



IGC Reports Financial Results for the December 31, 2021 Quarter

POTOMAC, MD. February 10, 2022 / India Globalization Capital, Inc. (NYSE American: IGC) announces its financial results for the three months ending December 31, 2021 – quarter three of the Company’s 2022 fiscal year.

Highlights include:

- The Company appointed former congressman James Moran to its Board of Directors. During his 24 years in Congress, Moran was recognized as a champion of innovative research and development in areas including healthcare and national security, environmental protection and sustainability, and international trade and fiscal responsibility.
- The Company completed a Phase 1 clinical trial for IGC-AD1, an investigational new Tetrahydrocannabinol (THC) based drug candidate designed to treat the symptoms of Alzheimer’s disease. As previously reported, the trial analyzed the safety and efficacy of different dosages, and the results were encouraging. Patients receiving the drug showed a decrease in agitation, anxiety, depression and other Neuropsychiatric Symptoms (NPS). From the trial, we gained valuable knowledge about the impact of dosing that will be studied further in additional clinical trials, subject to FDA approval. Complete findings have been submitted in the Clinical/Statistical Report (“CSR”) filed with the FDA.
- While market conditions are subject to change, and there can be no assurances, the Company hopes and believes that, if IGC-AD1 can gain FDA approval, it can have a substantial impact on the lives of Alzheimer’s patients and their caregivers. We believe the demand for a drug that can reduce symptoms such as agitation, anxiety, and depression in Alzheimer’s patients is potentially significant. On September 17, 2021, the Company filed a patent application, IGC-513, to protect these initial trial findings.
- The Company is currently planning to proceed with additional clinical trials for IGC-AD1. We plan to submit a protocol to the FDA, for a large, double-blind, placebo-controlled Phase 2 trial to test the impact of IGC-AD1 in relieving agitation in dementia due to Alzheimer’s.
- On October 28, 2021, the Company won the Best CBD Topical award for its broad-spectrum hemp extract cream called Holi Wonder™ at the USA CBD Expo event held in Chicago, Illinois.
- On October 5, 2021, the Company received a Good Manufacturing Practice (GMP) certificate for its manufacturing and processing facility in Vancouver, Washington.

The Company’s financial results for the quarter ending December 31, 2021 relative to the same period a year ago:

- The Life Sciences segment, which includes the sale of hemp-based products such as lotion, gummies, and hand sanitizers was the largest revenue driver with \$134 thousand in revenue for the quarter, compared to \$56 thousand the year prior.
- The Infrastructure segment, which includes a construction contract, was \$8 thousand in the quarter, relative to \$52 thousand the year prior.

Primarily due to COVID-19, we expect volatility in both segments in the foreseeable future and it is difficult to predict when either segment will generate significant, stable revenue.

The following expense results refer to the quarters ending December 31, 2021, and December 31, 2020:

- Research and Development (R&D) expenses related to the Phase 1 clinical trial described above and product research in our Life Sciences segment was approximately \$377 thousand compared to \$154 thousand the year prior. We expect R&D expenses to increase with subsequent IGC-AD1 clinical trials, subject to FDA approval.
- Selling, General and Administrative (SG&A) expenses were \$2.07 million in the quarter, a decrease of \$116 thousand relative to \$2.19 million the year prior. The SG&A decrease includes a one-time inventory-related adjustments of \$245 thousand.
- Net loss was approximately \$2.38 million or (\$0.05) per share, compared to approximately \$2.32 million or (\$0.06) per share in the same quarter the prior year.

About IGC:

India Globalization Capital, Inc. (IGC), headquartered in Maryland, engages in the development of cannabinoid-based therapies for healthcare applications. IGC recently completed the first safety and tolerability clinical trial to treat symptoms of Alzheimer's patients using a THC-based investigational new drug. The Company also operates an infrastructure business based in India. www.igcinc.us, www.igcpharma.com

Forward-Looking Statements:

This press release contains forward-looking statements that are based largely on IGC's expectations and are subject to several risks and uncertainties, which may be beyond IGC's control. Actual results could differ significantly from these if the Company is unable to commercialize one or more of the Company's products or technologies, including the investigational new drug IGC-AD1 described in this press release. Other risks which could materially impact results include failure to obtain FDA approval for IGC-AD1 or additional clinical trials; unanticipated or unfavorable testing results from subsequent clinical trials; general economic conditions that are less favorable than expected; the impact of the ongoing COVID-19 pandemic; the FDA's general position regarding cannabis- and hemp-based products; and other factors, which are discussed in IGC's SEC filings.

IGC incorporates by reference the human trial disclosures and Risk Factors identified in its Annual Reports on Form 10-K filed with the SEC on June 14, 2021, and Quarterly Report on Form 10-Q, filed with the SEC on August 11, 2021, October 29, 2021, and February 10, 2022. Given these risks and uncertainties, we cannot assure the forward-looking information contained in this release will occur.

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< Financial Tables to Follow >

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

	December 31, 2021 (\$)	March 31, 2021 (\$)
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	11,941	14,548
Accounts receivable, net	164	175
Inventory	5,428	5,478
Non-Marketable securities	-	80
Deposits and advances	1,704	3,236
	19,237	23,517
Total current assets		
Intangible assets, net	426	407
Property, plant and equipment, net	10,520	10,840
Non-Marketable securities	11	12
Claims and advances	612	603
Operating lease asset	482	488
	12,051	12,350
Total long-term assets		
	31,288	35,867
Total assets		
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current liabilities:		
Accounts payable	357	476
Accrued liabilities and others	919	1,588
Short-term loans	3	304
	1,279	2,368
Total current liabilities		
Long-term loans	145	276
Other liabilities	15	15
Operating lease liability	374	405
	534	696
Total non-current liabilities		
	1,813	3,064
Total liabilities		
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 December 31, 2021, and March 31, 2021.	-	-
Common stock and additional paid-in capital, \$0.0001 par value: 150,000,000 shares authorized; 51,041,017 and 47,827,273 shares issued and outstanding as of December 31, 2021 and March 31, 2021, respectively.	114,894	109,720
Accumulated other comprehensive loss	(2,763)	(2,774)
Accumulated deficit	(82,656)	(74,143)
	29,475	32,803
Total stockholders' equity		
	31,288	35,867
Total liabilities and stockholders' equity		

These financial statements should be read in connection with the accompanying notes on Form 10-Q for the quarter ended December 31, 2021, filed with the SEC on February 10, 2022.

India Globalization Capital, Inc.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except loss per share and share data)

	Three months ended December 31,	
	2021	2020
	(\$)	(\$)
Revenue	142	108
Cost of revenue	(80)	(94)
Gross Profit	62	14
Selling, general and administrative expenses	(2,070)	(2,186)
Research and development expenses	(377)	(154)
Operating loss	(2,385)	(2,326)
Impairment of investment	-	-
Other income, net	4	3
Loss before income taxes	(2,381)	(2,323)
Net loss attributable to common stockholders	(2,381)	(2,323)
Foreign currency translation adjustments	77	40
Comprehensive loss	(2,304)	(2,283)
Loss per share attributable to common stockholders:		
Basic & diluted	\$ (0.05)	\$ (0.06)
Weighted-average number of shares used in computing loss per share amounts:	51,053,191	41,304,365

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