

June 19, 2019



# **Sonoma Pharmaceuticals Announces 1-for-9 Reverse Split of Outstanding Common Stock**

## **Company Plans to affect a Reverse Stock Split to remain listed on the Nasdaq Capital Market**

PETALUMA, Calif., June 19, 2019 (GLOBE NEWSWIRE) -- Specialty pharmaceutical company Sonoma Pharmaceuticals, Inc. (Nasdaq: SNOA), today announced the timing for a 1-for-9 reverse split of its outstanding common stock which will be effected on June 19, 2019 at 5:00 pm EDT. Sonoma common stock will begin trading on The Nasdaq Capital Market on a 1-for-9 adjusted basis when the market opens on June 20, 2019. The reverse stock split was previously approved by the Company's stockholders at the Company's Special Meeting held on May 30 and June 11, 2019. The Company's Board of Directors approved the implementation of a reverse stock split and determined the reverse stock split ratio on June 14, 2019.

Bubba Sandford, Sonoma's Chief Executive Officer said, "This reverse stock split is necessary to maintain our listing on the Nasdaq Capital Market. We believe that maintaining our listing on Nasdaq strengthens the confidence of our business partners and suppliers, the interest of institutional investors, and the availability of future business development opportunities."

At the effective time of the reverse stock split, every nine shares of Sonoma's issued and outstanding common stock will be automatically converted into one newly issued and outstanding share of common stock, without any change in the par value per share. No fractional shares will be issued. Instead of receiving a fractional share, investors will receive cash in lieu at the closing price of the common stock on June 19, 2019.

Sonoma's common stock outstanding will change from 12 million to approximately 1.3 million. Proportional adjustments will be made to Sonoma's stock options, warrants, and equity-compensation plans. The reverse stock split will have no effect on the Company's authorized shares.

The Company's common stock will continue to trade on The Nasdaq Capital Market under the symbol "SNOA." A new CUSIP number will be issued to Sonoma's common stock after the reverse stock split becomes effective.

The reverse stock split is intended to increase the per share trading price of the Company's common stock to satisfy the \$1.00 minimum bid price requirement for continued listing on The Nasdaq Capital Market. In order to maintain the Company's listing on Nasdaq, the Company's common stock must have a closing bid price of \$1.00 or more for a minimum of

10 consecutive trading days prior to July 3, 2019. There can be no assurance that the reverse stock split will have the desired effect of raising the closing bid price of the Company's common stock to meet such requirement.

Once the reverse stock split becomes effective, stockholders holding shares through a brokerage account or in book-entry form will have their shares automatically adjusted to the reflect the 1:9 reverse stock split. Existing stockholders holding common stock certificates will receive a Letter of Transmittal from the Company's transfer agent, Computershare, Inc. with specific instructions regarding the exchange of shares.

### **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](http://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 "preparing," "represent," and "upcoming," 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 meet the Company's cash needs, 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.

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