



# SONOMA PHARMACEUTICALS

## RESULTS FOR THE QUARTER ENDING 30 September 2018

November 8, 2018

# Agenda

**Welcome / Introduction**

**Jim Schutz**

**September Quarter 2018 Highlights**

**Jim Schutz**

**Financial Review**

**Bob Miller**

**Q+A**

**Jim Schutz / Bob Miller / Marc Umscheid**

# 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 Sep 2018

**Total Revenue = \$4.9M**

Up 14% versus same period last year  
Up 13% versus the quarter ending 30 Jun 2018

---

**EBITDA = (\$1.95M)**

---

**Cash as of 30 Sep 2018 = \$4M**

# Epicyn Antimicrobial Facial Cleanser - US

New! In January 2019





# Gramacyn - Brazil

New! In November 2018

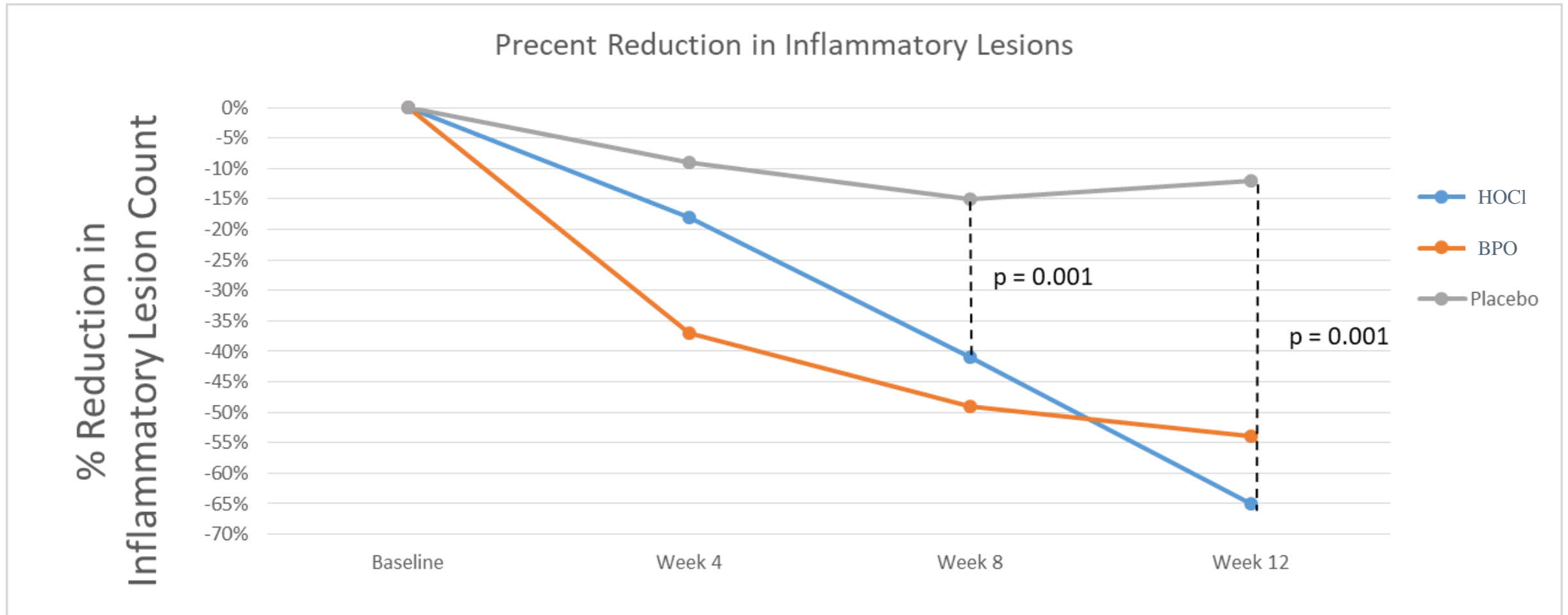


Sold individually



Sold as Combo pack

# Study Results of Double Blinded, Placebo-Controlled, Randomized Clinical Trial of HOCl for Acne Lesions



Tirado-Sánchez A, Ponce-Olivera: Efficacy and Tolerance of Superoxidized Solution in the Treatment of Mild to Moderate Inflammatory Acne. A Double-Blinded, Placebo- Controlled, Parallel-Group, Randomized, Clinical Trial.” *J Derm Treatment* 20, (5) 289–292, 2009.

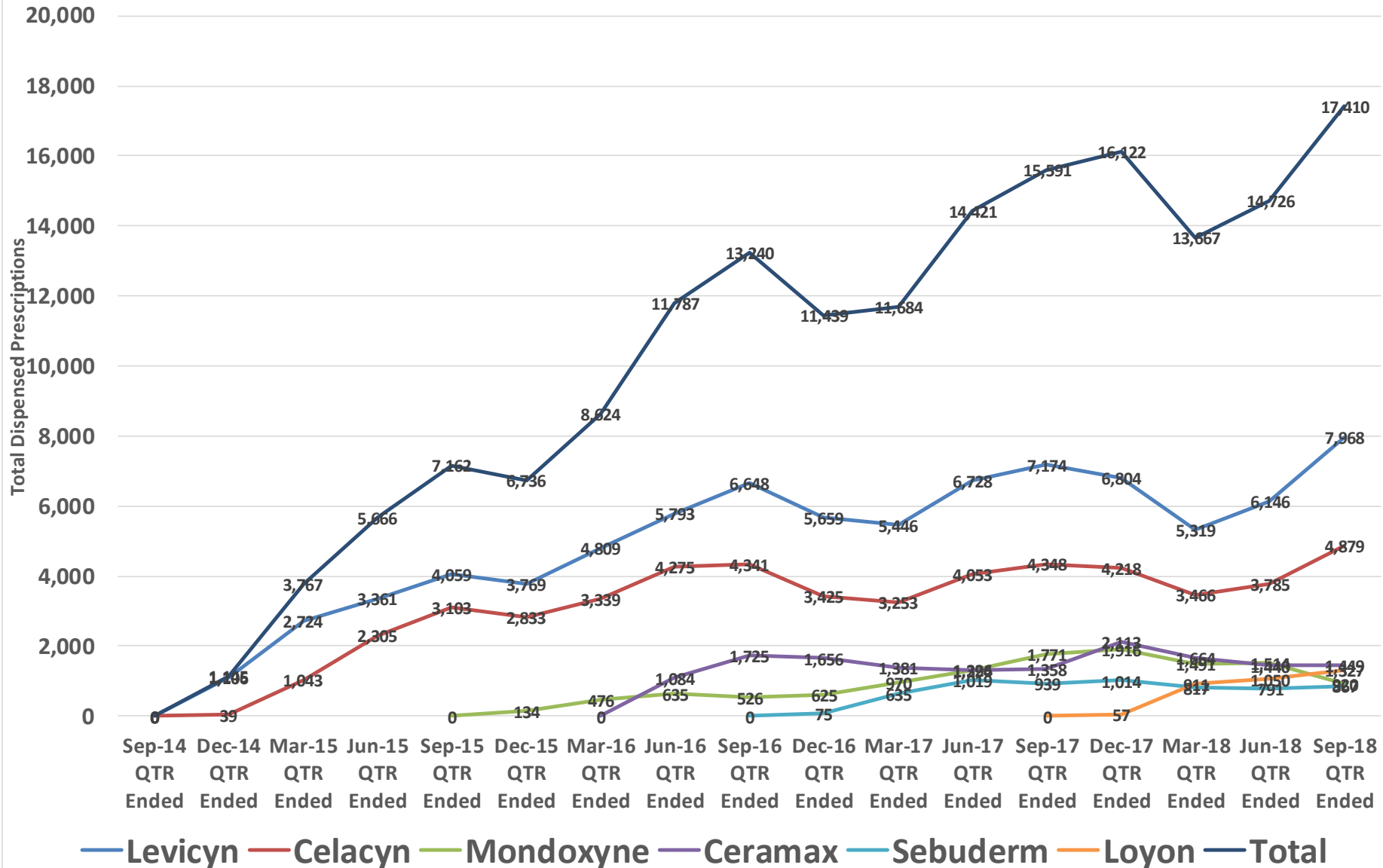
# Quarterly Comparison of Key Financial Metrics

	Quarter Ended	Quarter Ended Sept 30, 2017			Quarter Ended June 30, 2018		
	September 30, 2018*	Amount	Variance	%	Amount	Variance	%
<b>Total net revenues</b>	\$4,939	\$4,325	\$614	14%	\$4,369	\$570	13%
<b>Product revenues</b>	\$4,653	\$4,144	\$491	12%	\$4,096	\$539	13%
<b>International revenues</b>	\$2,209	\$1,876	\$333	18%	\$2,,124	\$85	4%
<b>U.S. revenues</b>	\$2,426	\$2,268	\$158	7%	\$1,971	\$455	23%
<b>U.S. dermatology, prescriptions filled</b>	17,410	15,591	\$1,819	12%	14,726	2,684	18%
<b>U.S. dermatology, factory units sold</b>	16,282	17,166	(884)	-5%	13,177	3,105	24%
<b>U.S. dermatology, net revenues</b>	\$1,484	\$1,621	(\$137)	-8%	\$1,207	\$277	23%
<b>Operating expenses minus non-cash expenses</b>	\$4,468	\$4,237	\$231	5%	\$4,915	(\$447)	-9%
<b>Net loss minus non-cash expenses (EBITDA)</b>	\$1,950	\$2,263	(\$313)	-14%	\$3,084	(\$1,134)	-37%
<b>Cash &amp; cash equivalents</b>	\$4,048	\$9,983	(\$5,935)	-59%	\$7,685	(\$3,637)	-47%

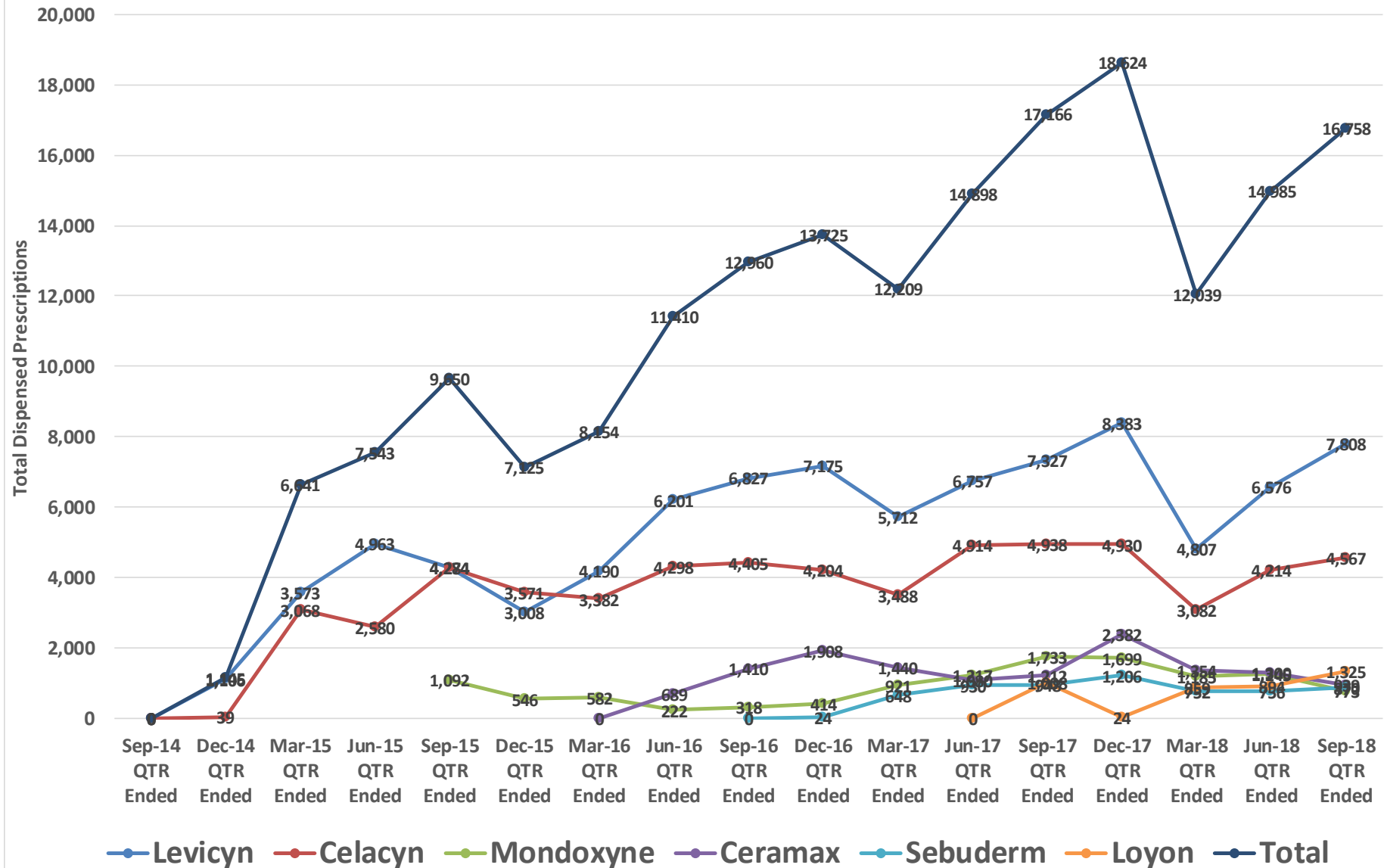
\* dollars in thousands, unaudited



# Prescriptions Filled by Dermatology Product Lines (IMS)



# Factory Units Sold by Dermatology Product Lines



# Inventory units

