



IGC Pharma, Inc.

Reports Q2 results. We believe more positive clinical data in 2024/25 to be strong catalysts for stock. Raising P/T to \$4.00.

COMPANY UPDATE

Rating: BUY

Ticker: IGC

Price: \$0.36

Target: \$4.00
(from \$3.75)

Reports Q2 results: IGC recently (on November 14) reported its fiscal Q2 2025 (ending September) results. Revenue was \$0.4 million, compared to our and consensus estimates of \$0.3 million. Net loss was \$1.7 million or EPS of \$(0.02), compared with our and consensus estimates of \$(0.03). There was no Q2 guidance. IGC is an early/clinical stage drug development company so it generates minimal revenue.

No guidance: Management did not provide forward guidance, but we believe ~\$3 million to be a reasonable near term quarterly cash burn rate.

Adjusting estimates: We are adjusting our FY25 estimates for revenue to \$1.2 million, from \$1.1 million, and for EPS to \$(0.11) from \$(0.13).

Reported positive interim results: On March 20, IGC reported results of an interim analysis of its ongoing Phase 2 trial for IGC-AD1 as a treatment for Agitation in dementia from Alzheimer's Disease (AAD). The interim data demonstrates a clinical and statistically significant reduction in agitation compared to placebo in patients with Alzheimer's disease. This and additional positive data may allow the company to speed up its current clinical trials and FDA approval pathways.

Positive data: Based on interim data, patients taking IGC-AD1, on average, experienced a more significant reduction in agitation scores compared to those on placebo, and the positive effects were observed as early as week two of the trial. This is the first interim data from the first 26 patients in the study (total patients in the study is expected to be 146).

Focus on Alzheimer's: IGC has 5 novel therapeutic drug candidates for Alzheimer's disease (AD), with two of them in later stage of development (IGC-AD1 which is in clinical trials and TGR-63). Alzheimer's disease is a progressive neurologic disease that causes brain cells to die and memory or other cognitive impairments. Alzheimer's is the leading cause of dementia, a decline in mental functions that negatively affects a person's ability to function independently.

IGC-AD1: IGC-AD1 has shown significant promise in preclinical studies. In Alzheimer's cell lines, IGC-AD1 has demonstrated the potential to effectively suppress or ameliorate two key hallmarks of Alzheimer's disease: plaques and tangles. In a Phase 1 multiple ascending dose (MAD) trial, it exhibited potential efficacy in reducing neuropsychiatric symptoms, including agitation, anxiety, and depression. IGC-AD1 is currently in a Phase 2B, multi-center, randomized, double-blind, placebo-controlled trial, specifically designed to address agitation in dementia from Alzheimer's disease.

Large market potential: Of the ten most fatal diseases in the U.S., Alzheimer's is the only one with no known cure, ability to slow progression, or means of prevention. Currently available drugs for the treatment of Alzheimer's provide limited and transient effects on cognition. There are 6.2 million Americans currently living with it, and that is estimated to grow to 13 million by 2050.

Balance sheet: As of Q2, the company has \$2 million in cash and no debt. We believe it has enough cash until mid-2025.

Positive data likely to be catalyst: We believe additional strong positive data will likely be catalysts for the stock. Despite the long road ahead, we believe the billion dollars market potential presents high rewards for the risks.

Current valuation attractive: We are maintaining our BUY rating, but raising our 12-month price target to \$4.00 from \$3.75, based on a NPV analysis, representing significant upside from the current share price. We believe this valuation fairly balances out the high risks with large upside opportunities.

Company Description

Based in Potomac, MD, IGC Pharma is a clinical-stage pharmaceutical company developing novel therapies to treat, cure, or prevent Alzheimer's disease.

United States
Healthcare

December 4, 2024

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Stock Data

Exchange:	NYSE
52-week Range:	0.25 – 0.91
Shares Outstanding (million):	78
Market cap (\$million):	\$28
EV (\$million):	\$26
Debt (\$million):	\$0
Cash (\$million):	\$2
Avg. Daily Trading Vol. (\$million):	\$0.2
Float (million shares):	68
Short Interest (million shares):	1
Dividend, annual (yield):	\$0 (NA%)

Revenues (US\$ million)

	<u>2025E</u> (Cur.)	<u>2025E</u> (Old)	<u>2026E</u> (Cur.)	<u>2026E</u> (Old)
Q1 Jun	0.3A		0.3E	
Q2 Sep	0.4A	0.3E	0.5E	0.3E
Q3 Dec	0.2E		0.2E	
Q4 Mar	<u>0.3E</u>		<u>0.3E</u>	
Total	1.2E	1.1E	1.3E	1.2E
EV/Revs	22x		20x	

Earnings per Share (pro forma)

	<u>2025E</u> (Cur.)	<u>2025E</u> (Old)	<u>2026E</u> (Cur.)	<u>2026E</u> (Old)
Q1 Jun	(0.03)A		(0.03)E	
Q2 Sep	(0.02)A	(0.03)E	(0.03)E	
Q3 Dec	(0.03)E		(0.03)E	
Q4 Mar	<u>(0.03)E</u>		<u>(0.03)E</u>	
Total	(0.11)E	(0.13)E	(0.12)E	
P/E	N/A		N/A	

Important Disclosures

Ascendant Capital Markets LLC seeks to do business with companies covered by its research team. Consequently, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making an investment decision.

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report, beginning on page 16.

Exhibit 1: IGC Pharma, Inc. Corporate Overview



IGCPHARMA

Company Overview

- Our focus is treating Alzheimer's disease (AD) through our growing pipeline of five pharmaceuticals.



- Lead therapeutic candidate IGC-AD1 is currently in a 146-person Phase 2b trial for Agitation in Dementia due to Alzheimer's. IGC-AD1 is a CB1r partial agonist that reduces neuroinflammation and restores neurotransmitter imbalance.



- TGR-63 and three other candidates have demonstrated in Alzheimer's cell lines the potential to ameliorate plaques and/or tangles, two hallmarks of Alzheimer's.



Source: Company reports.

Exhibit 2: IGC Pharma Investment Highlights



Investments Highlights

- One patented and four patent pending drug candidates targeting Alzheimer'
- All showing favorable pre-clinical results towards Alzheimer's disease pathology
- IGC-AD1 is currently in Phase 2B with data milestones expected in mid-2024
- Leading artificial intelligence partnerships
- Manufacturing and production facilities

CLEAN CAPITAL STRUCTURE

Source: Company reports.

Exhibit 3: IGC Pharma Pipeline Overview



Source: Company reports.

Exhibit 4: Alzheimer's Disease

OVERVIEW OF ALZHEIMER'S DISEASE

Alzheimer's Disease



Key Statistics:

7th leading cause of death in the United States

Between 2000 and 2019, deaths from heart disease have **decreased 7.3%** while deaths from Alzheimer's Disease have **increased 145%**

13 million Americans are projected to be living with Alzheimer's Disease by 2050

1-in-9 Americans over the age of 65 are estimated to be afflicted with Alzheimer's Disease



Alzheimer's Disease:

Alzheimer's Disease is an **irreversible, progressive brain disorder** that **slowly destroys memory and cognitive skills**, and eventually the **ability to carry out the simplest tasks**.

In most people with Alzheimer's Disease, symptoms first appear in their early to mid-60's. Estimates vary, but experts suggest that more than **6.5 million Americans** may have Alzheimer's Disease, considered by many as "**the most feared**" disease.

Alzheimer's Disease has **no current cure**, but five treatments for symptoms are available today while research continues.

Source: Alzheimer's Association and Alzamed Neuro, Inc.

Exhibit 5: Biomarkers of Alzheimer's Disease

Biomarkers of Alzheimer's Disease



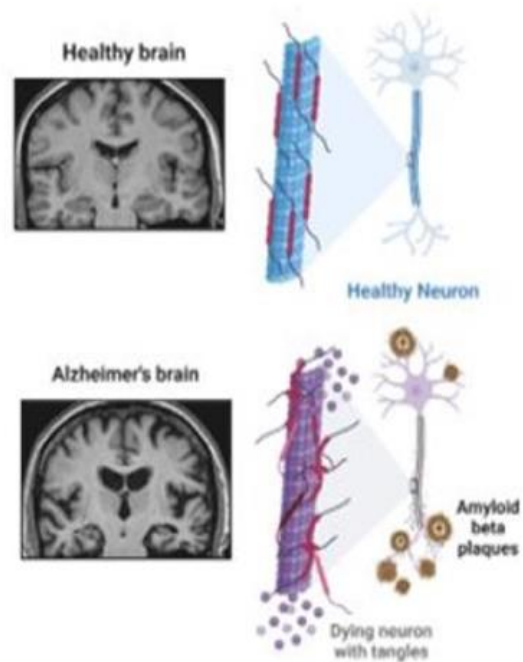
Figure 1: Hallmarks of Alzheimer's

- Extracellular Plaque: β -amyloid ($A\beta$)
- Tau Neurofibrillary Tangles (NTFs).

Causes loss of neurons & critical neuronal connections.

Also linked to Alzheimer's:

- Metabolism disruption
- Mitochondrial dysfunction
- Neuroinflammation



Source: Alzamend Neuro, Inc. and Company report.

Exhibit 6: What is Alzheimer's Disease?



Alzheimer's is a brain disease that causes problems with memory, thinking and behavior.

The brain has three main parts:



The **cerebrum** fills up most of your skull. It is involved in remembering, problem solving, thinking, and feeling. It also controls movement.



The **cerebellum** sits at the back of your head, under the cerebrum. It controls coordination and balance.



The **brain stem** sits beneath your cerebrum in front of your cerebellum. It connects the brain to the spinal cord and controls automatic functions such as breathing, digestion, heart rate and blood pressure.

Alzheimer's Changes the Whole Brain

Alzheimer's disease leads to nerve cell death and tissue loss throughout the brain. Over time, the brain shrinks dramatically, affecting nearly all its functions.

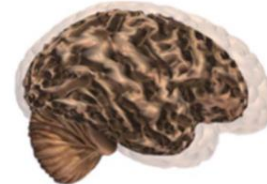
These images show:



A brain without the disease.



A brain with advanced Alzheimer's.



How the two brains compare.

Source: Alzheimer's Association.

Exhibit 7: Agitation in Alzheimer's

AGITATION IN ALZHEIMER'S

Agitation: excessive motor activity, verbal aggression, or physical aggression that is severe enough to impair personal relationships, social functioning, and/or daily activities¹.

Agitation starts early in AD and increases in severity as the disease progresses².

40-80% of Alzheimer's patients suffer from agitation³

Agitation is associated with 4:

- ✓ Higher admission rate to assisted living facilities
- ✓ Higher use of medications
- ✓ Long-term hospitalization
- ✓ Higher mortality
- ✓ In 2023 the FDA-approved Brexpiprazole to treat agitation in AD dementia - a repurposed atypical anti-psychotic with a black box warning

Source: Company reports.

Exhibit 8: IGC-AD1

OUR SOLUTION

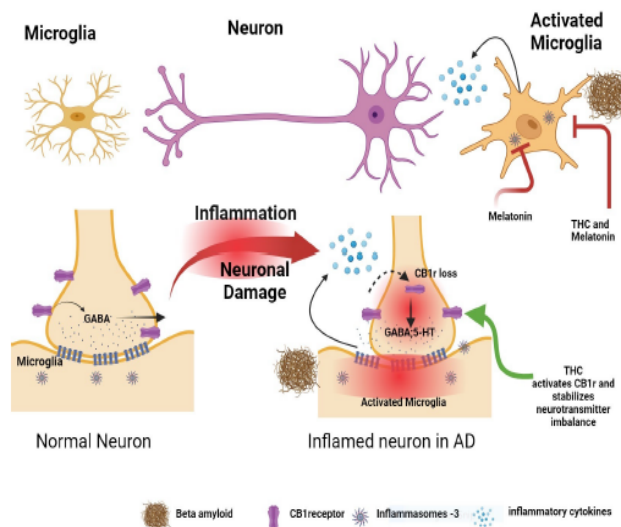
The Promise of IGC-AD1

A patent-protected compound in Phase 2B trials that targets agitation in Alzheimer's disease

Two APIs that target neuroinflammation, neurotransmitter imbalance, CB1r agonism and inflammasome-3, all implicated in agitation in AD

IGC-AD1 can potentially reduce agitation, and also act on Alzheimer's pathology (plaques, tangles) making it a significantly more powerful alternative

IGC-AD1 would be a treatment option that is not an antipsychotic with a black box warning



IGC-AD1 contains two APIs that are safer than traditional antipsychotic therapies.

Source: Company reports.

Exhibit 9: IGC-AD1 Phase 2 Interim Data (March 2024)

Positive Interim Results for IGC-AD1 in Reducing Alzheimer’s Agitation



Interim Data:

IGC-AD1’s interim results demonstrate a clinical and statistically significant reduction in agitation compared to placebo, suggesting a strong plausibility to address a substantial unmet medical need.

- ✓ The study’s primary goal is to assess the change in AAD after six weeks using a standard scale, the Cohen Mansfield Agitation Inventory (“CMAI”). Based on interim data, patients taking IGC-AD1, on average, experienced a more significant reduction in agitation scores compared to those on placebo, and the positive effects were observed as early as week two of the trial.
- ✓ This interim data validates IGC-AD1’s potential as a transformative therapeutic option with a large market opportunity in Alzheimer’s disease management.

Positive Interim Results for IGC-AD1 in Reducing Alzheimer’s Agitation

At the primary outcome, assessing the change in v as measured by the CMAI at week 6, the Cohen’s d effect size indicating the superiority of IGC-AD1 over placebo was 0.66.

Source: Company reports.

Exhibit 10: Ongoing IGC-AD1 Phase 2B Trial

ON GOING IGC-AD1 PHASE IIb

Placebo Controlled, Double Blind, Randomized, Multi Site

Phase IIb protocol seeks to show that IGC-AD1 is effective, compared to placebo, in lowering agitation in participants with Alzheimer’s



Objective

- ✓ Evaluate if IGC-AD1 is superior to placebo in reducing agitation in a six-week trial

Key Inclusion Criteria

- ✓ Individuals 60 years and above
- ✓ Diagnosis of AD with established and persistent agitation

Sites

- ✓ 20-30 trial sites

TARGET: 146 Participants

Source: Company report.

Exhibit 11: TGR-63

AD DRUG CANDIDATE 2

TGR-63

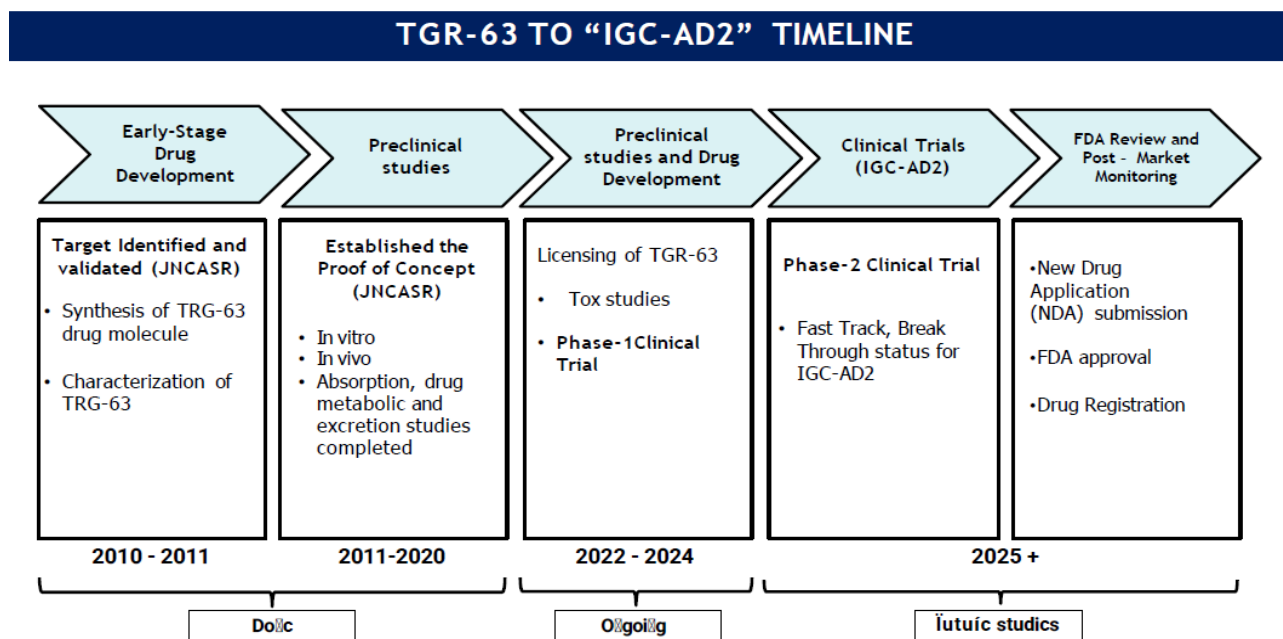
Background

TGR-63 A BREAKTHROUGH MOLECULE

- India-based Jawaharlal Nehru Centre for Advanced Scientific Research (JNCASR) created the TGR-63 molecule
- IGC acquired exclusive rights to TGR-63 from JNCASR researchers in 2022
- Pre-clinical testing demonstrates that TGR-63 holds potential to ameliorate plaque due to AD
- Behavioral tests with AD (APP/PS1) mice show that TGR-63 can:
 - ✓ Rescue neuronal cells from amyloid toxicity
 - ✓ Minimize learning deficiency, memory impairment & cognitive decline
- Current status: Toxicology and other studies leading to Phase 1 trials in progress

Source: Company report.

Exhibit 12: TGR-63 Product Development Timeline



Source: Company report.

Exhibit 13: Positive Interim Results for IGC-AD1 in Reducing Alzheimer's Agitation (on March 20, 2024)

IGC Pharma Announces Positive Interim Results for IGC-AD1 in Reducing Alzheimer's Agitation



Business Wire

Wed, March 20, 2024 at 8:00 AM PDT · 8 min read

- Interim Data: Study Achieves Primary End Point Demonstrating Clinical and Statistically Significant Reductions Compared to Placebo in Agitation Associated with Dementia Due to Alzheimer's Disease -

POTOMAC, Md., March 20, 2024--(BUSINESS WIRE)--IGC Pharma, Inc. ("IGC Pharma", "IGC", or the "Company") (NYSE American: IGC) today announced the results of an interim analysis of its ongoing Phase 2 trial investigating IGC-AD1 as a treatment for Agitation in dementia from Alzheimer's Disease ("AAD").

The interim data demonstrates a clinical and statistically significant reduction in agitation compared to placebo in patients with Alzheimer's disease, indicating strong therapeutic potential for IGC-AD1.

The study's primary goal is to assess the change in AAD after six weeks using a standard scale, the Cohen Mansfield Agitation Inventory ("CMAI"). Based on interim data, patients taking IGC-AD1, on average, experienced a more significant reduction in agitation scores compared to those on placebo, and the positive effects were observed as early as week two of the trial.

At the primary outcome, assessing the change in agitation as measured by the CMAI at week 6, the Cohen's d effect size indicating the superiority of IGC-AD1 over placebo was 0.66. The CMAI Least Square ("LS") mean difference between active, and placebo was -10.45, with a p-value of 0.037 (for combined week two and week six results). In addition, at the pre-specified secondary endpoint, change at week two, the effect size was 0.79. The Cohen's d is a standardized statistical effect size that describes the magnitude of the difference between two groups, taking into account the variability in outcomes.

Source: Company reports.

Exhibit 14: Q2 FY25 Results and Recent Highlights (as of November 14, 2024)

IGC Pharma Reports Second Quarter Fiscal 2025 Results, Showcasing Progress in Its Alzheimer's Pipeline

POTOMAC, MD / ACCESSWIRE / November 14, 2024 / IGC Pharma, Inc. ("IGC" or the "Company") (NYSE American:IGC) today announced its financial results and strategic advancements for the second fiscal quarter of 2025 ended September 30, 2024. The quarter was marked by significant progress in the Company's pipeline, particularly in the development of potential treatments for Alzheimer's and other neurological and metabolic disorders.

Q2 FY2025 Company's Highlights

- **Crossing the Blood-Brain Barrier with TGR-63:** July 9, 2024 - Preclinical analyses for TGR-63 demonstrated this compound's ability to cross the blood-brain barrier with a favorable safety profile, positioning it for further therapeutic exploration as a treatment for Alzheimer's disease.
- **GLP-1 Agonist Discovery with IGC-1A through AI modeling:** August 20, 2024 - Using AI modeling IGC identified IGC-1A as a potential GLP-1 agonist. This discovery opens new avenues in metabolic and neurological treatment, enhancing our competitive edge and expanding market opportunities.
- **Innovative Alzheimer's Target with IGC-1C:** August 22, 2024 - IGC announced promising preclinical results for IGC-1C, a small-molecule modulator that targets tau protein phase separation. This advance strengthens our Alzheimer's portfolio by addressing a major disease pathway with an innovative approach.
- **Dual-Action Potential of IGC-AD1 as a Disease-Modifying Alzheimer's Therapy:** September 4 & 18, 2024 - Preclinical evidence on IGC-AD1 supports its advancement toward clinical trials as a disease-modifying treatment with a unique dual-action potential. IGC-AD1 significantly impacts both amyloid-beta plaques and tau pathology—two critical drivers in Alzheimer's progression—positioning it as a leading candidate in Alzheimer's disease treatment.

“IGC Pharma’s second quarter of fiscal 2025 was a period of substantial innovation and strategic milestones,” said Ram Mukunda, CEO of IGC Pharma. “Our preclinical successes with TGR-63 and IGC-1C, along with the identification of IGC-1A as a potential GLP-1 agonist, underscore the breadth of our pipeline and our commitment to advancing impactful therapies. Notably, we’re excited about the progress of IGC-AD1 in its journey as a potential disease-modifying treatment, a critical step toward addressing Alzheimer’s at its core. Additionally, our 42% revenue growth reflects our ability to drive financial and operational momentum alongside research. We remain focused on leveraging AI-driven research and development to enhance value for both patients and shareholders.”

Source: Company reports.

Exhibit 15: IGC Pharma, Inc. Stock Price (5-years)



Source: <https://bigcharts.marketwatch.com/>

Exhibit 16: Consensus Expectations (as of November 14, 2024)

	Revenue (mil)			EPS	
	<u>2025E</u>	<u>2026E</u>		<u>2025E</u>	<u>2026E</u>
Q1 Jun	\$0.3A		Q1 Jun	\$(0.03)A	
Q2 Sep	\$0.3E		Q2 Sep	\$(0.03)E	
Q3 Dec	\$0.3E		Q3 Dec	\$(0.03)E	
Q4 Mar			Q4 Mar		
Total	\$1.1E	\$1.3E	Total	\$(0.11)E	\$(0.10)E

**Quarterly estimates may not add to annual estimates due to variations in contributing estimates and rounding.*

Source: Company report, LSEG, and Ascendant Capital Markets estimates

FINANCIAL MODEL

IGC Pharma, Inc.

Income Statement (\$ mils)	Jun-22	Sep-22	Dec-22	Mar-23	2023	Jun-23	Sep-23	Dec-23	Mar-24	2024	Jun-24	Sep-24	Dec-24	Mar-25	2025	Jun-25	Sep-25	Dec-25	Mar-26	2026
Fiscal Year End: March 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Total Revenue	0.212	0.202	0.332	0.165	0.911	0.555	0.291	0.204	0.295	1.345	0.272	0.412	0.204	0.295	1.183	0.299	0.453	0.224	0.325	1.301
<u>Cost of Revenues</u>	<u>0.070</u>	<u>0.067</u>	<u>0.230</u>	<u>0.102</u>	<u>0.469</u>	<u>0.300</u>	<u>0.117</u>	<u>0.071</u>	<u>0.124</u>	<u>0.612</u>	<u>0.109</u>	<u>0.214</u>	<u>0.082</u>	<u>0.118</u>	<u>0.523</u>	<u>0.120</u>	<u>0.181</u>	<u>0.090</u>	<u>0.130</u>	<u>0.521</u>
Gross Profit	0.142	0.135	0.102	0.063	0.442	0.255	0.174	0.133	0.171	0.733	0.163	0.198	0.122	0.177	0.660	0.180	0.272	0.135	0.195	0.781
Research & development	1.394	0.768	0.806	0.493	3.461	0.747	1.268	0.903	0.855	3.773	0.889	0.917	1.100	1.100	4.006	1.000	1.000	1.000	1.000	4.000
Sales, general & administrative	1.550	1.855	1.574	3.573	8.552	1.647	1.397	2.228	1.486	6.758	1.670	1.041	1.100	1.100	4.911	1.500	1.500	1.500	1.500	6.000
<u>Restructuring and other</u>					<u>0.000</u>				<u>3.345</u>	<u>3.345</u>					<u>0.000</u>					<u>0.000</u>
Total operating expenses	2.944	2.623	2.380	4.066	12.013	2.394	2.665	3.131	5.686	13.876	2.559	1.958	2.200	2.200	8.917	2.500	2.500	2.500	2.500	10.000
Operating income (loss)	(2.802)	(2.488)	(2.278)	(4.003)	(11.571)	(2.139)	(2.491)	(2.998)	(5.515)	(13.143)	(2.396)	(1.760)	(2.078)	(2.023)	(8.257)	(2.320)	(2.228)	(2.365)	(2.305)	(9.219)
Interest income (expense)					0.000					0.000			(0.005)	(0.084)	(0.089)	(0.084)	(0.084)	(0.084)	(0.084)	(0.335)
Other income (expense)	0.017	0.046	0.029	(0.027)	0.065	0.064	0.040	(2.591)	2.630	0.143	0.018	0.043	0.000	0.000	0.061	0.000	0.000	0.000	0.000	0.000
Income before income taxes	(2.785)	(2.442)	(2.249)	(4.030)	(11.506)	(2.075)	(2.451)	(5.589)	(2.885)	(13.000)	(2.378)	(1.717)	(2.083)	(2.107)	(8.284)	(2.404)	(2.312)	(2.449)	(2.389)	(9.554)
<u>Income taxes</u>					<u>0.000</u>					<u>0.000</u>			0.000	0.000	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
Net income (loss)	(2.785)	(2.442)	(2.249)	(4.030)	(11.506)	(2.075)	(2.451)	(5.589)	(2.885)	(13.000)	(2.378)	(1.717)	(2.083)	(2.107)	(8.284)	(2.404)	(2.312)	(2.449)	(2.389)	(9.554)
<u>Nonrecurring/noncash adjustments</u>					<u>0.000</u>					<u>0.000</u>					<u>0.000</u>					<u>0.000</u>
Net income (pro forma)	(2.785)	(2.442)	(2.249)	(4.030)	(11.506)	(2.075)	(2.451)	(5.589)	(2.885)	(13.000)	(2.378)	(1.717)	(2.083)	(2.107)	(8.284)	(2.404)	(2.312)	(2.449)	(2.389)	(9.554)
EBITDA																				
Shares, Basic	51.6	52.2	53.1	53.4	52.6	53.1	54.3	63.7	64.2	58.8	72.8	76.0	77.5	78.0	76.1	78.5	79.0	79.5	80.0	79.3
Shares, Diluted	51.6	52.2	53.1	53.4	52.6	53.1	54.3	63.7	64.2	58.8	72.8	76.0	77.5	78.0	76.1	78.5	79.0	79.5	80.0	79.3
EPS Basic (pro forma)	(\$0.05)	(\$0.05)	(\$0.04)	(\$0.08)	(\$0.22)	(\$0.04)	(\$0.05)	(\$0.09)	(\$0.04)	(\$0.22)	(\$0.03)	(\$0.02)	(\$0.03)	(\$0.03)	(\$0.11)	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.12)
EPS Diluted (pro forma)	(\$0.05)	(\$0.05)	(\$0.04)	(\$0.08)	(\$0.22)	(\$0.04)	(\$0.05)	(\$0.09)	(\$0.04)	(\$0.22)	(\$0.03)	(\$0.02)	(\$0.03)	(\$0.03)	(\$0.11)	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.12)
Margins																				
Gross margin	67%	67%	31%	38%	49%	46%	60%	65%	58%	54%	60%	48%	60%	60%	56%	60%	60%	60%	60%	60%
Research & development	658%	380%	243%	299%	380%	135%	436%	443%	290%	281%	327%	223%	539%	373%	339%	334%	221%	446%	308%	307%
Sales, general & administrative	731%	918%	474%	2165%	939%	297%	480%	1092%	504%	502%	614%	253%	539%	373%	415%	501%	331%	668%	462%	461%
Operating margin	-1322%	-1232%	-686%	-2426%	-1270%	-385%	-856%	-1470%	-1869%	-977%	-881%	-427%	-1018%	-686%	-698%	-776%	-492%	-1054%	-710%	-708%
Tax rate, GAAP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Net margin	-1314%	-1209%	-677%	-2442%	-1263%	-374%	-842%	-2740%	-978%	-967%	-874%	-417%	-1021%	-714%	-700%	-804%	-510%	-1091%	-736%	-734%
Y/Y % change																				
Total Revenue	175%	261%	134%	35%	129%	162%	44%	-39%	79%	48%	-51%	42%	0%	0%	-12%	10%	10%	10%	10%	10%
Gross margin	446%	255%	65%	-7%	128%	80%	29%	30%	171%	66%	-36%	14%	-8%	4%	-10%	10%	37%	10%	10%	18%
Research & development	214%	178%	114%	-60%	49%	-46%	65%	12%	73%	9%	19%	-28%	22%	29%	6%	12%	9%	-9%	-9%	0%
Sales, general & administrative	-13%	-55%	-24%	-33%	-36%	6%	-25%	42%	-58%	-21%	1%	-25%	-51%	-26%	-27%	-10%	44%	36%	36%	22%
Operating income (loss)	28%	-43%	-4%	-38%	-25%	-24%	0%	32%	38%	14%	12%	-29%	-31%	-63%	-37%	-3%	27%	14%	14%	12%
Net income (loss)	56%	-44%	-6%	-38%	-23%	-25%	0%	149%	-28%	13%	15%	-30%	-63%	-27%	-36%	1%	35%	18%	13%	15%
EPS Diluted (pro forma)	45%	-46%	-9%	-41%	-27%	-28%	-4%	107%	-40%	1%	-16%	-50%	-69%	-40%	-51%	-6%	30%	15%	11%	11%

Source: Company reports and Ascendant Capital Markets estimates.

IGC Pharma, Inc.

Balance Sheet (\$ mils)	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
Fiscal Year End: March 31	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Assets																
Cash and cash equivalents	8.053	6.623	4.945	3.196	1.723	3.026	1.378	1.198	1.824	1.546	1.909	0.270	(1.449)	(3.286)	(5.352)	(7.291)
Short term investments		0.193	0.088	0.154	0.227	0.098					0.000	0.000	0.000	0.000	0.000	0.000
Accounts receivable, net	0.147	0.189	0.251	0.107	0.225	0.137	0.092	0.039	0.028	0.044	0.113	0.164	0.166	0.252	0.125	0.180
Inventory	3.622	3.750	3.748	2.651	2.641	2.636	1.925	1.540	1.510	1.510	0.748	1.081	0.898	1.360	0.673	0.974
Deferred income taxes											0.000	0.000	0.000	0.000	0.000	0.000
Prepaid expenses and other	0.905	0.444	0.322	0.358	0.262	0.220	0.188	0.928	1.045	1.150	0.569	0.823	0.835	1.265	0.626	0.906
Total current assets	12.727	11.199	9.354	6.466	5.078	6.117	3.583	3.705	4.407	4.250	3.340	2.339	0.450	(0.409)	(3.928)	(5.231)
Property and equipment, net	9.161	8.470	8.309	8.213	8.104	7.947	5.268	3.695	3.586	3.468	3.383	3.298	3.213	3.210	3.125	3.122
Claims and advances	0.922	0.950	1.028	1.003	1.017	0.998	0.999	0.688	0.688	0.687	0.687	0.687	0.687	0.687	0.687	0.687
Leases	0.419	0.387	0.357	0.326	0.295	0.263	0.227	0.198	0.193	0.161	0.161	0.161	0.161	0.161	0.161	0.161
Intangibles, net	0.937	0.952	1.022	1.170	1.179	1.181	1.182	1.616	1.720	1.803	1.803	1.803	1.803	1.803	1.803	1.803
Deferred income tax											0.000	0.000	0.000	0.000	0.000	0.000
Other											0.000	0.000	0.000	0.000	0.000	0.000
Total assets	24.166	21.958	20.070	17.178	15.673	16.506	11.259	9.902	10.594	10.369	9.374	8.288	6.314	5.452	1.848	0.542
Liabilities and stockholders' equity																
Accounts payable	0.456	0.456	0.466	0.530	0.672	0.549	0.648	0.773	0.771	0.768	0.380	0.550	0.558	0.845	0.418	0.605
Accrued expenses	1.200	0.926	0.890	1.368	1.459	1.557	1.288	1.567	1.718	2.034	1.007	1.456	1.477	2.237	1.108	1.602
Deferred income tax											0.000	0.000	0.000	0.000	0.000	0.000
Warrant liabilities											0.000	0.000	0.000	0.000	0.000	0.000
Leases											0.000	0.000	0.000	0.000	0.000	0.000
Other											0.000	0.000	0.000	0.000	0.000	0.000
Short term debt	0.003										2.100	2.100	2.100	2.100	2.100	2.100
Total current liabilities	1.659	1.382	1.356	1.898	2.131	2.106	1.936	2.340	2.489	2.802	3.487	4.106	4.135	5.182	3.626	4.307
Deferred income taxes											0.000	0.000	0.000	0.000	0.000	0.000
Warrant liabilities											0.000	0.000	0.000	0.000	0.000	0.000
Other long term liabilities	0.016	0.015	0.015	0.021	0.021	0.017	0.017	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020
Leases	0.308	0.275	0.241	0.207	0.179	0.146	0.115	0.084	0.069	0.035	0.035	0.035	0.035	0.035	0.035	0.035
Long term debt	0.143	0.142	0.141	0.141	0.140	0.139	0.138	0.137	0.136	0.135	0.135	0.135	0.135	0.135	0.135	0.135
Total other liabilities	0.467	0.432	0.397	0.369	0.340	0.302	0.270	0.241	0.225	0.190	0.190	0.190	0.190	0.190	0.190	0.190
Preferred stock											0.000	0.000	0.000	0.000	0.000	0.000
Common stock	117.171	117.899	118.382	118.965	119.322	122.732	123.258	124.409	127.349	128.578	128.980	129.382	129.784	130.186	130.588	130.990
Additional paid-in capital											0.000	0.000	0.000	0.000	0.000	0.000
Retained earnings	(91.944)	(94.386)	(96.635)	(100.665)	(102.740)	(105.191)	(110.780)	(113.665)	(116.043)	(117.760)	(119.843)	(121.949)	(124.354)	(126.666)	(129.115)	(131.504)
Other											0.000	0.000	0.000	0.000	0.000	0.000
Accumulated other comprehensive in	(3.187)	(3.369)	(3.430)	(3.389)	(3.380)	(3.443)	(3.425)	(3.423)	(3.426)	(3.441)	(3.441)	(3.441)	(3.441)	(3.441)	(3.441)	(3.441)
Total stockholders' equity	22.040	20.144	18.317	14.911	13.202	14.098	9.053	7.321	7.880	7.377	5.696	3.992	1.989	0.079	(1.968)	(3.955)
Total stockholders' equity and liabil	24.166	21.958	20.070	17.178	15.673	16.506	11.259	9.902	10.594	10.369	9.374	8.288	6.314	5.452	1.848	0.542

Balance Sheet Drivers

	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Prepaid as % of total rev	427%	220%	97%	217%	47%	76%	92%	315%	384%	279%	279%	279%	279%	279%	279%	279%
Inventory as % of total rev	1708%	1856%	1129%	1607%	476%	906%	944%	522%	555%	367%	367%	367%	300%	300%	300%	300%
A/P as % of total rev	215%	226%	140%	321%	121%	189%	318%	262%	283%	186%	186%	186%	186%	186%	186%	186%
Accrued exp related as % of total rev	566%	458%	268%	829%	263%	535%	631%	531%	632%	494%	494%	494%	494%	494%	494%	494%
Activity Ratios																
A/R Days Sales Outstanding	62	84	68	58	36	42	41	12	9	10	50	50	50	50	50	50
Book & Cash Value (per share)																
Book Value per Share (diluted)	\$0.43	\$0.39	\$0.35	\$0.28	\$0.25	\$0.26	\$0.14	\$0.11	\$0.11	\$0.10	\$0.07	\$0.05	\$0.03	\$0.00	-\$0.02	-\$0.05
Cash per Share (diluted)	\$0.16	\$0.13	\$0.09	\$0.06	\$0.04	\$0.06	\$0.02	\$0.02	\$0.03	\$0.02	\$0.02	\$0.00	-\$0.02	-\$0.04	-\$0.07	-\$0.09
Net cash per Share (diluted)	\$0.15	\$0.13	\$0.09	\$0.06	\$0.03	\$0.05	\$0.02	\$0.02	\$0.02	\$0.02	\$0.00	-\$0.03	-\$0.05	-\$0.07	-\$0.10	-\$0.12

Source: Company reports and Ascendant Capital Markets estimates

IGC Pharma, Inc.

Cash Flow Statement (\$ mils)	Jun-22	Sep-22	Dec-22	Mar-23	2023	Jun-23	Sep-23	Dec-23	Mar-24	2024	Jun-24	Sep-24	Dec-24	Mar-25	2025	Jun-25	Sep-25	Dec-25	Mar-26	2026	
Fiscal Year End: March 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E	
Cash flow from operating activities																					
Net income	(2.785)	(2.442)	(2.249)	(4.030)	(11.506)	(2.075)	(2.451)	(5.589)	(2.885)	(13.000)	(2.378)	(1.717)	(2.083)	(2.107)	(8.284)	(2.404)	(2.312)	(2.449)	(2.389)	(9.554)	
Depreciation	0.162	0.170	0.172	0.153	0.657	0.155	0.158	0.160	0.164	0.637	0.162	0.145	0.100	0.100	0.507	0.100	0.100	0.100	0.100	0.400	
Amortization					0.000					0.000					0.000					0.000	
Non-cash lease expense					0.000					0.000					0.000					0.000	
Debt related amortization expense					0.000					0.000					0.000					0.000	
Stock comp	1.152	0.624	0.484	0.583	2.843	0.357	0.550	0.526	0.340	1.773	0.402	0.402	0.402	0.402	1.608	0.402	0.402	0.402	0.402	1.608	
Deferred income taxes					0.000					0.000			0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Change in fair value of warrant liability					0.000					0.000					0.000					0.000	
Accrued interest										0.000					0.000					0.000	
Writedowns and impairments				0.126	0.126			3.358	0.090	3.448					0.000					0.000	
Other gains/losses					0.000				0.093	0.093			(0.014)		(0.014)					0.000	
Other	0.068	(0.023)	(0.006)		0.039	(0.053)	0.001	0.010	(0.002)	(0.044)					0.000					0.000	
Changes in operating assets and liabilities:																					
Accounts receivable	(0.023)	(0.042)	(0.062)	0.132	0.005		(0.030)	0.044	(0.039)	(0.025)	0.011	(0.016)	(0.069)	(0.051)	(0.125)	(0.002)	(0.086)	0.127	(0.056)	(0.016)	
Inventory	(0.074)	(0.128)	0.002	1.097	0.897	(0.118)	0.133	(0.023)	1.016	1.008	0.030	0.762	(0.334)		0.459	0.184	(0.462)	0.686	(0.300)	0.108	
Prepaid expenses & other curre	0.073	0.461	0.031	0.026	0.591	0.010	0.071	0.088	(0.019)	0.150	(0.118)	(0.109)	0.581	(0.254)	0.100	(0.012)	(0.430)	0.639	(0.279)	(0.082)	
Income tax					0.000					0.000					0.000					0.000	
Other assets	0.015	(0.028)	0.013	(0.150)	(0.150)	0.020	(0.020)	0.004	0.311	0.315		0.001	0.000	0.000	0.001	0.000	0.000	0.000	0.000	0.000	
Accounts payable	(0.524)		0.008	0.065	(0.451)	0.142	(0.123)	0.098	0.126	0.243	(0.002)	(0.002)	(0.388)	0.170	(0.222)	0.008	0.287	(0.427)	0.187	0.055	
Accrued expenses	(0.258)	(0.277)	(0.037)	0.484	(0.088)	0.091	0.094	(0.268)	0.280	0.197	0.151	0.316	(1.027)	0.449	(0.111)	0.021	0.760	(1.130)	0.494	0.146	
Deferred revenue					0.000					0.000					0.000					0.000	
Other liabilities	(0.002)	(0.001)	(0.004)	(0.003)	(0.010)	0.003	(0.001)	0.005	(0.001)	0.006	(0.010)	(0.002)	0.000	0.000	(0.012)	0.000	0.000	0.000	0.000	0.000	
Net cash (used in) provided by	(2.196)	(1.686)	(1.648)	(1.517)	(7.047)	(1.468)	(1.618)	(1.587)	(0.526)	(5.199)	(1.752)	(0.996)	(1.722)	(1.624)	(6.094)	(1.704)	(1.740)	(2.051)	(1.842)	(7.337)	
Cash flow from investing activities																					
Purchases of property and equi	(0.127)	0.404	(0.038)	(0.011)	0.228	(0.020)	(0.035)	(0.068)	(0.015)	(0.138)	(0.038)	(0.029)	(0.015)	(0.015)	(0.097)	(0.015)	(0.097)	(0.015)	(0.097)	(0.224)	
Purchases of short-term investments	(0.193)	0.105	(0.066)		(0.154)	0.128	0.026		0.154	0.154					0.000					0.000	
Acquisitions	(0.031)	(0.029)	(0.084)	(0.165)	(0.309)	(0.028)	(0.020)	(0.019)	(0.310)	(0.377)	(0.093)	(0.052)			(0.145)					0.000	
Other					0.000	0.043	(0.001)		0.002	0.044		0.016			0.016					0.000	
Net cash used in investing activ	(0.158)	0.182	(0.017)	(0.242)	(0.235)	(0.005)	0.072	(0.061)	(0.323)	(0.317)	(0.131)	(0.065)	(0.015)	(0.015)	(0.226)	(0.015)	(0.097)	(0.015)	(0.097)	(0.224)	
Cash flow from financing activities																					
Issuance of debt					0.000					0.000			2.100	0.000	2.100	0.000	0.000	0.000	0.000	0.000	
Repayment of debt	(0.001)	(0.001)		(0.001)	(0.003)	(0.001)	(0.001)	(0.001)		(0.003)	(0.001)	(0.001)			(0.002)					0.000	
Issuance of stock		0.103			0.103		2.860	0.000	0.667	3.527	2.508	0.795	(0.000)	(0.000)	3.303	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	
Proceeds from stock option exercises					0.000					0.000					0.000					0.000	
Other					0.000					0.000					0.000					0.000	
Dividends and distributions					0.000					0.000					0.000					0.000	
Cash provided by (used in) fina	(0.001)	0.102	0.000	(0.001)	0.100	(0.001)	2.859	(0.001)	0.667	3.524	2.507	0.794	2.100	(0.000)	5.401	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	
Effect of exchange rate on cash	(0.052)	(0.028)	(0.013)	0.011	(0.082)	0.001	(0.010)	0.001	0.002	(0.006)	0.002	(0.011)			(0.009)					0.000	
Net increase (decrease) in cash	(2.407)	(1.430)	(1.678)	(1.749)	(7.264)	(1.473)	1.303	(1.648)	(0.180)	(1.998)	0.626	(0.278)	0.363	(1.639)	(0.928)	(1.719)	(1.837)	(2.066)	(1.939)	(7.561)	
Beginning cash and equivalents	10.460	8.053	6.623	4.945	10.460	3.196	1.723	3.026	1.378	3.196	1.198	1.824	1.546	1.909	1.198	0.270	(1.449)	(3.286)	(5.352)	0.270	
Ending cash and equivalents	8.053	6.623	4.945	3.196	3.196	1.723	3.026	1.378	1.198	1.198	1.824	1.546	1.909	0.270	0.270	(1.449)	(3.286)	(5.352)	(7.291)	(7.291)	

Source: Company reports and Ascendant Capital Markets estimates

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IGC Pharma, Inc.

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Total return is defined as price appreciation plus dividend yield.

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Rating	Count	Percent	Investment Banking Services Past 12 months	
			Count	Percent
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Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	59	100%	25	42%

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