Sonoma Pharmaceuticals, Inc.

SNOA

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

E

weakest fifth of 370 graded peers in healthcare

rank 317 of 370; percentile 85.6; sampling error 2.5 points; lower is stronger

A B C D E

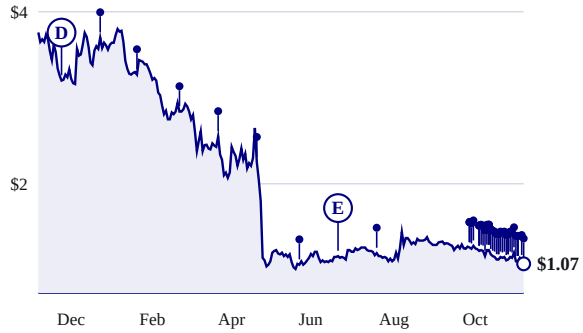
E, the bear



Scoreboard

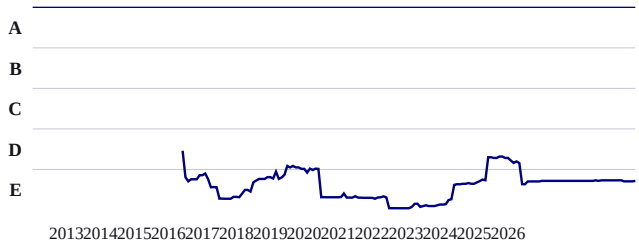
Profitability	C	percentile 51.7
Solvency	D	percentile 75.0
Growth and financing	D	percentile 64.4
Reliability	0.83 AUC	filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025
Peer failure rate	1.07% a year	Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$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	143 days before the rescan; latest periodic filing 10-Q received Aug 6, 2026
Last close	$1.08	2026-11-05; 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%	32.3%		20.6	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

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Accruals ratio	5.5%	(6.6%)	88.9	802	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	0.07%			
four consecutive discrete net-income quarters are required; found 4					
Altman Z double-prime	(44.40)	(0.37)	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	2.94x	62.8	828	2026-03-31
Growth and financing, sleeve percentile 64.4					
Revenue growth, three-year compound	13.7%	10.0%	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%	62.6	696	2026-03-31
Net share issuance, one year	191.3%	2.5%	88.6	630	2026-06-15

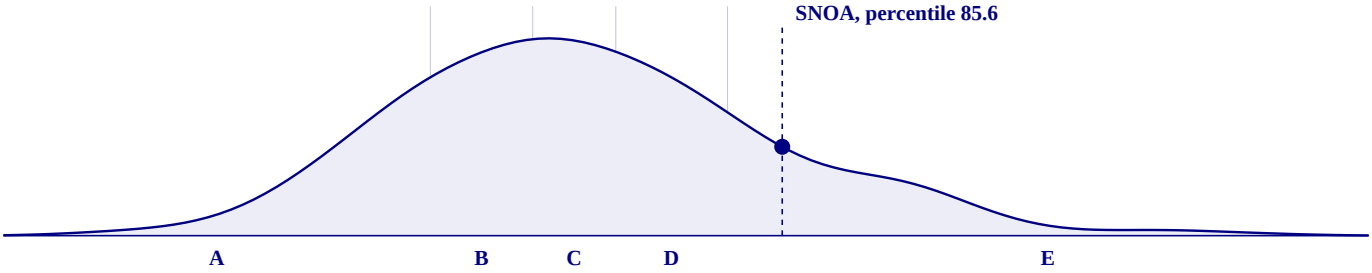
Warnings

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 370 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)	84.3	E	
313	Kalaris Therapeutics, Inc. (KLRS)	84.6	E	dilution
314	Outset Medical, Inc. (OM)	84.8	E	dilution
315	Amgen Inc. (AMGN)	85.1	E	
316	Organon & Co. (OGN)	85.4	E	
317	Sonoma Pharmaceuticals, Inc. (SNOA)	85.6	E	dilution, fortress balance sheet
318	Natural Alternatives International Inc. (NAII)	85.9	E	dilution, late filer, fortress balance sheet
319	National Vision Holdings, Inc. (EYE)	86.2	E	
320	DarioHealth Corp. (DRIO)	86.4	E	dilution, short runway
321	Intellia Therapeutics, Inc. (NTLA)	86.7	E	short runway
322	Heron Therapeutics, Inc. (HRTX)	87.0	E	

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What the price implies

at the 2026-11-05 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(67.5%)	(2.1%)	9
Distance from 52-week high	(71.8%)	(30.4%)	12
EBIT to enterprise value	(2,057.4%)	(1.5%)	0
Free cash flow yield	(80.5%)	(1.0%)	8
Book value to price	1.29	0.29	91
Sales to price	3.81	0.30	96
Composite equity issuance, five years	382.4%	21.4%	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	92 (10-Q received Aug 6, 2026)
Median daily dollar volume, 63 sessions	$57,888

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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