



IBEX Technologies Inc.
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December 22, 2021

Dear Shareholders,

For a second consecutive year, IBEX has recorded excellent profits and a growing EBITDA.

Revenues for the year ended July 31, 2021 totaled \$5,306,187 compared to \$5,209,809 in the prior year and operating expenses were down \$85,248. Reported net earnings were \$761,513 vs net earnings of \$965,689 in the prior year. EBITDA increased by \$118,948 to \$1,369,638.

The revenue increase traces mainly to customers purchasing heparinase-based products. Heparinase is used in multiple tests which measure the anti-coagulant effect of the drug heparin, which has seen increased use 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.

The construction of own fermentation facility in Montreal (which allowed us to close the operations in Iowa and thereby considerably reduced production expenses) has proven to be a great success.. 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.

We continue to assist existing and new customers 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 hope that some will provide increased revenue in the future. In the meantime, IBEX benefits from income associated with the developmental process.

Last year we moved one of our research enzymes (diamine oxidase) into a development program which has the objective of getting this product to market as a nutritional supplement. This program will take several years and has been going slower than expected owing to COVID-related slowdowns at our development contractors.

Looking forward, we expect that Fiscal 2022 will be a profitable year although there is no guarantee that we will reach the same levels as F2021.

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". The signature is fluid and cursive, written in a professional 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.