

March 23, 2017



Sonoma Pharmaceuticals Receives Final \$1.5 Million Payment From Sale of Latin America Business to Invekra S.A.P.I. de C.V.

PETALUMA, Calif., March 23, 2017 (GLOBE NEWSWIRE) -- Sonoma Pharmaceuticals, Inc. (NASDAQ: SNOA, warrants SNOAW), a specialty pharmaceutical company that develops and markets unique and effective solutions for the treatment of dermatological conditions and advanced tissue care, today announced receipt of \$1.5 million in final payment for the sale of the company's Latin American-related assets to Invekra S.A.P.I. de C.V. of Mexico for \$19.5 million in cash. The sale, which was finalized on October 28, 2016, included an initial upfront payment of \$18 million with final payment of the additional \$1.5 million predicated upon delivery of certain manufacturing equipment from Sonoma to Invekra.

As part of the sales agreement, Sonoma is maintaining its current manufacturing facility in Guadalajara, Mexico for production of its Microdacyn®-based products for all countries outside of the United States and Latin America. In addition, Sonoma will continue to provide technical assistance to Invekra and work closely with Invekra to protect respective intellectual property ownership.

About Invekra

Invekra S.A.P.I. de C.V. is the holding company of Laboratorios Sanfer, one of Mexico's leading private market pharmaceutical companies, with sales throughout Latin America and the Caribbean. With over 75 years of experience in the pharmaceutical industry and over 1,000 sales people in Mexico, and 200-plus in other Latin American countries, Invekra's business model is primarily focused on the development, manufacture and commercialization of patented and off-patent branded specialty pharmaceuticals products. The company's product portfolio in Mexico consists of 185 brands and 371 SKUs spanning multiple therapeutic areas of human and animal health, such as metabolic, cardiovascular, respiratory, oncology and antibiotics. More information is available at www.sanfer.com.mx.

About Sonoma Pharmaceuticals, Inc.

Sonoma is a specialty pharmaceutical company that develops and markets unique and effective solutions for the treatment of dermatological conditions and advanced tissue care. The company's products, which are sold throughout the United States and internationally, have improved outcomes for more than five million patients globally by reducing infections, itch, pain, scarring and harmful inflammatory responses. The company's headquarters are in Petaluma, California, with manufacturing operations in the United States and Latin America. European marketing and sales are headquartered in Roermond, Netherlands. More information can be found at www.sonomapharma.com

Forward-Looking Statements

Except for historical information herein, matters set forth in this press release 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 press release 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, the Company may not meet its future capital needs, 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 including its annual report on Form 10-K for the fiscal year ended March 31, 2016. The Company disclaims any obligation to update these forward-looking statements, except as required by law.

Sonoma Pharmaceuticals® and Microdacyn® are trademarks or registered trademarks of Sonoma Pharmaceuticals, Inc. All other trademarks and service marks are the property of their respective owners.

Media and Investor Contact:

Sonoma Pharmaceuticals, Inc.
Dan McFadden
VP of Public and Investor Relations
(425) 753-2105
dmcfadden@sonomapharma.com



Source: Sonoma Pharmaceuticals, Inc.