



IGC Reports Financial Results for Third Fiscal Quarter Ended Dec. 31, 2022

POTOMAC, Md., February 14, 2023 / India Globalization Capital, Inc. (dba IGC, Inc.) (NYSE American: IGC) (“IGC” or the “Company”) today reported its third fiscal quarter 2023 financial results.

Third Fiscal Quarter 2023 Highlights:

- The Company expanded the number of sites participating in its Phase 2 clinical trial on IGC-AD1 for agitation in dementia from Alzheimer’s disease to a total of four – three in the U. S. and one in Canada. The Company is encouraged by the patient enrollment and interest from many of the leading research centers and has decided to increase the number of trial sites to between 10 and 12 from the originally planned four to five. This will help accelerate the timeline for completion and diversify the patient demographics.
- The trial will enroll 146 patients, with one half receiving a placebo and the other half receiving IGC-AD1. The goal of the trial is to evaluate and establish, over six weeks, the efficacy of IGC-AD1 in treating agitation in dementia from Alzheimer’s disease. Agitation affects about 76% of individuals with Alzheimer’s (Mussele et al., 2015), which affects about 11 million individuals in North America and Europe alone. In addition, agitation is a leading cause of hospitalization and a major factor in accelerating the cognitive decline of patients with Alzheimer’s (Kongpakwattana et al., 2018). Currently, there is no FDA-approved medication for treating agitation in Alzheimer’s. The Company is positioning itself to offer the first natural tetrahydrocannabinol (“THC”) based medication for treating agitation in dementia from Alzheimer’s disease. The trial is registered on clinicaltrials.gov with NCT05543681.
- Net revenue increased 133% to \$332,000 in the three months ended Dec. 31, 2022, compared to \$142,000 in the three months ended Dec. 31, 2021, and net revenue increased 172% to \$745,000 for the nine months ended Dec. 31, 2022, compared to \$275,000 for the nine months ended Dec. 31, 2021, driven mainly by the Company’s life science segment, which includes, among others, natural products targeting women with premenstrual syndrome (“PMS”), period pain and sleep disorder.

Ram Mukunda, CEO of IGC, commented, “We are delighted with the progress made during this quarter, highlighted by the commencement of the Phase 2 clinical trial for our drug candidate IGC-AD1 for the safety and efficacy of the drug on agitation in dementia due to Alzheimer’s disease. This represents a milestone in our progress towards gaining FDA approval for IGC-AD1, which we believe has the potential to revolutionize the treatment of Alzheimer’s disease as the first and only low-dose, natural, THC-based candidate currently undergoing FDA trials. Moreover, our sales of natural products, which include gummies and pain relief creams, are seeing increased traction in the market. We’re encouraged by our third quarter results and look forward to driving continued expansion through the balance of fiscal 2023.”

Revenue was approximately \$332,000 for the three months ended Dec. 31, 2022, compared to \$142,000 for the three months ended Dec. 31, 2021. The increase in revenue is primarily related to increased sales of the Company’s life science-based products and services.

Selling, general and administrative (“SG&A”) expenses were approximately \$1.5 million and \$2.07 million for the three months ended Dec. 31, 2022, and Dec. 31, 2021, respectively. The decrease of \$496,000 is attributed to a reduction in compensation, legal and marketing expenses.



Research and development (“R&D”) expenses were approximately \$806,000 for the three months ended Dec. 31, 2022, compared to approximately \$377,000 for the three months ended Dec. 31, 2021. The increase of approximately \$429,000 was primarily attributable to the progression of Phase 2 trials on IGC-AD1 and preclinical studies on TGR-63. The Company anticipates increased R&D expenses as the development of TGR-63 and the Phase 2 trial on Alzheimer’s pick up more momentum.

Net loss for the three months ended Dec. 31, 2022, was approximately \$2.2 million or (\$0.04) per share, compared to approximately \$2.4 million or (\$0.05) per share for the three months ended Dec. 31, 2021.

About IGC:

IGC develops advanced cannabinoid-based formulations for treating diseases and conditions including, but not limited to, Alzheimer’s disease, period cramps (“dysmenorrhea”), premenstrual syndrome (“PMS”) and chronic pain. The Company has two investigational drug assets targeting Alzheimer’s disease, IGC-AD1 and TGR-63, which have demonstrated in Alzheimer’s cell lines the potential to be effective in suppressing or ameliorating key hallmarks of Alzheimer’s disease such as plaques or tangles. IGC-AD1 is a low-dose tetrahydrocannabinol (“THC”) based formulation that is currently in a 146-person Phase 2B safety and efficacy clinical trial for agitation in dementia due to Alzheimer’s (clinicaltrials.gov, NCT05543681). The Company also markets two wellness brands, Holief™ and Sunday Seltzer™. Holief™ targets women experiencing premenstrual syndrome and menstrual cramps, and Sunday Seltzer™ is a lifestyle, hemp-infused energy beverage brand. The Company is headquartered in Maryland, USA, and has historically operated an infrastructure segment based in India.

Forward-Looking Statements:

This press release contains forward-looking statements. These forward-looking statements are based largely on IGC’s expectations and are subject to several risks and uncertainties, certain of which are beyond IGC’s control. Actual results could differ materially from these forward-looking statements as a result of, among other factors, the Company’s failure or inability to commercialize one or more of the Company’s products or technologies, including the products or formulations described in this release, or failure to obtain regulatory approval for the products or formulations, where required; general economic conditions that are less favorable than expected, including as a result of the ongoing COVID-19 pandemic; the FDA’s general position regarding cannabis- and hemp-based products; and other factors, many of which are discussed in IGC’s U.S. Securities and Exchange Commission (“SEC”) filings. IGC incorporates by reference the human trial disclosures and risk factors identified in its Annual Report on Form 10-K filed with the SEC on June 23, 2022, as if fully incorporated and restated herein. In light of these risks and uncertainties, there can be no assurance that the forward-looking information contained in this release will occur.

Investor Relations Contact:

Walter Frank
IMS Investor Relations
(203) 972-9200
igc@imsinvestorrelations.com

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India Globalization Capital, Inc.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)
(Unaudited)

	Dec. 31, 2022 (\$)	March 31, 2022 (\$)
ASSETS		
Current assets:		
Cash and cash equivalents	4,945	10,460
Accounts receivable, net	251	125
Short term investments	88	-
Inventory	3,748	3,548
Deposits and advances	322	978
Total current assets	9,354	15,111
Non-current assets:		
Intangible assets, net	1,022	917
Property, plant and equipment, net	8,309	9,419
Claims and advances	1,028	937
Operating lease asset	357	450
Total non-current assets	10,716	11,723
Total assets	20,070	26,834
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable	466	981
Accrued liabilities and others	890	1,460
Total current liabilities	1,356	2,441
Non-current liabilities:		
Long-term loans	141	144
Other liabilities	15	16
Operating lease liability	241	341
Total non-current liabilities	397	501
Total liabilities	1,753	2,942
 Commitments and Contingencies – See Note 12		
 Stockholders' equity:		
Preferred stock, \$0.0001 par value: authorized 1,000,000 shares, no shares issued or outstanding as of Dec. 31, 2022, and March 31, 2022.		
Common stock and additional paid-in capital, \$0.0001 par value: 150,000,000 shares authorized; 53,077,436 and 51,054,017 shares issued and outstanding as of Dec. 31, 2022, and March 31, 2022, respectively.	118,382	116,019
Accumulated other comprehensive loss	(3,430)	(2,968)
Accumulated deficit	(96,635)	(89,159)
Total stockholders' equity	18,317	23,892
Total liabilities and stockholders' equity	20,070	26,834

These financial statements should be read in connection with the accompanying notes on Form 10-Q for the quarter ended on Dec. 31, 2022, and filed with the SEC on Feb. 14, 2023.



India Globalization Capital, Inc.
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE
LOSS**

(in thousands, except loss per share and share data)

(Unaudited)

	Three months ended Dec. 31,	
	2022	2021
	(\$)	(\$)
Revenue	332	142
Cost of revenue	(230)	(80)
Gross Profit	102	62
Selling, general and administrative expenses	(1,574)	(2,070)
Research and development expenses	(806)	(377)
Operating loss	(2,278)	(2,385)
Impairment of investment	-	-
Other income, net	29	4
Loss before income taxes	(2,249)	(2,381)
Income tax expense/benefit	-	-
Net loss attributable to common stockholders	(2,249)	(2,381)
Foreign currency translation adjustments	(61)	77
Comprehensive loss	(2,310)	(2,304)
 Loss per share attributable to common stockholders:		
Basic & diluted	\$ (0.04)	\$ (0.05)
Weighted-average number of shares used in computing loss per share amounts:	53,063,473	51,053,191

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Wire Service Contact:

InvestorWire (IW)

Los Angeles, California

www.InvestorWire.com

212.418.1217 Office

Editor@InvestorWire.com