November 10, 2026

Sonoma Pharmaceuticals Reports Second Fiscal Quarter 2027 Financial Results, Delivering First-ever Net Income Before Income Tax

Total revenue increased 28% for the quarter and 41% for the six months ended September 30, 2026 compared to same periods last yearU.S. revenue increased 93% for the quarter and 113% for the six months ended September 30, 2026 compared to same periods last yearNet loss per share improved 97% for the quarter and 92% for the six months ended September 30, 2026 compared to same periods last yearNet income before taxes of $382,000 for the quarter and $52,000 for the six months ended September 30, 2026

BOULDER, CO / ACCESS Newswire / November 10, 2026 /Sonoma Pharmaceuticals, Inc. (Nasdaq:SNOA), a global healthcare leader developing and producing patented Microcyn® technology-based stabilized hypochlorous acid (HOCl) products for a wide range of applications, including wound care, eye care, dermatological conditions, podiatry, and animal health care, today announced financial results for its second fiscal quarter ended September 30, 2026.

"We are very pleased to report another significant milestone for Sonoma: following our achievement of positive EBITDA last quarter, in the second fiscal quarter of 2027, Sonoma has delivered positive net income before income taxes for the first time in its history," said Amy Trombly, CEO of Sonoma. "Our results reflect the progress we are making in growing revenue while improving gross margins and maintaining disciplined control over operating expenses. U.S. revenue increased 93% this quarter, and total revenue grew 28%, demonstrating the growing contribution of our commercial efforts. We believe these results underscore the potential of our business model and our continued focus on building a stronger, more profitable company."

Business Highlights

Sonoma continues to advance its product innovation capabilities and expand its global distribution network, while pursuing opportunities in attractive specialty markets.

- **HOCl Formulation Co-Development:** Sonoma was engaged by a U.S.-based professional skincare company to participate in a paid co-formulation project evaluating the integration of specialized skincare ingredients with Sonoma's HOCl technology

platform. Sonoma's extensive experience in HOCl formulation and manufacturing provides specialized expertise in creating new formulations. The project expands Sonoma's role beyond the production of traditional HOCl solutions and gels into more advanced formulation development. If a successful formulation is developed and accepted by the partner, the parties anticipate a potential product launch in summer 2027.

- **Taiwan Market Expansion:** Sonoma's new distribution partner in Taiwan is finalizing the regulatory requirements necessary to commercialize Sonoma wound-care products and has submitted an initial purchase order. The partner has already established distribution channels serving hospitals in Taiwan, providing Sonoma with an opportunity to expand its presence in this attractive healthcare market.

- **Expansion in Specialized Wound Care:** Sonoma entered into a new commercial relationship with a U.S.-based wound-care company that specializes in innovative bandage products.

- **Growth in Senior Care:** Sonoma is expanding its commercial presence in the senior-care market through a new U.S. customer relationship for HOCl products. Senior care represents an attractive and growing market segment, with potential applications for HOCl in supporting skin health and care needs among older populations.

Results for the Quarter Ended September 30, 2026

Total revenues for the quarter ended September 30, 2026 of $7.2 million increased by $1.6 million, or 28%, as compared to $5.6 million for the same period last year. Revenues in the United States increased 93% primarily as a result of an increase in demand for our products and increased sales by new and existing distributors. Revenues in Europe were flat compared to the same period last year. Revenues in Latin America increased 57% as a result of increased demand for our products. Revenues decreased in Asia and increased in Rest of World when compared to the same period last year. Revenues from these regions tend to fluctuate when viewed on a quarterly basis due to customers placing larger, but less frequent, orders to benefit from quantity discounts and reduced shipping costs when ordering larger quantities.

During the quarter ended September 30, 2026, Sonoma reported revenues of $7.2 million and cost of revenues of $4.4 million resulting in gross profit of $2.8 million, or 39% of revenue, compared to a gross profit of $2.1 million, or 38% of revenue in the same period last year. The increase is primarily the result of an increase in revenue as compared to the same period last year, improvements in manufacturing processes, and customer mix.

Total operating expenses during the quarter ended September 30, 2026 were $2.5 million, compared to $2.5 million in the same period last year, demonstrating the operating leverage in Sonoma's business model as the company grows revenue and gross profit while keeping operating expenses stable.

Net loss for the quarter ended September 30, 2026 of $0.1 million improved by $0.4 million, or 88%, when compared to a net loss of $0.5 million for the quarter ended September 30, 2025. EBITDA income for the quarter ended September 30, 2026 of $0.4 million increased $0.6 million, compared to an EBITDA loss of $0.2 million for the same period last year.

Results for the Six Months Ended September 30, 2026

Total revenues for the six months ended September 30, 2026 of $13.6 million increased by $4.0 million, or 41%, as compared to $9.6 million for the same period last year. Revenues in the United States increased 113% primarily as a result of increased sales by new and existing distributors. Revenues in Europe increased 14% compared to the same period last year as the result of increased demand for Sonoma's products. Revenues in Latin America increased 33% as a result of timing of customer orders. Revenues were essentially flat in Asia and increased in Rest of World when compared to the same period last year. Revenues from these regions tend to fluctuate when viewed on a quarterly basis due to customers placing larger, but less frequent, orders to benefit from quantity discounts and reduced shipping costs when ordering larger quantities.

During the six months ended September 30, 2026, Sonoma reported revenues of $13.6 million and cost of revenues of $8.2 million, resulting in gross profit of $5.4 million, or 40% of revenue, compared to a gross profit of $3.6 million, or 37% of revenue in the same period last year. The increase was the result of improvements in manufacturing processes and customer mix.

Total operating expenses during the six months ended September 30, 2026 were $5.1 million compared to $5.0 million in the same period last year.

Net loss for the six months ended September 30, 2026 of $396,000 improved by $1.4 million when compared to a net loss of $1.8 million for the six months ended September 30, 2025. EBITDA income for the six months ended September 30, 2026 of $0.5 million increased $1.3 million, compared to an EBITDA loss of $0.8 million for the same period last year.

As of September 30, 2026, Sonoma had cash and cash equivalents of $4.6 million.

About Sonoma Pharmaceuticals, Inc.

Sonoma Pharmaceuticals is a global healthcare leader for developing and producing stabilized hypochlorous acid (HOCl) products for a wide range of applications, including wound, eye, oral and nasal care, dermatological conditions, podiatry, animal health care and non-toxic disinfectants. Sonoma's products are clinically proven to reduce itch, pain, scarring, and irritation safely and without damaging healthy tissue. In-vitro and clinical studies of HOCl show it to safely manage skin abrasions, lacerations, minor irritations, cuts, and intact skin. Sonoma's products are sold either directly or via partners in over 55 countries worldwide and the company actively seeks new distribution partners. The company's principal office is in Boulder, Colorado, with manufacturing operations in Guadalajara, Mexico. European marketing and sales are headquartered in Roermond, Netherlands. More information can be found at www.sonomapharma.com. For partnership opportunities, please contact busdev@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 "continue," "reduce," "develop," "aim," and "expand," 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 or fund further development, as well as uncertainties relative fluctuations in foreign currency exchange rates, global economic conditions, prospective tariffs or changes to trade policies, 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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Media and Investor Contact:

Sonoma Pharmaceuticals, Inc.
ir@sonomapharma.com

Website: www.sonomapharma.com

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SONOMA PHARMACEUTICALS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share amounts)

	September 30, 2026	March 31, 2026
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 4,609	$ 2,399
Accounts receivable, net	3,582	2,527
Inventories, net	3,508	3,651
Prepaid expenses and other current assets	3,644	3,523
Total current assets	15,343	12,100
Property and equipment, net	294	310
Operating lease, right of use assets	522	602
Deferred tax asset, net	880	884
Other assets	64	64
Total assets	$ 17,103	$ 13,960
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 1,552	$ 1,923
Accrued expenses and other current liabilities	2,598	2,252
Deferred revenue	45	284
Short-term debt	57	222
Operating lease liabilities, current portion	163	151
Total current liabilities	4,415	4,832
Withholding tax payable	5,692	5,564
Operating lease liabilities, less current portion	382	469
Total liabilities	10,489	10,865
Commitments and Contingencies		
Stockholders' Equity:		
Convertible preferred stock, $0.0001 par value; 714,286 shares authorized at September 30, 2026 and March 31, 2026, respectively, no shares issued and outstanding at September 30, 2026 and March 31, 2026	-	-
Common stock, $0.0001 par value; 50,000,000 shares authorized at September 30, 2026 and March 31, 2026, 5,057,755, and 1,799,057 shares issued and outstanding at September 30, 2026 and March 31, 2026, respectively	-	-
Additional paid-in capital	211,323	207,319
Accumulated deficit	(201,377)	(200,981)
Accumulated other comprehensive loss	(3,332)	(3,243)
Total stockholders' equity	6,614	3,095
Total liabilities and stockholders' equity	$ 17,103	$ 13,960

SONOMA PHARMACEUTICALS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended September 30,		Six Months Ended September 30,	
	2026	2025	2026	2025
Revenues	$ 7,174	$ 5,604	$ 13,580	$ 9,619
Cost of revenues	4,367	3,484	8,196	6,035
Gross profit	2,807	2,120	5,384	3,584
Operating expenses:				
Research and development	469	575	1,066	1,169
Selling, general and administrative	2,048	1,882	4,068	3,847
Total operating expenses	2,517	2,457	5,134	5,016
Income (loss) from operations	290	(337)	250	(1,432)
Other income (expense), net	92	(394)	(198)	(541)
Net income (loss) before income taxes	382	(731)	52	(1,973)
Income tax benefit (expense)	(448)	197	(448)	198
Net loss	$ (66)	$ (534)	$ (396)	$ (1,775)
Net loss per share:				
Basic and Diluted	$ (0.01)	$ (0.32)	$ (0.09)	$ (1.08)
Weighted average shares outstanding:				
Basic and Diluted	4,909	1,646	4,381	1,643
Other comprehensive income loss:				
Net loss	$ (66)	$ (534)	$ (396)	$ (1,775)
Foreign currency translation adjustments	(324)	205	(89)	1,011
Comprehensive loss	$ (390)	$ (329)	$ (485)	$ (764)

SONOMA PHARMACEUTICALS, INC. AND SUBSIDIARIES
RECONCILIATION OF GAAP MEASURES TO NON-GAAP MEASURES
(In thousands)
(Unaudited)

	Three Months Ended September 30,		Six Months Ended September 30,	
	2026	2025	2026	2025
(1) Net income (loss) adjusted for non-cash items and one-time events or EBITDA loss:				
GAAP net income (loss) as reported	$ (66)	$ (534)	$ (396)	$ (1,775)
Non-cash adjustments:				
Stock-based compensation	95	39	153	96
Non-cash foreign exchange transaction losses (gains)	(60)	436	254	985
Income tax (benefit) expense	448	(197)	448	(198)
Depreciation	30	36	62	72
Non-GAAP net income (loss) adjusted for non-cash items and one-time events or EBITDA income (loss)	$ 447	$ (220)	$ 521	$ (820)
(2) Operating expenses minus non-cash expenses				
GAAP operating expenses as reported	$ 2,517	$ 2,457	$ 5,134	$ 5,016
Non-cash adjustments:				
Stock-based compensation	(95)	(39)	(153)	(96)
Depreciation	(30)	(36)	(62)	(72)
Non-GAAP operating expenses minus non-cash expenses	$ 2,392	$ 2,382	$ 4,919	$ 4,848

(1) Net loss adjusted for non-cash items and one-time events, or EBITDA loss, is a non-GAAP financial measure. The Company defines this as GAAP reported net loss minus depreciation and amortization, stock-based compensation, income taxes and non-cash foreign exchange transaction losses. The Company uses this measure for the purpose of modifying the net loss to reflect only those expenses to reflect normal direct cash transactions during the measurement period. Non-GAAP measures should not be considered a substitute for financial measures presented in accordance with GAAP. Non-GAAP measures are not always consistent across, or comparable with, non-GAAP measures disclosed by other companies.

(2) Operating expenses minus non-cash expenses is a non-GAAP financial measure. The Company defines operating expenses minus non-cash expenses as GAAP reported operating expenses minus operating depreciation and amortization, and operating stock-based compensation. The Company uses this measure for the purpose of identifying total operating expenses involving cash transactions during the measurement period. Non-GAAP measures should not be considered a substitute for financial measures presented in accordance with GAAP. Non-GAAP measures are not always consistent across, or comparable with, non-GAAP measures disclosed by other companies.

SONOMA PHARMACEUTICALS, INC. AND SUBSIDIARIES
PRODUCT RELATED REVENUE SCHEDULES
(In thousands)
(Unaudited)

The following table shows our consolidated total revenue and revenue by geographic region for the three and six months ended September 30, 2026 and 2025:

(In thousands)	Three Months Ended September 30, 2026	2025	$ Change	% Change
United States	$ 2,796	$ 1,449	$ 1,347	93 %
Europe	2,148	2,151	(3)	0 %
Asia	801	1,057	(256)	(24 %)
Latin America	835	532	303	57 %
Rest of the World	594	415	179	43 %
Total	$ 7,174	$ 5,604	$ 1,570	28 %

(In thousands)	Six Months Ended September 30, 2026	2025	$ Change	% Change
United States	$ 5,222	$ 2,454	$ 2,768	113 %
Europe	4,112	3,619	493	14 %
Asia	1,711	1,719	(8)	0 %
Latin America	1,461	1,096	365	33 %
Rest of the World	1,074	731	343	47 %
Total	$ 13,580	$ 9,619	$ 3,961	41 %

SOURCE: Sonoma Pharmaceuticals, Inc.

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