



UNITED-GUARDIAN, INC.

Corporate Divisions
GUARDIAN LABORATORIES

Corporate Headquarters
230 MARCUS BLVD.
HAUPPAUGE, NY 11788

Mailing Address
P.O. BOX 18050
HAUPPAUGE, NY 11788
TEL: (631) 273-0900
FAX: (631) 273-0858
E-MAIL: pgc@u-g.com

PRESS RELEASE

FOR IMMEDIATE RELEASE

UNITED-GUARDIAN REPORTS 2022 FINANCIAL RESULTS

Hauppauge, NY, March 17, 2023 --- United-Guardian, Inc. (NASDAQ:UG) reported that net income for FY 2022 decreased by 45% compared to FY 2021. Net sales for the year decreased by 9% from \$13,929,629 in 2021 to \$12,698,503 in 2022, generating net income of \$2,569,512 (\$0.56 per share) in 2022 compared to \$4,658,542 (\$1.01 per share) in 2021.

Beatriz Blanco, President of United-Guardian, stated, “The decrease in the Company’s net income was primarily caused by a decrease in revenue of our cosmetic ingredients combined with increased losses from our marketable securities portfolio. The main factors which negatively impacted the sales of our cosmetic ingredients were 1) overstocking by certain contract manufactures in 2021, in an effort to avoid potential supply chain issues in 2022, and 2) lower demand in Asia, especially in China, due to China’s zero-COVID mandate that was in place for much of 2022. Our pharmaceutical and medical lubricants business remained strong in 2022. We believe that there is potential to continue growing our cosmetic ingredients and medical lubricants business through new product development, new product applications, and technical collaboration with our customers and distributors. The cornerstone of United-Guardian is product innovation and we are continuing to focus our efforts on expanding our line of naturally-derived hydrogels in all markets. United-Guardian continues to have a solid foundation of high-quality innovative hydrogel technologies, as well as an outstanding and experienced team at all levels.”

United-Guardian is a manufacturer of cosmetic ingredients, medical lubricants, and pharmaceutical products.

Contact: Beatriz Blanco
(631) 273-0900

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, 2022, AND DECEMBER 31, 2021**

STATEMENTS OF INCOME

	Years ended December 31	
	2022	2021
Net sales	\$ <u>12,698,503</u>	\$ <u>13,929,629</u>
Costs and expenses:		
Cost of sales	5,996,376	5,747,931
Operating expenses	2,174,127	2,035,970
Research and development	<u>490,770</u>	<u>478,642</u>
Total costs and expenses	<u>8,661,273</u>	<u>8,262,543</u>
Income from operations	<u>4,037,230</u>	<u>5,667,086</u>
Other (loss) income:		
Investment income	236,695	233,857
Net loss on marketable securities	<u>(1,046,245)</u>	<u>(23,018)</u>
Total other (loss) income	<u>(809,550)</u>	<u>210,839</u>
Income before provision for income taxes	3,227,680	5,877,925
Provision for income taxes	<u>658,168</u>	<u>1,219,383</u>
Net income	\$ <u>2,569,512</u>	\$ <u>4,658,542</u>
Earnings per common share (basic and diluted)	\$ <u>0.56</u>	\$ <u>1.01</u>
Weighted average shares (basic and diluted)	4,594,319	4,594,319

BALANCE SHEET DATA

(condensed)

	Years ended December 31,	
	<u>2022</u>	<u>2021</u>
Current assets	\$ 9,970,630	\$ 11,583,390
Deferred income taxes, net	110,544	---
Property, plant, and equipment (net of depreciation)	<u>559,161</u>	<u>658,862</u>
Total assets	10,640,335	12,242,252
Current liabilities	1,373,691	2,337,761
Deferred income taxes (net)	<u>---</u>	<u>83,222</u>
Total liabilities	1,373,691	2,420,983
Stockholders' Equity	<u>9,266,644</u>	<u>9,821,269</u>
Total liabilities and stockholders' equity	<u>10,640,335</u>	<u>12,242,252</u>