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IBEX REPORTS RESULTS FOR THE SECOND QUARTER AND THE SIX MONTHS ENDED JANUARY 31, 2023

MONTRÉAL, Québec, March 20, 2023 – IBEX Technologies Inc. (“IBEX” or the “Company”) (TSX Venture: IBT) today reported its financial results for the second quarter and the six months ended January 31, 2023.

“Our results for this reporting period, while lower than year ago, were above expectations since many of our customers were drawing down prior year’s inventories faster than we forecasted. While revenues were down 6% in the period, they were up 31% from the same period in fiscal 2021. We now expect that revenues, while lower than the exceptional 2022 fiscal year, to be significantly higher than fiscal year 2021.” said Paul Baehr, IBEX President & CEO. “The engine for this growth is the underlying increasing demand and market penetration of our major customers in the high-growth, hemostasis-rapid-testing market segment”.

Note: All figures are in Canadian dollars unless otherwise stated. The Company’s audited consolidated financial statements for the year ended July 31, 2022, 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.

FINANCIAL RESULTS FOR THE SECOND QUARTER OF FISCAL 2023

Revenues for the quarter ended January 31, 2023, totaled \$1,722,070, down \$109,968 (6%) from \$1,832,038 for the same period the prior year, but 31% higher than the same period in fiscal 2021. Fiscal 2022 sales were influenced by several major customers building surplus inventory due to concerns about supply chain interruptions. It appears that our customers are working off their inventory faster than we expected however, which points to the underlying growth of the market segments in which we compete.

Expenses totaled \$1,622,037, an increase of \$195,468 versus \$1,426,569. The increase in expenses includes a negative foreign exchange impact of \$155,209 and an increase in R&D expenses of \$145,067 partially offset by a decrease in financial expenses of \$82,451.

Net earnings totaled \$100,033, a decrease of \$305,436 as compared to Q2 FY2022 due to the reduction in revenues and increase in expenses as described above.

The Company recorded EBITDA of \$117,247 versus \$495,783 in the same period a year ago, a decrease of \$378,536 primarily due to the reduction in net earnings.

It should be noted that “EBITDA” (Earnings Before Interest, Tax, Depreciation & Amortization) 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, 2023	January 31, 2022
Net earnings	\$100,033	\$405,469
Depreciation of property, plant, equipment and intangible assets	\$36,825	\$35,932
Depreciation of right-of-use assets	\$65,769	\$52,746
Interest – Net	(\$85,380)	\$1,636
Income tax expense	-	-
Earnings before interest, tax, depreciation and amortization	\$117,247	\$495,783

FINANCIAL RESULTS FOR THE SIX MONTHS ENDED JANUARY 31, 2023

Revenues for the six months ended January 31, 2023, totaled \$3,473,641, a decrease of \$139,598 (4%) as compared to \$3,613,239 in the same period of the prior year, but 40% higher than the same period in fiscal 2021.

Fiscal 2022 sales were influenced by several major customers building surplus inventory due to concerns about supply chain interruptions. It appears that our customers are working off their inventory faster than we expected however, which points to the underlying growth of the market segments in which we compete.

Total Expenses at \$2,695,101 increased by \$151,891. The increase relates mainly to the diamine oxidase (DiaMaze®) development program, partially offset by a significant decrease in financial expenses, due mainly to higher interest revenue on our cash balances.

Net earnings totaled \$778,540, down \$291,489 vs the same period year ago as a result of the decrease in revenues of \$139,598 and increase in expenses of \$151,891.

The Company recorded EBITDA of \$858,481, down \$400,514 vs. \$1,258,995 in the same period year ago. The difference is attributed to the decrease in net earnings of \$291,489, in addition to a decrease in net interest expense of \$126,862, offset by an increase in total depreciation of \$17,837.

Financial Summary for the six months ended

	January 31, 2023	January 31, 2022
Revenues	\$3,473,641	\$3,613,239
Earnings before interest, tax, depreciation & amortization (EBITDA)	\$858,481	\$1,258,995
Depreciation of property, plant, equipment and intangible assets	\$70,687	\$79,313
Depreciation of right-of-use assets	\$131,502	\$105,039
Net earnings	\$778,540	\$1,070,029
Earnings per share	\$0.03	\$0.04



EBITDA for the six months ended

	January 31, 2023	January 31, 2022
Net earnings	\$778,540	\$1,070,029
Depreciation of property, plant, equipment and intangible assets	\$70,687	\$79,313
Depreciation of right-of-use assets	\$131,502	\$105,039
Interest - Net	(\$122,248)	\$4,614
Income tax expense	-	-
Earnings before interest, taxes, depreciation and amortization	\$858,481	\$1,258,995

The Company's substantial cash balance of \$7,489,644 decreased from \$7,641,052 despite a strong EBITDA. This was mainly due to the payout of the FY2022 Profit-Sharing Plan (PSP), following the approval of the F2022 Audited Financial Statements. The IBEX PSP is an all-employee plan based solely on profit and is in lieu of a bonus plan.

Net working capital increased by \$237,742 during the six months ended January 31, 2023, as compared to the year ended July 31, 2022.

Balance Sheet Summary as at

	January 31, 2023	July 31, 2022
Cash and cash equivalents	\$7,489,644	\$7,641,052
Net working capital	\$7,512,075	\$7,274,333
Outstanding shares at report date (common shares)	24,784,244	24,784,244

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 has been illustrated in the quarterly results over the past few years. The impact of COVID-19 added further variability.

Considering the above, customer drawdown of their accumulated inventory has been stronger than we had forecasted, mainly due to the underlying strength of the markets we serve and customers working off their supply chain safety stocks faster than we had expected. This positive trend points to IBEX generating net earnings significantly higher than F2021, although not approaching the extraordinary F2022.

Looking beyond Fiscal 2023, the future looks very favorable for IBEX as the market for hemostasis testing grows at a rapid pace, driven by the accelerated adoption of the new rapid viscoelastic testing devices.



The Company continues to work on a number of new heparinase-containing clinical device projects with its key customers, some of which may result in additional revenues in Fiscal 2023. However, as with all developmental projects, we cannot give assurances that any of these customer-driven projects will come to market and produce significant revenues.

Development of DiaMaze® (diamine oxidase) continues to advance. DiaMaze® is an enzyme targeted to persons suffering from histamine intolerance and will be marketed as a nutraceutical. We continue to make good progress in the development of a commercial scale manufacturing process. The next critical development steps will be; selecting a manufacturer for commercial product, and the investment in toxicology studies (which, if undertaken, will increase R&D expenses considerably in fiscal 2024).

ABOUT IBEX

IBEX manufactures and markets proteins for biomedical use through its wholly owned subsidiary IBEX Pharmaceuticals Inc. (Montréal, QC). 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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