



IBEX Technologies Inc.
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November 24, 2022

Dear Shareholders,

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

Revenues for the year ended July 31, 2022 totaled \$7,892,487 compared to \$5,306,187 in the prior year resulting in operating expenses of \$5,505,864, an increase of \$1,164,997. Reported net earnings were \$1,674,395 vs net earnings of \$761,513 in the prior year. EBITDA increased by \$1,391,247 to \$2,760,885. Cash and marketable securities increased by \$3,207,151 to \$7,641,052.

The revenue increase is due to a combination of COVID-driven increases in the use of heparinase I, by customers increasing their inventories to protect against supply-chain interruptions

Heparinase is used in multiple tests that measure the anti-coagulant effect of the drug heparin, which has seen increased use during COVID-19.

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 has been making progress but will take several years before the development process is complete and we can submit the product to regulatory bodies for marketing approval.

Looking forward, we expect that Fiscal 2023 revenues will be lower than F2022 as COVID hospitalizations decrease, and as those customers who added safety stocks in F2022 burn off any excess inventory. We also expect to have somewhat increased expenses associated with the diamine oxidase program. Nonetheless, we expect F2023 to be another profitable year.

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', 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.