



SONOMA PHARMACEUTICALS

RESULTS FOR THE QUARTER ENDING 30 JUNE 2018

August 8, 2018



NASDAQ: SNOA

Agenda

Welcome / Introduction

June Quarter 2018 Highlights

Jim Schutz

Financial Review

Bob Miller

Q+A

Forward-Looking Statement

Except for historical information herein, matters set forth in this presentation are forward-looking within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, including statements about the commercial and technology progress and future financial performance of Sonoma Pharmaceuticals, Inc. and its subsidiaries (the “Company”).

These forward-looking statements are identified by the use of words such as “believe,” “achieve,” and “strive,” among others. Forward-looking statements in this presentation are subject to certain risks and uncertainties inherent in the Company’s business that could cause actual results to vary, including such risks that regulatory clinical and guideline developments may change, scientific data may not be sufficient to meet regulatory standards or receipt of required regulatory clearances or approvals, clinical results may not be replicated in actual patient settings, protection offered by the Company’s patents and patent applications may be challenged, invalidated or circumvented by its competitors, the available market for the Company’s products will not be as large as expected, the Company’s products will not be able to penetrate one or more targeted markets, revenues will not be sufficient to fund further development and clinical studies, as well as uncertainties relative to varying product formulations and a multitude of diverse regulatory and marketing requirements in different countries and municipalities, and other risks detailed from time to time in the Company’s filings with the Securities and Exchange Commission. The Company disclaims any obligation to update these forward-looking statements, except as required by law.

Results from the Quarter Ending 30 June 2018

Total Revenue = \$4.4M

Up 14% versus same period last year
Up 20% versus the quarter ending 31 Mar 2018

U.S. dermatology revenue = \$1.2M

Up 1% versus same period last year
Up 55% versus the quarter ending 31 Mar 2018

International revenue = \$2.1M

Up 22% versus same period last year
Up 11% versus the quarter ending 31 Mar 2018

Cash as of 30 June 2018 = \$7.7M

Upcoming Milestones

Fall 2018

Brazil – commercialization / product launches of acne and scar management product lines

Second Half of 2018

US – product launch for prescription antimicrobial facial rinse as part of an acne regimen

Second Half of 2018

US – product launch for Ceramax lotion indicated for atopic dermatitis

Late 2018

US – home-delivery / direct-to-patient pharmacy program capture 60% of prescriptions filled for SNOA's products

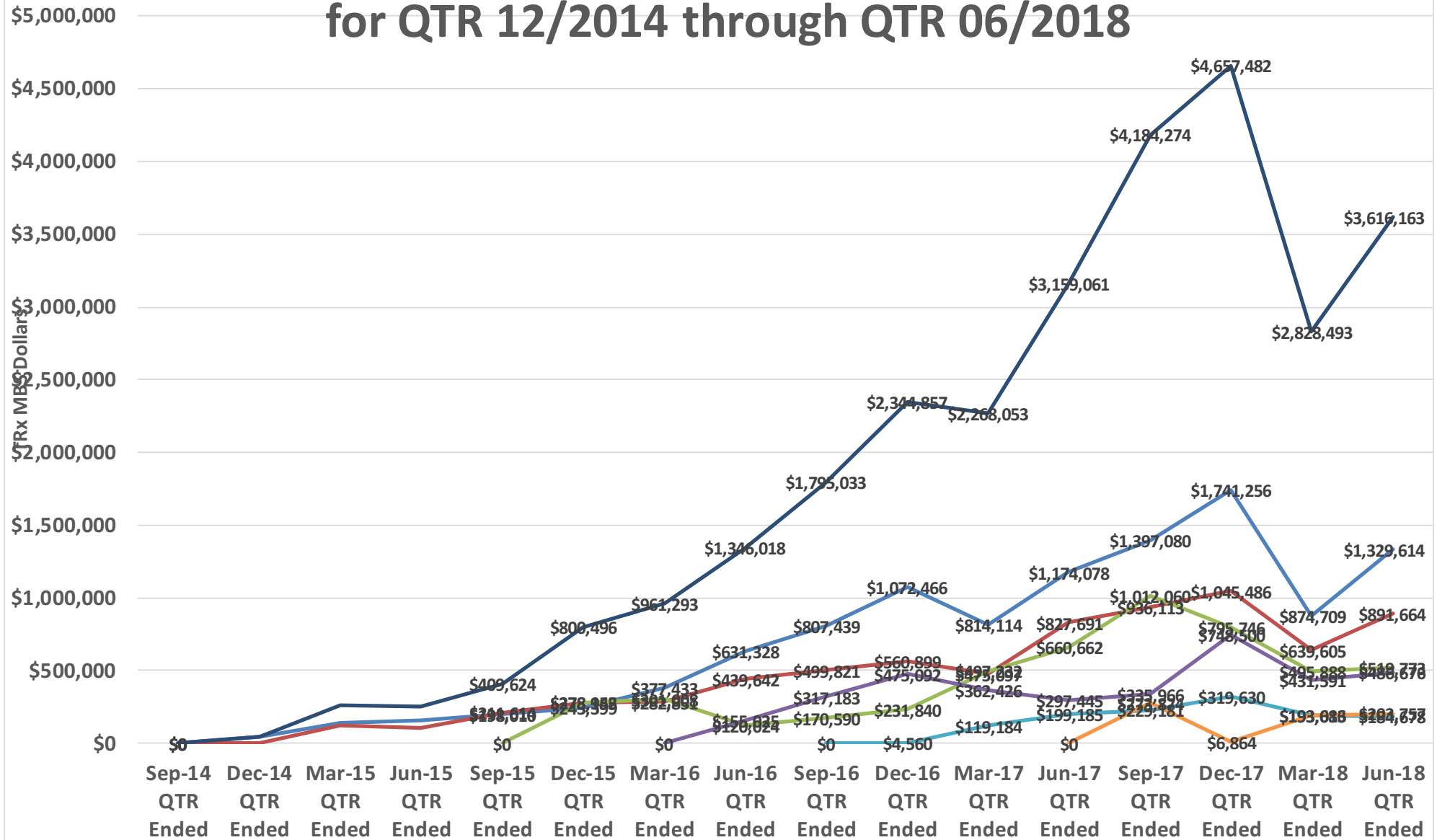


June 2018 QTR vs June 2017 QTR & March 2018 QTR

	Quarter Ended	Quarter Ended June, 2017			Quarter Ended March 31, 2018		
	June 30, 2018*	Amount	Variance	%	Amount	Variance	%
Total net revenues	\$4,369	\$3,835	\$534	14%	\$3,656	\$713	20%
Product revenues	\$4,096	\$3,603	\$493	14%	\$3,269	\$827	25%
International revenues	\$2,124	\$1,744	\$380	22%	\$1,907	\$217	11%
U.S. revenues	\$1,971	\$1,859	\$112	6%	\$1,362	\$609	45%
U.S. dermatology gross revenues	\$3,616	\$3,206	\$410	13%	\$2,816	\$800	28%
U.S. dermatology net revenues	\$1,207	\$1,196	\$11	1%	\$779	\$428	55%
As % of gross	33%	37%			28%		
Operating expenses minus non-cash expenses	\$4,915	\$4,709	\$206	4%	\$5,149	(\$234)	-5%
Net loss minus non-cash expenses (EBITDA)	\$3,084	\$2,835	\$249	9%	\$3,717	(\$633)	-17%
Cash & cash equivalents	\$7,685	\$12,638	(\$4,953)	-39%	\$10,066	(\$2,381)	-24%

* dollars in thousands, unaudited

Factory Units times (WAC) for QTR 12/2014 through QTR 06/2018

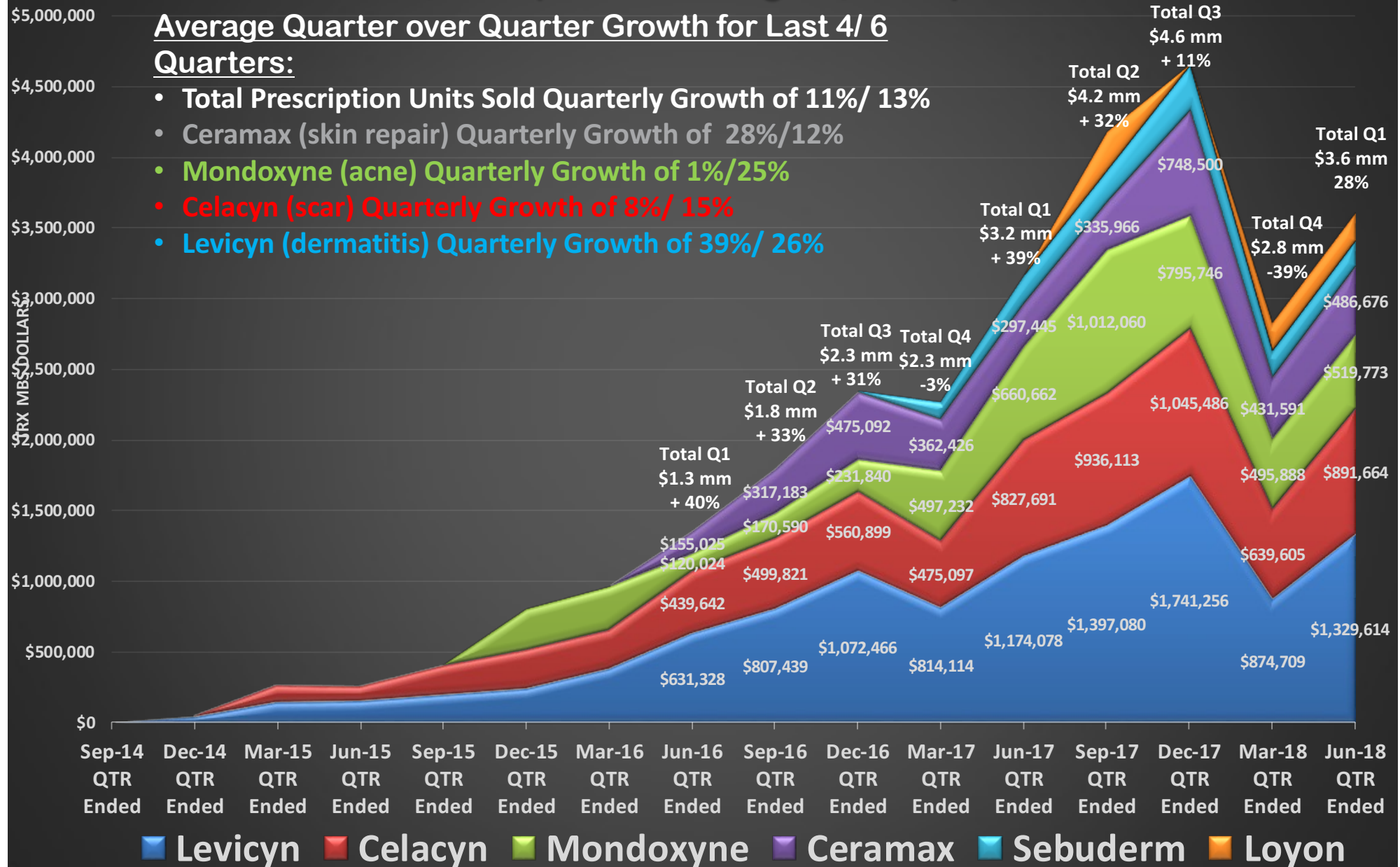


— Levicyn
 — Celacyn
 — Mondoxyne
 — Ceramax
 — Sebuderm
 — Total

Factory Units in Dollars at WAC For QTR 12/2014 through QTR 06/ 2018

Average Quarter over Quarter Growth for Last 4/ 6 Quarters:

- Total Prescription Units Sold Quarterly Growth of 11%/ 13%
- Ceramax (skin repair) Quarterly Growth of 28%/12%
- **Mondoxyne (acne) Quarterly Growth of 1%/25%**
- **Celacyn (scar) Quarterly Growth of 8%/ 15%**
- **Levicyn (dermatitis) Quarterly Growth of 39%/ 26%**



Source: IMS Health NPA