

Hydromer, Inc. Reports Preliminary Unaudited Financial Results for the Year Quarter Ended March 31, 2025

Concord, North Carolina – May 7, 2025 – Hydromer, Inc. (OTC: HYDI) (the “Company”), a leader in hydrophilic, thromboresistant, and antimicrobial coating technologies for medical devices for over 44 years, today announced certain preliminary, unaudited financial results for the first quarter ended March 31, 2025. These results are based on the most current information available to management, are unaudited, and are subject to the completion of the Company’s 2025 year-end financial reporting processes, reviews, audit, and potential adjustments, each of which could result in changes to the numbers reported.

For the quarter ended March 31, 2025, the Company reported revenue of \$1.0 million, representing a 9% decrease compared to \$1.1 million in Q1 2024. This decline was primarily attributed to legacy customer attrition and a modest delay in onboarding new programs typically seen in the medical coatings business.

Net income for the quarter was \$112,000, a 64% decrease from the same period in 2024. The reduction in profitability reflects the combined impact of lower revenue and a slight increase in operating expenses as the Company continues to invest in product development and commercial infrastructure.

"While revenue and earnings declined year-over-year, Q1 2025 marked a continuation of strategic investments necessary for long-term growth," said Michael Torti, CEO of Hydromer. "We remain focused on enhancing our product pipeline and expanding into higher-value markets. We are encouraged by early progress on several key initiatives that we believe will deliver meaningful results in the quarters ahead."

Update on US GAAP Audit:

Since the appointment of new management, the team has spent the past year intensively cleaning up the company’s financial data and record keeping. While we initially intended to perform a U.S. GAAP-compliant audit of previously reported years, management has determined that, given current cash resource priorities, proceeding with a formal audit at this time is not a prudent use of capital and not in the best interest of the Company or its shareholders. We will continue to maintain accurate internal financials and will revisit the need for a full audit as the company’s financial position evolves.

Hydromer remains committed to building a scalable, innovation-driven platform and will continue to prioritize operational efficiency, customer partnerships, and next-generation technology development.

About Hydromer

Hydromer, Inc. is an ISO 9001:2015 global business-to-business (B2B) surface modification and coating solutions provider offering polymer R&D and manufacturing services capabilities for a wide variety of applications. We are domiciled in Concord, NC. Our customers are located across the United States, Europe and Asia-Pacific. Our facilities are U.S. Food and Drug Administration (FDA), Good Manufacturing Practice (GMP), International Organization for Standardization (ISO) 13485, and International Organization for Standardization (ISO) 9001 compliant. For over four decades, the Company has developed value-added solutions to serve businesses in domestic and international markets in a wide range of industries. We manage numerous global B2B services such as the sale of proprietary coating formulations, custom coating services, research and development, analytical testing, technology transfer, and dedicated machinery building, installation, and support. We have successfully developed numerous proprietary formulations and hold patents worldwide.

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Forward-Looking Statements

This press release contains forward-looking statements that are based on Hydromer's current expectations, estimates, forecasts, and projections. These statements are not guarantees of future performance and involve risks, uncertainties, assumptions, and other factors that are difficult to predict and could cause actual results to differ materially from those expressed or anticipated. We caution readers not to place undue reliance on these forward-looking statements. Hydromer undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law.