Verrica Pharmaceuticals Closes Credit Facility For Up To $27.5 Million in Non-Dilutive Growth Capital

August 6, 2026 at 4:01 PM EDT

— Facility will support YCANTH® commercialization, global Phase 3 program for YCANTH® in common warts and general corporate operations —

— Facility provides potential for no scheduled interest or principal payments until maturity in December 2030 —

— Facility provided by an entity controlled by Paul B. Manning, Verrica's Chairman and largest shareholder —

WEST CHESTER, Pa., Aug. 06, 2026 (GLOBE NEWSWIRE) -- Verrica Pharmaceuticals Inc. ("Verrica" or "the Company") (Nasdaq: VRCA), a therapeutics company developing and commercializing medications for the treatment of dermatological diseases, including skin cancers, today announced the closing of a credit facility of up to $27.5 million with an entity controlled by Paul B. Manning, Verrica's largest shareholder.

"This facility provides Verrica with a meaningful source of non-dilutive capital and supports the continued growth of our YCANTH® business as well as the global Phase 3 program studying YCANTH for the treatment of common warts," said Jayson Rieger, PhD, MBA, President and Chief Executive Officer of Verrica. "Importantly, this facility provides potential for no scheduled payments of interest or principal until maturity and did not include the issuance of any warrants. This flexibility will allow Verrica to maximize deployment of its cash resources toward advancing its business and pipeline. I would like to thank Paul Manning for his continued support of Verrica and for his confidence in our team to execute on our commercial and development initiatives."

Dr. Rieger continued, "We are seeing increasing adoption of YCANTH for molluscum and we have now secured the capital needed to advance the global Phase 3 common warts program, which includes two pivotal studies with data readouts expected by mid-2027. If approved, YCANTH could become the first FDA-approved therapy for the treatment of common warts, a condition affecting approximately 22 million patients in the US alone. We believe that a label expansion for YCANTH in common warts could represent a commercial opportunity several times larger than molluscum, given the unmet need and the millions of individuals impacted by this condition each year. Based on our current operating plan, we believe the full $27.5 million that may be available under the facility could extend our cash runway into 2028."

Paul B. Manning, Chairman and Chief Executive Officer of PBM Capital and Chairman of the Board of Directors of Verrica, commented, "I am proud to support Verrica's continued growth by providing access to the additional capital it needs to achieve its goals. Verrica's commercial performance has clearly strengthened over the last year, and I expect continued growth into the future. I have believed in the potential of YCANTH since I first invested in Verrica in 2015, and I am excited about what the future holds for Verrica, its shareholders and, most importantly, the patients it serves."

Terms of the Credit Agreement

Under the terms of credit agreement, Verrica may borrow up to $12.5 million under the facility immediately, with an additional $15.0 million becoming available upon Verrica's achievement of certain revenue, growth and other operational milestones, in each case subject to customary conditions. Borrowings under the facility will bear interest at the one-month secured overnight financing rate (SOFR) plus 8.00% per annum, subject to a SOFR floor of 4.50%. All interest under the facility will be payable in kind with a maturity date of December 31, 2030, subject to the absence of any event of default under the credit agreement (which results in interest being payable in cash and increased during the pendency of such event of default, unless otherwise elected by the lender). The credit agreement also requires mandatory prepayments with the proceeds of certain transactions and events, and quarterly payments if positive operating cash flow exceeds a specified amount. The credit facility is secured by substantially all of the assets of Verrica and certain subsidiaries.

Additional information about the terms of the credit agreement can be found in Verrica's Quarterly Report on Form 10-Q to be filed on August 6, 2026.

About YCANTH® (VP-102)

YCANTH® is a proprietary drug-device combination product that contains a GMP-controlled formulation of cantharidin delivered via a single-use applicator that allows for precise topical dosing and targeted administration for the treatment of molluscum. YCANTH is the first and only healthcare professional-administered product approved by the FDA to treat adult and pediatric patients two years of age and older with molluscum contagiosum — a common, highly contagious skin disease that affects an estimated six million people in the United States, primarily children. Approval of YCANTH in the US was based upon the positive results from two Phase 3 clinical trials in approximately 500 patients which demonstrated that YCANTH was a safe and effective therapeutic for the treatment of molluscum. Approximately 250 million lives are eligible to receive YCANTH covered by insurance. Commercially insured patients pay just $25 per YCANTH treatment visit, for up to two applicators. Other uninsured patients may be eligible to receive YCANTH at a reduced cost if certain eligibility requirements are met for patient assistance. Please visit YCANTHPro.com for additional information.

YCANTH is now approved for the treatment of molluscum contagiosum in Japan based upon an additional Phase 3 trial of approximately 300 patients. YCANTH is also now being studied in a global phase 3 program in the US and Japan for use in the treatment of common warts.

About Verrica Pharmaceuticals Inc.
Verrica is a therapeutics company developing and commercializing medications for the treatment of dermatological diseases, including skin cancers. Verrica's product YCANTH ® (VP-102) (cantharidin), is the first and only healthcare professional-administered treatment approved by the FDA to treat adult and pediatric patients two years of age and older with molluscum contagiosum, a highly contagious viral skin infection affecting approximately 6 million people in the United States, primarily children. YCANTH® (VP-102) is also in development to treat common warts, the largest remaining unmet need in medical dermatology. Verrica has also entered a worldwide license agreement with Lytix Biopharma AS to develop and commercialize VP-315 (ruxotemitide, formerly known as LTX-315 and VP-LTX-315) for non-melanoma skin cancers including basal cell carcinoma and squamous cell carcinoma. For more information, visit www.verrica.com.

Forward-Looking Statements
Any statements contained in this press release that do not describe historical facts may constitute forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements may be identified by words such as "believe," "expect," "may," "plan," "potential," "will," and similar expressions, and are based on Verrica's current beliefs and expectations. These forward-looking statements include statements about Verrrica's ability to borrow funds under the credit facility, Verrica's achievement of milestones set forth in the credit agreement, the clinical development and potential benefits of Verrica's product candidates, including YCANTH (VP-102) and VP-315, the timing of readouts from the Phase 3 common warts program and Verrica's cash runway. These statements involve risks and uncertainties that could cause actual results to differ materially from those reflected in such statements. Risks and uncertainties that may cause actual results to differ materially include risks and uncertainties related to market conditions and other risks and uncertainties that are described in Verrica's Annual Report on Form 10-K for the year ended December 31, 2025, Verrica's Quarterly Reports on Form 10-Q and other filings Verrica makes with the SEC. Any forward-looking statements speak only as of the date of this press release and are based on information available to Verrica as of the date of this release, and Verrica assumes no obligation to, and does not intend to, update any forward-looking statements, whether as a result of new information, future events or otherwise.

FOR MORE INFORMATION, PLEASE CONTACT:

Investors:

John Kirby
Interim Chief Financial Officer
jkirby@verrica.com

Kevin Gardner
LifeSci Advisors
kgardner@lifesciadvisors.com