



March 6, 2018

Sonoma Pharmaceuticals Announces Closing of \$5 Million Public Offering of Common Stock

PETALUMA, Calif., March 06, 2018 (GLOBE NEWSWIRE) -- Sonoma Pharmaceuticals, Inc. (Nasdaq: SNOA, Warrants - SNOAW) today announced the closing of a public offering of 1,428,570 shares of common stock at a public offering price of \$3.50 per share.

The net proceeds to Sonoma Pharmaceuticals, Inc. from this offering are approximately \$4.6 million after deducting the placement agent commissions and other estimated offering expenses payable by Sonoma.

The lead institutional investor in this offering is Montreux Equity Partners, a private investment firm focused on making growth capital investments in the healthcare sector. The offering was completed with investments from a combination of institutional funds and retail investors.

"We are excited to partner with Montreux Equity Partners, a firm that has significant experience and a successful track record investing in dermatology and specialty pharmaceutical companies," said Bob Miller, CFO of Sonoma. "We look forward to their partnership and their experience in growing our dermatology business, as they have done with many of their other portfolio companies. In addition, we are excited about the participation from some of our existing investors and we welcome a number of new investors to build a broader diversified shareholder base."

Dawson James Securities, Inc. acted as the lead placement agent and sole book runner and The Benchmark Company, LLC acted as the co-placement agent on this offering.

This offering was made pursuant to an effective shelf registration statement on Form S-3 (File No. 333-221477) previously filed with the Securities and Exchange Commission ("SEC") and subsequently declared effective on November 27, 2017. A preliminary prospectus supplement and a final prospectus supplement relating to the offering were filed with the Securities and Exchange Commission. The securities may be offered only by means of a written prospectus forming a part of the effective registration statement. Copies of the final prospectus supplement and accompanying prospectus are available on the SEC's website at www.sec.gov, or may be obtained by contacting Dawson James Securities, Inc., Attention: Prospectus Department, 1 North Federal Highway, 5th Floor, Boca Raton, FL 33432, mmaclaren@dawsonjames.com or toll free at 866.928.0928.

Sonoma Pharmaceuticals, Inc. intends to use the net proceeds from the offering to maintain a strong cash position and continue to fund the growth of its dermatology business.

Trombly Business Law, PC acted as legal counsel to Sonoma Pharmaceuticals, Inc., and Schiff Hardin LLP acted as legal counsel to the placement agents.

This press release does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About Sonoma Pharmaceuticals

Sonoma Pharmaceuticals is a specialty pharmaceutical company that develops and markets 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 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 "look forward," "expected," and "growing," 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 the offering of the shares may not be completed, that the market price of the Company's securities is volatile, that the Company has broad discretion in its use of the proceeds, that stockholders may face dilution, that the Company may not be able to obtain additional funding, 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 in the Company's filings with the Securities and Exchange Commission, including the annual report on Form 10-K, filed on June 28, 2017. The Company disclaims any obligation to update these forward-looking statements, except as required by law.

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

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