



## IGC Pharma Reports Second Quarter Fiscal 2024 Results

- IGC-AD1 addressing agitation in dementia due to Alzheimer's progresses in Phase 2 Trial
- Company focuses on advancing the development of an expanded IP portfolio targeting Alzheimer's

POTOMAC, MD. November 13, 2023 / IGC Pharma, Inc. ("IGC" or the "Company") (NYSE American: IGC) today announced its financial results for the second fiscal quarter of 2024 ended September 30, 2023 (Q2 FY2024).

### Q2 FY2024 Highlights

- Revenue in Q2 FY2024 increased 44% to approximately \$291,000 compared to the same quarter in FY2023 at roughly \$202,000. In the first six months of FY2024, revenue doubled to about \$846,000 from about \$414,000 compared to the prior year's six-month period. IGC's revenue was primarily generated from our over-the-counter products and services provided at our Vancouver, Washington facility, which is being prepared for a potential Phase 3 trial and commercialization of our investigational new drug, IGC-AD1.
- IGC-AD1, the Company's flagship formulation in trials to address agitation in dementia due to Alzheimer's, continues to make strides in its multi-site Phase 2 trial (*NCT05543681*, *IND 146069*). The Company continues to drive progress with ten sites in the United States and Canada, currently conducting the trial. On July 11, 2023, the Canadian Intellectual Property Office issued a patent (#2,961,410) to the Company titled "Cannabinoid Composition and Method for Treating Pain". The patent relates to compositions and methods for treating multiple types of seizure disorders in humans using a combination of cannabinoids with other compounds. Subject to further research and study, the combination may be used for relieving pain in patients with psoriatic arthritis, fibromyalgia, scleroderma, shingles, and related pain-generating conditions.

### Financial Summary

During the three months ended September 30, 2023, the Company generated approximately \$291,000 in revenue, representing an increase of 44% compared to the approximately \$202,000 generated during the three months ended September 30, 2022. The primary source of revenue was the Company's Life Sciences division.

The Company reported Selling, General, and Administrative ("SG&A") expenses during the three months ended September 30, 2023, of approximately \$1.4 million, representing a decrease of approximately \$458,000, or 25%, compared to the approximately \$1.9 million recorded for the three months ended September 30, 2022. The reduction in SG&A expenses is attributed to a decrease in operational and corporate expenses.

During the three months ended September 30, 2023, the Company reported Research and Development ("R&D") expenses of approximately \$1.3 million, representing an increase of approximately \$500,000 or 65% compared to approximately \$768,000 during the three months ended September 30, 2022. The increase is primarily attributable to the progression of Phase 2 trials on IGC-AD1 and pre-clinical studies on the other small molecule assets. Although there can be no assurance, we anticipate increased R&D expenses as the development of our other small molecule assets targeting Alzheimer's and the Phase 2B trial on Alzheimer's expand.

Net loss for the three months ended September 30, 2023, was approximately \$2.5 million or \$0.05 per share, compared to approximately \$2.4 million or \$0.05 per share for three months ended September 30, 2022.

### Management Commentary

Ram Mukunda, CEO of IGC Pharma, commented, "We continue to make strides advancing our numerous drug formulations, with our flagship asset, IGC-AD1, currently in Phase 2 trials for the treatment of agitation caused by symptoms of Alzheimer's disease. Including IGC-AD1, we have five drug assets, TGR-63, LMP, IGC-1C, and IGC-M3, all of which have shown pre-clinical efficacy in targeting Alzheimer's disease. They are at various stages of development. In addition to our traditional trial methods, we are also exploring the capabilities of generative artificial intelligence, or AI, as it relates to analyzing the myriad of data produced by a trial and maximizing the efficiency and minimizing the time needed to conduct clinical trials. For this, we entered a master cooperation agreement with a leading university in Colombia, South America, with expertise in AI and pharma."

"We are pleased with the progress that we've made this quarter, and we believe that we are well positioned with strategic partnerships and a clear path to bring solutions to market for the treatment of Alzheimer's." Mr. Mukunda concluded.

## **About IGC Pharma (dba IGC):**

At IGC Pharma, we are pioneering innovative solutions to combat Alzheimer's disease and related challenges. Our portfolio comprises five assets, each at distinct stages of development, all with a singular mission — to transform the landscape of Alzheimer's treatment. IGC-AD1 and LMP: Targeting neuroinflammation, A $\beta$  plaques, and neurofibrillary tangles, IGC-AD1 is currently in a Phase 2b clinical trial for agitation in dementia due to Alzheimer's (clinicaltrials.gov, NCT05543681), representing a critical step in our journey to deliver impactful therapies. TGR-63 targets A $\beta$  plaque, where we seek to disrupt the progression of Alzheimer's disease. IGC-M3 targets both A $\beta$  plaques and tau, two Alzheimer's defining hallmarks, with the potential to create a profound impact. IGC-1C: Targeting tau and neurofibrillary tangles, IGC-1C represents a forward-thinking approach to Alzheimer's therapy. In parallel, IGC Pharma is at the forefront of Generative AI development, with projects spanning clinical trials, molecule discovery and analysis, and drug interactions.

## **Forward-looking Statements**

This press release contains forward-looking statements. These forward-looking statements are mainly based on IGC's expectations and are subject to several risks and uncertainties, some 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; 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 July 7, 2023, as if fully incorporated and restated herein. Considering these risks and uncertainties, there can be no assurance that the forward-looking information contained in this release will occur.

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**< Financial Tables to Follow >**

**IGC Pharma, Inc.**  
**CONSOLIDATED BALANCE SHEETS**  
*(in thousands, except share data)*  
**(Unaudited)**

	<b>September 30, 2023 (\$)</b>	<b>March 31, 2023 (\$)</b>
<b><u>ASSETS</u></b>		
<b>Current assets:</b>		
Cash and cash equivalents	3,026	3,196
Accounts receivable, net	137	107
Short term investments	98	154
Inventory	2,636	2,651
Deposits and advances	220	358
<b>Total current assets</b>	<b>6,117</b>	<b>6,466</b>
<b>Non-current assets:</b>		
Intangible assets, net	1,181	1,170
Property, plant, and equipment, net	7,947	8,213
Claims and advances	998	1,003
Operating lease asset	263	326
<b>Total non-current assets</b>	<b>10,389</b>	<b>10,712</b>
<b>Total assets</b>	<b>16,506</b>	<b>17,178</b>
<b><u>LIABILITIES AND STOCKHOLDERS' EQUITY</u></b>		
<b>Current liabilities:</b>		
Accounts payable	549	530
Accrued liabilities and others	1,557	1,368
<b>Total current liabilities</b>	<b>2,106</b>	<b>1,898</b>
<b>Non-current liabilities:</b>		
Long-term loans	139	141
Other liabilities	17	21
Operating lease liability	146	207
<b>Total non-current liabilities</b>	<b>302</b>	<b>369</b>
<b>Total liabilities</b>	<b>2,408</b>	<b>2,267</b>
 <b>Commitments and Contingencies – See Note 12</b>		
 <b>Stockholders' equity:</b>		
Preferred stock, \$0.0001 par value: authorized 1,000,000 shares, no shares issued or outstanding as of September 30, 2023, and March 31, 2023.		
Common stock and additional paid-in capital, \$0.0001 par value: 150,000,000 shares authorized; 63,706,939 and 53,077,436 shares issued and outstanding as of September 30, 2023, and March 31, 2023, respectively.	122,732	118,965
Accumulated other comprehensive loss	(3,443)	(3,389)
Accumulated deficit	(105,191)	(100,665)
<b>Total stockholders' equity</b>	<b>14,098</b>	<b>14,911</b>
<b>Total liabilities and stockholders' equity</b>	<b>16,506</b>	<b>17,178</b>

These financial statements should be read in connection with the accompanying notes on Form 10-Q for the quarter ended September 30, 2023, filed with the SEC on November 09, 2023.

**IGC Pharma, Inc.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**  
*(in thousands, except loss per share and share data)*  
**(Unaudited)**

	Three months ended September 30,		Six months ended September 30,	
	2023	2022	2023	2022
	(\$)	(\$)	(\$)	(\$)
Revenue	291	202	846	414
Cost of revenue	(117)	(67)	(417)	(137)
<b>Gross profit</b>	<b>174</b>	<b>135</b>	<b>429</b>	<b>277</b>
Selling, General and Administrative expenses	(1,397)	(1,855)	(3,044)	(3,405)
Research and development expenses	(1,268)	(768)	(2,015)	(2,162)
<b>Operating loss</b>	<b>(2,491)</b>	<b>(2,488)</b>	<b>(4,630)</b>	<b>(5,290)</b>
Other income, net	40	46	104	63
<b>Loss before income taxes</b>	<b>(2,451)</b>	<b>(2,442)</b>	<b>(4,526)</b>	<b>(5,227)</b>
Income tax expense/benefit	-	-	-	-
<b>Net loss attributable to common stockholders</b>	<b>(2,451)</b>	<b>(2,442)</b>	<b>(4,526)</b>	<b>(5,227)</b>
Foreign currency translation adjustments	(63)	(182)	(54)	(401)
<b>Comprehensive loss</b>	<b>(2,514)</b>	<b>(2,624)</b>	<b>(4,580)</b>	<b>(5,628)</b>
<b>Net loss per share attributable to common stockholders:</b>				
Basic and diluted	\$ (0.05)	(0.05)	(0.08)	(0.10)
Weighted-average number of shares used in computing net loss per share amounts:	54,301,087	52,194,098	53,695,912	52,082,096

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