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): August 14, 2024

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 2.02 Results of Operations and Financial Condition.

On August 14, 2024, Verrica Pharmaceuticals Inc. (the "***Registrant***") issued a press release announcing its financial results for the quarter and six months ended June 30, 2024. This press release has been 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 2.02, 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 Registrant's filings under the Securities Act of 1933, as amended (the "***Securities Act***"), 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 7.01 Regulation FD Disclosure.

On August 14, 2024, the Registrant will post 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 99.2 hereto, shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any of the Registrant's filings under the Securities Act 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	Press Release, dated August 14, 2024
99.2	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: August 14, 2024

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

Verrica Pharmaceuticals Reports Second Quarter 2024 Financial Results

– Reports YCANTH® revenue, net of $4.9M for second quarter of 2024 along with the expansion of YCANTH's distribution footprint to include Cencora, Inc. as a specialty distributor –

– Announces positive preliminary topline results of Phase 2 clinical study of VP-315 for the treatment of patients with basal cell carcinoma –

– Continues to progress preparation for global Phase 3 Common Warts trial with initiation expected in 1H 2025 –

– Conference Call Scheduled for Today at 8:30 am ET –

WEST CHESTER, PA – August 14, 2024 (GLOBE NEWSWIRE) – Verrica Pharmaceuticals Inc. ("Verrica") (Nasdaq: VRCA), a dermatology therapeutics company developing medications for skin diseases requiring medical interventions, today announced financial results for the second quarter ended June 30, 2024.

"Verrica continued to make steady progress during the second quarter of 2024, highlighted by the receipt of a permanent J-Code for YCANTH that went into effect on April 1," said Ted White, Verrica's President and Chief Executive Officer. "We are already beginning to see the effects of the permanent J-Code on increasing demand for YCANTH, as product coverage and reimbursement decisions for our Medicaid patient population become increasingly streamlined. We also have made notable progress in removing unapproved, compounded cantharidin distributed by Dormer Laboratories from the U.S. market following our litigation settlement with Dormer. Based on these two positive developments, coupled with our growing insurance coverage and distribution capabilities, we expect YCANTH prescription growth to continue quarter over quarter in the second half of 2024.

"Our late-stage clinical pipeline is also making meaningful progress. This morning, we announced exciting new data from our Phase 2 study evaluating our novel oncolytic peptide, VP-315, for the treatment of basal cell carcinoma. Based on these positive safety and efficacy data, we believe VP-315 has the potential to become a first-line therapy for the treatment of basal cell carcinoma, and we look forward to sharing more detailed results at a KOL event in the near-future. In addition, we recently amended our agreement with Torii Pharmaceutical Inc. Ltd., which we believe will enable us to further advance YCANTH into Phase 3 testing for the potential treatment of common warts. Common warts represent the single largest unmet need in all of dermatology, and we believe YCANTH could establish a new standard of care for this pervasive condition with no FDA-approved therapies."

Conference Call and Webcast Information

The Company will host a conference call today, Wednesday, August 14, 2024, at 8:30 AM, Eastern Time, to discuss its second quarter 2024 financial results and provide a business update. To participate in the conference call, please utilize the following information:

Domestic Dial-In Number: Toll-Free: 1-800-579-2543

International Dial-In Number: 1-785-424-1789

Conference ID: VERRICA

The call will also be broadcast live over the Web and can be accessed on Verrica Pharmaceuticals' website: www.verrica.com or directly at https://viavid.webcasts.com/starthere.jsp?ei=1678543&tp_key=8db298d3d3

The conference call will also be available for replay for one month on the Company's website in the Events Calendar of the Investors section.

Business Highlights and Recent Developments

YCANTH® (VP-102)

- The Company added Cencora, Inc. as a specialty distributor in Q2 2024, which will provide incremental commercial support services through IPN, Cencora's wholly owned specialty practice GPO, to continue to grow YCANTH® buy and bill accounts through its GPO membership. The Company also added Vizient as a GPO for hospitals, which will drive visibility and demand pull through among health systems.
- On July 1, 2024, the Company 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.
- On May 15, 2024, the Company announced that it amended its collaboration and license agreement with Torii Pharmaceutical Co. Ltd. ("Torii") to fund the global pivotal Phase 3 clinical trial to evaluate YCANTH® for the treatment of common warts. The amendment enables the two companies to equally split the cost of the global Phase 3 clinical trial in common warts, with Torii funding Verrica's portion of the costs as an offset to Torii's future payment obligations to Verrica based on regulatory milestones and sales of YCANTH for molluscum contagiosum and common warts in Japan. In addition, Torii is obligated to make a milestone payment of $8.0 million to Verrica upon the first patient dosed in Japan in the Phase 3 clinical trial. The trial is expected to begin in the first half of 2025.

VP-315

- On August 14, 2024, the Company reported positive preliminary results from its Phase 2 study evaluating VP-315 for the treatment of basal cell carcinoma. The Phase 2 study is an open label, proof of concept trial designed to evaluate the safety and tolerability, dose regimen, and efficacy of VP-315 in biopsy-confirmed basal cell carcinoma tumors. Preliminary efficacy data based on 90 out of 93 lesions treated show that treatment with VP-315 resulted in an approximately 51% complete histologic clearance rate of basal cell carcinomas, with more than half of the patients no longer requiring treatment of any kind. Those subjects with residual carcinomas showed an approximately 71% reduction in tumor size, which is expected to significantly improve treatment outcomes with subsequent surgical treatments, if required. Overall reduction of tumor size in all subjects (those with no residual tumor and those with residual tumor) was 86%. No treatment-related serious adverse events were reported in the study; most treatment-related adverse events were classified as mild to moderate as expected, with injection site pain being the most common adverse effect.

Financial Results

Second Quarter 2024 Financial Results

- Verrica recognized net product revenue of $4.9 million in the second quarter of 2024 which relates to the delivery of YCANTH (VP-102) to FFF, its primary distribution partner, related to demand pull through, as well as the expansion of its specialty distribution network to bring-on an additional specialty distributor and the related impact of a one-time stock-in order from that distributor, which represented approximately 54% of net YCANTH (VP-102) revenue in the period. YCANTH (VP-102), Verrica's first FDA approved product, became available for commercial sale in August 2023.
- Verrica recognized collaboration revenues of $0.3 million for the three months ended June 30, 2024 related to the Collaboration and License Agreement with Torii Pharmaceutical Col, Ltd ("Torii") for supplies and development activity with Torii.
- Selling, general and administrative expenses were $16.5 million in the second quarter of 2024, compared to $5.9 million for the same period in 2023. The increase of $10.6 million was primarily due to higher expenses related to commercial activities for YCANTH (VP-102), including increased compensation, recruiting fees, benefits and travel due to ramp-up of sales force of $7.2 million, other commercial activity of $1.7 million, increased marketing and sponsorship costs of $0.4 million and increased legal costs of $1.1 million.

- Research and development expenses were $3.3 million in the second quarter of 2024, compared to $5.7 million for the same period in 2023. The decrease of $2.4 million was primarily related to reduction of costs related to YCANTH (VP-102) pre-launch activity of $2.3 million and a decrease in VP-315 clinical trial costs of $0.5 million partially offset by increased headcount related costs of $0.5 million.
- Costs of product revenue were $0.4 million for the quarter ended June 30, 2024 including product costs related to the sale of YCANTH (VP-102) of $0.3 million and other indirect costs of $0.1 million.
- Costs of collaboration revenue were $0.2 million for the quarter ended June 30, 2024, compared to $0.1 million for the quarter ended June 30, 2023. These costs of collaboration revenue consisted of payments for manufacturing supply to support development and testing services pursuant to the Torii Clinical Supply Agreement.
- Interest income was $0.4 million for the three months ended June 30, 2024, compared to $0.6 million for the same period in 2023. The decrease of $0.2 million was primarily due to a lower cash balance for the period.
- Interest expense of $2.4 million for the three months ended June 30, 2024 consisted of interest expense related to the OrbiMed Credit Agreement that commenced in July 2023.
- For the quarter ended June 30, 2024, net loss was $17.2 million, or $0.37 per share, compared to a net loss of $11.0 million, or $0.24 per share, for the same period in 2023.
- For the quarter ended June 30, 2024, non-GAAP net loss was $14.4 million, or $0.31 per share, compared to a non-GAAP net loss of $9.4 million, or $0.21 per share, for the same period in 2023.

Year-to-Date June 2024 Financial Results

- Verrica recognized product revenue of $8.1 million in the six months ending June 30, 2024 which relates to the delivery of YCANTH (VP-102) to FFF, its primary distribution partner, related to demand pull through, as well as the expansion of its specialty distribution network to bring-on an additional specialty distributor and the related impact of a one-time stock-in order from that distributor, which represented approximately 32% of net YCANTH (VP-102) revenue in the period. YCANTH (VP-102), Verrica's first FDA approved product, became available for commercial sale in August 2023.
- Verrica recognized collaboration revenues of $0.9 million for the six months ended June 30, 2024, compared to $0.2 million for the same period in 2023, each related to the Clinical Supply Agreement with Torii.
- Selling, general and administrative expenses were $32.9 million for the six months ended June 30, 2024, compared to $10.3 million for the same period in 2023. The increase of $22.6 million was primarily due to higher expenses related to commercial activities for YCANTH (VP-102), including increased compensation, recruiting fees, benefits and travel due to ramp-up of sales force of $12.5 million, increased marketing and sponsorship costs of $3.4 million, other commercial activity of $3.9 million, increased legal costs of $1.6 million and finance costs of $0.6 million.

- Research and development expenses were $8.3 million for the six months ended June 30, 2024, compared to $8.5 million for the same period in 2023. The decrease of $0.2 million was primarily due to a decrease in clinical trial costs for VP-315 of $0.9 million partially offset increased headcount related costs of $0.7 million.
- Costs of product revenue were $0.9 million for the six months ended June 30, 2024 including product costs of $0.4 million and obsolete inventory write-off of $0.4 million. Product costs were slightly lower as some materials were expensed as research and development costs prior to FDA approval.
- Costs of collaboration revenue were $0.8 million for the six months ended June 30, 2024, compared to $0.2 million for the same period in 2023. The increase of $0.6 million was primarily due to increased manufacturing supply required to support development and testing services pursuant to the Torii Clinical Supply Agreement.
- Interest income was $1.0 million for the six months ended June 30, 2024, compared to $1.1 million for the same period in 2023. The decrease of $0.1 million was primarily due to a lower cash balance.
- Interest expense of $4.7 million for the six months ended June 30, 2024 consisted of interest expense related to the OrbiMed Credit Agreement that commenced in July 2023.
- For the six months ended June 30, 2024, net loss on a GAAP basis was $37.5 million, or $0.81 per share, compared to a net loss of $17.6 million, or $0.40 per share, for the same period in 2023.
- For the six months ended June 30, 2024, non-GAAP net loss was $32.2 million, or $0.69 per share, compared to a non-GAAP net loss of $14.9 million, or $0.34 per share, for the same period in 2023.
- As of June 30, 2024, Verrica had cash and cash equivalents of $31.9 million. Verrica believes that its existing cash and cash equivalents as of June 30, 2024 will be sufficient to support planned operations into the first quarter of 2025.

Non-GAAP Financial Measures

In evaluating the operating performance of its business, Verrica's management considers non-GAAP loss from operations, non-GAAP net loss and non-GAAP net loss per share. These non-GAAP financial measures exclude stock-based compensation expense and non-cash interest expense that are required by GAAP. Verrica excludes non-cash stock-based compensation expense from these non-GAAP measures to facilitate comparison to peer companies who also provide similar non-GAAP disclosures and because it reflects how management internally manages the business. In addition, Verrica excludes non-cash interest expense from these non-GAAP measures to facilitate an understanding of the effects of the debt service obligations on the Company's liquidity and comparisons to peer group companies who also provide similar non-GAAP disclosures and because it is reflective of how management internally manages the business. Non-GAAP loss from operations, non-GAAP net loss and non-GAAP net loss per share should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for, or superior to, GAAP results. Non-GAAP loss from operations, non-GAAP net loss and non-GAAP net loss per share have been reconciled to the nearest GAAP measure in the tables following the financial statements in this press release.

VERRICA PHARMACEUTICALS INC.
Statements of Operations
(in thousands except share and per share data)
(unaudited)

	Three Months Ended June 30,	
	2024	2023
Product revenue, net	$ 4,892	$ —
Collaboration revenue	285	182
Total revenue	5,177	182
Operating expenses:		
Selling, general and admin	16,522	5,937
Research and development	3,319	5,725
Cost of product revenue	360	—
Cost of collaboration revenue	182	136
Total operating expenses	20,383	11,798
Loss from operations	(15,206)	(11,616)
Interest income	393	626
Interest expense	(2,368)	—
Other expense	(5)	—
Net loss	$ (17,186)	$ (10,990)
Net loss per share, basic and diluted	$ (0.37)	$ (0.24)
Weighted-average common shares outstanding, basic and diluted	46,502,274	45,916,867

VERRICA PHARMACEUTICALS INC.
Statements of Operations
(in thousands except share and per share data)
(unaudited)

	Six Months Ended June 30,	
	2024	2023
Product revenue, net	$ 8,124	$ —
Collaboration revenue	879	219
Total revenue	9,003	219
Operating expenses:		
Selling, general and admin	32,861	10,256
Research and development	8,267	8,464
Cost of product revenue	906	—
Cost of collaboration revenue	774	204
Total operating expenses	42,808	18,924
Loss from operations	(33,805)	(18,705)
Interest income	991	1,126
Interest expense	(4,687)	—
Other expense	(16)	—
Net loss	$ (37,517)	$ (17,579)
Net loss per share, basic and diluted	$ (0.81)	$ (0.40)
Weighted-average common shares outstanding, basic and diluted	46,492,971	44,478,116

VERRICA PHARMACEUTICALS INC.
Selected Balance Sheet Data
(in thousands)
(unaudited)

	June 30, 2024	December 31, 2023
Cash and cash equivalents	$ 31,930	$ 69,547
Prepaid assets and other expenses	15,388	7,983
Total current assets	47,318	77,530
PP&E, lease right of use asset, other	4,692	4,067
Total assets	$ 52,010	$ 81,597
Total liabilities	$ 65,310	$ 61,834
Total stockholders' (deficit) equity	(13,300)	19,763
Total liabilities and stockholders' (deficit) equity	$ 52,010	$ 81,597

VERRICA PHARMACEUTICAS INC.
Reconciliation of Non-GAAP Financial Measures (unaudited)
(in thousands except per share data)

	Three Months Ended June 30, 2024		
	Loss from operations	Net loss	Net loss per share
GAAP	**$(15,206)**	**$(17,186)**	**$ (0.37)**
Non-GAAP Adjustments:			
Stock-based compensation – Selling, general and admin (a)	1,715	1,715	
Stock-based compensation – Research and development (a)	513	513	
Non-cash interest expense (b)	—	516	
Adjusted	**$(12,978)**	**$(14,442)**	**$ (0.31)**

	Three Months Ended June 30, 2023		
	Loss from operations	Net loss	Net loss per share
GAAP	**$ (11,616)**	**$(10,990)**	**$ (0.24)**
Non-GAAP Adjustments:			
Stock-based compensation – Selling, general & admin (a)	950	950	
Stock-based compensation – Research & development (a)	594	594	
Adjusted	**$(10,072)**	**$ (9,446)**	**$ (0.21)**

	Six Months Ended June 30, 2024		
	Loss from operations	Net loss	Net loss per share
GAAP	**$(33,805)**	**$(37,517)**	**$ (0.81)**
Non-GAAP Adjustments:			
Stock-based compensation – Selling, general and admin (a)	3,337	3,337	
Stock-based compensation – Research and development (a)	963	963	
Non-cash interest expense (b)	—	999	
Adjusted	**$(29,505)**	**$(32,219)**	**$ (0.69)**

	Six Months Ended June 30, 2023		
	Loss from operations	Net loss	Net loss per share
GAAP	**$(18,705)**	**$(17,579)**	**$ (0.40)**
Non-GAAP Adjustments:			
Stock-based compensation – Selling, general & admin (a)	1,785	1,785	
Stock-based compensation – Research & development (a)	853	853	
Adjusted	**$(16,067)**	**$(14,941)**	**$ (0.34)**

(a) The effects of non-cash stock-based compensation are excluded because of varying available valuation methodologies and subjective assumptions. Verrica believes this is a useful measure for investors because such exclusion facilitates comparison to peer companies who also provide similar non-GAAP disclosures and is reflective of how management internally manages the business.

(b) The effects of non-cash interest charges are excluded because Verrica believes such exclusion facilitates an understanding of the effects of the debt service obligations on the Company's liquidity and comparisons to peer group companies and is reflective of how management internally manages the business.

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 Statements

Any statements contained in this press release that do not describe historical facts may constitute forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements may be identified by words such as “believe,” “expect,” “may,” “plan,” “potential,” “will,” and similar expressions, and are based on Verrica’s current beliefs and expectations. These forward-looking statements include expectations regarding the continuing commercial launch of YCANTH™, quarter over quarter YCANTH prescription growth in the second half of 2024, the potential for VP-315 to become a first-line therapy for the treatment of basal cell carcinoma, future financial performance, the clinical development of Verrica’s product candidates, including the timing of reporting data from clinical trials, the potential benefits of YCANTH and Verrica’s product candidates and Verrica’s ability to fund its operations into the first quarter of 2025. 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 uncertainties that are described in Verrica’s Annual Report on Form 10-K for the year ended December 31, 2023, Quarterly Report on Form 10-Q for the quarter ended June 30, 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.

FOR MORE INFORMATION, PLEASE CONTACT:

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VERRICA™ PHARMACEUTICALS
Reinventing Skin Science

Company Overview

August 2024

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 within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, that involve substantial risks and uncertainties. In some cases, you can identify forward-looking statements by the words "may," "might," "will," "could," "would," "should," "expect," "intend," "plan," "objective," "anticipate," "believe," "estimate," "predict," "project," "potential," "continue" and "ongoing," or the negative of these terms, or other comparable terminology intended to identify statements about the future. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from the information expressed or implied by these forward-looking statements. Although we believe that we have a reasonable basis for each forward-looking statement contained in this presentation, we caution you that these statements are based on a combination of facts and factors currently known by us and our expectations of the future, about which we cannot be certain. Forward-looking statements include statements about: our expectations regarding the commercialization of YCANTH (formerly referred to as VP-102) for the treatment of molluscum contagiosum as well as our plans to develop and commercialize our product candidates; the timing of our planned clinical trials for our product candidates; our ability to maintain regulatory approvals for YCANTH (VP-102) for the treatment of molluscum contagiosum or obtain approval for additional indications for YCANTH (VP-102) for the treatment of external genital warts and, common warts and our other product candidates; the clinical utility of our product candidates; our commercialization, marketing and manufacturing capabilities and strategy; our expectations about the willingness of healthcare professionals to use YCANTH (VP-102) for the treatment of molluscum contagiosum, VP-315 for basal cell carcinoma and any of our product candidates; our expectations about third-party payors to reimburse or patients to pay for YCANTH (VP-102) for the treatment of molluscum contagiosum and any of our product candidates; our intellectual property position; our plans to in-license, acquire, develop and commercialize additional product candidates for other dermatological conditions to build a fully integrated dermatology company; our competitive position and the development of and projections relating to our competitors or our industry; our expectations regarding the market size of basal cell carcinoma; our ability to identify, recruit and retain key personnel; the impact of laws and regulations; our plans to identify additional product candidates with significant commercial potential that are consistent with our commercial objectives; and our estimates regarding future revenue, expenses and needs for additional financing.

You should refer to the "Risk Factors" in our Annual Report on Form 10-K, our Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 and our other filings made with the SEC for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. As a result of these factors, we cannot assure you that the forward-looking statements in this presentation will prove to be accurate. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all. The forward-looking statements in this presentation represent our views as of the date of this presentation. We anticipate that subsequent events and developments may cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this presentation.

Unless otherwise indicated or the context otherwise requires, all references in this presentation to "the Company," "we," "our," "ours," "us" or similar terms refer to Verrica Pharmaceuticals Inc. "Verrica," the Verrica logo, YCANTH (VP-102) and other trademarks or service marks of Verrica Pharmaceuticals Inc. appearing in this presentation are the property of Verrica Pharmaceuticals Inc. This presentation contains additional trade names, trademarks and service marks of others, which are the property of their respective owners.

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

VERRICA PHARMACEUTICALS
Reinventing Skin Science

Our Product Candidate Portfolio:

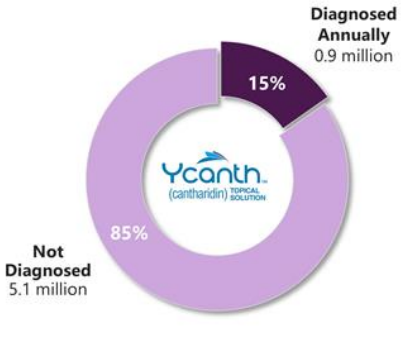
VERRICA PHARMACEUTICALS
Reinventing Skin Science

[a] Verrica and its partner in Japan, Torii Pharmaceutical Co., Ltd. expect to start a global Phase 3 clinical trial to study YCANTH® for the treatment of common warts in 2025.
[b] Timing for initiating clinical trials for External Genital Warts and Plantar Warts to be determined.
[c] License excludes metastatic melanoma and metastatic Merkel cell carcinoma. Phase 2 study initiated in April 2022 for the treatment of Basal Cell Carcinoma.

Focused on Largest Unmet Needs in Dermatology

YCANTH™ for Molluscum

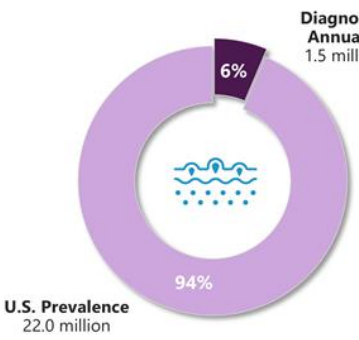
Approved in July 2023



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

VP-102 for Common Warts

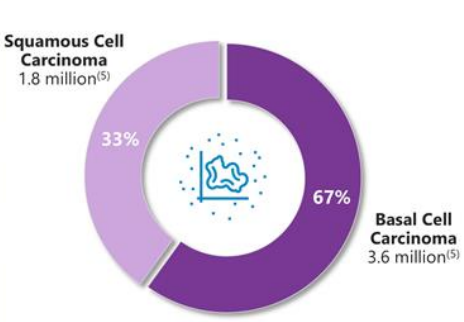
First Patient Dosed in Global Phase 3 with Data Expected H1 2025



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

VP-315 for Nonmetastatic Skin Cancer

End-of-Phase 2 Meeting Expected H1 2025



US Prevalence of **~3.6 million cases annually**(5)

(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
(5) www.skincancer.org/skin-cancer-information/skin-cancer-facts/

Comprehensive Regulatory, IP and Manufacturing Strategy to Maintain YCANTH™ Exclusivity; VP-315 COM-Issued Protection

YCANTH™

Regulatory Exclusivity; Patent Portfolio	5 years NCE exclusivity for cantharidin as API granted; potential for additional 6 months for pediatric exclusivity for common warts and plantar warts indications	**Patent applications on:** • *Specific formulation* • *Applicator* • *Method of Use* • *Design*
Compounding Pharmacies	Verrica has and will enforce its rights to seek removal of any compounded cantharidin that is essentially a copy of YCANTH from the market unless it meets the FDA statutory exemptions. In addition, with the approval of YCANTH™, Verrica has petitioned the FDA to have Cantharidin removed from 503B Category 1 and has sought an Import Alert from the FDA to detain any compounded cantharidin before importation into the USA.(1)	
Manufacturing(2)	YCANTH™ 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
Barriers to Generic Entry	ANDA approval likely blocked by patent pending protection and significant differences between YCANTH™ and potential competitors	

(1) 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.
(2) 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
In force in: UK, Belgium, Denmark, Finland, France, Germany, Italy, Netherlands, Norway, Poland, Spain, Sweden, Switzerland and Turkey

Extensive Issued and Pending Patents Covering VP-315 from 2029-2044

VP-315

PCT/EP2009/006774; composition-of-matter (COM) patent, granted
- Expires 2032 (US)
- Expires 2029 (Europe[1], Japan, AU, BR, CA, CN, IN, JP, KR, NZ, RU, and SG)

PCT/EP2017/052279; methods-of-use patent, pending
- Expires 2037 (anticipated in US, Europe, Japan, CN, KR)
- Expires 2037 (granted in Australia)

PCT/EP2023/087127; formulation patent, pending
- Expires 2043 (anticipated)
- PCT application pending

PCT/EP2023/087135; Chitosan formulation patent, pending
- Expires 2043 (anticipated)
- PCT application pending

PCT/US2024/024185; Administration of an Anti-Cancer Peptide patent, pending
- Expires 2044 (anticipated)
- PCT application pending

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

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
TEMPLE UNIVERSITY
GOLDENBERG DERMATOLOGY
WAKE FOREST UNIVERSITY

Joe Bonaccorso
Chief Commercial Officer

NOVARTIS
Pierre Fabre

Select Product Launches

Diovan® valsartan capsules
Hemangeol® PROPRANOLOL HYDROCHLORIDE
Acticlate® (Doxycycline Hyclate USP) Tablets 75 mg 150 mg
ELIDEL®
LAMISIL® SINGELDOS

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Basal Cell Carcinoma

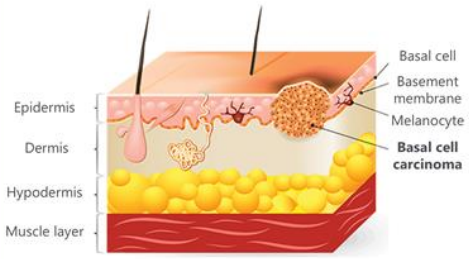
THE POTENTIAL SOLUTION:

VP-315

Status: End of Phase 2 Meeting Expected H1 2025

Basal Cell Carcinoma (BCC) Disease Overview

BCC is characterized by slow, locally invasive growth that can be destructive of skin and surrounding tissues



Associated with various etiologies, BCC is an epithelial tumor largely believed to arise from pluripotential cells located in the epidermis' basal layer

Overview

- BCC is the **most common cancer (3.6 M[1] US cases diagnosed per year)**, with **increasing incidence rates** worldwide (up 77% in the US between 1994 and 2014)[1]
- More than one out of every three new cancers are skin cancers, and the vast majority are BCCs[1]
- Diagnosed BCC patients have a **35% chance of developing another (not recurrent) lesion** within 3 years, and **upwards of 50% within 5 years**[2,5]
- Despite high incidence, BCC is **rarely fatal** and has a **very low rate of metastasis (<1%)**[3]

Presentation

- BCCs are typically found in areas of the body more exposed to the sun, with **~80% of BCCs located on the face and head**[4]; other BCCs are most common on the trunk and extremities
- BCCs present in a clinically-diverse manner; however, **nodular is the most common morphological subtype**, representing ~60-80% of cases[4]

Risk Factors

- **Chronic exposure to UV radiation** is the largest risk factor; additional environmental factors include tanning beds and proximity to the equator (i.e., higher risk due to UV exposure)
- Phenotypic and genetic factors also contribute to BCC development, such as light skin pigmentation, hair/eye color, age, male gender, and genetic history of skin cancer

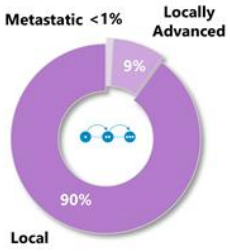
Abbreviations: ASIP: Agouti Signaling Protein; MC1R: Melanocortin-1 Receptor; TYR: Tyrosinase; UV: Ultraviolet; BCC: Basal Cell Carcinoma

1. www.skincancer.org/skin-cancer-information/skin-cancer-facts/
2. Chung, Seum. "Basal cell carcinoma." *Archives of Plastic Surgery* 39.02 (2012): 166-170.
3. Piva de Freitas, Paola, et al. "Metastatic basal cell carcinoma: a rare manifestation of a common disease." *Case reports in medicine* 2017.1 (2017): 8929745.
4. Tyagi, Ruchita, et al. "Nodular cystic basal cell carcinoma of the trunk: a diagnostic dilemma in an unsuspecting youth." *Iranian Journal of Pathology* 12.4 (2017): 410.
5. Lewis KG, Weinstock MA. Trends in nonmelanoma skin cancer mortality rates in the United States, 1969 through 2000. J Invest Dermatol 2007;127:2323-7.

Basal Cell Carcinoma Treatment Segmentation

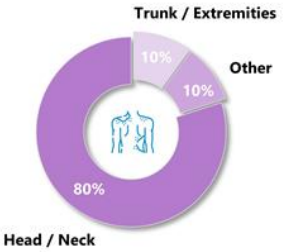
BCC is typically segmented by disease progression, location, tumor subtype, and age, with risk of recurrence (low vs. high) typically correlated with multiple segmentation criteria

Stage[1,2]



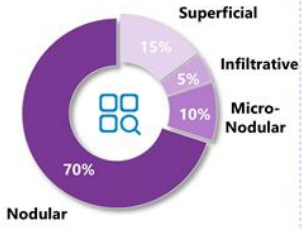
- Vast majority of BCC cases are detected early in the local stage
- ~10% of BCCs are considered advanced (locally advanced and metastatic); **metastatic disease progression is extremely rare**

Tumor Location[3]



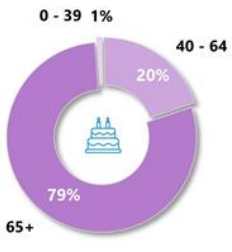
- Tumors located in more anatomically sensitive areas (i.e., face, neck, scalp, hands, feet, etc.) may have **greater recurrence risk** due to greater sun exposure and potentially more complex removal

Tumor Subtype[4]



- BCC subtypes can manifest in numerous morphological forms including **nodular, superficial, micronodular, infiltrative and mixed / other**

Age[5,6,7]

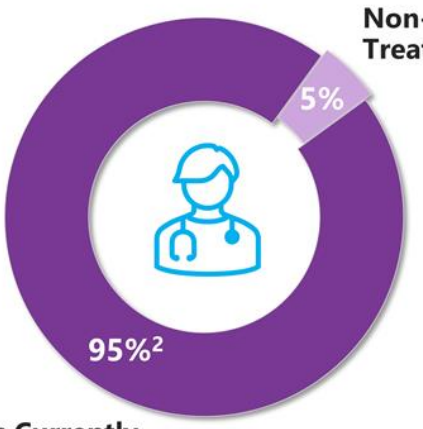


- Age also plays a role in treatment decision making
- **Mean age at diagnosis is 67 years old,** when patients are typically eligible for all available treatments
- Incidence rate for those under 40 years old is increasing.[8]

1) Sekulic, Aleksandar, et al. "Real-world assessment and treatment of locally advanced basal cell carcinoma: Findings from the RegiSONIC disease registry." PloS one 17.1 (2022): e0262151.
2) Piva de Freitas, Paola, et al. "Metastatic basal cell carcinoma: a rare manifestation of a common disease." Case reports in medicine 2017.1 (2017): 8929745.
3) Tyagi, Ruchita, et al. "Nodular cystic basal cell carcinoma of the trunk: a diagnostic dilemma in an unsuspecting youth." Iranian Journal of Pathology 12.4 (2017): 410.
4) Marzuka, Alexander G., and SE26029015 Book. "Basal cell carcinoma: pathogenesis, epidemiology, clinical features, diagnosis, histopathology, and management." The Yale journal of biology and medicine 88.2 (2015): 167-179.
5) Qarqaz et al., "Clinical and Demographic Features of Basal Cell Carcinoma in North Jordan." J Skin Cancer (2018): 2624054.
6) Flohil et al., "Trends in Basal Cell Carcinoma Incidence Rates: A 37-Year Dutch Observational Study." J Invest Dermatol (2013): 913-918.
7) Muzic et al., "Incidence and trends of basal cell carcinoma and cutaneous squamous cell carcinoma: A population-based study in Olmsted County, Minnesota, 2000–2010." Mayo Clin Proc. (2017): 890-898.
8) Bath-Hextall F, Bong J, Perkins W, et al. Interventions for basal cell carcinoma of the skin: systematic review. BMJ. 2004; 329:705.

Current Treatment Landscape of Basal Cell Carcinoma in the U.S.

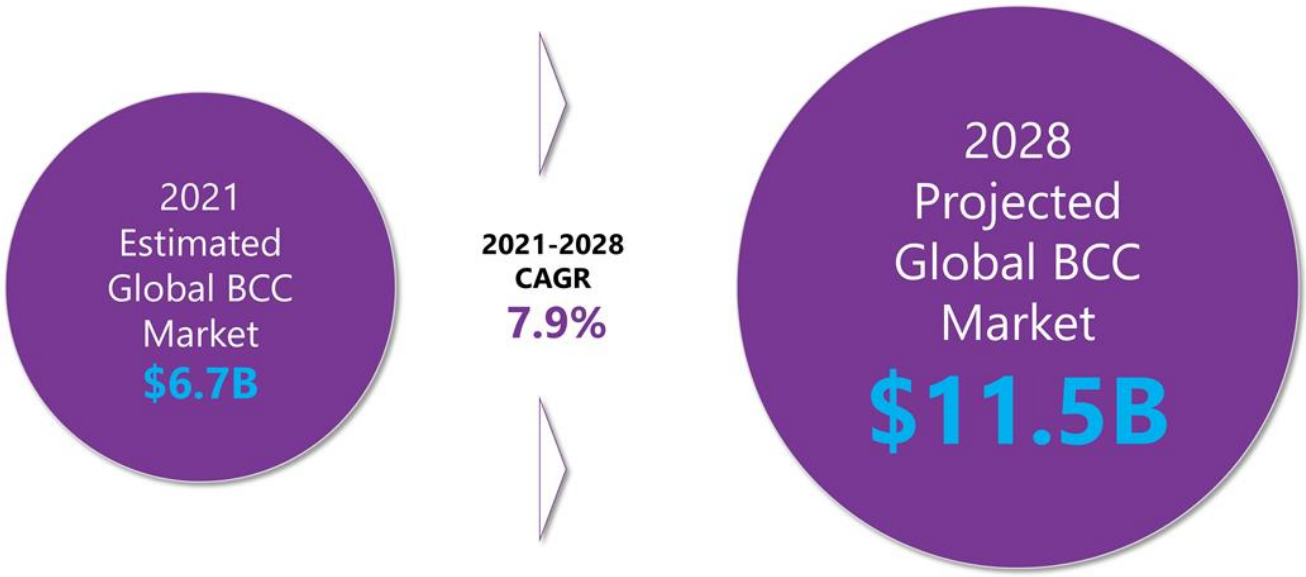
Surgical and non-surgical alternatives have limitations



- **Mohs micrographic surgery is considered the most effective technique for treating BCCs[1] with 700K+ procedures in the U.S. annually.[3]**
- Mohs is often used for BCCs around the eyes, ears, nose, mouth, hands, feet and genitals.[4]
- Potential problems with Mohs include: bleeding, pain or tenderness, potential for infection, permanent or temporary numbness/weakness of surgical area and a large scar. [4]
- **Mohs surgery and other surgical excisions often cause scarring that are larger than the visible basal cell** because additional tumor is often discovered during surgery that requires the removal of additional tissue. [5]
- **Non-surgical treatments include radiation therapy, topical therapies or systematic therapy** with a hedgehog inhibitor (HHi) which have systemic side-effects.[2]

1) https://www.skincancer.org/treatment-resources/mohs-surgery/
2) https://www.ncbi.nlm.nih.gov/books/NBK482439/#:~:text=The%20current%20mainstay%20of%20BCC,rates%2C%20generally%20over%2095%25.
3) IQVIA projected dataset for 12 months ending December 2019
4) https://www.mayoclinic.org/tests-procedures/mohs-surgery/about.
5) https://www.skincancer.org/blog/embrace-your-scars/

Basal Cell Carcinoma Market Analysis[1]



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VP-315
A Potential Non-Surgical Alternative

VP-315 for Basal Cell Carcinoma

Large Estimated Market Size

- 3.6+ million new cases of basal cell carcinoma annually
- More than one out of every three new cancers are skin cancers; vast majority are BCCs
- ~$11.5 billion market by 2028

Favorable Safety Profile

- No SAEs
- Few mild-to-moderate treatment AEs mostly in the form of injection site pain

Non-invasive Treatment Option

- Patient receives injections over the course of 2 or 3 days
- Long-standing surgical SoC for BCC
- In clinical trials, VP-315 either entirely eliminated the need for Mohs or significantly reduced size of the subsequent scarring from the procedure

Positive Preliminary Efficacy Observed

- Greater than half of all basal cell carcinomas treated resolved without having to resort to Mohs micrographic surgery
- >70% reduction in carcinoma size for patients that still had a tumor after treatment

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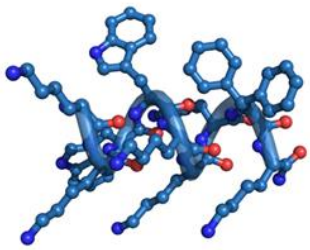
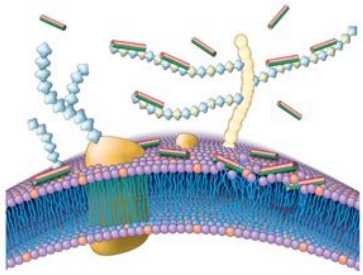
VP-315 is an oncolytic molecule designed from host defense peptide

VP-315 HAS A DUAL MODE OF ACTION: DIRECT KILLING AND IMMUNE MODULATION



- VP-315 composed of 5 cationic residues and 4 lipophilic residues, including one synthetic
- Able to form an amphipathic structure upon interaction with anionic membranes



- VP-315 shows specificity for cancer cells overexpressing anionic molecules
- Followed by internalization and targeting of intracellular organelles

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Rekdal *et al.* , J. Biol. Chem, 2012
Haug, J.*et al.* Med. Chem, 2016

VP-315 Dual Mechanism of Action

1

Local Killing of Cancer Cells

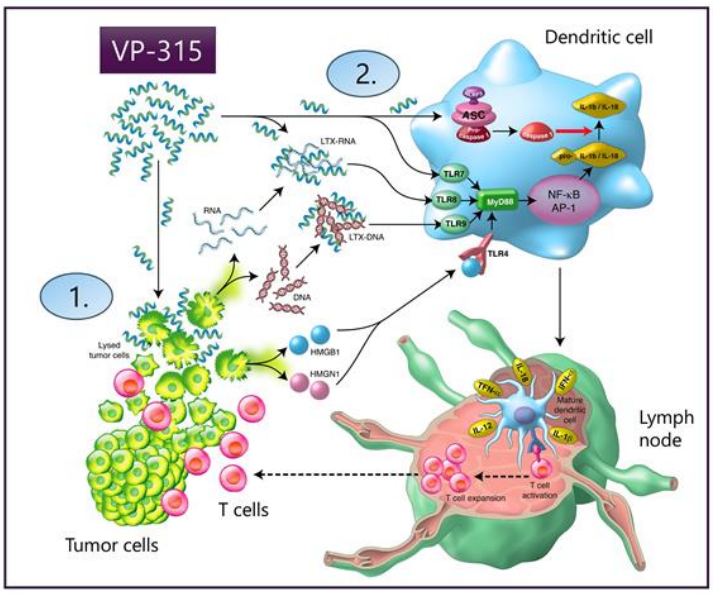
Release of immune-activating molecules

Effective exposure of tumor antigens (mutated proteins)

2

Activation of dendritic cells (antigen presenting cells)

Through direct and indirect pathways



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VP-315 Phase 2 Clinical Study Design

Open label proof of concept study to assess safety & tolerability, dose regimen, efficacy
Study comprised of two parts (Part 1 and Part 2); primary objective of Part 1 was to assess the maximal tolerated dose for Part 2

Part 1

- Designed to explore the initial VP-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 VP-315 to induce necrosis of each treated lesion while seeking to establish an AE profile for BCC.
- Part 1 Update:
  - Part 1 of VP-315 Phase 2 trial enrolled 10 subjects and demonstrated a favorable safety and tolerability profile with no reported serious adverse events.
  - Subjects receiving the higher range of dosing experienced a consistent response of clinical tumor necrosis.

Part 2

Cohort 1 & 2

Designed to determine the optimal regimen for dosing 8mg of VP-315 based on safety and tolerability

- Intended to confirm the exploratory dose (8 mg VP-315) identified from Part 1 and identify the recommended regimen for Part 2, Cohorts 4 (two doses on consecutive days) and 5 (three doses on consecutive days)
- Dose limiting toxicity of pain was noted in Cohort 2 and therefore Cohort 3 was omitted and the injection schedule used in Part 1 of the study was utilized in Cohorts 4 and 5 since it did not show any tolerability issues.

Cohort 4 & 5

Designed to gain information on safety, tolerability and dosing regimen of VP-315 to support a pivotal P3 study

- Intended to evaluate the safety and tolerability of the optimal dosing regimen of VP-315 from Part 2, Cohorts 1 and 2
- Verrica to evaluate complete clearance of BCC tumors and tumor size reduction to determine optimal dosing regimen of VP-315
- Pharmacokinetics, Patient Reported Outcomes and Physician Global Assessment also be evaluated

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VP-315
Phase 2 Design and Preliminary Results

VP-315 Phase 2 BCC: Preliminary Efficacy Results

51% **Complete Clearance Rate of Basal Cell Carcinomas**

71% **Reduction in Tumor Size of Patients with Residual Carcinomas**

86% **Overall Reduction of Tumor Size**

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1)

VP-315 Phase 2 BCC: Preliminary Efficacy Data

COHORT	COMPLETE HISTOLOGIC CLEARANCE	HISTOLOGIC REDUCTION IN RESIDUAL TUMOR SIZE	OVERALL REDUCTION OF TUMOR SIZE (ALL SUBJECTS)
1	71% (n=7)	93% (n=7)	98% (n=7)
2	33% (n=3)	83% (n=3)	88% (n=3)
4	53% (n=38)	72% (n=37) [1]	87% (n=37) [1]
5	47% (n=45)	68% (n=43)	83% (n=43)
Total	**51% (n=93)**	**71% (n=90)**	**86% (n=90)**

1) Data from 3 subjects re: histologic reduction in residual tumor and overall reduction in tumor size are pending.

VP-315 Phase 2 BCC: Preliminary Safety and Tolerability Results

No treatment-related serious adverse events (SAEs) were reported

Most treatment-related adverse events (TRAEs) were mild to moderate and expected

Expected cutaneous reactions were observed

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VP-315 Phase 2 BCC: Preliminary Safety and Tolerability Data

Top 5 Adverse Events from Part 2 of Phase 2 clinical trial of VP-315 for the treatment of basal cell carcinoma

PRELIMINARY TREATMENT EMERGENT ADVERSE EVENTS
(EXCLUDING CUTANEOUS INJECTION SITE REACTIONS)
(N=82 SUBJECTS)

	Mild n (%)	**Moderate** n (%)	**Severe** n (%)
Injection site pain	11 (13.4)	10 (12.2)	1 (1.2)
Hypertension	4 (4.9)	0 (0.0)	0 (0.0)
Hypotension	4 (4.9)	0 (0.0)	0 (0.0)
Erythema	1 (1.2)	2 (2.4)	0 (0.0)
Headache	2 (2.4)	0 (0.0)	0 (0.0)

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Preliminary Data and Market Research Support Use of VP-315 as a Potential 1L Treatment for Basal Cell Carcinoma

Based on primary market research conducted utilizing target product profiles, surveyed physicians believe VP-315 has the potential to be utilized as a first line therapy in a primary or neoadjuvant setting

Primary Therapy: Physician-Identified Use Case

- Patients that would most benefit from VP-315 in the primary setting are those that are **higher-risk and/or:**
  - Surgery averse
  - Surgery fatigued
  - Cosmetically concerned with surgical outcome
- VP-315 would benefit **advanced and/or unresectable patients[1] that:**
  - Are not a surgical candidate due to old age
  - Elect for VP-315, associated with a more durable and tolerated treatment response

"This treatment would be great for patients that don't want to receive surgery. **I offer my patients all available treatment options and I am sure that some of them would elect for this treatment."**
– Dermatologist

Neoadjuvant Therapy: Physician-Identified Use Case

- Patients that would most benefit from VP-315 in the **neoadjuvant setting are those that:**
  - Have large tumors that would benefit from volume reduction to make surgery easier
  - Have tumors in cosmetically sensitive areas
  - Have tumors in difficult-to-treat areas (e.g., shins)
- Physicians note that neoadjuvant utilization **could increase over time** if VP-315 generates clinically meaningful real-world evidence and **the economic incentive to treat BCC surgically decreases**
- Physicians indicated that an efficacious neoadjuvant treatment associated with a **more tolerable side effect profile** relative to hedgehog inhibitors meets a clear unmet need

"I always have to weigh the risks and benefits of giving a patient a treatment. Currently, I'm not sure exposing a patient to significant side effects is a good idea, but if you have a treatment that is **very well tolerated while shrinking a tumor in half in 6 weeks, that would be a reasonable idea."**
– Mohs Surgeon

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Source: LifeSci Primary Market Research Conducted Based on Preliminary Target Product Profiles – Completed March 2024 (N = 20 HCPs; n=10 Dermatologists, n=9 Dermatologic / Mohs Surgeons; n=1 Cutaneous Oncologist).
1) Comment reflects physician's perspective from primary market research; advanced and unresectable patients were not studied during VP-315 Phase 2 clinical trial.

Preliminary Data and Market Research Support Use of VP-315 as a Potential 1L Treatment for Basal Cell Carcinoma (Continued)

Based on primary market research conducted utilizing target product profiles, surveyed physicians believe VP-315 has the potential to be utilized as a first line therapy

3.6 Million new cases annually

VP-315: First Line Treatment Potential

51%	**Complete Clearance Rate of Basal Cell Carcinomas**	▪ Greater than half of patients treated with no subsequent need for mohs surgery ▪ No scarring ▪ Favorable safety profile
71%	**Reduction in Tumor Size of Patients with Residual Carcinomas**	▪ Of the 49% with residual carcinomas, the lesions were reduced by 71% ▪ Significant reduction in size of lesion for mohs surgery ▪ Significant reduction in size of scar

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Anticipated Next Steps on VP-315

3Q 2024	**Database lock**
4Q 2024	**Clinical Study Report**
1Q 2025	**Genomic and T-cell (immune response) data**
1H 2025	**FDA End-of-Phase 2 meeting**

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YCANTH™ (cantharidin) topical solution 0.7%

The First FDA Approved Product for Molluscum Contagiosum

YCANTH™ (cantharidin, 0.7%) Drug-device Combination Product Delivered Via a Single-use Applicator

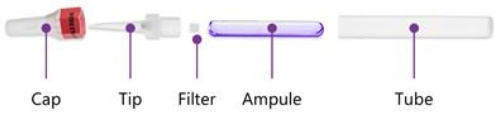
DESIGNED FOR RELIABLE, AND TARGETED ADMINISTRATION

Topical solution in a single-use applicator

- Active ingredient cantharidin (0.7%) in a proprietary topical formulation
- Single-use applicator to reduce cross-contamination and facilitate application of the topical solution
- Small opening allows for targeting of affected skin

GMP-controlled, shelf-stable, consistent topical formulation

- Allows for reliable dosing/administration
- Oral deterrent to help mitigate the risk of accidental ingestion
- Visualization agent to identify treated lesions



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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, although in some people it can take up to five years[1]
- Often leads to anxiety and social challenges for the patients and parents and negatively impacts quality of life

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1) www.aad.org/public/diseases/a-z/molluscum-contagiosum-symptoms

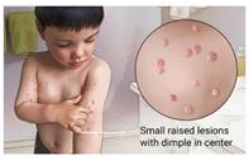
Etiology and Clinical Presentation

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

Other Non-FDA Approved Treatments for Molluscum Have Many Limitations

- Broad use limited by unproven efficacy, scarring, lack of availability, safety concerns & pain
- Significantly undertreated patient population

Not For Promotional Use

	DESCRIPTION	LIMITATIONS
Cryotherapy	Freezing the lesions with liquid nitrogen	• Pain and scarring • May be 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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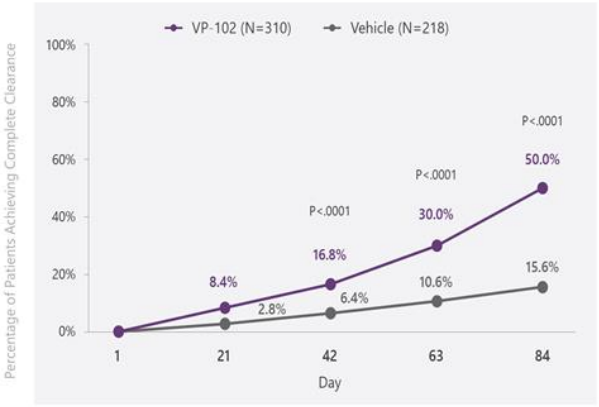
Methods in two Phase 3 Trials, CAMP-1 & CAMP-2, in Molluscum Contagiosum[1,2]

- YCANTH was studied in two randomized, double-blind, placebo-controlled phase 3 trials, Trial 1 and Trial 2 (n = 266, and n = 262, respectively) in subjects 2 years and older with molluscum contagiosum.
- Most patients received a single 24-hour dermal administration of YCANTH or vehicle for each lesion every 3 weeks for up to 4 treatments.
- Primary Endpoint
  - Percent of participants with complete clearance of Molluscum contagiosum at Day 84
- Secondary Endpoint
  - Safety & Tolerability
  - Percent of participants with complete clearance at Day 21, 42 and 63
  - If severe local skin reactions occurred, YCANTH was removed prior to 24 hours after treatment.

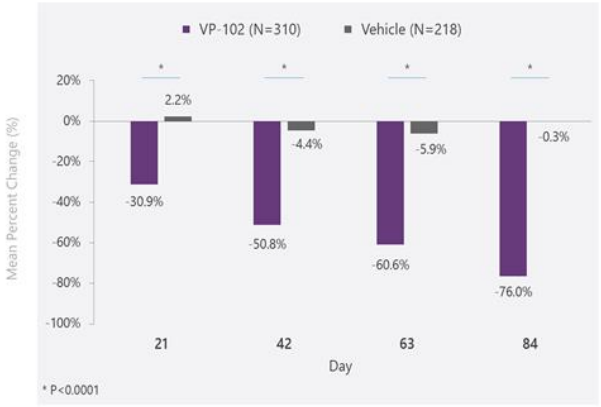
1) Eichenfield LF, Siegfried E, Kwong P, et al. Pooled results of two randomized phase III trials evaluating VP-102, a drug-device combination product Containing cantharidin 0.7% (w/w) for the treatment of molluscum contagiosum. Am J Clin Dermatol. 2021;22(2):257-265
2) ClinicalTrials .gov (Trial 1 [NCT03377790]. and Trial 2 [NCT03377803])

Phase 3 Studies Demonstrated Favorable Activity in Complete Clearance and Reducing Lesions

Phase 3 Studies for Molluscum Demonstrate Statistically Significant Activity on Primary Endpoint of Percentage of Subjects with Complete Clearance of All Baseline and New Treatable MC lesions at Each Time Point (Pooled, ITT population)



Phase 3 Studies for Molluscum Demonstrate Statistically Significant Activity Mean Percent Change in Molluscum Contagiosum Lesion Count from Baseline to Day 84 At Each Time Point (Pooled, ITT population)



Note: slide reflects data from Phase 3 Molluscum Trials 1 and 2 (CAMP-1 and CAMP-2)
Note: No statistical significance reported at Day 21 in CAMP-2.

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1) Eichenfield LF, Siegfried E, Kwong P, et al. Pooled results of two randomized phase III trials evaluating VP-102, a drug-device combination product containing cantharidin 0.7% (w/v) for the treatment of molluscum contagiosum. Am J Clin Dermatol. 2021;22(2):257-265.

Application Site Adverse Reactions Leading to Discontinuation of Study Drug (Pooled, Safety Population)[1]

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)
Infection	1 (0.3)	0 (0)
Gianotti-Crosti Syndrome*	0 (0)	1 (0.5)
Total Discontinuation Rate	**7 (2.3)**	**1 (0.5)**

Note: slide reflects pooled data from Phase 3 molluscum trials (CAMP-1 and CAMP-2)
* Considered not related to treatment

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1) Eichenfield LF, Siegfried E, Kwong P, et al. Pooled results of two randomized phase III trials evaluating VP-102, a drug-device combination product containing cantharidin 0.7% (w/v) for the treatment of molluscum contagiosum. Am J Clin Dermatol. 2021;22(2):257-265.

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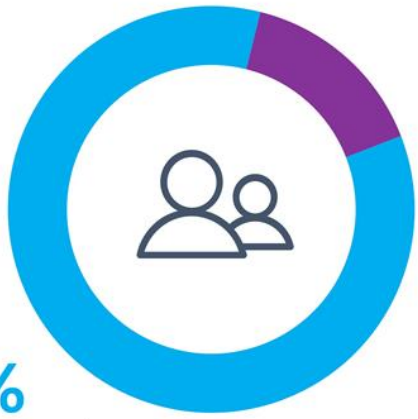
YCANTH™ (cantharidin) topical solution 0.7%
Commercialization and Product Launch

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

Favorable Reimbursement Landscape

- Over 200 Million Lives Covered commercially, through state Medicaid programs, and through Tri-Care and Federal Employee Programs.
- Majority of covered lives are under the Medical Benefit vs. Pharmacy Benefit.

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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
Review cycle timing	Shorter review cycle	Longer review cycle
Patient obligation	Typically, averages 20% co-insurance off list price, before manufacturer co-pay applied	Prescription co-pay varies by plan

Integrated Commercial Approach with Multiple Strategic Levers

COMMERCIAL STRATEGY

Brand Awareness

Drive YCANTH™ 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 / Specialty Pharmacy

Forward Deployed Inventory Available

Supportive HUB services

Dedicated field reimbursement Team

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Total of 78 YCANTH™ sales representatives targeting Pediatric Dermatologists and Dermatologists, Health Systems and Pediatric Offices

- **48 office-based representatives** targeting dermatologists
- **10 dedicated institutional representatives** focusing on Health Systems
- **20 dedicated pediatric representatives** focusing on members of pediatric buying group
- **5 field relations managers** providing billing and coding support for Buy and Bill Accounts

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Physicians will have a choice of Distribution Model

	BUY-AND-BILL	SPECIALTY PHARMACY
HCP Reimbursement		
Permanent J-code	Permanent J-code (J7354) effective April 1, 2024	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	**Opportunity for Forward Deployed Inventory**	**Specialty Pharmacy Model**
	• Verrica sells product to distributor • Shelf-stable; no cold storage requirements • Physicians purchase product in traditional buy and bill model or can elect to receive "forward deployed inventory" from distributor which 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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Common Warts

THE POTENTIAL SOLUTION:

Ycanth™ (cantharidin) TOPICAL SOLUTION

Status: Initiation of Global Phase 3 Trial Expected H1 2025

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

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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

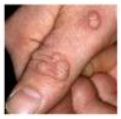
Etiology and Clinical Presentation

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 YCANTH (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

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

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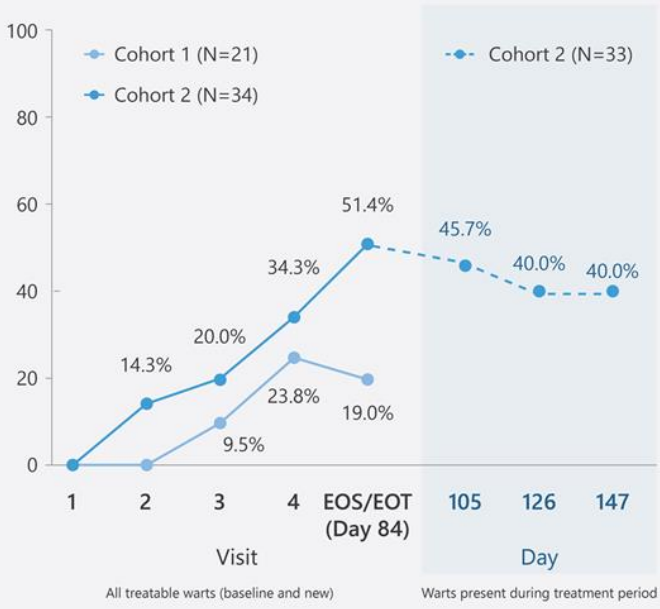
YCANTH (VP-102)

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



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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

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External Genital Warts

THE POTENTIAL SOLUTION:

Ycanth™ (cantharidin) TOPICAL SOLUTION

Status: Timing of Phase 3 Study to be determined

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 States[1]

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1) Yanofsky, Valerie & Patel, Rita & Goldenberg, Gary. (2012). Genital warts: A comprehensive re

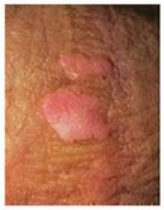
Etiology and Clinical Presentation

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 YCANTH (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

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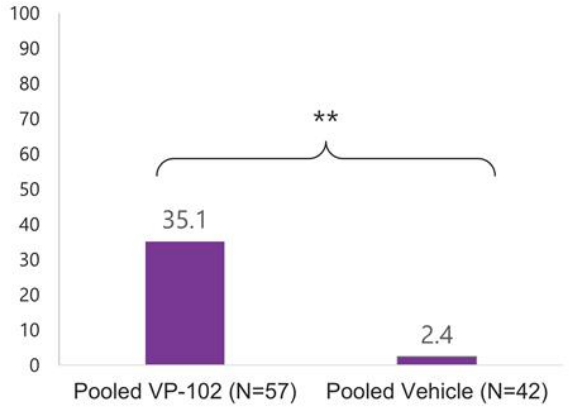
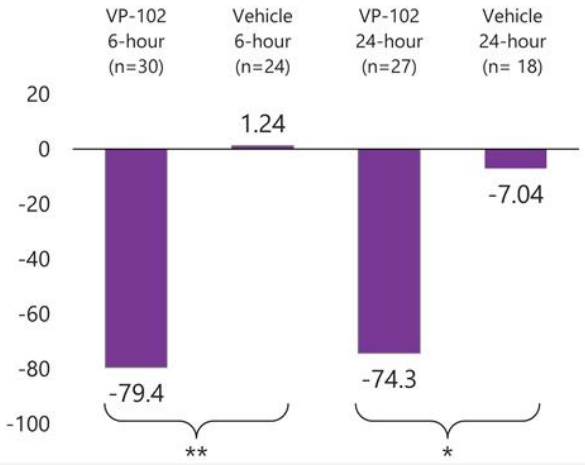
Efficacy Results (CARE-1, ITT Population)

Percentage of Subjects with Complete Clearance of all Baseline and New Treatable EGW Lesions+



Mean Percentage Change in EGW Lesions from Baseline1



[1]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.

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1) Guenthner 2020 Winter Clinical Dermatology Symposium

Corporate Summary and Highlights

Near-term Catalysts	▪ Execution of YCANTH™ for treatment of molluscum contagiosum launch; first FDA approved therapy for molluscum, which impacts ~6 million[1] annually in the U.S.; J-Code effective April 2024; NCE status and Orange Book listing granted by FDA. ▪ Expect additional genomic and immune cell data on VP-315 for basal cell carcinoma in Q1 2025, as well as an expected End of Phase 2 meeting with FDA. ▪ Expect to initiate Global Pivotal Phase 3 trial for Common Warts with Torii Pharmaceutical Co., Ltd. in H1 2025
Lead Product Candidates With Significant End Markets	▪ **VP-102** – U.S. Prevalence of Common Warts ~22M[2] ▪ **VP-315** – U.S. annual diagnoses of basal cell carcinoma ~3.6M[3]
Physician Administered Products Covered Under A Medical Benefit	▪ Focused on products that capture medical benefits vs. pharmacy benefits; accelerates lives under coverage limited payor discounting ▪ In-office administration; shelf-stable products; efficient delivery; physician choice of distribution model: Buy and Bill (traditional or forward-deployed) or white-bag Specialty Pharmacy model.
IP/Exclusivity	▪ **U.S. patents issued from our patent applications related to YCANTH™ (VP-102) are projected to expire between 2034 and 2041, excluding any Patent Term Adjustment (PTA) or Patent Term Extension (PTE)** ▪ **U.S. patents for VP-315 projected to expire between 2032 and 2044**
Proven Management Team	▪ Industry-leading, experienced team with extensive dermatology product launch experience

As of June 30, 2024

- Cash and cash equivalents of $31.9M
- Debt: $50M[4]
- Outstanding Shares: 42.4M
- Outstanding options and RSUs: 7.4M
- Warrants outstanding: 5.1M[5]

Analyst Coverage[6]

Stacey Ku, TD Cowen
Greg Renza, RBC Capital Markets
Glen Santangelo, Jefferies
Oren Livnat, H.C. Wainwright
Serge Belanger, Needham
Kemp Dolliver, Brookline Capital Markets

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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) 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/
4) $50M borrowed under OrbiMed debt facility in July 2023 with net proceeds of $44.1M.
5) Includes warrant to purchase up to 500,000 shares of common stock granted to Torii Pharmaceutical Co., Ltd. in May 2024.
6) 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.

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YCANTH™ (cantharidin) topical solution 0.7%
US Prescribing Information

U.S. Prescribing Information

Highlights of YCANTH Prescribing Information and associated Important Safety Information shown in the table below

HIGHLIGHTS OF PRESCRIBING INFORMATION	
Indications and Usage	YCANTH is indicated for the topical treatment of molluscum contagiosum in adult and pediatric patients 2 years of age and older
Dosage and Administration	• All healthcare professionals should receive instructions and training prior to preparation and administration of YCANTH • For topical use only. Not for Oral, mucosal, or ophthalmic use • Apply a single application directly to each lesion every 3 weeks as needed • Do not use more than two applicators during a single treatment session • Remove with soap and water 24 hours after treatment. If severe blistering, pain or other severe side effect occur, wash off YCANTH immediately and report the adverse reaction.
Dosage Forms and Strengths	Topical solution: 0.7% cantharidin
Contraindications	None
Warnings and Precautions	• Toxicities Associated with Inappropriate Administration • Life threatening or fatal toxicities can occur if administered orally • Local Skin Reactions • Flammability
Adverse Reactions	YCANTH is a vesicant. Local skin reactions at the application site were observed in 97% of subjects treated with YCANTH during clinical trials. Local skin reactions included vesiculation, pruritus, pain, discoloration, and erythema.
Risk Evaluation and Mitigation Strategy	None
There are no restrictions on the number of treatment visits per patient	

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Visit YCANTH.com for Important Safety Information and full Prescribing Information
Note: YCANTH (topical solution 0.7%) is only approved in the U.S. by the FDA for the treatment of molluscum contagiosum in adults and pediatric patients two years of age and older.

Warnings and Precautions

- Toxicities Associated with Inappropriate Administration: Life threatening or fatal toxicities can occur if administered orally. Avoid contact with the treatment area, including oral contact, after treatment. Ocular toxicity can occur if YCANTH comes in contact with eyes. If YCANTH gets in eyes, flush eyes with water for at least 15 minutes.

- Local Skin Reactions: Reactions at the application site have included vesiculation, pruritus, pain discoloration, and erythema. Avoid application near eyes and mucosal tissue, and to health skin. If YCANTH contacts any unintended surface, or health skin, immediately remove. If severe local skin reactions occur, remove prior to 24 hours after treatment.

- Flammability: YCANTH is flammable, even after drying. Avoid fire, flame or smoking near lesion(s) during treatment and after application until removed.

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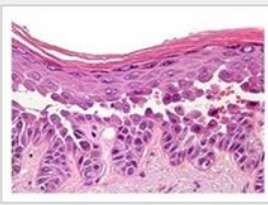
Molluscum Clinical Evidence

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.

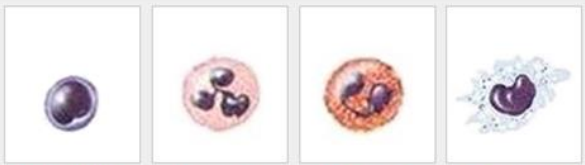
Once applied, cantharidin activates neutral serine proteases that cause degeneration of the desmosomal plaque and intraepidermal blistering.(1)



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

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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)

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
Reinventing Skin Science

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

1) Eichenfield JAMA Derm 2020

Overview of YCANTH™, VP-102/103 Intellectual Property Portfolio

	KEY CLAIMS AND PATENT APPLICATIONS	GRANTED US PATENTS AND EXPIRATION	VALUE TO VERRICA
1	Novel cantharidin formulations and our specific formulation of YCANTH™ (VP-102) (PCT/US2014/052184 and PCT/US2018/036353) Single-use applicators containing cantharidin formulations including our commercial applicator of YCANTH™ (VP-102) (PCT/US2014/052184 and PCT/US2018/037808)	US 11,052,064 (Expires May 28, 2035)* US 11,147,790 (Expires August 22, 2038) *Not including any potential Patent Term Extension (PTE)	May prevent generics from copying our ether-free formulation or from making similar formulations 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	Design of our commercial applicator of YCANTH™ (VP-102) (PCT/US2018/037808 and US 29/607744)	US D900312, US D1036656 (Expire October 27, 2035 and July 23, 2039)	May prevent generics from utilizing a similar applicator
3	Methods of using cantharidin for treating molluscum (PCT/US2018/037808, PCT/US2018/036353, and PCT/US2014/052184)	US 11,052,064 (Expires May 28, 2035)* US 11,147,790 (Expires August 22, 2038) *Not including any potential Patent Term Extension (PTE)	May prevent generics from employing a similar treatment regimen and label
4	Methods for purifying cantharidin and analyzing cantharidin or cantharidin solutions (PCT/US2016/14139)	US 11,168,091 (Expires March 8, 2036)	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 cantharidin synthesis (PCT/US2015/066487) (PCT/US2018/054373)	US 10,745,413 (Expires March 10, 2036)	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
6	Ampule crush tools including our proprietary Ampule Crush Tool of YCANTH™ (VP-102) (PCT/US2021/054752 and US 29/755448)	US D983407 (Expires April 11, 2038)	May prevent competitors from copying our Ampule Crush Tool or from making similar devices

Any U.S. patents issued from our patent applications related to YCANTH™ (VP-102) are projected to expire between 2034 and 2041, excluding any Patent Term Adjustment (PTA) or Patent Term Extension (PTE)

VERRICA PHARMACEUTICALS
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