UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 14, 2022

Verrica Pharmaceuticals Inc.
(Exact Name of Registrant as Specified in its Charter)

Delaware	001-38529	46-3137900
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

44 W. Gay St., Suite 400 West Chester, PA	19380
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (484) 453-3300

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

Title of each class	Trading symbol	Name of each exchange on which registered
Common Stock	**VRCA**	**The Nasdaq Stock Market LLC**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☒

Item 7.01 Regulation FD Disclosure.

On September 14, 2022, Verrica Pharmaceuticals Inc. (the "***Company***") will be posting an updated corporate presentation on its website. A copy of this presentation is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

In accordance with General Instruction B.2. of Form 8-K, the information in this Item 7.01 and Exhibit 99.1 hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"), or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any of the Company's filings under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, regardless of any incorporation language in such a filing, except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Exhibit Description
99.1	Company Presentation
104	Cover Page Interactive Data File (formatted as inline XBRL).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Verrica Pharmaceuticals Inc.

Date: September 14, 2022

/s/ P. Terence Kohler Jr.
P. Terence Kohler Jr.
Chief Financial Officer

VERRICA™ PHARMACEUTICALS
Reinventing Skin Science

Company Overview

September 14, 2022

Disclaimer

Certain information contained in this presentation and statements made orally during this presentation relates to or is based on studies, publications, surveys and other data obtained from third-party sources and Verrica's own internal estimates and research. While Verrica believes these third-party sources to be reliable as of the date of this presentation, it has not independently verified, and makes no representation as to the adequacy, fairness, accuracy or completeness of, any information obtained from third-party sources. While Verrica believes its internal research is reliable, such research has not been verified by any independent source.

This presentation contains forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, our clinical results and other future conditions. All statements other than statements of historical facts contained in this presentation, including statements regarding future results of operations and financial position, business strategy, interactions with the FDA with regard to the resolution of the CRL, the timing of an NDA resubmission, potential approval of the NDA for VP-102, the potential benefits and potential commercialization of VP-102 for the treatment of molluscum, if approved, current and prospective product candidates, planned clinical trials and preclinical activities, product approvals, degree of market acceptance of approved products, research and development costs, current and prospective collaborations, timing and likelihood of success, plans and objectives of management for future operations, future results of anticipated product candidates, and the potential payments and benefits to Verrica of the license agreement with Torii, are forward-looking statements. The words "may," "will," "should," "expect," "plan," "anticipate," "could," "intend," "target," "project," "estimate," "believe," "predict," "potential" or "continue" or the negative of these terms or other similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

The information in this presentation, including without limitation the forward-looking statements contained herein, represent our views as of the date of this presentation. Although we believe the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Accordingly, readers are cautioned not to place undue reliance on these forward-looking statements. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise. No representations or warranties (expressed or implied) are made about the accuracy of any such forward-looking statements. The forward-looking statements in this presentation 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 uncertainties inherent in the drug development process and the regulatory approval process, our reliance on third parties over which we may not always have full control, and other risks and uncertainties that are described in our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the U.S. Securities and Exchange Commission (SEC) on March 2, 2022, and our other filings made with the SEC. New risk factors and uncertainties may emerge from time to time, and it is not possible to predict all risk factors and uncertainties. There can be no assurance that the opportunity will meet your investment objectives, that you will receive a return of all or part of such investment. Investment results may vary significantly over any given time period. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. We recommend that investors independently evaluate specific investments and strategies.

VERRICA PHARMACEUTICALS
Reinventing Skin Science

Verrica is a dermatology therapeutics company developing medications for skin diseases requiring medical intervention

Reinventing dermatology therapeutics with a focus on development and commercialization

Focused on **Clinician-Administered** Therapies and **High Unmet** Needs

Focus on products with potential for reimbursement as a **Medical Benefit**

Providing meaningful benefit for people living with skin diseases

Investment Highlights

NEAR TERM CATALYSTS	
Expect to resubmit NDA for VP-102 for Molluscum Contagiosum in Q1 2023 with potential approval/launch in H2 2023 (U.S. Prevalence of Molluscum Contagiosum ~6M[1])	**Conclusion of Part 1 of 3 Part PH2 study on LTX-315 for Basal Cell Carcinoma expected in Q1 2023 (safety and dose exploration)** (U.S. Prevalence of Basal Cell Carcinoma 3.6M[2])

VP-102 In development to address two of the largest unmet needs in dermatology	• Proprietary drug-device combination of formulation and single-use applicator • In development to address two of the largest unmet needs in dermatology • Payer research suggests favorable reimbursement landscape • Exclusive license for Torii Pharmaceutical to develop and commercialize VP-102 in Japan • Patents projected to expire between 2034 and 2039
LTX-315 Potential non-surgical alternative (injectable) for treatment of basal cell and squamous cell carcinomas	• First-in-class oncolytic peptide injected directly into tumor to induce immunogenic cell death • Positive tumor-specific immune cell responses in multi-indication Phase 1/2 oncology trials • Verrica to focus initially on development to treat basal cell and squamous cell carcinoma • Worldwide rights for dermatological oncology, including basal cell and squamous cell carcinomas and non-metastatic melanoma licensed from Lytix Biopharma. • Patents projected to expire between 2032 and 2037
Proven Management Team	• Industry-leading, experienced management team with extensive dermatology product launch experience
Strong Balance Sheet	• Pro Forma cash as of June 30, 2022 of $45M[3]; sufficient to support operations into Q3 2023; additional capital will be required for commercial launch of VP-102 for molluscum contagiosum • Debt free

(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) Our New Approach to a Challenging Skin Cancer Statistic. The Skin Cancer Foundation. https://www.skincancer.org/blog/our-new-approach-to-a-challenging-skin-cancer-statistic/
(3) Pro Forma figures include the impact of an underwritten public offering closed in July 2022, the repayment of $43.9M in debt in July 2022 and the receipt of an $8M milestone payment from Torii Pharmaceutical Co., Ltd. in August 2022 for the initiation of the Phase 3 clinical trial for VP-102 for molluscum in Japan.

U.S. Regulatory Status of VP-102

- Verrica received a Complete Response Letter (CRL) from the FDA in May 2022 as a direct result of deficiencies identified at a general reinspection of a facility of Sterling Pharmaceuticals Services, LLC (Sterling) a contract manufacturing organization (CMO) that manufactured the bulk solution for VP-102.
- None of the issues identified by the FDA during the reinspection were specific to the manufacturing of VP-102; a pre-approval inspection (PAI) was also conducted on VP-102 at Sterling with no observations.
- The FDA confirmed in a Type A meeting on June 27, 2022 that the NDA for VP-102 for molluscum contagiosum was fully reviewed and there were no other deficiencies in the NDA; label comments were completed by the FDA and were ready to be communicated.
- Verrica has engaged Piramal Pharma Solutions, at their Sellersville, PA site, as an alternative supplier for VP-102's bulk solution. The technology transfer process is underway.
- Verrica expects to resubmit the NDA for VP-102 for molluscum in Q1 2023.

Commitment and Focus within Medical Dermatology

OFFICE ADMINISTERED THERAPIES

Expertise of a trained Health Care Professional

Guaranteed Patient Adherence

MEDICAL BENEFIT VS PHARMACY BENEFIT PRODUCTS

Beneficial reimbursement landscape

Favorable access at launch

PARTNERSHIP WITH DERMATOLOGY

Unique distribution strategies create financial opportunities for physicians and hospitals

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VP-102 in Development to Address Two of the Largest Unmet Needs in Dermatology

MOLLUSCUM

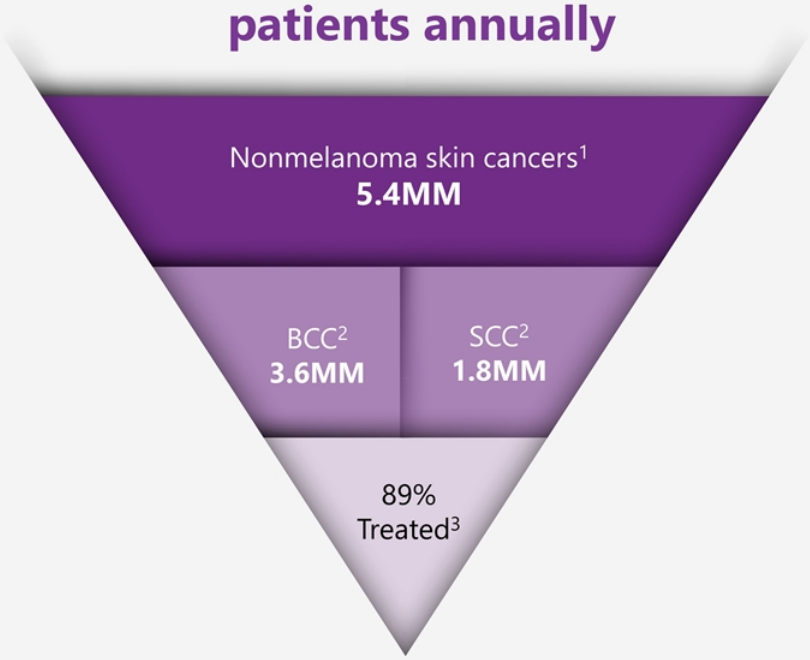
US Prevalence of **~6 million**(1) with **~1 million diagnosed annually**(2)

COMMON WARTS

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

(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

LTX-315 has the potential to impact the care of **5.4MM patients annually**

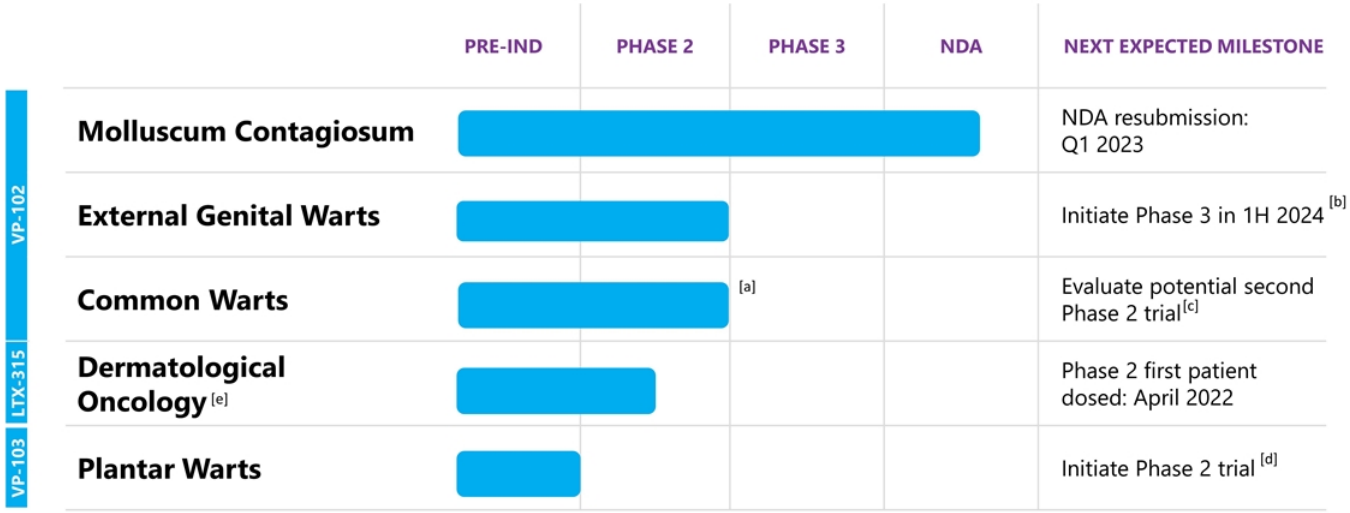


NONMELANOMA SKIN CANCER

- Nonmelanoma skin cancer includes basal cell (BCC) and squamous cell carcinoma (SCC)
- BCC is the most common malignancy in US populations[1]
- LTX-315 will focus on BCC as its primary indication with opportunities to expand to SCC and other dermatological indications
- Current treatment(s) for BCC and SCC are invasive, painful, disfiguring, and may require destruction of healthy tissue

(1) https://www.aad.org/media/stats-skin-cancer
(2) https://www.skincancer.org/skin-cancer-information/skin-cancer-facts/
(3) IQVIA PharMetrics+. Custom research for Verrica Pharmaceuticals (claims, non-projected)

Our Product Portfolio



[a] Originally designed Phase 2 program completed.
[b] Timing of clinical trials for External Genital Warts may be subject to change.
[c] Company evaluating potential for conducting an additional Phase 2 trial based on FDA feedback for Phase 3 trial protocol.
[d] Timing for initiating clinical trials for Plantar Warts to be determined.
[e] License excludes metastatic melanoma and metastatic merkel cell carcinoma. Phase 2 study initiated in April 2022 for the treatment of Basal Cell Carcinoma.

THE PROBLEM

Molluscum Contagiosum

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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

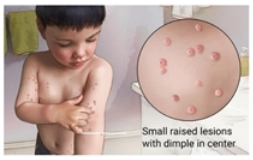
Etiology and Clinical Presentation

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

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 POTENTIAL SOLUTION

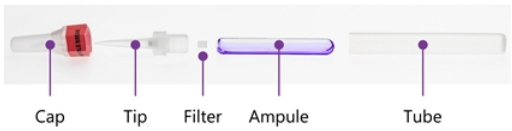
VP-102

VP-102 (cantharidin) topical solution 0.7%

DESIGNED FOR RELIABLE, AND TARGETED ADMINISTRATION

Topical solution in a single-use applicator

- Therapeutic class: Vesicant
- Active ingredient cantharidin (0.7%) in a unique topical formulation
- Single-use applicator to reduce cross-contamination and facilitate application of the topical solution
- Small opening allows for targeting of affected skin
- Physician administered in-office procedure



GMP-controlled, shelf-stable, consistent topical formulation

- Bittering agent to deter oral ingestion
- Visualization agent to identify treated lesions

Potential first FDA Approved therapy for molluscum contagiosum

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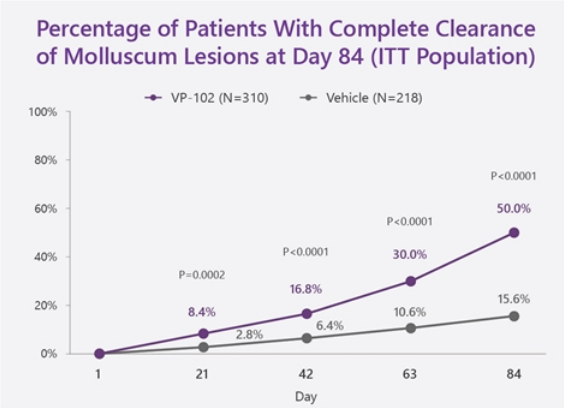
We Have **Successfully Completed** Two Pivotal Phase 3 Trials (CAMP-1 & CAMP-2) In Molluscum

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, 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	

Phase 3 Studies Demonstrated Favorable Tolerability and Activity in Complete Clearance

Phase 3 Studies in Molluscum Demonstrate Statistically Significant Activity on Primary Endpoint of Complete Clearance vs. Vehicle[1]



Phase 3 Discontinuation of Study Medication Due to Treatment-Related Adverse Events[2]

N (%)	VP-102 (N=311)	Vehicle (N=216)
Application Site Vesicles	5 (1.6)	0 (0)
Application Site Pain	3 (1.0)	0 (0)
Application Site Pruritus	1 (0.3)	0 (0)
Contact Dermatitis	1 (0.3)	0 (0)
Total Discontinuation Rate	**6 (1.9)**	**0 (0)**

(1) Note: slide reflects pooled data from Phase 3 molluscum trials (CAMP-1 and CAMP-2)
(2) Eichenfield *Amer J Clin Derm* 2021

MC Commercial Opportunity

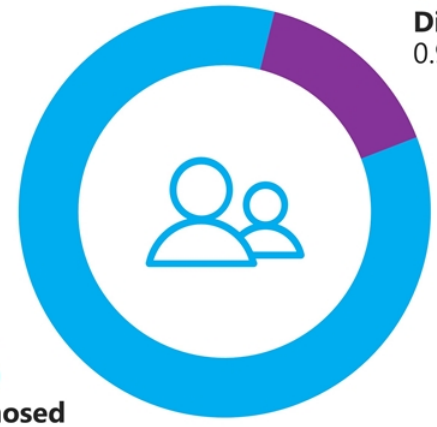
Realizing the Molluscum Opportunity

US PREVALENCE OF

~6 million in molluscum(1)

US PREVALENCE WITH

~1 million diagnosed annually(2)



15%
Diagnosed
0.9 million

85%
Not Diagnosed
5.1 million

(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

Dermatologists are Familiar with API Used in VP-102 & 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.

Physicians are Highly Favorable to VP-102 Profile

Derms and Ped Derms (1)

Pediatricians (1)

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

KEY REASONS TO USE IF APPROVED

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

Pediatricians (1)

- Efficacy
- Fits into their current office model

Frustrated with not treating and having no viable options

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

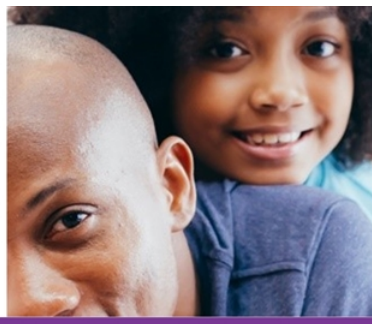
VP-102 to be covered under Medical Benefit and Payer Research Suggests a **Favorable Reimbursement** Landscape[1,2]

	COHORT SIZE	AVERAGE LIVES COVERED
Medical Directors	11	9.8M
Pharmacy Directors	15	4.2M
IDN Stakeholders	3	6.5M

The Payer Organizations and Plans Represented in the Interviews **Cover a Total of 205 Million Commercial & Medicaid Lives**

1. ArtSci Health Solution, Qualitative research conducted for Verrica Pharmaceuticals Inc., 2020
2. Real Endpoints, Qualitative research conducted for Verrica Pharmaceuticals Inc., 2019

Multiple Payer Research Studies Suggest Favorable Reimbursement Landscape for VP-102



Key Takeaways

- Payers interviewed **recognize a significant unmet need** for molluscum contagiosum and lack of an effective treatment
- Some of the key concerns mentioned about the undertreatment of the condition include the risk of infection, scarring, or spread of the disease
- Payers perceived VP-102 to be highly favorable based on the majority of patients experiencing clearance within 12 weeks
- 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

Integrated Commercial Approach with Multiple Strategic Levers

COMMERCIAL STRATEGY

Brand Awareness

Drive VP-102 awareness through cost-efficient HCP and consumer advertising

KOL Engagement

Established relationships with industry leading Key Opinion Leaders

Specialized Sales Team

Targeting office-based and institutional Dermatologists, and select Pediatricians

Dedicated Institutional Team

Specialists to promote to dermatologists in academic settings and group practices

Buy and Bill or Specialty Pharmacy

Forward Deployed Inventory

Supportive HUB services

Dedicated field reimbursement Team

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Medical Benefit Advantages Over Pharmacy Benefit

	Medical Benefit	Pharmacy Benefit
Reimbursement for products administered in office by HCP	More common	Less common
Reimbursed upon launch, prior to clinical review	More common	Less common
Subject to rebates and discounts in order to obtain formulary access	Less common	More common
Gross-to-Net Deductions	Typically, lower deductions than Pharmacy Benefit	Typically, higher deductions to meet rebate demands and costs of co-pay program
Patient obligation	Typically, averages 20% co-insurance off list price, before manufacturer co-pay applied	Prescription co-pay varies by plan

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Physicians will have a choice of Distribution Model

	Buy-and-Bill	Specialty Pharmacy
HCP Reimbursement		
Permanent J-code	Yes (within 1-2 quarters post-launch); Reimbursed under miscellaneous J-code until permanent J-code assigned	No
Office visit fee	Yes	Yes
Lesion destruction (CPT 17110, 17111)	Yes	Yes
Margin on sale of product	Yes, typically 6%-10% of ASP (dependent on health plan)	No
Distribution	**Forward Deployed Inventory Model**	**Specialty Pharmacy Model**
	• Verrica sells product to distributor • Distributor supplies product on forward deployed basis to physicians • Allows physicians to pay for inventory only after the claim has been adjudicated and the patient agrees to treatment	• RX filled by specialty pharmacy • The pharmacy will also support prior-authorizations, if applicable • Pharmacy adjudicates claim with patients and applies co-pay program • White bag delivery to physician

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Pre-Commercialization Activities Ongoing

ENGAGEMENT AT PREMIER VENUES & INDUSTRY CHANNELS

The Society for Pediatric Dermatology	Winter Clinical Dermatology	Fall Clinical Dermatology Conference® Poster Presentation
American Academy of Dermatology 1938	American Academy of Pediatrics National and Regional Meetings	SDPA National and Regional Meetings
South Beach Symposium clinical + aesthetic dermatology	Maui Derm The Dermatology Meetings	JAMA Network

DISEASE AWARENESS

Caregiver Molluscum education through digital and social tools

HCP Molluscum 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

THE PROBLEM

Non-Melanoma Skin Cancer

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Non-Melanoma Skin Cancer

Overview

Non-melanoma skin cancer includes basal cell and squamous cell carcinoma

Basal cell carcinoma is the most common malignancy in humans and has a high tumor mutational burden, which is reported to be more likely to respond to certain types of immunotherapy[5]

Common treatments are invasive, painful, can cause scarring, and may require destruction of healthy tissue

ETIOLOGY AND CLINICAL PRESENTATION

Patient Population[1]	• Estimated 5.4 million diagnoses of basal cell (BCC) and squamous cell (SCC) carcinomas annually • Increasing age and sun exposure are risk factors
Diagnosis and Symptoms[2,3]	• New or changing lesions on sun exposed skin • Common on the head/neck • BCC: Pink pearly papules with prominent blood vessels • SCC: Pink, rough scaly papules, patches, or plaques • Diagnosis through routine biopsy
Complications[3,4]	• Possibly large incisions including healthy tissue, disfigurement, bleeding and infection • Though rare, metastasis to other areas of the body/organs[6]

(1) Rogers *JAMA Derm* 2015.
(2) Combalia *Derm Practic & Concept* 2020
(3) Gruber *StatPearls* 2020
(4) Bailey *Int J of Wom Derm* 201
(5) Goodman AM et. al.Tumor Mutational Burden as an Independent Predictor of Response to Immunotherapy in Diverse Cancers. Mol Cancer Ther. 2017;16(11):2598–608.
(6) Piva de Freitas P. et. al..Metastatic Basal Cell Carcinoma: A Rare Manifestation of a Common Disease. Case Rep Med. 2017;2017:8929745.

Current Treatments For Non-Melanoma Skin Cancer1-3

	DESCRIPTION	LIMITATIONS
Surgical Excision	Using a scalpel to remove diseased tissue and healthy skin	• Invasive • Can cause scarring/disfigurement, infection, pain
Mohs Surgery	Used in high risk NMSC or in special sites	• Invasive, may take several rounds • Can cause scarring, disfigurement and pain
Electrodessication and Curettage	Minor surgical procedure to remove diseased tissue with sharp tool and cauterize the area	• Invasive • Painful • Likely to cause scarring
Topical Agents	5-FU, ingenol mebutate, or imiquimod	• May only be efficacious in small, superficial tumors • Local inflammatory reactions, systemic size effects
Oral Therapy	ERIVEDGE® (vismodegib)[4]	• Approval limited to small subset of BCC and metastatic BCC • Systemic side effects
Oral Therapy	ODOMZO® (sonidegib)[5]	• Approval limited to small subset of BCC and metastatic BCC • Systemic side effects

NOTE

Invasive procedures may lead to permanent scarring, pain, damage to healthy tissue, and recurrence

(1) Camilio Oncoimmunology 2014
(2) Combalia Derm Practic & Concept 2020
(3) Bailey Int J of Wom Derm 2019
(4) Per Prescribing Information: a hedgehog pathway inhibitor indicated for the treatment of adults with metastatic basal cell carcinoma, or with locally advanced basal cell carcinoma that has recurred following surgery or who are not candidates for surgery and who are not candidates for radiation.
(5) Per Prescribing Information: a hedgehog pathway inhibitor indicated for the treatment of adult patients with locally advanced basal cell carcinoma (BCC) that has recurred following surgery or radiation therapy, or those who are not candidates for surgery or radiation therapy.

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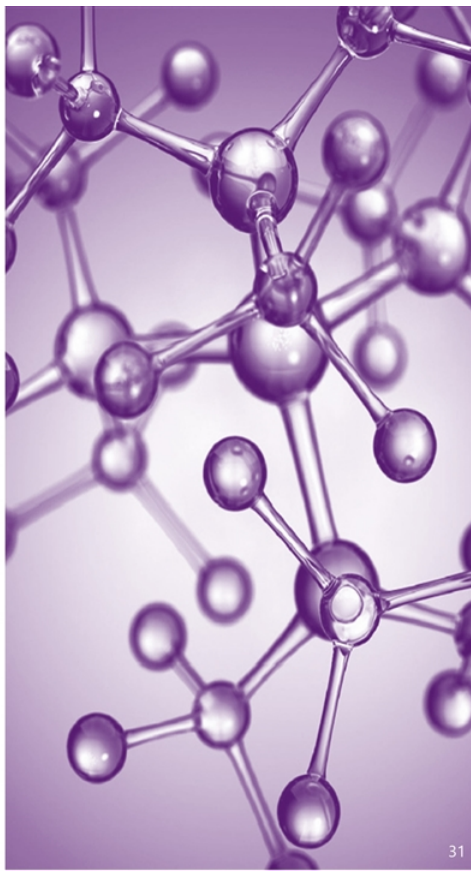
POTENTIAL SOLUTION

LTX-315

LTX-315 Overview
Induces Immunogenic Cell Death and a Tumor-specific Immune Response1,2

OVERVIEW

- First-in-class oncolytic peptide injected directly into a tumor to induce immunogenic cell death
- Host Defense Peptide designed to be administered locally to tumors easily accessible for injection in the clinic3
- May offer a non-surgical option for patients suffering from skin cancer
- Worldwide license from Lytix Biopharma in August 20204 for dermatology oncologic conditions including non-metastatic melanoma and non-metastatic merkel cell carcinoma
- Verrica intends to focus initially on basal cell and squamous cell carcinoma as lead indications
- FDA acceptance of IND in November 2021; First Patient Dosed in Phase 2 clinical trial for BCC in April 2022



(1) Camilio *Oncoimmunology* 2014.
(2) Eike LM, Yang N, Rekdal Ø, Sveinbjørnsson B. The oncolytic peptide LTX-315 induces cell death and DAMP release by mitochondria distortion in human melanoma cells. *Oncotarget*. 2015;6(33):34910-34923.
(3) Lesions within 1 cm of the eyelids or lips, or on the hands, feet, ears, nose, and genitalia excluded
(4) All malignant and pre-malignant dermatological indications, except metastatic melanoma and metastatic Merkel cell carcinoma

Host-defense peptides are a first-line of defense with a Dual Mechanism of Action[1]

LTX-315 can have both a direct killing activity and immunomodulatory properties

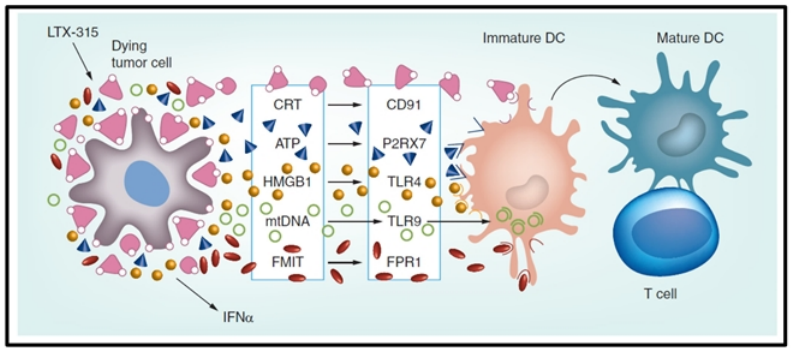
1. Kills the Tumor Cells

LTX-315 enters the cells by disturbing cell membranes and **targets** mitochondria, and other organelles causing cell death and release of a patient's tumor specific antigens[3]

2. Triggers Immune Responses Targeting Tumor Cells

This allows the immune system to recognize, infiltrate, and attack cancer cells via dendritic cells and cytotoxic T cells

The activated immune system starts searching for cancer cells with these tumor antigens and may be able to combat tumors located in other parts of the body



(1) Hancock RE. Cationic peptides: effectors in innate immunity and novel antimicrobials. Lancet Infect Dis. 2001;1(3):156-164.
(2) Eike et al. 2015.
(3) Mader JS, Hoskin DW. Cationic antimicrobial peptides as novel cytotoxic agents for cancer treatment. *Expert Opin Investig Drugs*. 2006;**15**(8):933-946

Phase 2 Open-Label Proof of Concept Study of LTX-315 in Basal Call Carcinoma (BCC)

3 Part Study to evaluate Safety and Efficacy

Part 1: DOSE EXPLORATION

- Designed to explore the initial LTX-315 safety profile when administered in escalating doses to individual subjects
- Intended to quickly assess the maximal tolerated dose (MTD) and determine the ability of LTX-315 to induce necrosis of each treated lesion while seeking to establish an AE profile for BCC.

Part 2: PRELIMINARY CONFIRMATION OF THE EXPLORATORY DOSE FROM PART 1

- Designed to confirm the exploratory dose from Part 1 and identify the recommended dose for Part 3
- Cohorts will be expanded, and dosing evaluated based upon safety and efficacy results

Part 3: EVALUATION OF THE CONFIRMED DOSES SELECTED FROM PART 2

- Designed to evaluate the efficacy of 2 selected doses of LTX-315 and to determine the optimal therapeutic dose
- Patient Reported Outcomes and Physician Global Assessment will also be included assessments

(1) Hancock RE. Cationic peptides: effectors in innate immunity and novel antimicrobials. Lancet Infect Dis. 2001;1(3):156-164.
(2) Eike et al. 2015.
(3) Mader JS, Hoskin DW. Cationic antimicrobial peptides as novel cytotoxic agents for cancer treatment. *Expert Opin Investig Drugs*. 2006;**15**(8):933-946

Basal Cell Carcinoma Opportunity

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BCC Treatment and Demographic Landscape, Affecting ~3.6MM Annually

- **98% of BCC patients are treated with surgery** (annually), ~10% of patients are treated with drug therapies[1]
- 90% of BCC patients are age 50+, of those 61% are 65 or older[1]
  - People aged 65 and older represented 16% of the US population in 2019 but are expected to grow to be 21.6% of the population by 2040[2]
- Approximately 42% of BCC patients are female, 58% are male[1]
- Approximately 82% of BCC patient diagnosis and treatment is managed by Dermatologists[1]

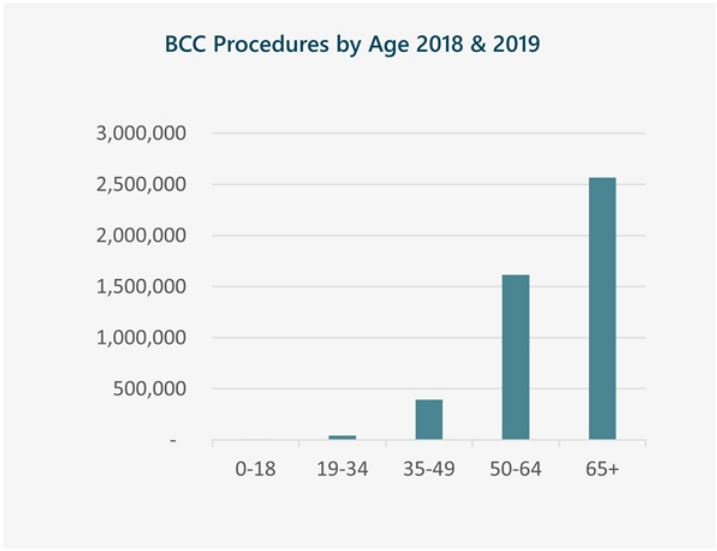
SPECIALTY	SHARE OF PATIENTS
Dermatology	82%
GP/FP/IM	8%
Other Surgeon	4%
Med Onc/ Hem Onc	1%
All Other	5%

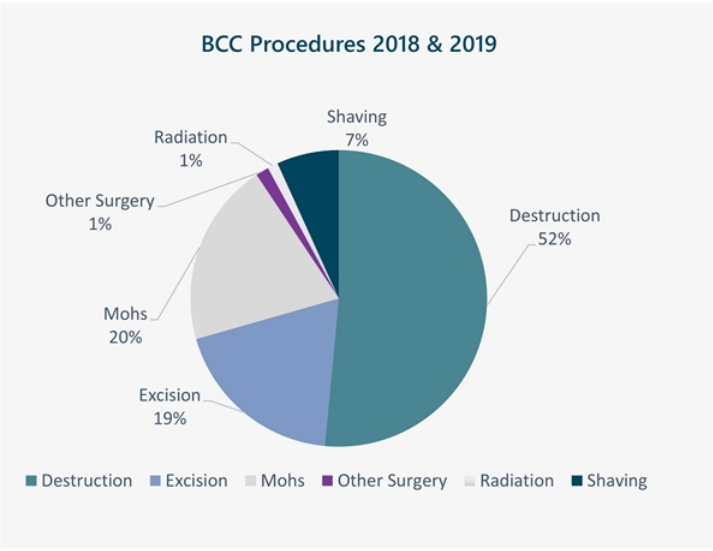
(1) IQVIA PharMetrics+. Custom research for Verrica Pharmaceuticals. Patient counts are projected estimates of the US commercially insured patient population, 2018 and 2019.
(2) Profile of Older Americans, 2020, https://acl.gov/aging-and-disability-in-america/data-and-research/profile-older-americans

OPPORTUNITY

55% of all Procedures occur in patients 65+

APPROXIMATELY 2.4M BCC PROCEDURES ARE PREFORMED ANNUALLY



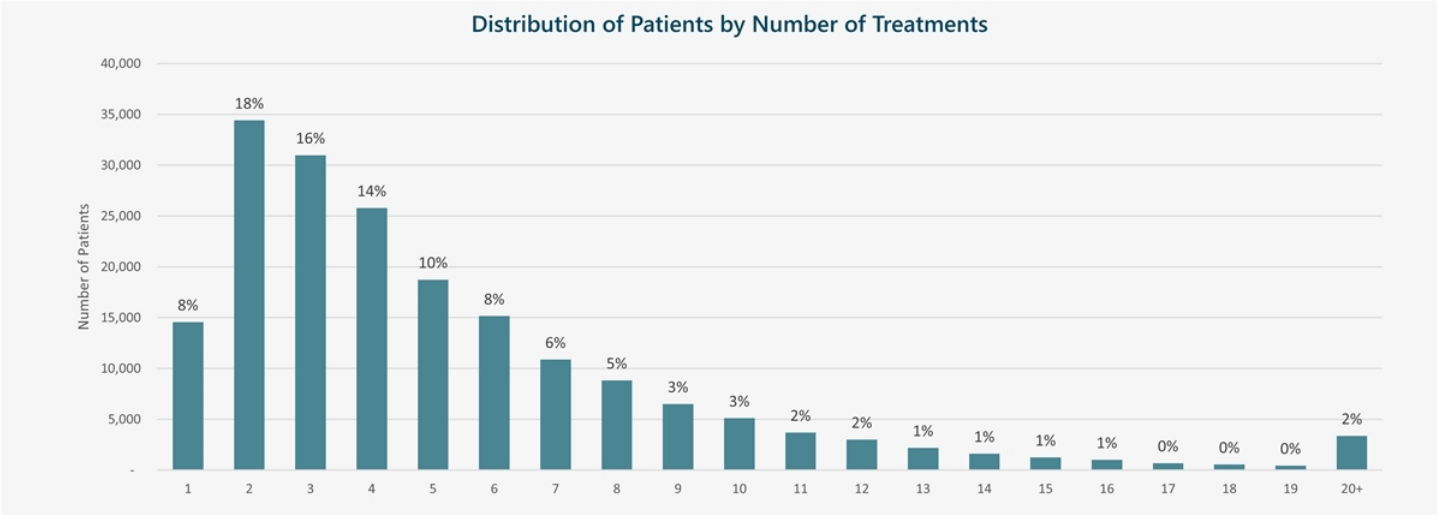


Source: IQVIA PharMetrics+. Custom research for Verrica Pharmaceuticals. Patient counts are projected estimates of the US commercially insured patient population, 2018 and 2019.

OPPORTUNITY

Majority of patients have greater than 1, but fewer than 10 treatments over 2 years

AVERAGE NUMBER OF BCC RELATED TREATMENTS IS 5.6 OVER 2 YEARS (N = 188,675 PATIENTS)



Source: IQVIA PharMetrics+. Custom research for Verrica Pharmaceuticals. Patient counts are projected estimates of the US commercially insured patient population, 2018 and 2019.

OPPORTUNITY

BCC creates a significant burden for the patient and the healthcare system

- In the US, skin cancer accounts for $8.1 billion in total healthcare costs, nonmelanoma skin cancer represents 59% of the overall category[2]
- Leading treatments for BCC are often surgical and destructive[3] and may leave a lasting impact on the patient's appearance and quality of life[4]
- The average BCC patient has **5.6 BCC related treatments over a two-year period**[3]
  - The number of treatments per patient increases with age
  - Costs are directly related to number and type of treatment
  - For younger patients, repair costs tend to be a greater proportion of their BCC total costs
- Patients with co-morbid conditions (~46%) incur greater costs. Bleeding and immune disorders can almost double the cost of care[3]

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(1) https://www.aad.org/media/stats-skin-cancer
(2) https://www.skincancer.org/skin-cancer-information/skin-cancer-facts/
(3) IQVIA PharMetrics+. Custom research for Verrica Pharmaceuticals. Patient counts are projected estimates of the US commercially insured patient population, 2018 and 2019.
(4) Nelson Sanchez, Jacob Griggs, Sonali Nanda, Rachel Fayne, David Castillo, Valeria De Bedout, Dan Meirson & Anna Nichols (2020) The Skin Cancer Index: quality-of-life outcomes of treatments for nonmelanoma skin cancer, Journal of Dermatological Treatment, 31:5, 491-493, DOI: 10.1080/09546634.2019.1674772

CASES PER YEAR

5.4 MM

NONMELANOMA SKIN CANCER[1]

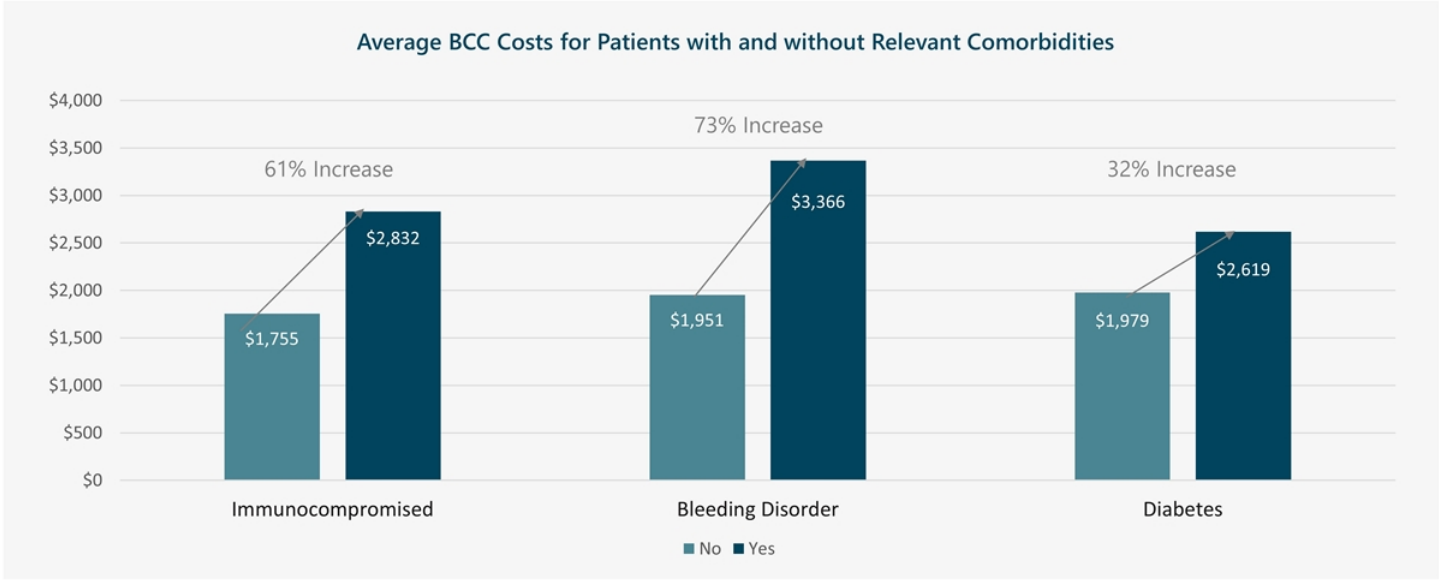
3.6 MM

BASAL CELL CARCINOMA (BCC)[2]

1.8 MM

SQUAMOUS CELL CARCINOMA (SCC)[2]

Cost of care is higher for patients with comorbid conditions



Source: IQVIA PharMetrics+. Custom research for Verrica Pharmaceuticals. Patient counts are projected estimates of the US commercially insured patient population, 2018 and 2019.

OPPORTUNITY

LTX-315 could play a significant role as part of an alternative therapeutic regime to surgery

Key Commercialization Opportunities

- **Potential alternative to current surgical procedures** like destruction, excision, or MOHS surgery
- **Reduced out-patient and recovery costs**, potentially leading to an improved total cost for many patients
- Decreased risk of scaring, **improved post treatment recovery outlook**

VP-102 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
- Approximately 500,000 to 1 million cases of EGW are newly diagnosed per year in the United States1

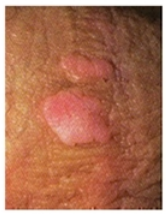
Etiology and Clinical Presentation

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

Phase 2 Study (CARE-1) in External Genital Warts (EGW)

Study Design ›
- Multi-center, double-blind, vehicle-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 days 21, 42, and 63

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: 87 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 every 21 days until complete clearance for a maximum of 4 treatments
- Part A: Three treatment groups with a 2-hour, 6-hour, and 24-hour duration of skin exposure before removal with soap and warm water
- Part B: 6- and 24-hour duration of treatment exposure (chosen based on Part A) with follow up period through Day 147
- Frequency of administration is every 21 days

Demographics (CARE-1, ITT Population)1*

	VP-102 6-hour (N=30)	Vehicle 6-hour (N=24)	VP-102 24-hour (N=27)	Vehicle 24-hour (N=18)
Age				
Mean (SD)	38.93 (9.9)	35.83 (7.8)	34.33 (7.1)	33.83 (6.3)
Min, Max	26, 59	26, 58	25, 53	25, 43
Gender, n (%)				
Male	17 (56.7)	14 (58.3)	15 (55.6)	11 (61.1)
Female	13 (43.3)	10 (41.7)	12 (44.4)	7 (38.9)
Race, n (%)				
White	24 (80.0)	13 (54.2)	24 (88.9)	12 (66.7)
Black or African American	6 (20.0)	8 (33.3)	2 (7.4)	6 (33.3)
American Indian or Alaska Native	0 (0)	1 (4.2)	0 (0)	0 (0)
Other	0 (0)	2 (8.3)	1 (3.7)	0 (0)
Ethnicity, n (%)				
Hispanic or Latino	6 (20.0)	1 (4.2)	2 (7.4)	5 (27.8)
Not Hispanic or Latino	24 (80.0)	23 (95.8)	25 (92.6)	13 (72.2)

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*Pooled data from Part A and B
(1) Guenthner 2020 Winter Clinical Dermatology Symposium

Baseline EGW Characteristics (CARE-1, ITT Population)[1*]

	VP-102 6-hour (N=30)	Vehicle 6-hour (N=24)	VP-102 24-hour (N=27)	Vehicle 24-hour (N=18)
Duration of Warts, No. (%)				
<1 year	15 (50.0)	12 (50.0)	14 (51.9)	9 (50.0)
1-2 years	3 (10)	1 (4.2)	2 (7.4)	0 (0.0)
>2-5 Years	4 (13.3)	5 (20.8)	8 (29.6)	3 (16.7)
>5 years	8 (26.7)	6 (25.0)	3 (11.1)	6 (33.3)
Wart Count				
Mean	8.5	6.71	9.48	7.56
SD	7.3	5.5	6.2	6.8
Median	6	5	9	4.5
Min, Max	2, 30	2, 26	2, 25	2, 28
Prior Wart Treatment, No. (%)				
Yes	17 (56.7)	13 (54.2)	14 (51.9)	9 (50)

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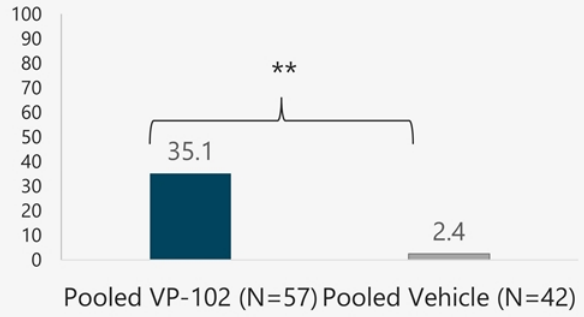
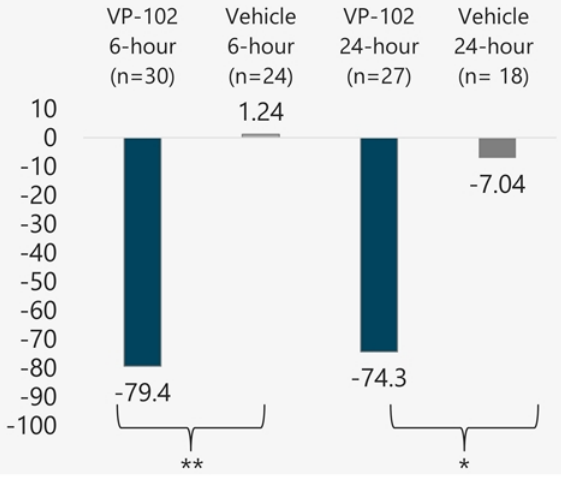
*Pooled data from Part A and B
(1) Guenthner 2020 Winter Clinical Dermatology Symposium

Efficacy Results (CARE-1, ITT Population)

Percentage of Subjects with Complete Clearance of all Baseline and New Treatable EGW Lesions[1]



Mean Percentage Change in EGW Lesions from Baseline1



Pooled data from Part A and B
*P<0.001
**P≤0.0001

(1) Guenthner 2020 Winter Clinical Dermatology Symposium

Safety Results: Treatment Emergent Adverse Events (CARE-1, Safety Population)[1,*,†]

TEAEs, N (%)	VP-102 6-hour (N=29)	Vehicle 6-hour (N=22)	VP-102 24-hour (N=28)	Vehicle 24-hour (N=20)
Subjects reporting at least one TEAE	29 (100.0)	15 (68.2)	28 (100.0)	9 (45.0)
Application site vesicles	25 (86.2)	0 (0.0)	26 (92.9)	1 (5.0)
Application site pain	20 (69.0)	3 (13.6)	19 (67.9)	4 (20.0)
Application site erythema	14 (48.3)	3 (13.6)	19 (67.9)	1 (5.0)
Application site pruritus	14 (48.3)	5 (22.7)	10 (35.7)	1 (5.0)
Application site scab	13 (44.8)	1 (4.5)	14 (50.0)	0 (0.0)
Application site discoloration	7 (24.1)	4 (18.2)	6 (21.4)	0 (0.0)
Application site dryness	7 (24.1)	2 (9.1)	6 (21.4)	1 (5.0)
Application site erosion	6 (20.7)	0 (0.0)	7 (25.0)	0 (0.0)
Application site edema	3 (10.3)	1 (4.5)	7 (25.0)	1 (5.0)
Application site exfoliation	3 (10.3)	2 (9.1)	5 (17.9)	0 (0.0)

TEAEs = Treatment Emergent Adverse Events

*Pooled data from Part A and B. No subjects discontinued the study due to AEs.
†No serious adverse events as deemed related to study drug by investigator.

(1) Guenthner 2020 Winter Clinical Dermatology Symposium

VP-102 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
- U.S prevalence of 22 million[1], with 1.5 million[2] 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

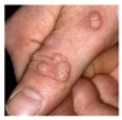
Etiology and Clinical Presentation

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

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

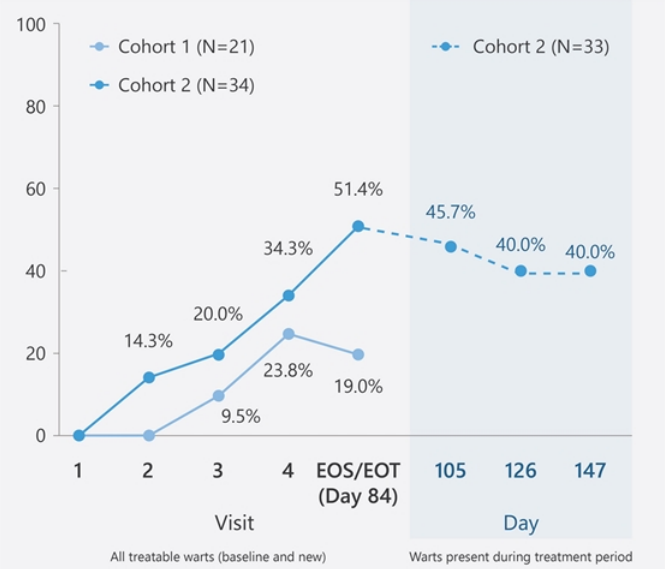
Cohort 1 is treated until clear, Cohort 2 receives one additional treatment at the first visit clearance was observed up to a maximum of 4 total applications

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

VP-102 Demonstrated Clinically Meaningful Activity on Primary Endpoint of Complete Clearance in COVE-1 Study[1]



(1) Guenthner 2019 Fall Clinical Dermatology Symposium

Adverse Events in COVE-1 Study (Incidence≥5%)[1,*]

	Cohort 1 N=21 (To Day 84)	Cohort 2 N=34 (To Day 147)
Incidence: N (%)		
Application Site Vesicles	20 (95.2)	27 (79.4)
Application Site Pain	15 (71.4)	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)	20 (58.8)
Application Site Dryness	6 (28.6)	13 (38.2)
Application Site Edema	4 (19.0)	6 (17.6)
Application Site Discoloration	1 (4.8)	8 (23.5)
Application Site Exfoliation	0	4 (11.8)
Application Site Erosion	0	3 (8.8)
Papilloma Viral Infection**	0	3 (8.8)

* Local skin reactions were expected due to the pharmacodynamic action of cantharidin. ** Warts reported with verbatim term of 'ring wart' and coded to MeDRA.

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(1) Guenthner 2019 Fall Clinical Dermatology Symposium

Regulatory Exclusivity and Intellectual Property

Verrica has Several Potential Ways to Maintain Exclusivity for VP-102

Regulatory Exclusivity

5 years of exclusivity for cantharidin as API potentially available upon approval (potential for additional 6 months for pediatric exclusivity for common warts and plantar warts indications)

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 YCANTH™ (VP-102) and potential competitors

Cannot do traditional PK/bioequivalence study (no blood level profile for YCANTH™ (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
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Overview of VP-102/103 Intellectual Property Portfolio

	KEY CLAIMS AND PATENT APPLICATIONS	VALUE TO VERRICA
1	Our specific formulation, YCANTH™ (VP-102), key safety additions and novel cantharidin formulations (PCT/US2014/052184) (PCT/US2018/036353)	May prevent generics from copying our ether-free formulation or from making similar formulations
	Single use applicator containing cantharidin formulations (PCT/US2014/052184) (PCT/US2018/037808)	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/US2018/037808) (US 29/607744)	May prevent generics from utilizing a similar applicator Design patent application allowed in the US
3	Methods of use for cantharidin in the treatment of molluscum (PCT/US2018/037808 and PCT/US2018/036353) (PCT/US2014/052184)	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) (PCT/US2018/054373)	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

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

Overview of LTX-315 Intellectual Property Portfolio

Product	Description	EU	US	JP	Other (*, pending)
LTX-315 PCT/EP2009/006744	Composition-of-matter claims	Granted[1], expires 2029	Granted, expires 2032	Granted, expires 2029	AU, BR*, CA, CN, IN, NZ, KR, RU, SG
LTX-315 T cell clonality PCT/EP 2017/05229	Methods-of-use claims	Pending, expires 2037	Pending, expires 2037	Pending, expires 2037	AU*, CN*, KR*

[1] In force in: UK, Belgium, Denmark, Finland, France, Germany, Italy, Netherlands, Norway, Poland, Spain, Sweden, Switzerland and Turkey

Investor Relations—NASDAQ: VRCA

Analyst Coverage[1]
Ken Cacciatore, Cowen
Greg Renza, RBC Capital Markets
Oren Livnat, H.C. Wainwright
Serge Belanger, Needham
Kemp Dolliver, Brookline Capital Markets

As of June 30, 2022

- Pro Forma Cash and marketable securities of $45.3M[2]
- Pro Forma Debt: None[2]
- Pro Forma Outstanding Shares: 41.1M[2]
- Outstanding option shares and RSUs: 4.2M

(1) Disclaimer: Any opinions, estimates or forecasts regarding Verrica's performance made by the above-referenced analysts are theirs alone and do not represent opinions, forecasts or predictions of Verrica or its management, and no endorsement of such opinions, estimates or forecasts shall be implied.
(2) Pro Forma figures include the impact of an underwritten public offering closed in July 2022, the repayment of $43.9M in debt in July 2022 and the receipt of an $8M milestone payment from Torii Pharmaceutical Co., Ltd. in August 2022 for the initiation of the Phase 3 clinical trial for VP-102 for molluscum in Japan.

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Investment Highlights

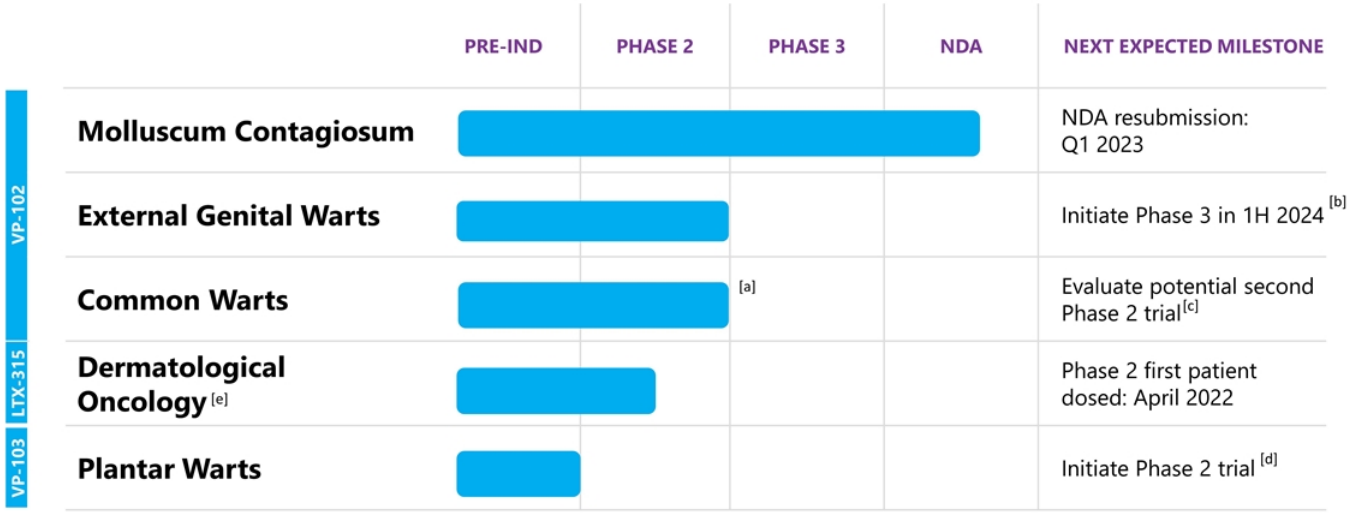
NEAR TERM CATALYSTS

Expect to resubmit NDA for VP-102 for Molluscum Contagiosum in Q1 2023 with potential approval/launch in H2 2023 (U.S. Prevalence of Molluscum Contagiosum ~6M[1])	**Conclusion of Part 1 of 3 Part PH2 study on LTX-315 for Basal Cell Carcinoma expected in Q1 2023 (safety and dose exploration)** (U.S. Prevalence of Basal Cell Carcinoma 3.6M[2])

VP-102 In development to address two of the largest unmet needs in dermatology	• Proprietary drug-device combination of formulation and single-use applicator • In development to address two of the largest unmet needs in dermatology • Payer research suggests favorable reimbursement landscape • Exclusive license for Torii Pharmaceutical to develop and commercialize VP-102 in Japan • Patents projected to expire between 2034 and 2039
LTX-315 Potential non-surgical alternative (injectable) for treatment of basal cell and squamous cell carcinomas	• First-in-class oncolytic peptide injected directly into tumor to induce immunogenic cell death • Positive tumor-specific immune cell responses in multi-indication Phase 1/2 oncology trials • Verrica to focus initially on development to treat basal cell and squamous cell carcinoma • Worldwide rights for dermatological oncology, including basal cell and squamous cell carcinomas and non-metastatic melanoma licensed from Lytix Biopharma. • Patents projected to expire between 2032 and 2037
Proven Management Team	• Industry-leading, experienced management team with extensive dermatology product launch experience
Strong Balance Sheet	• Pro Forma cash as of June 30, 2022 of $45M[3]; sufficient to support operations into Q3 2023; additional capital will be required for commercial launch of VP-102 for molluscum contagiosum • Debt free

(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) Our New Approach to a Challenging Skin Cancer Statistic. The Skin Cancer Foundation. https://www.skincancer.org/blog/our-new-approach-to-a-challenging-skin-cancer-statistic/
(3) Pro Forma figures include the impact of an underwritten public offering closed in July 2022, the repayment of $43.9M in debt in July 2022 and the receipt of an $8M milestone payment from Torii Pharmaceutical Co., Ltd. in August 2022 for the initiation of the Phase 3 clinical trial for VP-102 for molluscum in Japan.

Our Product Portfolio



[a] Originally designed Phase 2 program completed.
[b] Timing of clinical trials for External Genital Warts may be subject to change.
[c] Company evaluating potential for conducting an additional Phase 2 trial based on FDA feedback for Phase 3 trial protocol.
[d] Timing for initiating clinical trials for Plantar Warts to be determined.
[e] License excludes metastatic melanoma and metastatic merkel cell carcinoma. Phase 2 study initiated in April 2022 for the treatment of Basal Cell Carcinoma.

Management Team with **Extensive Product Launch and Dermatology Experience**

Ted White
President & Chief Executive Officer

NOVARTIS
AQUA an Almirall company

Terry Kohler
Chief Financial Officer

endo
Johnson & Johnson

Gary Goldenberg, MD
Chief Medical Officer

Icahn School of Medicine at Mount Sinai
GOLDENBERG DERMATOLOGY
TEMPLE
WAKE FOREST UNIVERSITY

Joe Bonaccorso
Chief Commercial Officer

NOVARTIS
Pierre Fabre

Selected Launched Products

Diovan 80 mg • 160 mg valsartan capsules

Hemangeol PROPRANOLOL HYDROCHLORIDE

Acticlate (Doxycycline Hyclate USP) Tablets 75 mg 150 mg

ELIDEL Pimecrolimus Cream 1% mg/g

LAMISIL SINGELDOS

Appendix

VERRICA PHARMACEUTICALS
Reinventing Skin Science

Molluscum Clinical Evidence

VERRICA PHARMACEUTICALS
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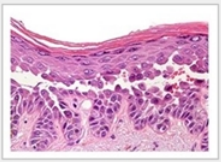
Cantharidin Elicits a Dual Response in the Skin

1 Superficial blistering of lesional skin

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

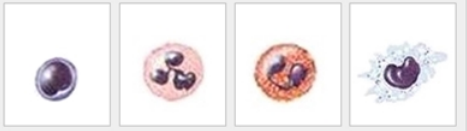
Once applied, cantharidin activates neutral serine proteases that cause degeneration of the desmosomal plaque and intraepidermal blistering.(1)



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

Significant Clinical Progress of YCANTH™ (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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Demographics in Phase 3 Trials[1]

	VP-102 (n=310)	Vehicle (n=218)
Age (years)		
Mean (SD)	7.5 ± 6.7	6.8 ± 5.8
Median	6.0	6.0
Range	2-60	2-54
Age Group - no.(%)		
≥ 2 to 5 yr	137 (44.2)	106 (48.6)
≥6 to 11 yr	140 (45.2)	89 (40.8)
≥12-18 yr	22 (7.1)	18 (8.3)
≥ 19 yr	11 (3.5)	5 (2.3)
Gender – no. (%)		
Female	154 (49.7)	107 (49.1)
Male	156 (50.3)	111 (50.9)
Race or Ethnic Group – no. (%)		
White	277 (89.4)	202 (92.7)
Black or African American	13 (4.2)	8 (3.7)
Asian	6 (1.9)	1 (0.5)
American Indian/Alaskan Native	0	1 (0.5)
Other	14 (4.5)	6 (2.8)

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Note: Slide reflects pooled data from Phase 3 molluscum trials (CAMP-1 and CAMP-2)

(1) Eichenfield *Amer J Clin Derm* 2021

Safety Results Summary for Molluscum Phase 3 Trials[1]

Incidence of Treatment Emergent Adverse Events (TEAEs) ≥5%

	VP-102 (N=311)	Vehicle (N=216)
At Least One Incidence: N (%)		
Application Site Vesicles	298 (95.8)	63 (29.2)
Application Site Pain	193 (62.1)	36 (16.7)
Application Site Pruritus	169 (54.3)	75 (34.7)
Application Site Scab	147 (47.3)	47 (21.8)
Application Site Erythema	139 (44.7)	58 (26.9)
Application Site Discoloration	100 (32.2)	27 (12.5)
Application Site Dryness	63 (20.3)	31 (14.4)
Application Site Edema	29 (9.3)	10 (4.6)
Application Site Erosion	22 (7.1)	2 (0.9)

Treatment Emergent Adverse Events (TEAEs) ≥5% by Severity

	VP-102 (N=311)			Vehicle (N=216)		
At Least One Incidence: N (%)	Mild	Moderate	Severe	Mild	Moderate	Severe
Application Site Vesicles	187 (60.1)	100 (32.2)	11 (3.5)	59 (27.3)	4 (1.9)	0
Application Site Pruritus	145 (46.6)	23 (7.4)	1 (0.3)	62 (28.7)	13 (6.0)	0
Application Site Pain	127 (40.8)	59 (19.0)	7 (2.3)	34 (15.7)	2 (0.9)	0
Application Site Scab	120 (38.6)	27 (8.7)	0	44 (20.4)	3 (1.4)	0
Application Site Discoloration	87 (28.0)	12 (3.9)	1 (0.3)	25 (11.6)	2 (0.9)	0
Application Site Erythema	73 (23.5)	65 (20.9)	1 (0.3)	43 (19.9)	15 (6.9)	0
Application Site Dryness	58 (18.6)	5 (1.6)	0	30 (13.9)	1 (0.5)	0
Application Site Edema	21 (6.8)	8 (2.6)	0	7 (3.2)	3 (1.4)	0
Application Site Erosion	20 (6.4)	2 (0.6)	0	2 (0.9)	0	0

VERRICA PHARMACEUTICALS
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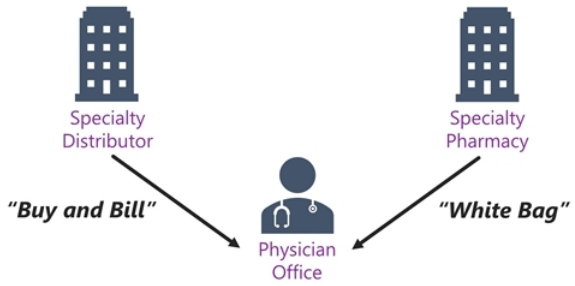
Note: Slide reflects pooled data from Phase 3 molluscum trials (CAMP-1 and CAMP-2)

(1) Eichenfield *JAMA Derm* 2020

YCANTH™ (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	Office visit
Procedure for lesion destruction	Procedure for lesion destruction
YCANTH™ (VP-102) = (ASP + X%)	

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

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

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

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)

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