VERRICA™ PHARMACEUTICALS

Reinventing Skin Science

Company Overview

September 2019

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Developing novel dermatology products

Providing meaningful benefit for people living with skin diseases

Reinventing Skin Science by focusing on development and commercialization

Late-stage medical dermatology company

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INVESTMENT HIGHLIGHTS

Two of the Largest Unmet Needs in Dermatology
- Prevalence of ~6 million in molluscum contagiosum[1] and ~22 million in common warts in the U.S.[2]
- No FDA approved drugs to treat molluscum or warts

New Drug Application (NDA) Submitted for VP-102 for the Treatment of Molluscum Contagiosum

Positive Phase 3 Results in Molluscum Contagiosum
- Achieved statistical significance for primary endpoints in our Phase 3 CAMP-1 and CAMP-2 pivotal trials for VP-102
- P-value <0.0001 for primary endpoint in both pivotal trials

Positive Topline Phase 2 Results in Common Warts
- VP-102 achieved positive results on both the primary endpoint of complete clearance of all treatable warts at Week 12 (Day 84) and the secondary endpoint of the percentage reduction of warts

Innovative Product Candidate
- Drug-device combination of a proprietary formulation and a novel single-use applicator

Physician Acceptance
- 95% of pediatric dermatologists have used API[3]

Barriers to Competition
- New chemical entity regulatory exclusivity upon approval
- IP pending on product candidate, including on novel formulation, applicator and methods of use
- Drug-device combination makes a 'true generic' unlikely

Proven Team
- Industry-leading, experienced management team with extensive clinical development and product launch experience

(1) Prevalence in the US of 5.1% to 11.5% in children aged 0-16 years. (Fam Pract. 2014 Apr;31(2):130-6). US Census estimates ~69.4MM children aged 0 to 16 years in 2016.
(2) IMS National Disease and Therapeutic Index (NDTI) Rolling 5 Years Ending June 2016. Nguyen et al, Laser Treatment of Nongenital Verrucae A Systemic Review. JAMA Dermatology. 2016; 152(9): 1025-1033
(3) Based on a survey of 115 dermatologists the results of which have been extrapolated to pediatric dermatologists.

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OUR PRODUCT PORTFOLIO

		PRECLINICAL	PHASE 1	PHASE 2	PHASE 3	NDA SUBMISSION	NEXT EXPECTED MILESTONE
VP-102	Molluscum Contagiosum	● →				→	FDA acceptance of NDA
VP-102	Common Warts	● →			→		Initiate pivotal trials in 1Q 2020
VP-102	External Genital Warts	● →		→			Topline Phase 2 results in 2H 2020
VP-103	Plantar Warts[1]	● →	→				IND submission in 4Q 2019

We retain exclusive, royalty-free rights to our product candidates across all indications globally

(1) Phase 2 ready assuming leverage of data from VP-102.

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TWO OF THE LARGEST UNMET NEEDS IN DERMATOLOGY

Molluscum

US Prevalence of **~6 million**(1) with **~1 million diagnosed annually**(2)

85%
Not Diagnosed
5.1 million

15%
Diagnosed
0.9 million

Common Warts

US Prevalence of **~22 million**(3) with **~1.5 million diagnosed annually**(4)

22M
Prevalence in U.S.

1.5M
Patients Diagnosed Annually

(1) Prevalence in the US of 5.1% to 11.5% in children aged 0-16 years. (Fam Pract. 2014 Apr;31(2):130-6). US Census estimates ~69.4MM children aged 0 to 16 years in 2016.
(2) IQVIA projected dataset for 12 months ending October 2017
(3) IMS National Disease and Therapeutic Index (NDTI) Rolling 5 Years Ending June 2016. Nguyen et al, Laser Treatment of Nongenital Verrucae A Systemic Review. JAMA Dermatology. 2016; 152(9): 1025-1033
(4) IQVIA Anonymous Longitudinal Patient Level Data (APLD) for 12 months ending September 2018

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THE PROBLEM

Molluscum Contagiosum

MOLLUSCUM BACKGROUND

OVERVIEW

Caused by a pox virus

Primarily infects children, with the highest incidence occurring in children <14 years old

Highly contagious

If untreated, lesions persist an average of 13 months, with some cases remaining unresolved for 2+ years

Often leads to anxiety and social challenges for the patients and parents and negatively impacts quality of life

ETIOLOGY AND CLINICAL PRESENTATION

Transmission

- Skin to skin contact
- Sharing of contaminated objects (e.g., clothing, towels, swimming pool toys)

Diagnosis & Symptoms

- Typically 10 to 30 lesions
- 100+ lesions can be observed
- Lesions may be the only sign of infection and are often painless
- Can be diagnosed with skin biopsy to differentiate from other lesions

Complications

- Skin irritation, inflammation, and re-infection
- Follicular or papillary conjunctivitis if lesions on eyelids
- Cellulitis

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CURRENT TREATMENTS FOR MOLLUSCUM ARE NOT FDA APPROVED AND HAVE MANY LIMITATIONS

Broad use limited by unproven efficacy, scarring, lack of availability, safety concerns & pain

Significantly undertreated patient population

	DESCRIPTION	LIMITATIONS
Cryotherapy	Freezing the lesions with liquid nitrogen	• Pain and scarring • Unsuitable for use in children
Curettage	Using a curette or a surgical instrument with a scoop at the tip to scrape the lesions	• Pain and scarring • Unsuitable for use in children
Laser Surgery	Applying a laser to target and destroy the lesions	• Pain, cost and lack of availability • Unsuitable for use in children
Topical Products	Applying various acids (e.g. salicylic acid), creams or blistering solutions to destroy the lesions	• Unproven efficacy
Off-Label Drugs	Retinoids, antiviral medicines, or immune modulating therapies	• Limited efficacy • Side-effects
Natural Remedies	Applying natural oils (e.g. tea tree oil) with antimicrobial properties	• Unproven efficacy • Pain, irritation and allergic reactions

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THE SOLUTION

VP-102

VP-102 IS A PROPRIETARY DRUG-DEVICE COMBINATION OF CANTHARIDIN ADMINISTERED THROUGH OUR SINGLE-USE PRECISION APPLICATOR

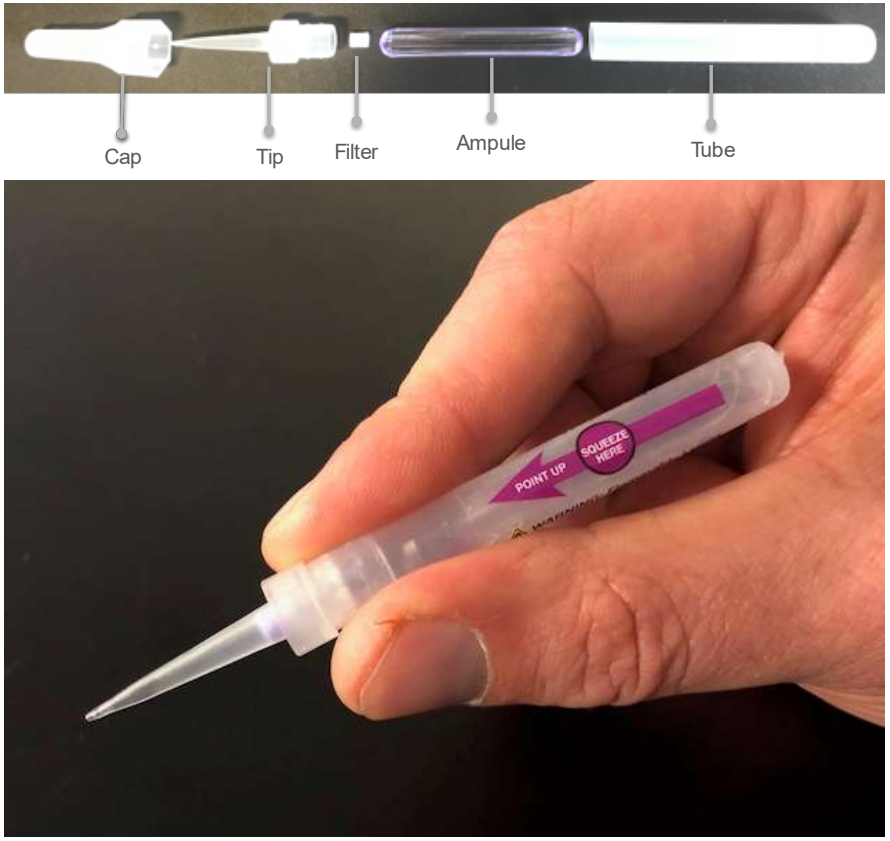
GMP-controlled formulation of cantharidin with:

- API that is greater than 99% pure
- Defined pharmaceutical batch process

Long-term, room temperature **stability**

Visualization agent to see which lesions have been treated

Bittering agent to mitigate oral ingestion by children



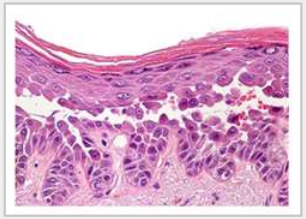
Molluscum Clinical Evidence

CANTHARIDIN ELICITS A DUAL RESPONSE IN THE SKIN

1 Superficial blistering of lesional skin

Cantharidin is a vesicant, causing the pharmacodynamic response of blistering in the skin.

Once applied, cantharidin activates neutral serine proteases that cause degeneration of the desmosomal plaque and intraepidermal blistering.(1)



Desmosome Cleavage and Blister Formation

2 Elicits Inflammation & Immune Response

Cantharidin stimulates leukocyte infiltration (e.g., neutrophils, macrophages, B and T cells and eosinophils) and the release of chemokines and cytokines including TNF-a, IL-8 and CXCL-5.(2)

Lymphocyte | Neutrophil | Eosinophil | Macrophage

(1) J Invest Dermatol. 1962 Jul;39:39-45.
(2) J Immunol Methods. 2001 Nov 1;257(1-2):213-20.2

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SIGNIFICANT CLINICAL PROGRESS OF VP-102 FOR THE TREATMENT OF MOLLUSCUM

	TRIAL AND STATUS	FORMULATION / APPLICATION METHOD	TRIAL DESIGN	TRIAL OBJECTIVES
PHASE 3	**Pivotal Trial CAMP-1** Complete	VP-102	• N=266 • Conducted under SPA • Randomized, double blind, multi-center, placebo controlled	• To evaluate the efficacy of dermal application of VP-102 relative to placebo for complete clearance at day 84 • To assess the safety and tolerability of VP-102
PHASE 3	**Pivotal Trial CAMP-2** Complete	VP-102	• N=262 • Randomized, double blind, multi-center, placebo controlled	• To evaluate the efficacy of dermal application of VP-102 relative to placebo for complete clearance at day 84 • To assess the safety and tolerability of VP-102
PHASE 2	**Innovate Trial** Complete	VP-102	• Open-label, single-center • N=33	• To determine possible systemic exposure from a single 24-hour application of VP-102 • To confirm safety and efficacy with applicator
PHASE 2	**Pilot Trial** Complete	Our proprietary formula of cantharidin used in VP-102, applied with the wooden stick part of a cotton-tipped swab	• Open-label, single-center • N=30	• To evaluate safety and efficacy and determine optimal treatment duration

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WE HAVE SUCCESSFULLY COMPLETED TWO PIVOTAL PHASE 3 TRIALS (CAMP-1 & CAMP-2) IN MOLLUSCUM

Trial Design

Two identically designed, randomized, double-blinded, multicenter, placebo controlled trials

CAMP-1 conducted under FDA Special Protocol Assessment (SPA)

12-week study period

Endpoints

Primary:
Percent of subjects with complete clearance of molluscum at Day 84

Secondary:
Percent of subjects with complete clearance at week 3, 6, and 9
Safety & tolerability

Population

Subjects 2+ years of age with MC lesions who have not received any type of treatment within the past 14 days

Enrollment complete with 266 subjects for CAMP-1 and 262 subjects for CAMP-2

Application

Study drug (VP-102 or placebo) is administered topically to all treatable lesions every 21 days until clearance or a maximum of 4 applications

VP-102 or placebo will be left on for 24 hours before removal with soap and warm water

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DEMOGRAPHICS IN PHASE 3 MOLLUSCUM TRIALS

	CAMP-1		CAMP-2	
	VP-102 (N=160)	Placebo (N=106)	VP-102 (N=150)	Placebo (N=112)
Randomized	160	106	150	112
Completed	150 (94%)	100 (94%)	139 (93%)	108 (96%)
Age (years)				
Mean	7.5	6.3	7.4	7.3
Median	6.0	5.0	6.0	6.0
Min, Max	2, 41	2, 40	2, 60	2, 54
Gender				
Female	85 (53%)	61 (58%)	69 (46%)	46 (41%)
Male	75 (47%)	45 (42%)	81 (54%)	66 (59%)

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MOLLUSCUM HISTORY FOR SUBJECTS IN PHASE 3 TRIALS

CAMP-1	VP-102 (N=160)	Placebo (N=106)
Time Since Clinical Diagnosis (days)		
Mean	127	129
Median	25	32
Min, Max	1, 1247	1, 1302
Age at Diagnosis		
Mean	7.1	6.1
Any Previous Treatment for Molluscum?		
Yes	41 (26%)	30 (28%)
Active Atopic Dermatitis		
Yes	12 (8%)	13 (12%)
Baseline Lesion Count		
Mean	22	25
Min, Max	1, 107	1, 110

CAMP-2	VP-102 (N=150)	Placebo (N=112)
Time Since Clinical Diagnosis (days)		
Mean	118	124
Median	28	31
Min, Max	1, 977	1, 957
Age at Diagnosis		
Mean	7.1	7.0
Any Previous Treatment for Molluscum?		
Yes	48 (32%)	42 (38%)
Active Atopic Dermatitis		
Yes	11 (7%)	7 (6%)
Baseline Lesion Count		
Mean	19	20
Min, Max	1, 184	1, 86

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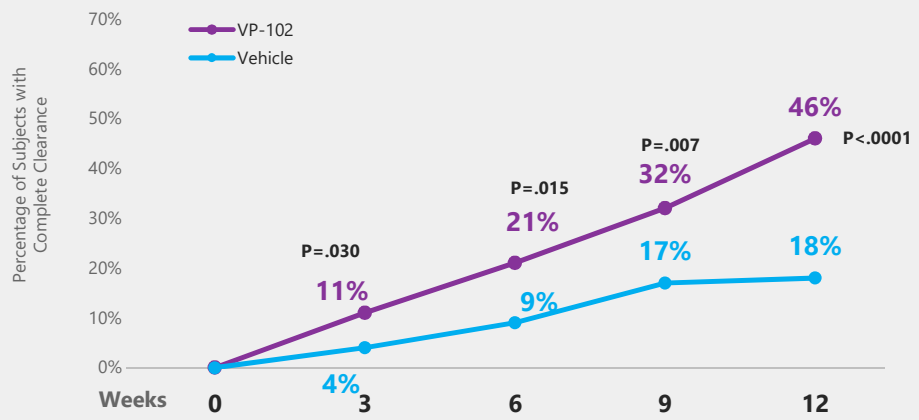
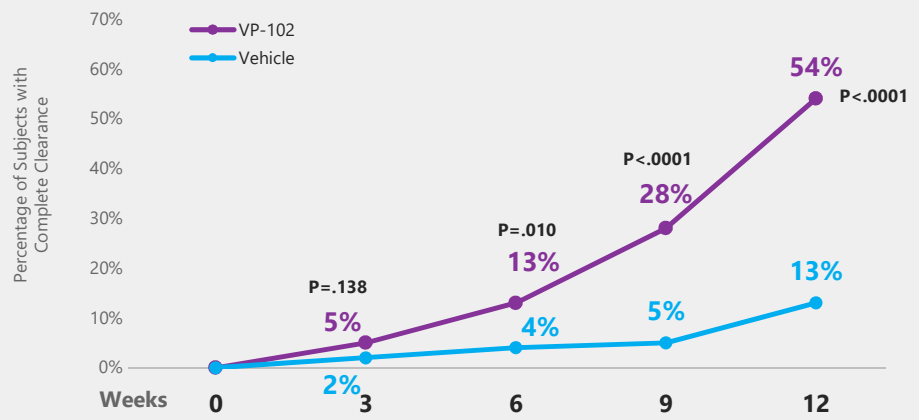
PHASE 3 STUDIES IN MOLLUSCUM DEMONSTRATE STATISTICALLY SIGNIFICANT EFFICACY ON PRIMARY ENDPOINT OF COMPLETE CLEARANCE

CAMP-1 Complete Clearance: ITT Population



Lesion Count	↓ 38%*	↓ 45%*	↓ 51%*	↓ 69%*
% Change from Baseline	↓ 5%	↑ 5%	↑ 10%	↑ 20%

CAMP-2 Complete Clearance: ITT Population



Lesion Count	↓ 24%*	↓ 58%*	↓ 71%*	↓ 83%*
% Change from Baseline	↑ 9%	↓ 13%	↓ 20%	↓ 19%

*** Lesion count p<0.05 (pre-specified exploratory endpoint)**

Note: Data reported reflects lesion count % change from baseline information for CAMP-1 resulting from continued analysis of complete data set for CAMP-1 and CAMP-2 post release of topline Phase 3 results on 3 Jan 2019.

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SAFETY SUMMARY FOR MOLLUSCUM PHASE 3 TRIALS

CAMP-1

Subjects with at least one…	VP-102 (N=161) n (%)	Placebo (N=104) n (%)
TEAE (Treatment Emergent AE)	159 (99)	76 (73)
Mild TEAE	157 (98)	66 (64)
Moderate TEAE	105 (65)	41 (39)
Severe TEAE	19 (12)	1 (1)
TEAE related to drug	158 (98)	60 (58)
Serious TEAE	0 (0)	1 (1)
TEAE leading to discontinuation	5 (3)	0 (0)
Local Skin Reaction TEAE	158 (98)	60 (58)

AE= Adverse Event

Note: Data reported reflects AE information for CAMP-1 resulting from continued analysis of complete data set for CAMP-1 and CAMP-2 post release of topline Phase 3 results on 3 Jan 2019.

CAMP-2

Subjects with at least one…	VP-102 (N=150) n (%)	Placebo (N=112) n (%)
TEAE (Treatment Emergent AE)	143 (95)	74 (66)
Mild TEAE	141 (94)	74 (66)
Moderate TEAE	60 (40)	18 (16)
Severe TEAE	4 (3)	0 (0)
TEAE related to drug	143 (95)	67 (60)
Serious TEAE	0 (0)	0 (0)
TEAE leading to discontinuation	1 (1)	1 (1)
Local Skin Reaction TEAE	143 (95)	67 (60)

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CAMP-1
ADVERSE EVENTS (1)

	VP-102 (N=161) n (%)			Placebo (N=104) n (%)		
PREFERRED TERM NAME	**MILD**	**MOD**	**SEV**	**MILD**	**MOD**	**SEV**
Application site vesicles	79 (49.1)	70 (43.5)	8 (5.0)	25 (24.0)	4 (3.8)	0 (0.0)
Application site pruritus	85 (52.8)	18 (11.2)	1 (0.6)	33 (31.7)	5 (4.8)	0 (0.0)
Application site pain	58 (36.0)	45 (28.0)	7 (4.3)	18 (17.3)	2 (1.9)	0 (0.0)
Application site erythema	32 (19.9)	37 (23.0)	0 (0.0)	21 (20.2)	9 (8.7)	0 (0.0)
Application site scab	46 (28.6)	16 (9.9)	0 (0.0)	24 (23.1)	1 (1.0)	0 (0.0)
Application site discoloration	48 (29.8)	5 (3.1)	1 (0.6)	16 (15.4)	2 (1.9)	0 (0.0)
Application site dryness	23 (14.3)	1 (0.6)	0 (0.0)	11 (10.6)	0 (0.0)	0 (0.0)
Application site edema	15 (9.3)	6 (3.7)	0 (0.0)	4 (3.8)	2 (1.9)	0 (0.0)

(1) AEs occurring in >10% of subjects in any arm

Note: Data reported reflects AE information for CAMP-1 resulting from continued analysis of complete data set for CAMP-1 and CAMP-2 post release of topline Phase 3 results on 3 Jan 2019.

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CAMP-2
ADVERSE EVENTS (1)

	VP-102 (N=150) n (%)			Placebo (N=112) n (%)		
PREFERRED TERM NAME	**MILD**	**MOD**	**SEV**	**MILD**	**MOD**	**SEV**
Application site vesicles	108 (72.0)	30 (20.0)	3 (2.0)	34 (30.4)	0 (0.0)	0 (0.0)
Application site scab	74 (49.3)	11 (7.3)	0 (0.0)	20 (17.9)	2 (1.8)	0 (0.0)
Application site pruritus	60 (40.0)	5 (3.3)	0 (0.0)	29 (25.9)	8 (7.1)	0 (0.0)
Application site pain	69 (46.0)	14 (9.3)	0 (0.0)	16 (14.3)	0 (0.0)	0 (0.0)
Application site erythema	41 (27.3)	28 (18.7)	1 (0.7)	22 (19.6)	6 (5.4)	0 (0.0)
Application site dryness	35 (23.3)	4 (2.7)	0 (0.0)	19 (17.0)	1 (0.9)	0 (0.0)
Application site discoloration	39 (26.0)	7 (4.7)	0 (0.0)	9 (8.0)	0 (0.0)	0 (0.0)

(1) AEs occurring in >10% of subjects in any arm

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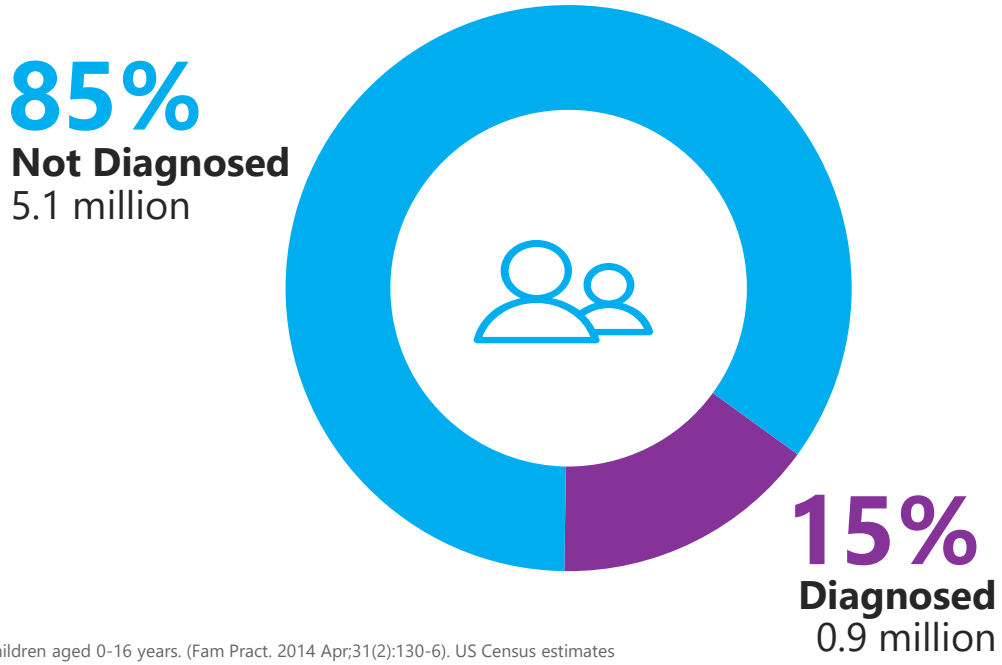
MC Commercial Opportunity

REALIZING THE MOLLUSCUM OPPORTUNITY

US Prevalence of **~6 million in molluscum**(1) with **~1 million diagnosed annually**(2)



(1) Prevalence in the US of 5.1% to 11.5% in children aged 0-16 years. (Fam Pract. 2014 Apr;31(2):130-6). US Census estimates ~69.4MM children aged 0 to 16 years in 2016.
(2) IQVIA projected dataset for 12 months ending October 2017

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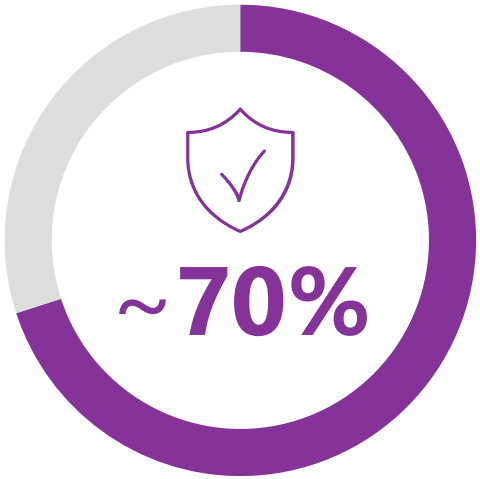
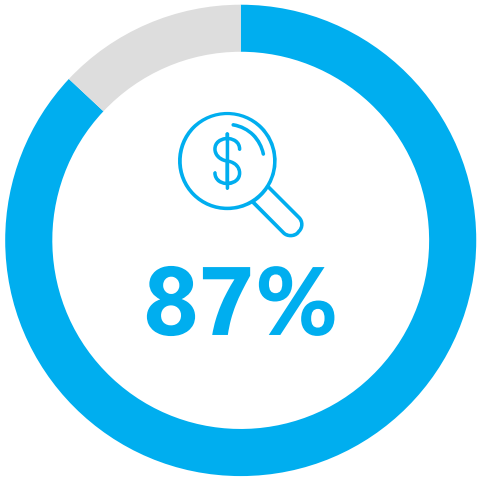
DERMATOLOGISTS ARE FAMILIAR WITH VP-102'S API & WOULD USE IF AVAILABLE



Physicians who do not use the API of VP-102 **stated inaccessibility as a primary reason why they are not using**(1)



Physicians reported they **would use VP-102 if the cost of the drug was covered**(2)

(1) Pompei DT et al. Cantharidin Therapy: Practice patterns and attitudes of health care providers. Journal of the American Academy of Dermatology. 2013; 68(6). Survey of 400 healthcare providers, 87.7% of responders were US based dermatologists.
(2) Company survey of 40 physicians.

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PHYSICIANS ARE HIGHLY FAVORABLE TO VP-102 PROFILE

Derms and Ped Derms (1)

KEY REASONS TO USE IF APPROVED

- Efficacy
- Precise and pain free application
- FDA approval
- Convenience of administration

Pediatricians (1)

KEY REASONS TO USE IF APPROVED

- Efficacy
- Fits into their current office model
- Frustrated with not treating and having no viable options

Scale of 1 (unlikely to use at all) **to 7** (highly likely to use)

(1) Physician Qualitative research- one-hour individual interviews [n=30 Pediatricians, 13 Dermatologist, 5 Pediatric Dermatologists]

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INITIAL PAYER RESEARCH SUGGESTS FAVORABLE REIMBURSEMENT LANDSCAPE FOR VP-102

	COHORT SIZE	AVERAGE LIVES COVERED
Medical Directors	7	9.8M
Pharmacy Directors	6	4.2M
IDN Stakeholders	2	6.5M

The 15 Payer Organizations and Plans Represented in the Interviews **Cover a Total of 105 Million Commercial & Medicaid Lives**

Source: Third party study commissioned by the Company.

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INITIAL PAYER RESEARCH SUGGESTS FAVORABLE REIMBURSEMENT LANDSCAPE FOR VP-102

Key Takeaways

1. Payers interviewed **recognize a significant unmet need** for molluscum contagiosum and lack of an effective treatment

2. Some of the **key concerns** mentioned about the undertreatment of the condition include the **risk of infection, scarring, or spread of the disease**

3. Payers **perceived VP-102 to be highly favorable** based on the majority of patients experiencing clearance within 12 weeks

4. Given the unmet need and favorable clinical outcomes in Phase 2 trials, **payers anticipate the majority of patients would have access to VP-102** with minimal to no restrictions

Source: Third party study commissioned by the Company.

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INTEGRATED COMMERCIAL APPROACH WITH MULTIPLE STRATEGIC LEVERS

Commercial Strategy

KOL Engagement

Strong established relationships and support

Buy and Bill or Specialty Pharmacy

Distribution with supportive HUB services

Dedicated field reimbursement Team

Specialized Sales Team

Targeting office based dermatologists and select pediatricians

Dedicated Institutional Team

Specialists to promote to pediatric dermatologists in academic settings and group practices

Disease Awareness

Increase treatment seekers through cost-efficient consumer advertising

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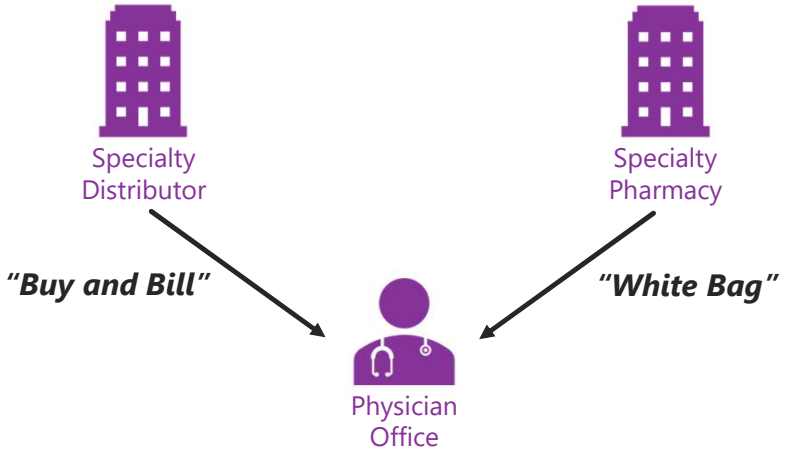
VP-102 DESIGNED TO BE CLINICIAN ADMINISTERED AND INTEND TO DISTRIBUTE THROUGH SPECIALTY PRODUCT CHANNELS, IF APPROVED



Potential Physician Reimbursement Opportunities	
"Buy and Bill"	**"White Bag"**
Office visit Procedure for lesion destruction VP-102 (ASP + X%)	Office visit Procedure for lesion destruction

Distribution model will be supported by a patient and HCP services platform (HUB)

- Benefits investigation/verification to determine coverage
- Full reimbursement support for miscellaneous J-code under medical benefit (1)
- Prior authorization support
- Co-pay/co-insurance assistance

Dedicated field reimbursement team to support physician offices

(1) Verrica intends to file for a product-specific J-code for VP-102

Note: For illustrative purposes only. If approved, actual distribution channels and support services may change as strategy is finalized.

PRE-COMMERCIALIZATION ACTIVITIES ONGOING

ENGAGEMENT AT KEY CONFERENCES

THE SOCIETY FOR pediatric dermatology SINCE 1975	WINTER CLINICAL DERMATOLOGY	FALL CLINICAL DERMATOLOGY CONFERENCE® Poster Presentation
AMERICAN ACADEMY OF DERMATOLOGY AAD 1938	American Academy of Pediatrics National and Regional Meetings	SOCIETY OF DERMATOLOGY PHYSICIAN ASSISTANTS SDPA EST 1994 National and Regional Meetings
South Beach Symposium clinical + aesthetic dermatology	Maui Derm THE DERMATOLOGY MEETINGS	

DISEASE AWARENESS

Caregiver MC education through digital and social tools

HCP MC education through congresses, speaker programs, and professional journal space

OTHER

Trade distribution channel development

Customer segment insights

Brand strategy, customer segmentation, and targeting

Commercial systems infrastructure

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VERRICA HAS SEVERAL POTENTIAL WAYS TO MAINTAIN EXCLUSIVITY

Regulatory Exclusivity

5.5 years of exclusivity for cantharidin as API potentially available upon approval (inclusive of potential for 6 months for pediatric indication)

Compounding Pharmacies

If VP-102 is approved, traditional compounding pharmacies will NOT be able to continue compounding cantharidin regularly or in inordinate amounts, except under patient specific circumstances as prescribed by a physician.

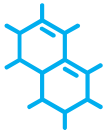
The FDA has the authority to regulate compounders. Improper compounding can result in monetary fines plus felony convictions in case of repeat offenses and intent to fraud/mislead.

Manufacturing

VP-102 has the potential to address stability issues with standard packaging and container/ closure systems

Limited commercial CMOs with facilities for handling highly potent and highly flammable liquid products

Entered into a supply agreement for naturally-sourced cantharidin; subject to specified minimum annual purchase orders and forecasts, supplier agreed that it will not supply cantharidin, any beetles or other raw material from which cantharidin is derived to any other customer in North America



True Generic Unlikely

Unlikely to receive approval under an ANDA due to uniqueness from patent pending protection and significant differences likely between VP-102 and potential competitors

Cannot do traditional PK/bioequivalence study (no blood level profile for VP-102)

May require new clinical studies with new formulation and new delivery approach that shows equivalence without violating any of Verrica's IP

VERRICA PHARMACEUTICALS

OVERVIEW OF INTELLECTUAL PROPERTY PORTFOLIO

KEY CLAIMS AND PATENT APPLICATIONS	VALUE TO VERRICA
1 Our specific formulation (VP-102), key safety additions and novel cantharidin formulations (PCT/US2014/052184)	May prevent generics from copying our ether-free formulation or from making similar formulations
Single use applicator containing cantharidin formulations (PCT/US2014/052184)	May prevent generics from utilizing a single-use applicator for cantharidin that contains both a glass ampule to maintain product stability and a filter placed prior to dispensing tip, which helps increase administration accuracy and prevents direct contact with skin
2 Specific design of our commercial applicator (PCT/US2018/036353)	May prevent generics from utilizing a similar applicator
3 Methods of use for cantharidin in the treatment of molluscum (PCT/US2018/037808 and PCT/US2018/036353)	May prevent generics from a similar treatment regimen and label
4 Methods for purifying cantharidin and analyzing cantharidin or cantharidin solutions (PCT/US2016/14139)	May force generics to find alternative methodologies to produce GMP cantharidin or determine if their API or drug product is GMP compliant
5 Methods for complete cantharidin synthesis (PCT/US2015/066487)	Synthetic version would reduce risks of outside contaminants and environmental factors affecting the naturally-sourced API. May prevent generics competing with a synthetic version of cantharidin

Any patents issued from our applications are projected to expire between 2034 and 2039, excluding any patent term adjustment and patent term extensions

VERRICA PHARMACEUTICALS

Our Opportunity in Common Warts

VERRUCA VULGARIS (COMMON WARTS)

OVERVIEW

Caused by human papilloma virus (HPV)

Infects patients of all ages

Persistent infection, highly refractory

Typically 2-5 lesions

No FDA approved drug for the treatment of common warts

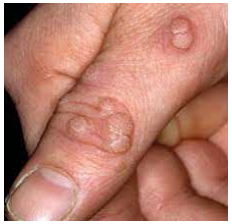
ETIOLOGY AND CLINICAL PRESENTATION

Transmission

- Skin to skin contact
- Touching of contaminated objects

Diagnosis & Symptoms

- Dome shaped flesh-colored lesions commonly on the hands, fingers, knees or elbows
- Lesions may occur in groups or in a linear pattern
- Lesions can cause considerable pain and discomfort, may spread with skin trauma, and can be itchy



Complications

- Scarring may occur
- Dyspigmentation of affected areas
- Bacterial superinfection of lesions
- Irritation, pain, and redness of surrounding skin

VERRICA PHARMACEUTICALS

WE HAVE SUCCESSFULLY COMPLETED A PHASE 2 STUDY (COVE-1) IN COMMON WARTS

Study Design

Efficacy, safety & tolerability

Open label study with two cohorts

Cohort 1: one center
Cohort 2: four centers

Endpoints

Primary
Percent of subjects with complete clearance of all treatable warts (baseline and new) at Day 84

Secondary
Percent of subjects achieving complete clearance of all treatable warts at Visits 2, 3, and 4

Change from baseline in number (%) of treatable warts at Day 84

Patients

Cohort 1: 21 subjects 2+ years of age with common warts, who have not received any type of treatment within the past 14 days

Cohort 2: 35 subjects 12+ years of age with common warts, who have not received any type of treatment within the past 14 days

Application

Study drug (VP-102) is administered topically to each treatable wart to a maximum of 4 applications

Cohort 1 is treated until clear, Cohort 2 receives one additional treatment at the first visit clearance was observed up to a maximum of 4 total applications

Frequency of administration is at least 14 days (Cohort 1) or 21 days (Cohort 2)

Paring was allowed in Cohort 2

VP-102 will be left on for 24 hours before removal with soap and warm water

VERRICA PHARMACEUTICALS

DEMOGRAPHICS IN COVE-1 STUDY

	COHORT 1 **VP-102** (N=21)	COHORT 2 **VP-102** (N=35)
Randomized	21	35
Age (years)		
Mean	38	38
Median	37	42
Min, Max	7, 83	12, 67
Gender		
Female	11 (52.4%)	22 (62.9%)
Male	10 (47.6%)	13 (37.1%)
Discontinued	4 (19.0%)	2 (5.7%)
Lost to follow-up	2 (9.5%)	1 (2.9%)
Withdrawal by subject	2 (9.5%)	0
Protocol violation	0	1 (2.9%)

VERRICA PHARMACEUTICALS

WART HISTORY FOR SUBJECTS IN COVE-1 STUDY

Cohort 1

	VP-102 (N=21)
Time Since Clinical Diagnosis (months)	
Mean	70.3
Age at Diagnosis	
Mean	32.1
Any Previous Treatment for Common Warts?	
Yes	3 (14.3%)
Wart number at Baseline	
Mean	2.19

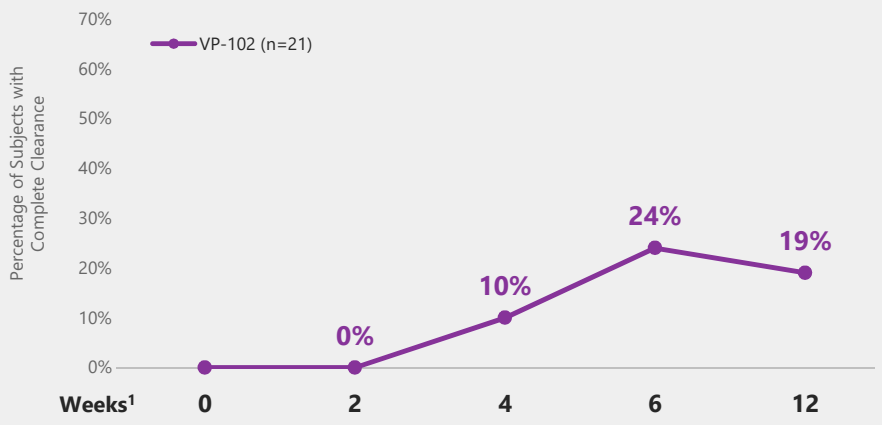
Cohort 2

	VP-102 (N=35)
Time Since Clinical Diagnosis (months)	
Mean	15.9
Age at Diagnosis	
Mean	36.4
Any Previous Treatment for Common Warts?	
Yes	24 (68.6%)
Wart number at Baseline	
Mean	1.65

VERRICA PHARMACEUTICALS

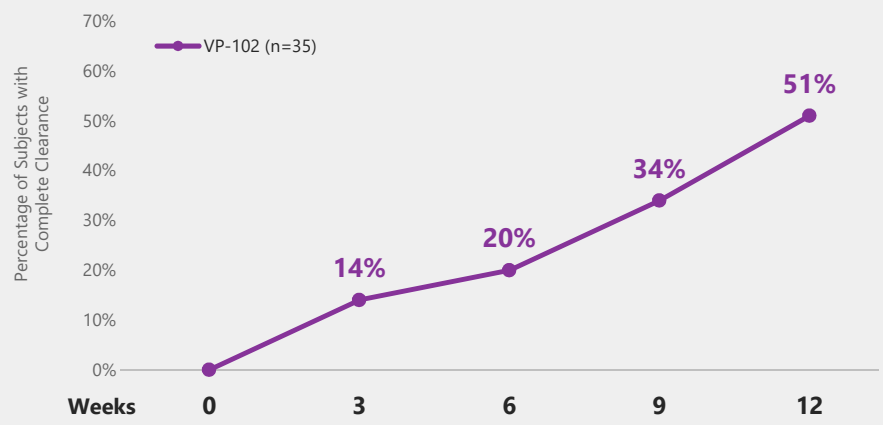
VP-102 DEMONSTRATED CLINICALLY MEANINGFUL EFFICACY ON PRIMARY ENDPOINT OF COMPLETE CLEARANCE IN COVE-1 STUDY

COHORT 1



Wart count: % Change from Baseline	↓ 2%	↓ 20%	↓ 35%	↓ 44%

COHORT 2



Wart count: % Change from Baseline	↓ 24%	↓ 29%	↓ 31%	↓ 51%

(1) Cohort 1 was amended to allow varying treatment intervals beyond every 14 days depending on a specific subject's clinical response

SAFETY SUMMARY FOR COVE-1 STUDY

COHORT 1

Subjects with at least one…	VP-102 (N=21) n (%)
TEAE (Treatment Emergent AE)	20 (95.2)
Mild TEAE	20 (95.2)
Moderate TEAE	9 (42.9)
Severe TEAE	2 (9.5)
TEAE related to drug	20 (95.2)
Serious TEAE	0 (0)
TEAE leading to discontinuation	0 (0)
Local Skin Reaction TEAE	20 (95.2)
TEAE of Papilloma Viral Infection	0 (0)

AE= Adverse Event

COHORT 2

Subjects with at least one…	VP-102 (N=34) n (%)
TEAE (Treatment Emergent AE)	32 (94.1)
Mild TEAE	32 (94.1)
Moderate TEAE	19 (55.9)
Severe TEAE	4 (11.8)
TEAE related to drug	32 (94.1)
Serious TEAE	0 (0)
TEAE leading to discontinuation	0 (0)
Local Skin Reaction TEAE	32 (94.1)
TEAE of Papilloma Viral Infection	3 (8.8)

VERRICA PHARMACEUTICALS

ADVERSE EVENTS IN COVE-1 STUDY

	Cohort 1 (N= 21)	Cohort 2 (N=34)
	n (%)	n (%)
PREFERRED TERM NAME		
Application site vesicles	20 (95.2)	27 (79.4)
Application site pain	20 (95.2)	26 (76.5)
Application site erythema	13 (61.9)	19 (55.9)
Application site pruritus	9 (42.9)	16 (47.1)
Application site scab	8 (38.1)	19 (55.9)
Application site discoloration	1 (4.8)	8 (23.5)
Application site dryness	6 (28.6)	14 (41.2)

AEs occurring in >20% of subjects in any arm

VERRICA PHARMACEUTICALS

REALIZING THE COMMON WARTS OPPORTUNITY

US Prevalence of **~22 million in common warts**(1) with **~1.5 million diagnosed annually**(2)

22M
Prevalence in U.S.

1.5M
Patients Diagnosed Annually

(1) IMS National Disease and Therapeutic Index (NDTI) Rolling 5 Years Ending June 2016. Nguyen et al, Laser Treatment of Nongenital Verrucae A Systemic Review. JAMA Dermatology. 2016; 152(9): 1025-1033
(2) IQVIA Anonymous Longitudinal Patient Level Data (APLD) for 12 months ending September 2018

VERRICA PHARMACEUTICALS

Our Opportunity in External Genital Warts

CONDYLOMA ACUMINATUM (GENITAL WARTS)

OVERVIEW

Caused by human papilloma virus (HPV)

Lesions on the surface of the skin in the genital and perianal regions

Highly contagious and recurrences are common

Treatment options have limitations

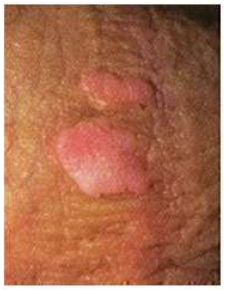
ETIOLOGY AND CLINICAL PRESENTATION

Transmission

- Skin to skin contact
- Spread through sexual contact

Diagnosis & Symptoms

- Can be flat, dome-shaped, keratotic, pedunculated and cauliflower-shaped
- Lesions may occur singularly, in clusters, or as plaques
- Lesions can be itchy, and can cause pain and discomfort



Complications

- Irritation, pain, and redness of surrounding skin
- Dyspigmentation of affected areas
- Scarring may occur
- Bacterial superinfection of lesions

VERRICA PHARMACEUTICALS

PHASE 2 STUDY (CARE) IN EXTERNAL GENITAL WARTS (EGW)

Study Design

Multi-center, double-blind, placebo-controlled

Dose regimen, efficacy, safety & tolerability

Study comprised of two parts (A and B)

Primary objective of Part A is to identify the two best dosing regimens for evaluation in Part B

Endpoints

Primary
Percent of subjects with complete clearance of all treatable warts at Day 84

Secondary
Percent of subjects achieving complete clearance of all treatable warts at Visits 2, 3, and 4

Patients

Part A: ~18 subjects 18+ years of age with 2-30 external genital and/or perianal warts for ≥ 4 weeks at baseline visit

Part B: ~90 subjects 18+ years of age with 2-30 external genital and/or perianal warts for ≥ 4 weeks at baseline visit

Application

Study drug (VP-102) is administered topically to each treatable wart to a maximum of 4 applications or until complete clearance

Part A: To include 3 treatment groups with a 2-hour, 6-hour and 24-hour duration of skin exposure before removal with soap and warm water

Part B: Two selected treatment dosing regimens (duration of skin exposure) based on Part A with follow up period through Day 147

Frequency of administration is every 21 days

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SIGNIFICANT RECENT AND EXPECTED MILESTONES

	DATE	EVENT
✓	1Q 2019	Positive topline results from two pivotal Phase 3 trials in molluscum
✓	2Q 2019	Positive topline results from Phase 2 trial in common warts
✓	2Q 2019	Initiate Phase 2 trial in external genital warts
✓	3Q 2019	VP-102 NDA submission in molluscum
⬡	4Q 2019	FDA acceptance of VP-102 NDA submission in molluscum
⬡	4Q 2019	VP-103 IND submission in plantar warts
⬡	1Q 2020	Initiate pivotal trials in common warts
⬡	2H 2020	Topline results from Phase 2 trial in external genital warts

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INVESTMENT HIGHLIGHTS

Two of the Largest Unmet Needs in Dermatology
- Prevalence of ~6 million in molluscum contagiosum[(1)] and ~22 million in common warts in the U.S.[(2)]
- No FDA approved drugs to treat molluscum or warts

New Drug Application (NDA) Submitted for VP-102 for the Treatment of Molluscum Contagiosum

Positive Phase 3 Results in Molluscum Contagiosum
- Achieved statistical significance for primary endpoints in our Phase 3 CAMP-1 and CAMP-2 pivotal trials for VP-102
- P-value <0.0001 for primary endpoint in both pivotal trials

Positive Topline Phase 2 Results in Common Warts
- VP-102 achieved positive results on both the primary endpoint of complete clearance of all treatable warts at Week 12 (Day 84) and the secondary endpoint of the percentage reduction of warts

Innovative Product Candidate
- Drug-device combination of a proprietary formulation and a novel single-use applicator

Physician Acceptance
- 95% of pediatric dermatologists have used API[(3)]

Barriers to Competition
- New chemical entity regulatory exclusivity upon approval
- IP pending on product candidate, including on novel formulation, applicator and methods of use
- Drug-device combination makes a 'true generic' unlikely

Proven Team
- Industry-leading, experienced management team with extensive clinical development and product launch experience

(1) Prevalence in the US of 5.1% to 11.5% in children aged 0-16 years. (Fam Pract. 2014 Apr;31(2):130-6). US Census estimates ~69.4MM children aged 0 to 16 years in 2016.
(2) IMS National Disease and Therapeutic Index (NDTI) Rolling 5 Years Ending June 2016. Nguyen et al, Laser Treatment of Nongenital Verrucae A Systemic Review. JAMA Dermatology. 2016; 152(9): 1025-1033
(3) Based on a survey of 115 dermatologists the results of which have been extrapolated to pediatric dermatologists.

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Appendix

HISTORICAL COMPOUNDED CANTHARIDIN PRESENTS A NUMBER OF LIMITATIONS

1 Varying concentration

- Evaporation of volatile solvents leads to concentration increases
- Patients can receive more drug than clinically necessary resulting in excessive blistering

2 Inconsistent purity and lack of controlled product manufacturing

- Risk of impurities present such as residual solvents and pesticides

3 Lack of reimbursement

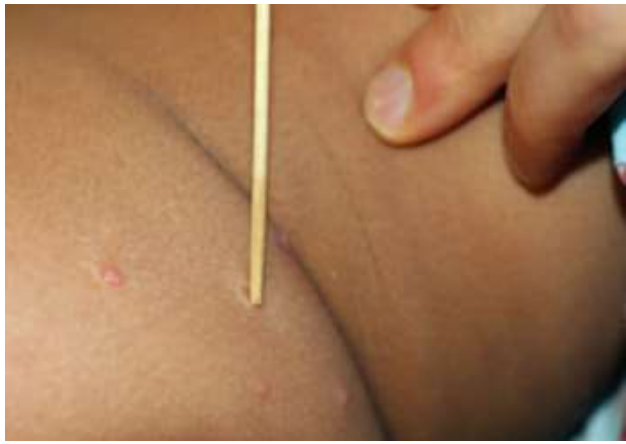
- Not FDA approved and therefore not eligible for drug reimbursement

4 Inconvenient and variable administration

- Application with the wooden stick part of a cotton-tipped swab can lead to patients receiving more drug than necessary
- Inability for physicians to identify where the drug has been applied

5 Limited availability

- Illegal to import formulated cantharidin
- Generally not available in hospitals and academic settings, which require FDA approved product
- Only an estimated 7% of 503B compounders produce formulations containing cantharidin(1)



(1) Based on 57 503B facilities and 4 compounders of cantharidin per FDA database (January – June 2019).

VERRICA PHARMACEUTICALS

MANAGEMENT TEAM WITH EXTENSIVE PRODUCT LAUNCH AND DERMATOLOGY EXPERIENCE

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AQUA PHARMACEUTICALS an Almirall company

Chris Degnan

Chief Financial Officer

AstraZeneca

endo KPMG

Patrick Burnett

MD, PhD

Chief Medical Officer

NOVARTIS

SUN PHARMACEUTICAL INDUSTRIES LTD. JOHNS HOPKINS SCHOOL of MEDICINE

SCHOOL OF MEDICINE VANDERBILT UNIVERSITY

Joe Bonaccorso

Chief Commercial Officer

NOVARTIS

Pierre Fabre

Selected Launched Products

Diovan 80 mg • 160 mg valsartan capsules

LAMISIL SINGELDOS

ELIDEL Pimecrolimus Cream 10 mg/g

Acticlate (Doxycycline Hyclate USP) Tablets 75 mg 150 mg

Cosentyx (secukinumab)

Hemangeol PROPRANOLOL HYDROCHLORIDE

Symbicort (budesonide/formoterol fumarate dihydrate) Inhalation Aerosol

VERRICA PHARMACEUTICALS

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