Verrica Pharmaceuticals Announces Litigation Settlement with Dormer Laboratories, Inc.

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- Dormer Labs has discontinued the sale of all cantharidin-containing products into the United States

- YCANTH is the only commercially available, FDA approved therapy for molluscum contagiosum and is clinically proven to be safe and effective

WEST CHESTER, Pa., July 01, 2024 (GLOBE NEWSWIRE) -- Verrica Pharmaceuticals Inc. ("Verrica") (Nasdaq: VRCA), a dermatology therapeutics company developing medications for skin diseases requiring medical interventions, today announced the settlement of litigation with Dormer Laboratories, Inc. ("Dormer Labs"). As part of the settlement, Dormer Labs has discontinued the sale of all cantharidin-containing products into the United States, including Dormer brands Cantharone (Liquid) and Cantharone Plus.

"We are pleased to announce the expeditious settlement with Dormer Labs, which Verrica believes was the largest supplier of non-FDA approved cantharidin-containing products into the U.S. market," said Ted White, Verrica's President and Chief Executive Officer. "This settlement should send a clear message that Verrica will remain vigilant in its efforts to identify and stop any drug manufacturer or distributor that seeks to market, sell or distribute non-FDA approved cantharidin in the United States. We believe that this settlement will result in greater patient usage of the FDA-approved YCANTH."

We remain vigilant regarding any U.S. based pharmacies or outsourcing facilities improperly compounding cantharidin without adhering to the requirements and parameters established by the FDA. Patient safety is imperative, and compounded cantharidin is not only unapproved, but it can be harmful to patients due to its lack of stability and inconsistent concentration. YCANTH is the only commercially available cantharidin therapy for the treatment of molluscum contagiosum that the FDA has found to be safe and effective," White added.

About YCANTH® (VP-102)

YCANTH® is a proprietary drug-device combination product that contains a GMP-controlled formulation of cantharidin delivered via a single-use applicator that allows for precise topical dosing and targeted administration for the treatment of molluscum. YCANTH is the first and only commercially available product approved by the FDA to treat adult and pediatric patients two years of age and older with molluscum contagiosum — a common, highly contagious skin disease that affects an estimated six million people in the United States, primarily children. Approval of YCANTH was based upon the positive results from two Phase 3 clinical trials in approximately 500 patients which demonstrated that YCANTH was a safe and effective therapy for the treatment of molluscum. Approximately 228 million lives are eligible to receive YCANTH covered by insurance. YCANTH is available to all patients with and without insurance coverage for between $25-$75 per treatment, and further financial assistance is available for patients in need. Please visit YCANTHPro.com for additional information.

In addition, Verrica has successfully completed a Phase 2 study of VP-102 for the treatment of common warts and a Phase 2 study of VP-102 for the treatment of external genital warts.

YCANTH should only be administered by a trained healthcare professional. YCANTH is not for home use.

About Verrica Pharmaceuticals Inc.

Verrica is a dermatology therapeutics company developing medications for skin diseases requiring medical interventions. On July 21, 2023, YCANTH® (cantharidin), became the first treatment approved by the FDA to treat adult and pediatric patients two years of age and older with molluscum contagiosum, a highly contagious viral skin infection affecting approximately 6 million people in the United States, primarily children. YCANTH (VP-102) is also in development to treat common warts and external genital warts, two of the largest remaining unmet needs in medical dermatology. Verrica is also developing VP-103, its second cantharidin-based product candidate, for the treatment of plantar warts. Verrica has also entered a worldwide license agreement with Lytix Biopharma AS to develop and commercialize VP-315 (formerly LTX-315 and VP-LTX-315) for non-melanoma skin cancers including basal cell carcinoma and squamous cell carcinoma. For more information, visit www.verrica.com.

Forward-Looking Statement

Any statements contained in this press release that do not describe historical facts may constitute forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements may be identified by words such as "believe," "expect," "may," "plan," "potential," "will," "anticipate", and similar expressions, and are based on Verrica's current beliefs and expectations. These forward-looking statements include the Company's expectations with regard to the impact of the settlement on patient usage of YCANTH and the Company's intention to continue efforts to identify and stop manufacturer and distributors of non-FDA approved cantharidin. These statements involve risks and uncertainties that could cause actual results to differ materially from those reflected in such statements. Risks and uncertainties that may cause actual results to differ materially include uncertainties inherent in the drug development process and the regulatory approval process, Verrica's reliance on third parties over

which it may not always have full control, and other risks and uncertainties that are described in Verrica's Annual Report on Form 10-K for the year ended December 31, 2023, Verrica's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 and other filings Verrica makes with the U.S. Securities and Exchange Commission. Any forward-looking statements speak only as of the date of this press release and are based on information available to Verrica as of the date of this release, and Verrica assumes no obligation to, and does not intend to, update any forward-looking statements, whether as a result of new information, future events or otherwise.

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