



## IGC Reports Financial Results for December 31, 2020 Quarter

POTOMAC, MD, February 12, 2021 / India Globalization Capital, Inc. (“IGC” or the “Company”) (NYSE American: IGC) today announced its financial results for the quarter ended December 31, 2020, which is the third quarter of its 2021 fiscal year.

Revenue in the quarter ended December 31, 2020 and December 31, 2019, was \$108 thousand and \$573 thousand respectively. The decrease in revenue is from infrastructure and is primarily due to restrictions imposed by the COVID-19 pandemic. The revenue in the quarter ended December 31, 2020 was approximately 15% from the infrastructure segment and approximately 85% from the Life Science segment. In comparison, the revenue in the December 2019 quarter was primarily from infrastructure.

The ongoing COVID-19 pandemic has impacted our revenue and increased our expenses. In the past nine months, our ability to provide services and distribute our products has been impacted due to store closures and abandoned harvests of hemp. Our facilities on the West Coast of the U.S. and Delhi, India have had COVID-19 outbreaks that have led to closures, delays and expenses.

In the quarter ended December 31, 2020, our primary focus has been to initiate and carry out the Phase 1 clinical trial on our Investigational Drug Candidate IGC-AD1.

Selling, general and administrative expenses consist primarily of employee-related expenses, sales commission, professional fees, legal fees, marketing, other corporate expenses, allocated general overhead and provisions, depreciation and write-offs relating to doubtful accounts and advances, if any. Selling, general and administrative expenses increased by approximately \$773 thousand or 55% to \$2,186 thousand for the three months ended December 31, 2020, from \$1,413 thousand for the three months ended December 31, 2019. The increase of approximately \$773 thousand is related to increased overheads, marketing and professional expenses, a one-time SEC settlement expense of \$175 thousand previously disclosed on Form 8-K on December 22, 2020, one-time \$245 thousand inventory related adjustments, and \$124 thousand in increased depreciation expense, among others.

Net comprehensive loss was approximately \$2,283 thousand or \$0.06 per share, for the December 2020 quarter, compared to approximately \$1,646 thousand or \$0.04 per share for the September 2019 quarter. Most of the increased loss is attributable to the increased SG&A.

### **About IGC:**

IGC operates two lines of business: (i) infrastructure and (ii) life sciences. The Company is based in Potomac, Maryland, U.S.A. Social media: [www.igcinc.us](http://www.igcinc.us) / [www.igcpharma.com](http://www.igcpharma.com) / Twitter @IGCIR.

### **Forward-Looking Statements:**

This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934. 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. For the next several years, our success is highly correlated primarily with the successful outcome of our clinical trials and the recovery of the world and local economies following the COVID-19 pandemic, and, secondarily, on the sale of our products and services candidates. IGC may not be able to complete human trials on our investigational drug candidates, or, once conducted, the results of human trials testing results may not be favorable or as anticipated. Our

projections and investments anticipate stable pricing, which may not hold out over the next several years, and certain regulatory changes, specifically in states where medical cannabis has been, is, or will be legalized and the diseases which we anticipate our products will target are approved conditions for treatment or usage with cannabis/cannabinoids. We may not be able to protect our intellectual property adequately or receive patents. We may not receive regulatory approval for our products, or trials. An additional risk factor worth highlighting specifically related to patent licensing is that the patent applications we have licensed may not be granted by the United States Patent and Trademark Office (“USPTO”), even if the Company is in full compliance with USPTO requirements. We may not have adequate resources including financial resources, to successfully conduct all requisite clinical trials, to bring a product to market, or to pay applicable maintenance fees over time. We may not be able to successfully commercialize our products even if they are successful and receive regulatory approval. Failure or delay with respect to any of the factors above could have a material adverse effect on our business, future results of operations, our stock price, and our financial condition. Actual results could differ materially from these forward-looking statements as a result of, among other factors, competitive conditions in the industries in which IGC operates; failure to commercialize one or more of the technologies of IGC; general economic conditions that are less favorable than expected; the FDA’s general position regarding hemp-based products; the ongoing COVID-19 pandemic and its effect on global and regional economies in which IGC participates; and other factors, many of which are discussed in IGC’s SEC filings. IGC incorporates by reference the Risk Factors identified in its Annual Report on Form 10-K filed with the SEC on July 13, 2020; Quarterly Reports on Form 10-Q filed with the SEC on August 19, 2020, November 20, 2020 and February 12, 2021 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 in fact occur.

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**< Financial Tables to Follow >**

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

	<b>December 31, 2020 (Unaudited) (\$)</b>	<b>March 31, 2020 (Audited) (\$)</b>
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	968	7,258
Marketable securities	2,000	5,081
Accounts receivable, net	226	133
Inventory	5,156	4,245
Deposits and advances	3,071	1,040
<b>Total current assets</b>	<b>11,421</b>	<b>17,757</b>
Intangible assets, net	384	252
Property, plant and equipment, net	10,968	9,780
Non-Marketable securities	261	11
Claims and advances	619	610
Operating lease asset	510	574
<b>Total long-term assets</b>	<b>12,742</b>	<b>11,227</b>
<b>Total assets</b>	<b>24,163</b>	<b>28,984</b>
<b><u>LIABILITIES AND STOCKHOLDERS' EQUITY</u></b>		
<b>Current liabilities:</b>		
Accounts payable	875	762
Accrued liabilities and others	791	1,134
Short-term loans	252	50
<b>Total current liabilities</b>	<b>1,918</b>	<b>1,946</b>
Long-term loans	328	-
Other liabilities	17	16
Operating lease liability	428	485
<b>Total non-current liabilities</b>	<b>773</b>	<b>501</b>
<b>Total liabilities</b>	<b>2,691</b>	<b>2,447</b>
<b>Commitments and Contingencies – See Note 12</b>		
<b>Stockholders' equity:</b>		
Preferred stock, \$0.0001 per value: authorized 1,000,000 shares, no shares issued or outstanding as of December 31, 2020 or March 31, 2020.	-	-
Common stock and additional paid-in capital, \$0.0001 par value: 150,000,000 shares authorized; 41,304,365 and 39,320,116 shares issued and outstanding as of December 31, 2020 and March 31, 2020, respectively.	95,427	94,754
Accumulated other comprehensive loss	(2,726)	(2,850)
Accumulated deficit	(71,229)	(65,367)
<b>Total stockholders' equity</b>	<b>21,472</b>	<b>26,537</b>
<b>Total liabilities and stockholders' equity</b>	<b>24,163</b>	<b>28,984</b>

See accompanying Notes to the Condensed Consolidated Financial Statements in the Quarterly Report on Form 10-Q for the quarter ended December 31, 2020, as filed with the SEC on February 12, 2021.

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

	Three months ended December		Nine months ended December	
	31,		31,	
	2020	2019	2020	2019
	(\$)	(\$)	(\$)	(\$)
Revenue	108	573	817	4,043
Cost of revenue	(94)	(543)	(731)	(3,944)
<b>Gross Profit</b>	<b>14</b>	<b>30</b>	<b>86</b>	<b>99</b>
Selling, general and administrative expenses	(2,186)	(1,413)	(5,424)	(3,756)
Research and development expenses	(154)	(295)	(595)	(764)
<b>Operating loss</b>	<b>(2,326)</b>	<b>(1,678)</b>	<b>(5,933)</b>	<b>(4,421)</b>
Other income, net	3	75	71	260
<b>Loss before income taxes</b>	<b>(2,323)</b>	<b>(1,603)</b>	<b>(5,862)</b>	<b>(4,161)</b>
Income tax expense/benefit	-	-	-	-
<b>Net loss attributable to common stockholders</b>	<b>(2,323)</b>	<b>(1,603)</b>	<b>(5,862)</b>	<b>(4,161)</b>
Foreign currency translation adjustments	40	(43)	124	(167)
<b>Comprehensive loss</b>	<b>(2,283)</b>	<b>(1,646)</b>	<b>(5,738)</b>	<b>(4,328)</b>
<b>Loss per share attributable to common stockholders:</b>				
Basic & Diluted	\$ (0.06)	(0.04)	(0.14)	(0.11)
Weighted-average number of shares used in computing loss per share amounts:	41,304	39,571	40,915	39,543

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