



IBEX Technologies Inc.  
5485 Paré, Suite 100  
Montréal, Québec, Canada H4P 1P7  
Ph: (514) 344-4004

## **IBEX REPORTS RESULTS FOR THE THIRD QUARTER AND THE NINE MONTHS ENDED APRIL 30, 2023**

**MONTRÉAL, Québec, June 6, 2023** – IBEX Technologies Inc. (“IBEX” or the “Company”) (TSX Venture: IBT) today reported its financial results for the third quarter and the nine months ended April 30, 2023.

According to Paul Baehr, IBEX President and CEO, “Our net earnings for the quarter increased 57% versus the same period year ago. Revenues were up 2% for this reporting period, well above expectations based on the extremely strong F2022 where customers had built inventories due to COVID concerns regarding supply chain interruptions. However, when compared to the same period in fiscal 2021, revenues were up 54%.”

He further stated, “We now expect F2023 revenues, while lower than the exceptional 2022 fiscal year, to be significantly higher than fiscal year 2021. 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](http://www.ibex.ca) or under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).*

### **FINANCIAL RESULTS FOR THE THIRD QUARTER OF FISCAL 2023**

Revenues for the quarter ended April 2023, totaled \$2,264,196, up \$54,962 from \$2,209,234 for the same period the prior year, and 54% higher than the same period in fiscal 2021.

Fiscal 2023 revenues were higher than expected which we attribute to higher foreign exchange rates as well as to underlying growth of the market segments in which we compete which has the effect of depleting the inventories build up in F2022 faster than forecasted.

Net expenses totaled \$1,372,765, a decrease of \$266,867 versus \$1,639,632. The decrease is mainly due to lower financial expenses of \$100,466 as a result of an increase in interest income; the recording of the SR&ED tax credits of \$195,617, offset mainly by an increase in R&D expenses of \$52,607.

Net earnings totaled \$891,431, an increase of \$321,829 as compared to Q3 FY2022, as explained above.

The Company recorded EBITDA of \$919,650 versus \$686,674 in the same period a year ago, an increase of \$232,976 mainly due to the increase in earnings, partially offset by the increase in interest income (interest income is excluded from the EBITDA calculation).

*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

	April 30, 2023	April 30, 2022
Net earnings	\$891,431	\$569,602
Depreciation of property, plant, equipment and intangible assets	\$47,202	\$35,531
Depreciation of right-of-use assets	\$65,769	\$58,056
Interest – Net	(\$75,972)	\$23,485
Income tax expense (recovery)	(8,780)	-
Earnings before interest, tax, depreciation and amortization	\$919,650	\$686,674

### FINANCIAL RESULTS FOR THE NINE MONTHS ENDED APRIL 30, 2023

Revenues for the nine months ended April 30, 2023, totaled \$5,737,837, a decrease of \$84,636 as compared to \$5,822,473 in the same period of the prior year, but 45% higher than the same period in fiscal 2021.

Fiscal 2023 revenues were higher than expected which we attribute to the impact of higher foreign exchange rates as well as to the underlying growth of the market segments in which we compete.

Net year-to-date expenses totaled \$4,067,866, a decrease of \$114,976. The drop relates mainly to a significant decrease in financial expenses of \$222,692, due to higher interest income on our cash balances, as well as to the positive impact of SR&ED tax credits for FY2022 and FY2023 (\$195,617). These two factors are partially offset by an increase in R&D expenses of \$290,911, relating mainly to the diamine oxidase (DiaMaze®) development program.

Net earnings totaled \$1,669,971, up \$30,340 vs the same period year ago as a result of a decrease in net expenses of \$114,976 offset by a decrease in revenues of \$84,636.

The Company recorded EBITDA of \$1,778,130, a decrease of \$167,538 vs. \$1,945,668 in the same period year ago despite the slight increase in net earnings. The difference is attributed mainly to an increase in net interest of \$226,242 due to higher interest income on our cash balances, which is excluded from EBITDA.



### Financial Summary for the nine months ended

	April 30, 2023	April 30, 2022
Revenues	<b>\$5,737,837</b>	\$5,822,473
Earnings before interest, tax, depreciation & amortization (EBITDA)	<b>\$1,778,130</b>	\$1,945,668
Depreciation of property, plant, equipment and intangible assets	<b>\$117,889</b>	\$114,844
Depreciation of right-of-use assets	<b>\$197,270</b>	\$163,094
Net earnings	<b>\$1,669,971</b>	\$1,639,631
Earnings per share	<b>\$0.06</b>	\$0.06

### EBITDA for the nine months ended

	April 30, 2023	April 30, 2022
Net earnings	<b>\$1,669,971</b>	\$1,639,631
Depreciation of property, plant, equipment and intangible assets	<b>\$117,889</b>	\$114,844
Depreciation of right-of-use assets	<b>\$197,270</b>	\$163,094
Interest - Net	<b>(\$198,220)</b>	\$28,099
Income tax expense	<b>(\$8,780)</b>	-
Earnings before interest, taxes, depreciation and amortization	<b>\$1,778,130</b>	\$1,945,668

The Company's substantial cash balance of \$7,518,058 decreased by \$122,994 despite a strong EBITDA. This was mainly due to the timing of a receivable, the purchases of production related fixed assets and the payout of the FY2022 Profit-Sharing Plan (PSP) which was recorded in Q4 F2022.

Net working capital increased by \$1,119,716 during the nine months ended April 30, 2023, as compared to the year ended July 31, 2022, due to strong earnings, despite significant purchases of production related fixed assets during the year.

### Balance Sheet Summary as at

	April 30, 2023	July 31, 2022
Cash and cash equivalents	<b>\$7,518,058</b>	\$7,641,052
Net working capital	<b>\$8,394,049</b>	\$7,274,333
Outstanding shares at report date (common shares)	24,784,244	24,823,244



## 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.

Our expectation for F2023 was that we would experience a significant revenue downturn as customers worked off their inventory excess, but to date we have not seen such an effect. We attribute this mainly to the underlying strength of the markets we serve. We may see some softening in the fourth quarter, but the 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 conducting 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](http://www.ibex.ca).

###

**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.*



**Contact:**

Paul Baehr  
President & CEO  
IBEX Technologies Inc.  
514-344-4004 x 143