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## **IBEX REPORTS RESULTS FOR THE THIRD QUARTER AND THE NINE MONTHS ENDED APRIL 30, 2019**

**MONTRÉAL, Québec, June 13, 2019** – IBEX Technologies Inc. (“IBEX” or the “Company”) (TSX Venture: IBT) today reported its financial results for the nine months ended April 30, 2019.

“As predicted, the Company experienced a significant reduction in revenues in the quarter as compared to year ago”, said Mr. Baehr, IBEX President & CEO, “and while we expect quarterly revenues to rebound, they will not reach a level to produce a profit in the 4<sup>th</sup> quarter”.

Mr. Baehr also noted “On the positive side, we are on target to close our Iowa facility at the end of July which will produce savings of approximately \$800,000 per annum. Products which were being produced in Iowa are now being produced in Montréal”.

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](http://www.ibex.ca) or under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### **THIRD QUARTER FISCAL 2019 FINANCIAL RESULTS**

Revenues for the quarter ended April 30, 2019 decreased by \$720,803 to \$668,509 compared to \$1,389,312 in the same period of the prior year. The decrease in revenues traces mainly to a reduction in sales to one customer who is facing generic competition in China, and to another customer who was purchasing product for the development of a new diagnostic test. That development program is now completed.

As a result of the decrease in revenues, the Company recorded EBITDA of negative \$452,119 vs. positive \$289,422 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

	April 30, 2019	April 30, 2018
Net (loss) earnings	<b>(\$518,700)</b>	\$209,806
Depreciation of property, plant, equipment and intangible assets	<b>\$69,453</b>	\$76,682
Interest – Net	<b>(\$2,872)</b>	\$2,934
Income taxes	-	-
(Loss) earnings before interest, taxes, depreciation and amortization	<b>(\$452,119)</b>	\$289,422

Net loss for the period was \$518,700 compared to net earnings of \$209,806 for the same period year ago. The negative change of \$728,506 is related mainly to the decrease in revenues.

### FINANCIAL RESULTS FOR THE NINE MONTHS ENDED APRIL 30, 2019

Revenues for the nine months ended April 30, 2019 of \$3,140,614 are down as compared to \$3,465,099 in the same period of the prior year. The decrease in revenues traces to the factor mentioned above.

The Company recorded EBITDA of negative \$478,038 vs. positive \$152,861 EBITDA in the same period year ago mainly due to the decrease in revenues.

The Company recorded a net loss of \$684,643 compared to a net loss of \$75,931 for the same period year ago. This negative variation can be mainly traced to the decrease in revenues and an increase in salaries and benefits expenses.

Cash and cash equivalents decreased by \$159,788 during the nine months ended April 30, 2019 as compared to the year ended July 31, 2018. Net working capital decreased by \$550,872 during the nine months ended April 30, 2019 as compared to the year ended July 31, 2018.

### Financial Summary for the nine months ended

	April 30, 2019	April 30, 2018
Revenues	<b>\$3,140,614</b>	\$3,465,099
(Loss) earnings before interest, tax, depreciation & amortization	<b>(\$478,038)</b>	\$152,861
Depreciation	<b>\$210,522</b>	\$216,088
Net loss	<b>(\$684,643)</b>	(\$75,931)
Loss per share	<b>(\$0.03)</b>	(\$0.00)



#### EBITDA for the nine months ended

	April 30, 2019	April 30, 2018
Net loss	<b>(\$684,643)</b>	(\$75,931)
Depreciation of property, plant, equipment and intangible assets	<b>\$210,522</b>	\$216,088
Interest – Net	<b>(\$3,917)</b>	\$12,704
Income taxes	-	-
(Loss) earnings before interest, taxes, depreciation and amortization	<b>(\$478,038)</b>	\$152,861

#### Balance Sheet Summary as at

	April 30, 2019	July 31, 2018
Cash and cash equivalents	<b>\$2,980,584</b>	\$3,140,372
Net working capital	<b>\$3,068,584</b>	\$3,619,456
Outstanding shares at report date (common shares)	<b>24,773,244</b>	24,773,244

#### 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 Fiscal 2019 vs. Fiscal 2018 mainly due to a reduction in sales to several customers, one of which who is facing generic competition in China, and another who was purchasing product for the development of a new diagnostic test. That development program is now completed.

These factors point to a significant reduction in net earnings for 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 expects to incur \$150,000 in one-time severance and other related costs which will be booked 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](http://www.ibex.ca).

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**Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.**

## **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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