



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

IBEX REPORTS RESULTS FOR THE YEAR ENDED JULY 31, 2023

MONTRÉAL, Québec, November 8, 2023 – IBEX Technologies Inc. (“IBEX” or the “Company”) (TSX Venture: IBT) today reported its financial results for the fiscal year ended July 31, 2023.

According to Paul Baehr, IBEX President and CEO, “We were pleased by the overall F2023 performance when compared to an exceptional F2022, and in particular, with the Company’s performance as compared to F2021 and F2020”.

Highlights:

- Revenues for the year were only 5% lower than F2022, well above expectations, and were 41% higher than the benchmark F2021.
- Earnings before tax were down 15% as compared to F2022, but up over 200% when compared to F2021 & F2020.
- Year-ending cash and cash equivalents were \$8,547,043, up 12% vs F2022 and up 193% vs F2021.

Mr. Baehr further stated, “Looking forward we expect F2024 results to be in line with F2023”.

- Revenues are expected to be in the F2023 range, with continued strong growth in the hemostasis business.
- Offsetting the strong growth in hemostasis is the negative impact of the Company’s exit from the marginally-profitable Arthritis ELIZA kit business and some softness in other reagent customers.
- Earnings before tax for F2024 are expected to be in line with F2023.
- Year-ending cash is expected to reach \$10M, an increase of 17%.

Note: All figures are in Canadian dollars unless otherwise stated. The Company’s audited consolidated financial statements for the year ended July 31, 2023 and the accompanying notes and the related management’s discussion and analysis is 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 FOURTH QUARTER OF FISCAL 2023

Revenues for the quarter ended July 31, 2023 totaled \$1,753,902, decreasing by \$316,112 (15%) from \$2,070,014 in the same period last year.

Expenses before tax totaling \$1,397,079 were up by \$74,257 vs same quarter a year ago, relating to many offsetting factors: a negative foreign exchange impact of \$64,935 and an increase in salaries & benefits of \$63,459 mainly due to a higher Profit-Sharing Plan accrual in the quarter; offset by a decrease in finance expenses of \$69,446 driven by interest on the cash balances.

The company recorded earnings before tax for the quarter of \$356,623 down \$390,369 versus earnings before tax of \$746,992 on a comparable basis in Fiscal 2022.



The increase in net earnings to \$2,223,643 from \$34,764 in the same period last year is mainly due to a tax reorganization resulting in the recording of previously unrecorded tax assets on the balance sheet. This led to an income tax recovery of \$1,867,020 for the quarter versus an income tax expense of \$712,228 in the same quarter last year.

The decrease in earnings before tax for the quarter, led the Company to record an EBITDA of \$383,570 versus \$815,219 in the same period year ago.

EBITDA for the three months ended

	July 31, 2023	July 31, 2022
Net earnings	\$2,223,643	\$34,764
Depreciation of property, plant, equipment and intangible assets	\$53,555	\$34,370
Depreciation of right-of-use assets	\$68,341	\$57,627
Interest – Net	(\$94,949)	(\$23,770)
Income tax expense (recovery)	(\$1,867,020)	\$712,228
Earnings before interest, tax, depreciation and amortization	\$383,570	\$815,219

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.

FINANCIAL RESULTS FOR THE YEAR

Revenues for the year ended July 31, 2023 totaled \$7,491,739 compared to \$7,892,487 in the prior year, a decrease of 5%.

Expenses before taxes totaled \$5,473,925, a decrease of \$31,939. This small variance is due to many offsetting factors, mainly: an increase in R&D costs of \$323,210 offset by an increase in SR&ED tax credits of \$277,401 for the year. Lower finance expenses of \$292,137 driven by interest income on the cash balances offsets the negative foreign exchange impact of \$151,356.

As mentioned above, the company recognized previously unrecognized tax assets resulting in an income tax recovery for the year ended July 31, 2023. Due to this tax recovery, net earnings totaled \$3,893,614 compared to net earnings in FY2022 of \$1,674,395.

The company recorded EBITDA of \$2,161,702 versus \$2,760,885 in the same period last year, a decrease of \$599,183, due mainly to the decrease in revenues.



Financial Summary for the year ended

	July 31, 2023	July 31, 2022
Revenues	\$7,491,739	\$7,892,487
Earnings before interest, tax, depreciation & amortization (EBITDA)	\$2,161,702	\$2,760,885
Depreciation of property, plant, equipment and intangible assets	\$171,444	\$149,214
Depreciation of right-of-use assets	\$265,611	\$220,719
Net earnings	\$3,983,614	\$1,674,395
Earnings per share	\$0.16	\$0.07

EBITDA for the year ended

	July 31, 2023	July 31, 2022
Net earnings	\$3,893,614	\$1,674,395
Depreciation of property, plant, equipment and intangible assets	\$171,444	\$149,214
Depreciation of right-of-use assets	\$265,611	\$220,719
Interest - Net	(\$293,167)	\$4,329
Income tax expense (recovery)	(\$1,875,800)	\$712,228
Earnings before interest, taxes, depreciation and amortization	\$2,161,702	\$2,760,885

Cash and cash equivalents increased by \$905,991 to \$8,547,043 during the year ended July 31, 2023 as compared to the year ended July 31, 2022. Net working capital reached \$8,429,764, an increase of \$1,155,431 from FY2022.

Balance Sheet Summary as at

	July 31, 2023	July 31, 2022
Cash and cash equivalents	\$8,547,043	\$7,641,052
Net working capital	\$8,429,764	\$7,274,333
Outstanding shares at report date (common shares)	24,644,244	24,784,244

NCIB



On July 17, 2023, the Company announced that the Toronto Stock Venture Exchange approved the renewal of the Normal Course Issuer Bid (“2024 NCIB”) that was originally launched on July 29, 2022. Under the terms of the 2024 NCIB, the Company may purchase for cancellation up to 1,500,000 common shares of the Company, which represented 10% of its public float as at July 14, 2023. The new 2024 NCIB commenced on August 5, 2023 and will end on the earlier of August 4, 2024 or when the Company completes its maximum purchases under the NCIB. Furthermore, IBEX entered into an agreement with a broker to facilitate purchases of its common shares under the NCIB. Under IBEX’s automatic share purchase plan, the broker may purchase common shares, which would ordinarily not be permitted due to regulatory restrictions or self-imposed blackout periods. After year-end and as of the date of the financial statements, 64,600 shares were repurchased and cancelled for a total of \$42,584 for the original 2023 NCIB and 114,400 shares have been repurchased for the 2024 NCIB for a total of \$111,820.

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 can be seen from our quarterly results over the past few years.

COVID 19 had a significant impact, as customers increased their purchases in F2022 for fear of supply chain interruptions. Our sales softened somewhat as some of those customers worked off those inventories in F2023.

On a positive note, our largest market (hemostasis) continues to grow at a rapid pace which we expect to continue into F2024. Customers in other markets appear to be working off their inventory cushion, which may have an impact in F2024.

The Company continues to work on a number of new heparinase-containing clinical device projects with its key customers. 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 in fiscal 2025.

ABOUT IBEX

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

For more information, please visit the Company’s website at www.ibex.ca.

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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 Harbour 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