



# UNITED-GUARDIAN, INC.

Corporate Divisions  
GUARDIAN LABORATORIES

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**PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

## UNITED-GUARDIAN REPORTS FY-2019 FINANCIAL RESULTS

Hauppauge, NY, March 19, 2020 --- United-Guardian, Inc. (NASDAQ:UG) reported today that sales and earnings for FY-2019 were up slightly from 2018, with sales increasing from \$13,445,565 to \$13,599,084, and net income increasing from \$4,352,331 (\$0.95 per share) to \$4,761,711 (\$1.04 per share), an increase in earnings of 9.4%.

“Although we were one of many companies that were negatively impacted by the trade war between the U.S. and China in 2019, our sales into China were still considerable, and we expect China to remain an important market for us, especially as the impact of the coronavirus diminishes,” said Ken Globus, President of United-Guardian. “Our sales in China, as well as in Korea, were also impacted by increased competition from lower-priced Asian competitors, but we are optimistic that our appointment of a new marketing partner in Korea will enable us to recover some of the business we lost there.”

“Offsetting the lower sales of our cosmetic ingredients was a 33% increase in sales of our medical lubricants, which have become an increasingly important revenue source for us,” continued Mr. Globus. “We also experienced a 19% increase in sales of Renacidin® Irrigation, our most important pharmaceutical product, the sales of which have been increasing since we began our internet marketing campaign. We are continuing to work closely with all our marketing partners to develop new and innovative ingredients for the cosmetic market, especially “natural” ingredients, and plan to have several new products in the hands of our marketing partners this year. We are hopeful that we will be able to increase the sales of not only our cosmetic ingredients, but our medical and pharmaceutical products as well, and that despite the global economic impact of the coronavirus, 2020 can be another profitable year for us.”

United-Guardian is a manufacturer of cosmetic ingredients, personal and health care products, pharmaceuticals, and specialty industrial products.

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**NOTE:** This press release contains both historical and “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements about the company’s expectations or beliefs concerning future events, such as financial performance, business prospects, and similar matters, are being made in reliance upon the “safe harbor” provisions of that Act. Such statements are subject to a variety of factors that could cause the company’s actual results or performance to differ materially from the anticipated results or performance expressed or implied by such forward-looking statements. For further information about the risks and uncertainties that may affect the company’s business please refer to the company’s reports and filings with the Securities and Exchange Commission.

**FINANCIAL RESULTS FOR THE YEARS ENDED  
DECEMBER 31, 2019 AND DECEMBER 31, 2018**

**STATEMENTS OF INCOME**

	Years ended December 31	
	<u>2019</u>	<u>2018</u>
Net sales	\$ <u>13,599,084</u>	\$ <u>13,445,565</u>
Costs and expenses:		
Cost of sales	5,657,353	5,343,459
Operating expenses	2,148,375	2,122,746
Research and development	<u>397,391</u>	<u>399,517</u>
<b>Total costs and expenses</b>	<b><u>8,203,119</u></b>	<b><u>7,865,722</u></b>
<b>Income from operations</b>	<b><u>5,395,965</u></b>	<b><u>5,579,843</u></b>
Other income (expense):		
Investment income	203,329	231,986
Net gain (loss) on marketable securities	431,076	(333,138)
Loss on trade-in of equipment	<u>---</u>	<u>(12,837)</u>
<b>Total other income (expense)</b>	<b><u>634,405</u></b>	<b><u>(113,989)</u></b>
<b>Income before provision for income taxes</b>	<b>6,030,370</b>	<b>5,465,854</b>
Provision for income taxes	<u>1,268,659</u>	<u>1,113,523</u>
<b>Net income</b>	<b>\$ <u>4,761,711</u></b>	<b>\$ <u>4,352,331</u></b>
Earnings per common share (basic and diluted)	\$ <u>1.04</u>	\$ <u>0.95</u>
Weighted average shares (basic and diluted)	4,594,319	4,594,319

**BALANCE SHEET DATA**

(condensed)

	December 31,	
	<u>2019</u>	<u>2018</u>
Current assets	\$ 11,567,281	\$ 11,687,100
Property, plant, and equipment (net of depreciation)	780,707	827,925
Other assets (net)	<u>14,824</u>	<u>29,647</u>
<b>Total assets</b>	<b><u>12,362,812</u></b>	<b><u>12,544,672</u></b>
Current liabilities	1,343,059	1,366,151
Deferred income taxes (net)	<u>386,855</u>	<u>253,583</u>
<b>Total Liabilities</b>	<b><u>1,729,914</u></b>	<b><u>1,619,734</u></b>
Stockholders' equity	<u>10,632,898</u>	<u>10,924,938</u>
<b>Total liabilities and stockholders' equity</b>	<b>\$ <u>12,362,812</u></b>	<b>\$ <u>12,544,672</u></b>