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IBEX REPORTS RESULTS FOR THE THIRD QUARTER AND THE NINE MONTHS ENDED APRIL 30, 2021

MONTREAL, Québec, June 16, 2021 – IBEX Technologies Inc. (“IBEX” or the “Company”) (TSX Venture: IBT) today reported its financial results for the nine months ended April 30, 2021.

“As predicted, sales in constant dollars (\$US) decreased this quarter vs year ago (-4%) which, combined with a 9% negative change in currency, translated to a 13% decline in Canadian dollars for the quarter. Despite this decrease, year to date we are running five percent higher than last year,” said Paul Baehr, IBEX President & CEO. In addition, our cash and net working capital increased vs. the previous quarter and same quarter year ago.

“We expect further softening in revenues next quarter as customers adjust inventories and thus full fiscal year sales are likely to be lower than last year. Consequently, we anticipate that Fiscal 2021 EBITDA will not reach the same level as F2020”.

Note: All figures are in Canadian dollars unless otherwise stated. The Company’s audited consolidated financial statements for the year ended July 31, 2020 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 THIRD QUARTER OF FISCAL 2021

Revenues for the quarter ended April 30, 2021 totaled \$1,467,665 and were down by \$211,744 (12.6%) from \$1,679,409 in the same period of the prior year with currency changes having a negative impact. Sales in constant dollars (\$US) declined 4%.

Expenses before taxes were \$1,134,111, up \$81,139 vs \$1,052,972 in the comparable per year ago, tracing mainly to a foreign exchange negative variance and development expenses relating to DiaMaze®. These increases were offset mainly by a decrease in expenses due to the impact of the sale of our Iowa production facility in June 2020 and the receipt of the Canada Emergency Wage Subsidy (CEWS).

The company recorded net earnings of \$333,509 down \$292,928 (vs. net earnings of \$626,437 on a comparable basis in Fiscal 2020).

The decrease in revenues and increase in expenses led to the Company recording an EBITDA of \$432,317 versus \$769,335 in the same period year ago.



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, 2021	April 30, 2020
Net earnings (loss)	\$333,509	\$626,437
Depreciation of property, plant, equipment and intangible assets	\$38,891	\$56,862
Depreciation of right-of-use assets	\$55,790	\$42,561
Impairment of property, plant and equipment	-	\$37,000
Interest – Net	\$4,081	\$6,475
Income tax expense	\$46	-
Earnings (loss) before interest, tax, depreciation and amortization	\$432,317	\$769,335

FINANCIAL RESULTS FOR THE NINE MONTHS ENDED APRIL 30, 2021

Revenues for the nine months ended April 30, 2021 of \$3,945,239 were up \$182,229 as compared to \$3,763,010 in the same period of the prior year. The increase in revenues traces to changes in quarterly purchasing patterns on the part of several of our major customers partially offset by negative changes in currency.

Operating Expenses at \$3,217,066 were up \$115,953, tracing mainly to a negative foreign exchange variance and higher sales. This increase was offset by the CEWS and the positive impact due to the sale of our Iowa production facility last fiscal year.

This resulted in the Company recording net earnings of \$732,080 compared to net earnings of \$661,897 for the same period year ago.

As well, the Company recorded EBITDA of \$1,026,639 vs. a \$1,020,922 EBITDA in the same period year ago, explained by the above.



Financial Summary for the nine months ended

	April 30, 2021	April 30, 2020
Revenues	\$3,945,238	\$3,763,010
Earnings before interest, tax, depreciation & amortization (EBITDA)	\$1,026,639	\$1,020,922
Depreciation of property, plant, equipment and intangible assets	\$131,497	\$174,895
Depreciation of right-of-use assets	\$152,818	\$126,986
Impairment of property, plant and equipment	-	\$37,000
Net earnings	\$732,080	\$661,897
Earnings per share	\$0.03	\$0.03

EBITDA for the nine months ended

	April 30, 2021	April 30, 2020
Net earnings	\$732,080	\$661,897
Depreciation of property, plant, equipment and intangible assets	\$131,497	\$174,895
Depreciation of right-of-use assets	\$152,818	\$126,986
Impairment of property, plant and equipment	-	\$37,000
Interest - Net	\$14,151	\$20,144
Income tax refund	(\$3,907)	-
Earnings before interest, taxes, depreciation and amortization	\$1,026,639	\$1,020,922

Cash and cash equivalents increased by \$505,193 during the nine months ended April 30, 2021 as compared to the year ended July 31, 2020. Net working capital increased by \$755,790 during the nine months ended April 30, 2021 as compared to the year ended July 31, 2020.

Balance Sheet Summary as at

	April 30, 2021	July 31, 2020
Cash and cash equivalents	\$4,210,710	\$3,705,517
Net working capital	\$4,560,820	\$3,805,040
Outstanding shares at report date (common shares)	24,823,244	24,773,244



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 it has been illustrated in the quarterly results over the past few years. The impact of COVID-19 adds further uncertainty to the picture.

Despite the relatively strong sales (in constant US\$) seen during the first three quarters, we foresee a decrease in sales over the next few quarters, as customers who may have advanced purchases during the current fiscal year in order to protect against supply-chain interruptions may reduce some of their inventory going forward.

A further uncertainty is that there has been a significant postponement of cardiovascular surgeries during calendar 2020 and into 2021 and it is not clear when, or if, many of those who postponed surgery will in fact get treated. A large portion of IBEX sales derive from tests used during or after cardiovascular surgery.

Adding to uncertainty has been the rapid and unexpected drop in the in the US dollar from a quarterly average of CA\$1.3766 per USD at April 30th year ago to CA \$1.2590 per USD on average this quarter-end. The consequence of the reduced sales means that Fiscal 2021 will not be as profitable as Fiscal 2020. Unfortunately, we expect the unfavorable rate of exchange to persist in Fiscal 2022.

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 2021 and beyond. 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.

We have also advanced our enzyme DiaMaze® (diamine oxidase) into the development phase, however, market introduction is not expected before end of Fiscal 2023. DiaMaze is an enzyme targeted to persons suffering from histamine intolerance and will be marketed as a nutraceutical.

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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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.

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