



IBEX Technologies Inc.
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December 9, 2020

Dear Shareholders,

Fiscal 2020 has been an excellent year, coming on the back of a disappointing Fiscal 2019.

Revenues for the year ended July 31, 2020 increased to \$5,209,809 compared to \$4,308,320 in the prior year and operating expenses decreased by \$1,183,996. Including all accounting matters, reported earnings were \$965,689 vs. a loss of \$1,267,682 in the prior year.

The revenue increase traces mainly to customers purchasing our heparinase-based products. Heparinase is used in multiple tests which measure the anti-coagulant effect of the drug heparin, which is experiencing increased usage during the COVID-19 crisis. Some of our revenue increase may also be related to customers insuring against supply-chain disruptions by increasing their inventories over the short term.

Over the past three years we have constructed and validated our own fermentation facility in Montreal which allowed us to close the operations in Iowa and thereby considerably reduce production expenses. The products that were produced in Iowa (which were acquired with the purchase of Bio-Research Products in 2013), now form a significant part of the IBEX revenue stream. IBEX now produces all its products in its own facilities in Montreal.

Although we have limited R&D capabilities, we are continuously assisting existing and new customers to develop new diagnostic tests. Not all these products will reach the market, and there is no certainty that they will have significant commercial success when they do. However, we believe that some will provide increased revenue in the future. In the meantime, IBEX benefits from income associated with assisting customers in their development process.

Looking forward, we expect that Fiscal 2021 will be a profitable year, although not as profitable as Fiscal 2020 since we anticipate that those customers who have increase their inventory in our Fiscal 2020 may reduce their excess inventories as the COVID-19 crisis abates in the latter half of our Fiscal 2021.

On behalf of the Board of Directors, we thank you for your continuing support.

Regards,

A handwritten signature in black ink, appearing to read "Paul Baehr", is written in a cursive style.

Paul Baehr
Chairman



Safe Harbor Statement

All of the statements contained in this letter, other than statements of fact that are independently verifiable at the date hereof, are forward-looking statements. Such statements, based as they are on the current 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.