# Sonoma Pharmaceuticals, Inc.

**SNOA**

Nasdaq; healthcare; SIC 3841, Surgical & Medical Instruments & Apparatus; CIK 0001367083

**E**

**weakest fifth of 369 graded peers in healthcare**

rank 317 of 369; percentile 85.9; sampling error 2.5 points; lower is stronger

A B C D E

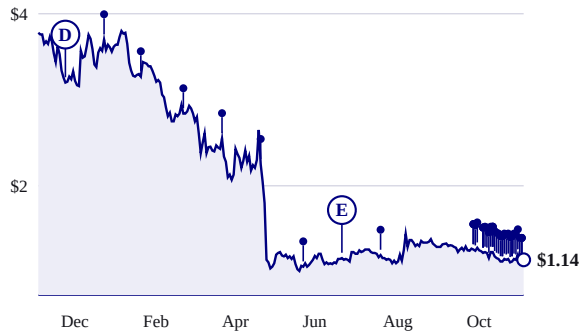
**E, the bear**



## Scoreboard

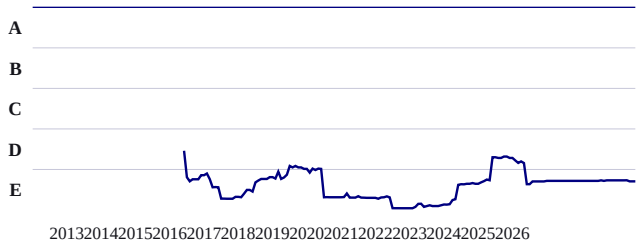
| | | |
|---|---|---|
| **Profitability** | C | percentile 51.7 |
| **Solvency** | D | percentile 75.0 |
| **Growth and financing** | D | percentile 64.4 |
| **Reliability** | 0.83 AUC | filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025 |
| **Peer failure rate** | 1.07% a year | Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $12.5M to $120M assets | total assets $14.0M |
| **Standard universe** | inside | revenue above $1M and assets above $10M |
| **Warnings** | dilution; fortress balance sheet | not computable: distress |
| **Inputs computable** | 8 of 14 | |
| **Graded from** | filings received through Jun 16, 2026 | 141 days before the rescan; latest periodic filing 10-Q received Aug 6, 2026 |
| **Last close** | $1.09 | 2026-11-02; market equity $5.2M; no price enters the letter |

**Share price, twelve months to the rescan**




*Split-adjusted close. Each lollipop is a rescan and carries the letter held then.*

**Letter at every rescan, 2012 to 2026**




*Sector percentile at each rescan, stronger toward the top; facts filed by each date only.*

## Business, in the company's words

*opening of Item 1 of the 10-K received Jun 16, 2026*

Inc. in 1999 under the laws of the State of California. We changed our name to Oculus Innovative Sciences, Inc. in 2001. In December 2006 we reincorporated under the laws of the State of Delaware, and in December 2016 we changed our name to Sonoma Pharmaceuticals, Inc. Conestoga Court, Suite 150, Boulder, Colorado 80301. We have two active wholly-owned subsidiaries: Oculus Technologies of Mexico, S.A. de C.V., and Sonoma Pharmaceuticals Netherlands, B.V. Our fiscal year end is March 31. Our corporate telephone number is (800) 759-9305. Our websites are www.sonomapharma.com and www.sonomapharma.eu.

## The fourteen inputs

*lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight*

| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 51.7** | | | | | | |
| Gross profitability | 53.1% | 32.4% | | 20.3 | 365 | 2026-03-31 |
| Return on invested capital | not computable | 9.3% | | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | | |

Not investment advice. Informational and educational only. Data from SEC EDGAR, may contain errors, is not warranted. The grade ranks reported financial condition and is not a return forecast.

| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | 5.5% | (6.6%) | 89.0 | 803 | 2026-03-31 |
| Gross margin stability, five years | 2.6 pts | 2.8 pts | 45.6 | 242 | 2026-03-31 |
| **Solvency, sleeve percentile 75.0** | | | | | |
| Twelve-month failure probability | not computable | 0.08% | | | |
| *four consecutive discrete net-income quarters are required; found 4* | | | | | |
| Altman Z double-prime | (44.40) | (0.35) | 87.3 | 747 | 2026-03-31 |
| Net debt to EBITDA | not computable | 1.82x | | | |
| *EBITDA must exceed $100,000* | | | | | |
| Interest coverage | not computable | (4.51x) | | | |
| *interest expense must exceed $100,000* | | | | | |
| Current ratio | 2.50x | 2.92x | 62.8 | 828 | 2026-03-31 |
| **Growth and financing, sleeve percentile 64.4** | | | | | |
| Revenue growth, three-year compound | 13.7% | 10.1% | 42.1 | 412 | 2026-03-31 |
| Free cash flow growth, three-year compound | not computable | 10.9% | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | |
| Reinvestment rate | not computable | 37.1% | | | |
| *NOPAT must exceed $100,000* | | | | | |
| Asset growth, three years | (4.9%) | 2.2% | 62.5 | 697 | 2026-03-31 |
| Net share issuance, one year | 191.3% | 2.5% | 88.6 | 632 | 2026-06-15 |

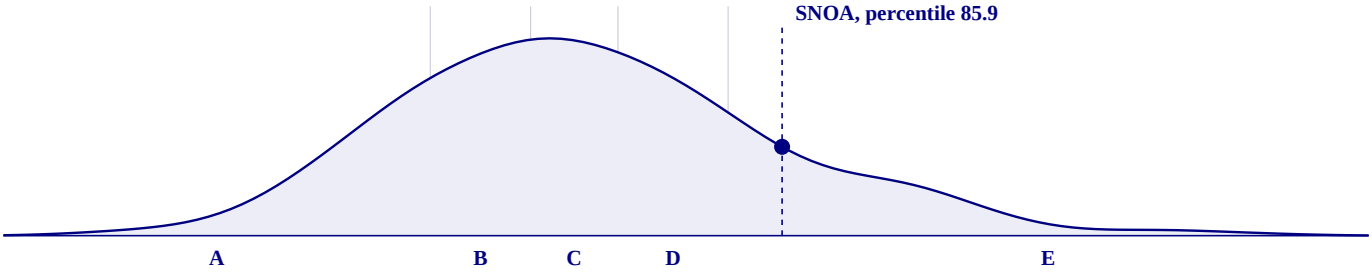
## Warnings

*2 of 7 checks triggered; none of them enters the letter*

| Check | Measured |
|---|---|
| Dilution | split-adjusted year-over-year share growth is 191.3% |
| Fortress balance sheet | cash minus debt is 3,355,000 USD; Altman Z is not used |

## Among 369 peers

*healthcare; letters are fifths of this list*




*Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.*

| Rank | Company | Percentile | Letter | Warnings |
|---|---|---|---|---|
| 312 | Journey Medical Corp. (DERM) | 84.5 | E | |
| 313 | Outset Medical, Inc. (OM) | 84.8 | E | dilution |
| 314 | Amgen Inc. (AMGN) | 85.1 | E | |
| 315 | Intellia Therapeutics, Inc. (NTLA) | 85.3 | E | short runway |
| 316 | Organon & Co. (OGN) | 85.6 | E | |
| 317 | Sonoma Pharmaceuticals, Inc. (SNOA) | 85.9 | E | dilution, fortress balance sheet |
| 318 | National Vision Holdings, Inc. (EYE) | 86.1 | E | |
| 319 | Natural Alternatives International Inc. (NAII) | 86.4 | E | dilution, late filer, fortress balance sheet |
| 320 | DarioHealth Corp. (DRIO) | 86.7 | E | dilution, short runway |
| 321 | Heron Therapeutics, Inc. (HRTX) | 87.0 | E | |
| 322 | Lexaria Bioscience Corp. (LEXX) | 87.2 | E | dilution, short runway, distress |

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## What the price implies

*at the 2026-11-02 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (67.5%) | (2.2%) | 9 |
| Distance from 52-week high | (70.0%) | (29.8%) | 13 |
| EBIT to enterprise value | (541.1%) | (1.5%) | 1 |
| Free cash flow yield | (75.6%) | (0.9%) | 9 |
| Book value to price | 1.21 | 0.28 | 89 |
| Sales to price | 3.58 | 0.30 | 96 |
| Composite equity issuance, five years | 382.4% | 20.5% | 96 |
| Relative strength against the sector, log excess return | (1.29) | (0.19) | 9 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score None of 9, period end 2026-03-31** | |
| Return on assets above zero | fail |
| Operating cash flow above zero | fail |
| Return on assets improved | pass |
| Operating cash flow exceeds net income | fail |
| Long-term leverage fell | fail |
| Current ratio improved | fail |
| No new shares issued | fail |
| Gross margin improved | fail |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $5.3M |
| Operating cash flow, four quarters | -$2.6M |
| Months of runway | 25.0 |
| Days since last periodic filing | 90 (10-Q received Aug 6, 2026) |
| Median daily dollar volume, 63 sessions | $58,880 |

## Sources

*every fact behind the inputs; each row links to its filing index on sec.gov*

| # | Concept | XBRL tag | Value | Period end | Received | Form | Accession |
|---|---|---|---|---|---|---|---|
| 1 | gross profit | us-gaap:GrossProfit | $7.4M | 2026-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 2 | assets | us-gaap:Assets | $14.0M | 2026-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | -$11.3M | 2019-03-31 | 2020-07-10 | 10-K | 20-002234 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$11.3M | 2019-03-31 | 2020-07-10 | 10-K | 20-002234 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $458,000 | 2019-03-31 | 2020-07-10 | 10-K | 20-002234 |
| 6 | total debt | us-gaap:LongTermDebt | $334,000 | 2019-03-31 | 2019-07-01 | 10-K | 19-002069 |
| 7 | book equity | us-gaap:StockholdersEquity | $7.8M | 2019-03-31 | 2021-07-14 | 10-K | 21-002977 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $3.7M | 2019-03-31 | 2021-07-14 | 10-K | 21-002977 |
| 9 | total debt | us-gaap:LongTermDebt | $262,000 | 2018-03-31 | 2018-06-26 | 10-K | 18-001786 |
| 10 | book equity | us-gaap:StockholdersEquity | $15.3M | 2018-03-31 | 2020-07-10 | 10-K | 20-002234 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $10.1M | 2018-03-31 | 2020-07-10 | 10-K | 20-002234 |
| 12 | net income | us-gaap:NetIncomeLoss | -$3.2M | 2026-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$3.9M | 2026-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 14 | assets | us-gaap:Assets | $13.7M | 2025-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $19.5M | 2026-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 16 | gross profit | us-gaap:GrossProfit | $5.5M | 2025-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $14.3M | 2025-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 18 | gross profit | us-gaap:GrossProfit | $4.7M | 2024-03-31 | 2025-06-17 | 10-K | 25-004546 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $12.7M | 2024-03-31 | 2025-06-17 | 10-K | 25-004546 |
| 20 | gross profit | us-gaap:GrossProfit | $4.5M | 2023-03-31 | 2024-06-17 | 10-K | 24-004275 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $13.3M | 2023-03-31 | 2024-06-17 | 10-K | 24-004275 |
| 22 | gross profit | us-gaap:GrossProfit | $4.0M | 2022-03-31 | 2023-06-21 | 10-K | 23-004323 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $12.6M | 2022-03-31 | 2023-06-21 | 10-K | 23-004323 |
| 24 | current assets | us-gaap:AssetsCurrent | $12.1M | 2026-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $4.8M | 2026-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$201.0M | 2026-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 27 | operating income | us-gaap:OperatingIncomeLoss | -$2.5M | 2026-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 28 | book equity | us-gaap:StockholdersEquity | $3.1M | 2026-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 29 | liabilities | us-gaap:Liabilities | $10.9M | 2026-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 30 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $453,000 | 2019-03-31 | 2020-07-10 | 10-K | 20-002234 |
| 31 | operating income | us-gaap:OperatingIncomeLoss | -$3.4M | 2021-03-31 | 2022-07-13 | 10-K | 22-004940 |
| 32 | interest expense | us-gaap:InterestExpense | $12,000 | 2021-03-31 | 2021-07-14 | 10-K | 21-002977 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $192,000 | 2026-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$88,000 | 2025-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $80,000 | 2025-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 36 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$2.4M | 2024-03-31 | 2025-06-17 | 10-K | 25-004546 |
| 37 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $2,000 | 2024-03-31 | 2025-06-17 | 10-K | 25-004546 |
| 38 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$6.2M | 2023-03-31 | 2024-06-17 | 10-K | 24-004275 |
| 39 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $269,000 | 2023-03-31 | 2024-06-17 | 10-K | 24-004275 |
| 40 | depreciation amortization | us-gaap:Depreciation | $139,000 | 2026-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 41 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$3.4M | 2026-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 42 | income tax | us-gaap:IncomeTaxExpenseBenefit | -$244,000 | 2026-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 43 | current assets | us-gaap:AssetsCurrent | $12.6M | 2025-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 44 | current liabilities | us-gaap:LiabilitiesCurrent | $4.1M | 2025-03-31 | 2026-06-16 | 10-K | 26-004871 |
| 45 | assets | us-gaap:Assets | $14.7M | 2024-03-31 | 2025-06-17 | 10-K | 25-004546 |
| 46 | assets | us-gaap:Assets | $16.2M | 2023-03-31 | 2024-06-17 | 10-K | 24-004275 |
| 47 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 4,785,801 | 2026-06-15 | 2026-06-16 | 10-K | 26-004871 |
| 48 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 1,642,765 | 2025-06-16 | 2025-06-17 | 10-K | 25-004546 |

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