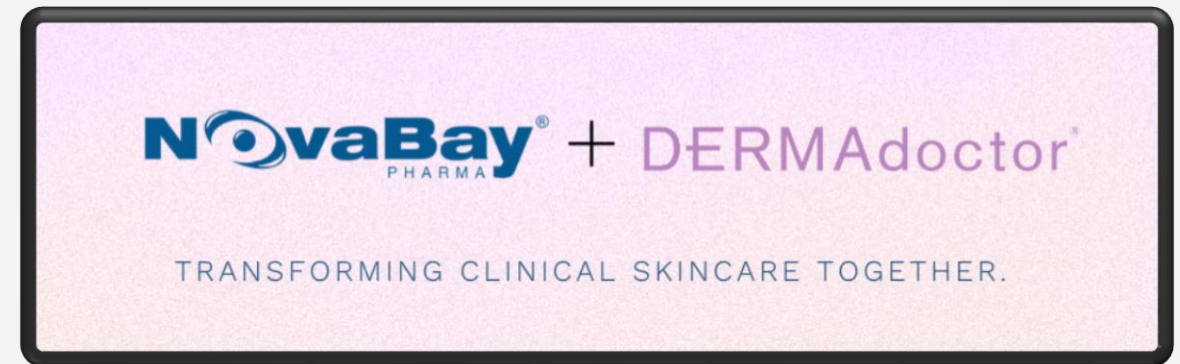


NovaBay Pharmaceuticals Acquisition of DERMAdoctor

January 2022

NYSE American: NBY

| Novabay.com | Avenova.com | Cellerx.com |



Forward-Looking Statements

This presentation contains forward-looking statements, within the meaning of applicable U.S. securities laws, which statements can, in some cases, be identified with terms such as “project,” “believe,” “may,” “plan,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “target,” “potential” and other similar expressions. These forward-looking statements reflect NovaBay’s current expectation and assumptions, such as expected market potential and market acceptance of our products and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those anticipated. These risks and uncertainties include, but are not limited to, changing market conditions, the successful and timely completion of clinical studies, the establishment of corporate alliances, the impact of competitive products and pricing, new product development, uncertainties related to the regulatory approval process and other risks detailed in the Company's filings with the SEC, which filings can be found at www.sec.gov. Given these risks and uncertainties, you are cautioned not to place undue reliance on such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements either as a result of new information, future events or otherwise, except as required by applicable U.S. securities laws.

NovaBay Overview

- Established Avenova® as the No. 1 antimicrobial lid and lash spray in the U.S. dry eye market
- Multi-pronged commercial distribution strategy
 - 20mL available direct-to-consumer without a prescription
 - Online channels like Amazon.com, Walmart.com, CVS.com, and Avenova.com
 - CVS Pharmacy stores across the U.S.
 - 40mL Rx only available through pharmacies and physician offices
- Completed acquisition of DERMAdoctor in November 2021
 - Acquisition is immediately accretive to NovaBay's bottom line
 - Acquisition has the potential to double topline revenue in 2022
 - Higher revenue and operational synergies expected to drive profitability



NovaBay Q3 Financial Highlights (pre-acquisition)

- **Revenue & Margin**

- \$1.8 million overall revenue for Q3 2021 (\$5.8 million YTD)
- Record overall Avenova unit sales in 8 of 10 quarters since OTC product launch in 2019
- OTC now accounts for more than 2/3rd of Avenova revenue
 - Exceeding \$1,000,000 for 3rd consecutive quarter
- Avenova gross margin of 75%+

- **Strong Balance Sheet**

- \$9.0 million in cash and equivalents as of September 30, 2021
- No long-term debt instruments

DERMAdoctor acquisition

- **Transaction**

- \$12 million in cash; \$3 million in earnouts based on meeting financial targets
- Financing completed with \$15 million PIPE transaction in October 2021

- **NovaBay Board Composition**

- Dr. Audrey Kunin to be appointed as director

- **Post-acquisition DERMAdoctor operations**

- Entire 13-member team to remain in place
- Current management to continue in executive leadership of DERMAdoctor operations
- Operations to remain in Riverside, Missouri facility

2022 Corporate Vision for Combined Companies

A combined company equally diversified
across the eyecare and skincare markets

Total revenue in excess of \$20M
50% eyecare / 50% skincare

Positive EBITDA

DERMAdoctor | Established Presence in Skincare Market

- Privately held company selling skincare products founded in 1998 by Drs. Audrey and Jeff Kunin
- Products developed by board-certified dermatologist Dr. Audrey Kunin
- Brand portfolio encompasses several families of products
- Products focused on addressing dry skin, blemishes, keratosis pilaris and aging
- Products are marketed and distributed through various channels:
 - Online channels including Amazon.com, SkinStore.com and Dermadoctor.com
 - Major retailers such as Macy's, QVC and Costco
 - International distribution in Asia and the Middle East



DERMAdoctor Primary Products



Kakadu C

Vitamin C based elixirs
with anti-aging properties

The main ingredient in the Kakadu C suite of products is the Kakadu Plum, which is only found in Australia. This plum contains 55x the Vitamin C of Florida oranges

Domestic Wholesale



KP duty

Exfoliating body treatments targeted
towards people with Keratosis Pilaris.
The treatments help alleviate the
dry, rough and bumpy skin

- Evening Primrose - Lactobionic Acid
- Black Currant - Silica
- Gluconolactone
- AHA (Glycolic + Lactic Acids)

Amazon



AIN'T misbehavin'

The Ain't Misbehavin product family
offers a suite of solutions for
acne and related conditions

- Glycolic Acid
- Salicylic Acid
- Hamamelis Virginiana extract
- NDGA

International Wholesale



MED e TATE

DERMAdoctor offers two main lines of
antiperspirants: MED e TATE and Total
Nonscents. The former is a wipe product
while the latter are roll-on antiperspirants

- Aluminum Zirconium
- Tomato extract
- Ginseng root extract
- Kojic Acid

International Wholesale

NovaBay + DERMAdoctor | A Perfect Fit

- **Product Synergies**
 - Complementary Brand Positioning
- **Tactical Fit**
 - Expertise to Broaden Product Distribution
- **Platform for Growth**
 - Expansion in Large, Growth Markets
- **Financial Benefit**
 - Sales Growth and Path to Profitability



Product Synergies | Complementary Positioning

- **NovaBay's CelleRx Clinical Reset and DERMAdoctor products are complementary**
 - Address common, but underserved skincare conditions
 - Scientifically formulated to be highly effective yet gentle on skin
 - Devoted customer base due to brand positioning and high quality of products
- **Clinical Reset – a new category in beauty products**
 - Gentle, calming and soothing daily facial mist
 - Resets natural microbiome when out of balance can allow acne, rosacea and infection
 - Formulated with NovaBay's FDA-cleared, medical grade HOCl, the only pure HOCl bleach-free skincare product on the market
- **DERMAdoctor products**
 - Designed to alleviate and heal symptoms from common skin conditions such as dry skin, blemishes, keratosis pilaris and aging
 - Developed by board-certified dermatologist
 - Elegant, hypoallergenic, multitasking and problem-solving

Tactical Fit | Broaden Distribution

- **NovaBay's core competency and success in developing Direct-to-Consumer campaigns with proven results to generate greater DERMAdoctor brand awareness and grow customer base**
- **NovaBay brings:**
 - Pedigree in robust social media and print advertising campaigns marketing
 - Strong marketing presence across all digital channels allowing consumers to engage with the brand through social media and influencer campaign
 - Expertise in developing sophisticated digital programs including real-time monitoring of metrics to evaluate effectiveness in reaching targeted demographics
 - Ability to make quick adjustments to improve effectiveness and optimize ad spend

Expertise in Skincare Social Media Marketing



CelleRx Clinical Reset

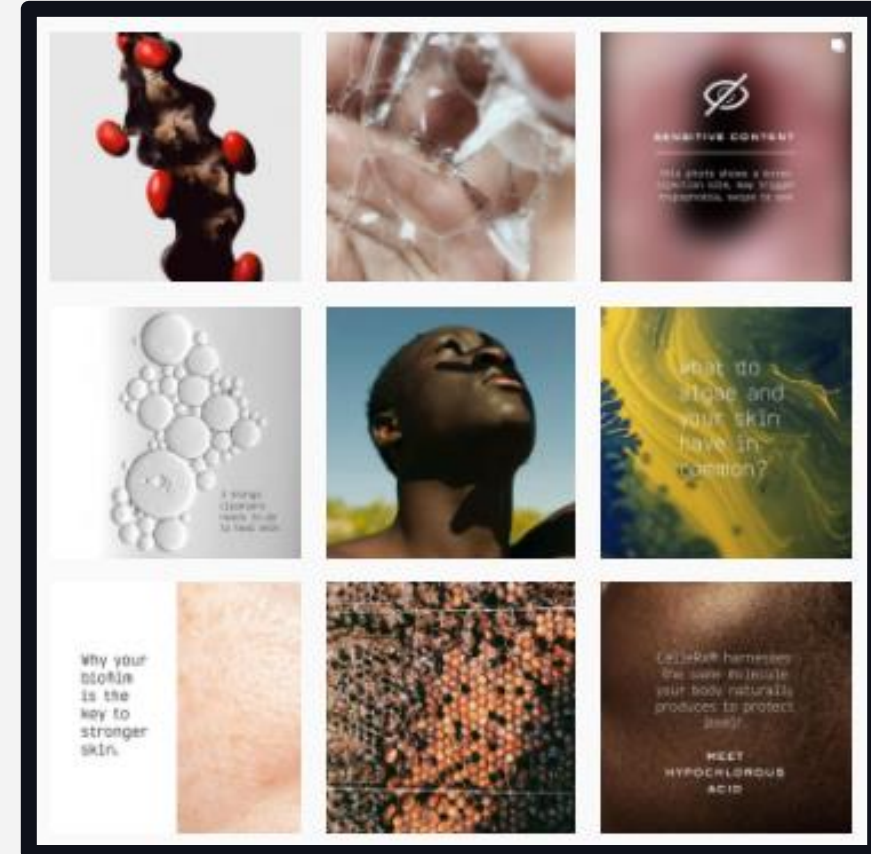
Instagram

@CELLERXSKIN

**SOCIAL MEDIA PRESENCE FOR
BEAUTY AND SKIN MARKET**

DAILY POSTING AND STORIES

**LIFESTYLE IMAGES AND CONTENT
PRESCRIPTION GRADE SKINCARE**



Success with Avenova Direct-to-Consumer Strategy

- Avenova established as the No. 1 antimicrobial lid and lash spray in the U.S. dry eye market
- 70% of Avenova sales comes from DTC in just two years from OTC launch
- Use of “Subscribe & Save” feature on Avenova.com and Amazon.com for repeat orders and revenue stabilization
- Expanded the customer base and broader awareness from successful digital marketing campaigns
 - Online media placements, mail campaigns and strong social media presence

AVENOVA[®]
avenova.com

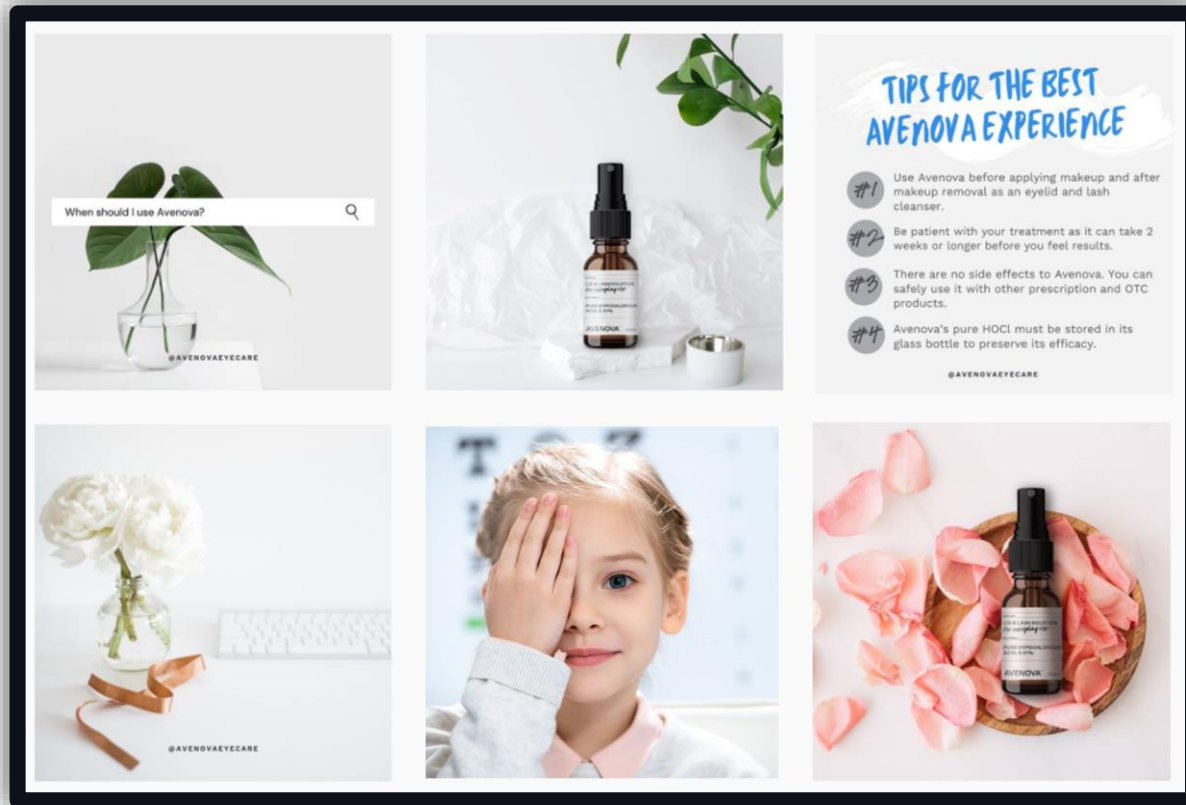
amazon

Walmart

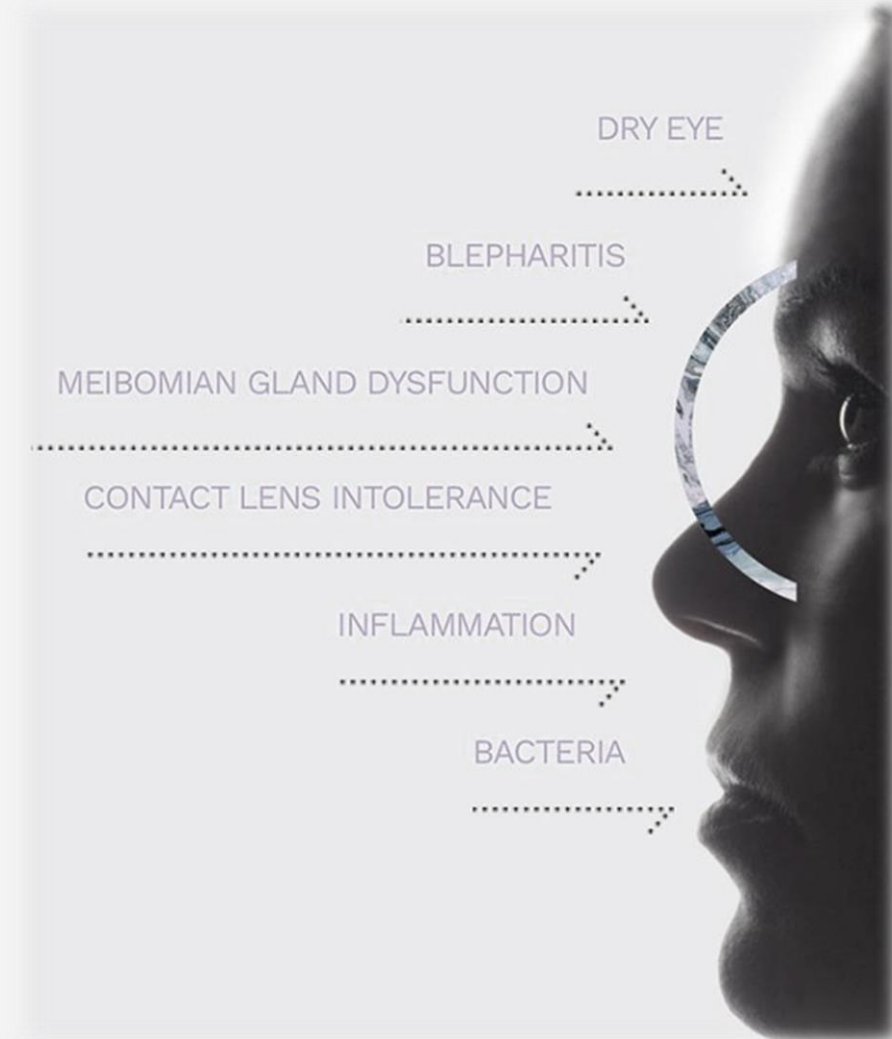
CVS[®]

Expertise in Consumer Lifestyle Branding

Instagram @avenovaeyecare



purely *you*™



Expand Distribution to International Markets

Leveraging DERMAdoctor's Relationships with International Distributors

DERMAdoctor products are sold online through a large and growing network of international distributors and retailers in Asia and the Middle East

NovaBay to leverage relationships to expand OUS sales

Expanded Presence in Growing Skincare Market

- NovaBay benefits from expanded presence in skincare market by adding more than 30 high-quality skincare products
- Estimated global market for cosmetic skincare products to exceed \$145 billion in 2020 and reach \$185 billion by 2027
- Skincare, as a market segment, is growing faster than any other part of the beauty industry
- Products developed with scientific formulations by a dermatologist with proven effectiveness should resonate with targeted customers
- **This is our growth opportunity!**
 - DERMAdoctor – commercialize existing pipeline of new products
 - CelleRx – develop complementary products
 - Brand X – launch new innovative high-end line of skincare products designed to target the same market as Dr. Barbara Sturm, Augustinus Bader and Goop

Leveraging the Respected DERMAdoctor Brand



Recognition from
respected
publications



Shape Magazine
Beauty Award



Teen Vogue
Acne Award



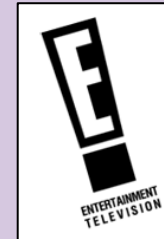
Featured on
Fashion Week Online



the "Academy Awards"
of the beauty industry



Dr. Kunin as a
guest on TV shows



Featured in variety
of publications

COSMOPOLITAN

WSJ

GLAMOUR



Men'sHealth

SELF



InStyle

People

redbook

SHAPE

DAILY NEWS

fitness

GH

Combined Company Expansion Opportunities

- Benefit from combining complementary skillsets of two teams will create a stronger and faster growing company
- Dr. Audrey Kunin appointed as NovaBay's Chief Product Officer
 - Brings credibility as an industry trailblazer
 - Assumes responsibility of leading R&D efforts
- NovaBay to invest in creating new products and establishing new brands
- Focus on leveraging presence in ***both*** the ***skincare*** and ***eyecare*** markets



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questions?