

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **March 4, 2021**

SONOMA PHARMACEUTICALS, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-33216
(Commission
File Number)

68-0423298
(IRS Employer
Identification No.)

645 Molly Lane, Suite 150
Woodstock, GA 30189
(Address of principal executive offices)
(Zip Code)

(800) 759-9305
(Registrant's telephone number, including area code)

Not applicable.
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common stock	SNOA	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

Attached is the updated investor presentation for certain investor conferences in March 2021. The presentation materials are furnished hereto as Exhibit 99.1.

This report contains forward-looking statements. Forward-looking statements include, but are not limited to, statements that express our intentions, beliefs, expectations, strategies, predictions or any other statements related to our future activities or future events or conditions. These statements are based on current expectations, estimates and projections about our business based, in part, on assumptions made by management. These statements are not guarantees of future performances and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in the forward-looking statements due to numerous factors, including those risks discussed in our annual report on Form 10-K and in other documents that we file from time to time with the SEC. Any forward-looking statements speak only as of the date on which they are made, and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this report, except as required by law.

Item 9.01 Financial Statements and Exhibits.

Exhibit No. Description
99.1† [Investor presentation as of March 3, 2021.](#)

† The information filed as Exhibit 99.1 to this Current Report on Form 8-K is being furnished in accordance with Item 7.01 and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities imposed by that Section. Such information shall not be incorporated by reference into any registration statement or other document or filing under the Securities Act of 1933, as amended, except as may be expressly set forth in a specific filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly

authorized.

Sonoma Pharmaceuticals, Inc.
(Registrant)

Date: March 4, 2021

By: /s/ Amy Trombly
Name: Amy Trombly
Title: Chief Executive Officer

Sonoma Pharmaceuticals, Inc.

NASDAQ: SNOA

March 2021



Legal Disclaimers

INVESTOR PRESENTATION

This communication is for informational purposes only. The information contained herein does not purport to be all-inclusive. The data contained herein is derived from various internal and external sources. No representation is made as to the reasonableness of the assumptions made within or the accuracy or completeness of any information contained herein. Any data on past performance is no indication as to future performance. Sonoma Pharmaceuticals, Inc. ("Sonoma" or, the "Company") assumes no obligation to update the information in this communication. This presentation is not an offer to buy or the solicitation of an offer to sell Sonoma securities.

FORWARD-LOOKING STATEMENTS

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, the Company will not have sufficient capital to implement its business plan, 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.



Legal Disclaimers

NON-GAAP FINANCIAL MEASURES

Non-GAAP income (loss) from operations minus non-cash expenses (EBITDAS) is a non-GAAP financial measure. The Company defines operating income (loss) minus non-cash expenses as GAAP reported operating income (loss) minus operating depreciation and amortization, and operating stock-based compensation. The Company uses this measure for the purpose of modifying the operating income (loss) to reflect direct cash related transactions during the measurement period.

TRADEMARKS AND INTELLECTUAL PROPERTY

All trademarks, service marks, and trade names of the Company and its subsidiaries or affiliates used herein are trademarks, service marks, or registered trademarks of the Company as noted herein. Any other product, company names, or logos mentioned herein are the trademarks and/or intellectual property of their respective owners.



About Sonoma

Sonoma Pharmaceuticals is a global healthcare leader for developing and producing stabilized hypochlorous acid (HOCl) products for a wide range of applications, including wound care, animal health care, eye care, nasal care, oral care and dermatological conditions. The company's products reduce infections, itch, pain, scarring and harmful inflammatory responses in a safe and effective manner. In-vitro and clinical studies of HOCl show it to have impressive antipruritic, antimicrobial, antiviral and anti-inflammatory properties. Sonoma's stabilized HOCl immediately relieves itch and pain, kills pathogens and breaks down biofilm, does not sting or irritate skin and oxygenates the cells in the area treated assisting the body in its natural healing process. Sonoma also manufactures disinfectants that are distributed outside of the U.S. and in certain countries where it has received regulatory clearance to state the disinfectant kills the coronavirus causing COVID-19. The company's products are sold either directly or via partners in 54 countries worldwide and the company actively seeks new distribution partners.



Investor Highlights

Diverse global healthcare leader

- Focused on billion-dollar Rx and OTC wound care, dermatology, eye, oral and nasal care, disinfectant use and animal health markets
- Over 20 years of experience
- Robust international partner network
- Focused on expanding U.S. partner network
- Strong manufacturing capabilities

Unique, patented and FDA-cleared, CE and ISO approved Microcyn® Technology

- HOCl is known to be among the safest and most effective ways to relieve itch, inflammation, and burns while stimulating natural healing through increased oxygenation and eliminating persistent microorganisms and biofilms
- Proven antipruritic, antimicrobial, antiviral and anti-inflammatory properties
- Disinfectant approved in Australia and Canada for use against COVID-19
- Currently selling into 54 countries



Key Opportunities

- Expand OTC reach in U.S. in the dermatology, eye, oral and nasal care, disinfectants and wound care markets
- Fully commercialize existing products via distribution partners or directly
- 21 U.S. FDA clearances as medical devices for Section 510(k)
- CEs for over 39 products
- Expand presence in the dental market
- Continue to add international distribution partners; grow existing relationships
- Robust product pipeline; continue to introduce new products worldwide
- Continuous R&D efforts explore new product applications
- Expand disinfectant sales globally



Recent Business Developments

- Received new CE marking for Microdacyn[®] Eye Care in April 2020
- Entered into expanded distribution agreement with Brill International S.L. Spain for the eye care product and new territories Germany, Italy, Spain, Portugal and UK in May 2020
- Approval by ARTG in Australia to use Nanocyn[®] Disinfectant and Sanitizer against SARS-CoV-2 in May 2020 and in Canada in September 2020
- Nanocyn[®] Disinfectant and Sanitizer passed material compatibility testing for Boeing and Airbus in a joint effort by Sonoma and MicroSafe Group
- Launched nasal and oral care products in Australia and New Zealand with partner Te Arai BioFarma
- Executed exclusive OTC distribution agreement with Crown Laboratories, Inc. on December 7, 2020
- Launched Endocyn[®], a HOCL-based biocompatible root canal irrigant that does not stain teeth or restorations, in December 2020
- Received EU Biocide listing in January 2021 from The European Chemicals Agency for our patented HOCl technology
- Launched Microcyn[®] OTC Wound and Skin Cleanser, our first direct to consumer over the counter product in February 2021

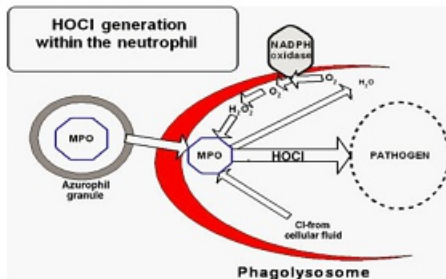


Sonoma's Microcyn Technology

- Stable triple-action topical technology
 - A powerful anti-microbial - reduces microbial load, including destruction of biofilms
 - Anti-inflammatory agent – reduces itch and pain
 - Anti-pruritic activity
 - Tissue healing (increased blood/oxygen flow to wound)
- Unparalleled safety – No drug-to-drug interaction or contraindications
 - Millions of patients treated worldwide without single report of serious adverse effect
 - 30+ human clinical trials with over 1,500 patients
- No mutations or resistance
 - Overused antibiotics may cause deadly epidemics such as MRSA
- Cost effective
 - Preventative – reduces hospital/physician visits
 - Medicare/hospital savings – faster healing reduces hospital stays



What is Hypochlorous Acid?



During the activation of neutrophils, respiratory bursts generate hydrogen peroxide (H_2O_2) and the activated granule enzyme myeloperoxidase converts H_2O_2 to hypochlorous acid (HOCl)

- Hypochlorous acid (HOCl) is produced by neutrophils in the body as part of its defense mechanism
- HOCl, is highly active against bacterial, viral, and fungal pathogens.
- HOCl has been shown to rapidly kill spore-forming and non-spore forming bacteria
- HOCl has also been shown to have significant activity against biofilms



Microcyn Technology microbial load reduction & infection control

30 seconds “*in vitro* kill time (%) reduction”

•MRSA - Staphylococcus aureus	99.999	VRE - Enterococcus faecalis	99.999
•Staphylococcus aureus	99.999	Escherichia coli	99.997
•Acinetobacter baumannii	99.999	Bacteroides fragilis	99.999
•Candida albicans	99.999	Enterobacter aerogene	99.999
•Enterococcus faecium	99.999	Haemophilus influenzae	99.993
•Klebsiella oxytoca	99.999	Klebsiella pneumoniae	99.999
•Micrococcus luteus	99.999	Proteus mirabilis	99.999
•Pseudomonas aeruginosa	99.998	Serratia marcescens	99.999
•Staphylococcus epidermidis	99.998	Staphylococcus haemolyticus	99.999
•Staphylococcus hominis	99.996	Staphylococcus saprophyticus	99.999
•Streptococcus pyogenes	99.999		



Current Research and Development

- Dermodacyn® Disinfecting solution study on viability of SARS-CoV-2, see <https://www.sciencedirect.com/science/article/pii/S019567012030339X>
- Endocyn® study on cellular toxicity, see <https://www.sciencedirect.com/science/article/abs/pii/S0099239917310439>
- HOCl study evaluating virucidal activity in Vero E6 cells against SARS-CoV-2, University of Barcelona, 11/27/2020
- Hypochlorous acid gel technology—Its impact on post-procedure treatment and scar prevention, see https://sonomapharma.com/wp-content/uploads/2020/08/Gold_et_al-2017-Journal_of_Cosmetic_Dermatology-003.pdf
- Topical stabilized hypochlorous acid: The future gold standard for wound care and scar management in dermatologic and plastic surgery procedures, see <https://sonomapharma.com/wp-content/uploads/2020/08/Topical-Stabilized-HOCL-consensus-article-2020.pdf>
- HOCl Article: Optimizing Wound Healing for Procedures – Apr 2018, see <https://sonomapharma.com/wp-content/uploads/2018/11/Practical-Derm-HOCl-article-4-7-18-wounds.pdf>



U.S. Summary

- FDA-cleared products targeting:
 - atopic dermatitis, dermal lesions
 - scar management,
 - pain and itch relief and other dermatological conditions
 - eye-lash hygiene
 - acute and chronic wound care
 - oral care (dental surgery)
- Ability to partner for OTC, Rx, and private labels
- Relocating manufacturing to Mexico resulted in reduced COGs opening price-sensitive channels and opportunities for volume plays
- Established and growing animal healthcare line of products
- Change in business strategy has led to expanded U.S. business development targeting increasing relationships with U.S. distributors
- Reduced focus on direct sales / Expanding into digital sales



State of the Art Manufacturing Facility

- ISO 9001 and 13485 certified
- MOH, KFDA, SFDA, KSA, TGA, EN, Biocide and many other national listing/approvals
- Shipping to 54 countries
- First Rate Logistics
- Highest Quality Standards
- Flexibility of SKUs and packaging
- Highly-trained staff



Europe



Latin America



Asia



Middle East



Animal Health Care

- MicrocynAH® is a family of advanced animal healthcare products that are safe to use on all animals, no matter the species or age
- Perfect for hot spots, scratches, skin rashes and ulcers, cuts, burns, post-surgical sites, irritated skin and lacerations.
- We partner with MannaPro Products in the U.S. and Canada
- Sold in national pet-store retail chains, farm animal specialty stores, at veterinarians, and mass retailers
- Internationally, we partner with Petagon, Ltd. for the Asia and European sales



Sonoma Partnership Principles

- Sonoma seeks long-term strategic partnerships, based on win/win business plans; 50/50 mentality with focus on what's most important to each side.
- Regular in-person and phone meetings to strengthen relationships.
- "Do what you say and say what you do" mentality with a high standard of ethical behavior and transparent communication. No hidden agendas.
- Sonoma seeks partners with innovative and differentiated technologies or products and strong distribution capabilities. Focus on profitable revenue growth consistent with current portfolio.



Key Financial Metrics

	Quarter Ended Dec 31, 2020* (unaudited)	Quarter Ended Dec 31, 2019* (unaudited)	Nine Months Ended Dec 31, 2020* (unaudited)	Nine Months Ended Dec 31, 2019* (unaudited)
Total Revenues	\$4,936	\$4,395	\$16,472	\$13,616
Gross Profit	\$1,995	\$2,001	\$6,753	\$6,469
Operating Expenses	\$2,133	\$3,109	\$7,388	\$10,635
Net Loss	\$(650)	\$(1,084)	\$(290)	\$(1,572)
EBITDAS	\$35	\$(927)	\$(152)	\$(3,416)
Cash & Cash equivalents	\$5,541	\$3,727	\$5,541	\$3,727
Working capital	\$12,329	\$9,700	\$12,329	\$9,700
Shareholders' Equity	\$12,316	\$11,209	\$12,316	\$11,209



* dollars in thousands

Balance Sheet Highlights

(in thousands)

	December 31, 2020	
	(unaudited)	March 31, 2020
Assets		
Cash and cash equivalents	\$ 5,541	\$ 3,691
Accounts receivable, net	4,408	4,062
Inventories	2,958	2,192
Other current assets	3,305	2,438
Total Current Assets	16,212	12,383
Other assets	2,019	2,178
TOTAL ASSETS	\$ 18,231	\$ 14,561
Liabilities and Stockholders' Equity		
Accounts payable and other current liabilities	\$ 3,883	\$ 4,384
Current portion of long term debt	-	481
Total current liabilities	3,883	4,865
Other long term liabilities	722	991
Long term debt	1,310	-
Total long term liabilities	2,032	991
TOTAL LIABILITIES	\$ 5,915	\$ 5,856
TOTAL STOCKHOLDERS' EQUITY	\$ 12,316	\$ 8,705
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 18,231	\$ 14,561



Income Statement, Dec. 31, 2020

(unaudited, in thousands, except per share amounts)

	Three Months ended December 31,		Nine Months ended December 31,	
	2020	2019	2020	2019
Revenues	\$ 4,936	\$ 4,395	\$ 16,472	\$ 13,616
Cost of revenue	2,941	2,394	9,719	7,147
Gross profit	1,995	2,001	6,753	6,469
Operating expenses				
Research and development	33	248	425	856
Selling, general and administrative	2,100	2,861	6,963	9,779
Total Operating Expenses	2,133	3,109	7,388	10,635
Income (loss) from operations	(138)	(1,108)	(635)	(4,166)
Other income (expense)	(488)	(102)	(548)	2,342
Loss from continuing operations	\$ (626)	\$ (1,210)	\$ (1,183)	\$ (1,824)
Income (loss) from discontinued operations	(24)	126	893	252
Net loss	\$ (650)	\$ (1,084)	\$ (290)	\$ (1,572)
Net loss per share basic and diluted				
Continuing operations	\$ (0.31)	\$ (0.81)	\$ (0.60)	\$ (1.32)
Discontinued operations	(0.01)	0.09	0.45	0.18
	\$ (0.32)	\$ (0.72)	\$ (0.15)	\$ (1.14)
Weighted Average Common Shares Outstanding				
Basic and diluted	2,052	1,500	1,967	1,378



Statement of Cash Flows, Dec. 31, 2020

(unaudited, in thousands)

	Nine Months ended December 31,	
	2020	2019
Net cash (used in) provided by operating activities	\$ (1,902)	\$ (1,000)
Net cash (used in) provided by investing activities	392	(36)
Net cash (used in) provided by financing activities	3,039	1,029
Effect of exchange rates on cash and cash equivalents	321	45
Net increase in cash and cash equivalents	1,850	38
Cash and cash equivalents, beginning of period	3,691	3,689
Cash and cash equivalents, end of period	<u>\$ 5,541</u>	<u>\$ 3,727</u>



Revenue Metrics

(unaudited, in thousands)

	Three Months ended December 31,			
	2020	2019	Change	% Change
Revenue by revenue sources:				
Human	\$ 3,534	\$ 3,528	\$ 6	0.17%
Animal	1,357	853	504	59.09%
Other	45	14	31	N/A
	<u>\$ 4,936</u>	<u>\$ 4,395</u>	<u>\$ 541</u>	<u>12.31%</u>
Revenue by geographic area:				
United States	\$ 1,978	\$ 2,059	\$ (81)	-3.93%
Latin America	1,307	1,002	305	30.44%
Europe and Rest of the World	1,651	1,334	317	23.76%
	<u>\$ 4,936</u>	<u>\$ 4,395</u>	<u>\$ 541</u>	<u>12.31%</u>
	Nine Months ended December 31,			
	2020	2019	Change	% Change
Revenue by revenue sources:				
Human	\$ 13,628	\$ 11,290	\$ 2,338	20.71%
Animal	2,745	2,188	557	25.46%
Other	99	138	(39)	N/A
	<u>\$ 16,472</u>	<u>\$ 13,616</u>	<u>\$ 2,856</u>	<u>20.98%</u>
Revenue by geographic area:				
United States	\$ 5,582	\$ 6,753	\$ (1,171)	-17.34%
Latin America	5,659	2,715	2,944	108.43%
Europe and Rest of the World	5,231	4,148	1,083	26.11%
	<u>\$ 16,472</u>	<u>\$ 13,616</u>	<u>\$ 2,856</u>	<u>20.98%</u>





Thank You.

