244 |

LOOKING FORWARD

As always, the future financial results of the Company are difficult to predict as the Company's customers have significant variations in their purchasing patterns.

As previously reported, we expect to see lower revenues in the second half of Fiscal 2019 vs. Fiscal 2018 due to a combination of customer order volumes and timing, and a reduction in orders on the part of one customer tracing to their excess inventory.

These two factors point to a significant reduction in net earnings in for the second half and full-year Fiscal 2019 vs. Fiscal 2018.

On the positive side, the previously announced closure of the Iowa facility will produce operational savings of approximately \$800,000 annually starting in Fiscal 2020 and an additional \$200,000 annually when the facility is sold, however the Company will incur approximately \$150,000 in one-time severance and other related costs in the fourth quarter of this fiscal year.

The Company continues to work on a number of heparinase-containing clinical device projects with its key customers, some of which may result in additional revenues in Fiscal 2020 and beyond; however, as with all developmental projects, we cannot give any assurances that any of these customer-driven projects will come to market and produce significant revenues.



Management believes that the Company has sufficient funds to meet its obligations and planned expenditures for the ensuing twelve months as they fall due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period.

ABOUT IBEX

IBEX manufactures and markets proteins for biomedical use through its wholly owned subsidiaries IBEX Pharmaceuticals Inc. (Montréal, QC) and Bio-Research Products, Inc. (North Liberty, IA). IBEX Pharmaceuticals also manufactures and markets a series of arthritis assays which are widely used in osteoarthritis research.

For more information, please visit the Company's website at www.ibex.ca.

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Safe Harbor Statement

All of the statements contained in this news release, other than statements of fact that are independently verifiable at the date hereof, are forward-looking statements. Such statements, as they are based on the current assessment or expectations of management, inherently involve numerous risks and uncertainties, known and unknown. Some examples of known risks are: the impact of general economic conditions, general conditions in the pharmaceutical industry, changes in the regulatory environment in the jurisdictions in which IBEX does business, stock market volatility, fluctuations in costs, and changes to the competitive environment due to consolidation or otherwise. Consequently, actual future results may differ materially from the anticipated results expressed in the forward-looking statements. IBEX disclaims any intention or obligation to update these statements, except if required by applicable laws.

In addition to the risk factors identified above, IBEX is, and has been in the past, heavily reliant on three products and five customers, the loss of any of which could have a material effect on its profitability.

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