

June 5, 2018



U.SK, dermatology arm of Brazilian NC Group, and Sonoma Pharmaceuticals Enter into License Agreement for Exclusive Rights to Sonoma's Dermatology Products in Brazil

SAO PAULO, Brazil and PETALUMA, Calif., June 05, 2018 (GLOBE NEWSWIRE) -- U.SK Dermatology, the dermatology arm of NC Group, which besides other businesses is the largest pharmaceutical organization in Brazil both in units sold and revenues, and Sonoma Pharmaceuticals, Inc. (Nasdaq: SNOA), a specialty pharmaceutical company that develops and markets unique and effective dermatological solutions, announced today they have entered into a license and supply partnering agreement for the exclusive distribution of multiple Sonoma dermatology products into Brazil, including*:

1. **GramDerm™ Hydrogel** – for acne.
2. **GramDerm™ Liquid** – for acne.
3. **Celacyn™** – as a scar treatment.
4. **Pediacyc™ Spray** – for atopic dermatitis treatment.
5. **Pediacyc™ Gel** – for atopic dermatitis treatment.
6. **Lasercyn™ Spray** – for skin cleansing following cosmetic procedures.
7. **Lasercyn™ Hydrogel** – for skin cleansing following cosmetic procedures.

“Having access to Sonoma’s HOCl-based technology provides us with the first-ever hypochlorous acid-based products in the Brazilian dermatology market. We believe the integration of these products into U.SK Dermatology’s portfolio of strong brands and supporting Brazilian dermatologist’s treatment protocols will improve patient outcomes relative to various afflictions,” said Jailson Bispo, U.SK CEO.

“We are thrilled to partner with U.SK Dermatology, who shares our vision of providing alternate dermatology solutions to topical antibiotics and steroids. U.SK has demonstrated they can successfully compete and win in the Brazilian dermatology market against multi-national pharmaceutical companies,” said Jim Schutz, Sonoma’s CEO.

NC Group, with over \$3 billion in annual revenues and strong go-to-market capabilities, will market and sell Sonoma’s hypochlorous acid-based products to dermatologists and pharmacies throughout Brazil under its dermatology arm U.SK Dermatology. Sonoma and U.SK have been working closely on a launch plan that leverages Sonoma’s U.S. dermatology success in combination with U.SK and NC Group’s history of successful execution in the Brazilian market. First products are expected to hit the market in August 2018.

Conference Call

A conference call to discuss the Brazilian licensing agreement is scheduled for 1:30 p.m. PDT on June 5, 2018. Individuals interested in participating in the conference call may do so by dialing 877-303-7607 for domestic callers or 973-638-3203 for international callers. Those interested in listening to the conference call live via the internet may do so at <https://edge.media-server.com/m6/p/ckmsg25z>.

A telephone replay will be available for seven days following the conclusion of the call by dialing 855-859-2056 for domestic callers, or 404-537-3406 for international callers, and entering conference code 3197219. A webcast replay will be available on the site at <http://ir.sonomapharma.com/events.cfm> for one year following the call.

About the Brazilian Dermatology Market

According to a research report from IQVIA, the Brazilian dermatology market is \$1.5 billion in sales annually and has grown at an annual rate of 10% over the past five years.

About NC Group

NC Group is a Brazilian holding company with over 50 years of successful operations across several economic sectors, such as pharmaceuticals, energy, media and real estate. With headquarters in the city of Hortolandia in São Paulo state, NC Group employs over seven thousand employees and has more than ten companies under its umbrella. According to IQVIA, its pharmaceutical arm has been the largest pharma organization in Brazil for the last twelve years and third in Latin America operating in the segment of medical prescription, generics, branded drugs, OTC and hospital. NC Group has a presence in the North American market through Brace Pharma, a venture capital focused on break-through innovation. NC Group also consistently invests in incremental innovation and is one of Bionovis' shareholders of biotechnology medicines - considered the future of the pharmaceutical industry.

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, 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 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 "expect," "launch," and "believe," 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 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.

Sonoma Pharmaceuticals®, Gramaderm™, and Celacyn™ are trademarks or registered trademarks of Sonoma Pharmaceuticals, Inc. All other trademarks and service marks are the property of their respective owners.

*Note – Trademarks listed are those already owned by Sonoma in various geographies.

Media and Investor Contact:

Sonoma Pharmaceuticals, Inc.

Bob Miller
CFO
(925) 787-6218



Source: Sonoma Pharmaceuticals, Inc.