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): February 2, 2023

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

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

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

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

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

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

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

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

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

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

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

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

Emerging growth company ☒

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

Item 7.01 Regulation FD Disclosure.

On February 2, 2023, Verrica Pharmaceuticals Inc. (the "***Company***") will be posting an updated corporate presentation on its website. A copy of this presentation is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

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

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

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

SIGNATURES

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

Verrica Pharmaceuticals Inc.

Date: February 2, 2023

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

Exhibit 99.1

VERRICA PHARMACEUTICALS
Reinventing Skin Science

Company Overview

February 2023

Disclaimer

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

This presentation contains forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, our clinical results and other future conditions. All statements other than statements of historical facts contained in this presentation, including statements regarding future results of operations and financial position, business strategy, potential approval of the NDA for VP-102, the potential benefits and potential commercialization of VP-102 for the treatment of molluscum, if approved, current and prospective product candidates, planned clinical trials, including with respect to VP-315 (formally referred to as LTX-315 and VP-LTX-315), preclinical activities, degree of market acceptance of approved products, research and development costs, current and prospective collaborations, timing and likelihood of success, plans and objectives of management for future operations, future results of anticipated product candidates, and the potential payments and benefits to Verrica of the license agreement with Torii, are forward-looking statements. The words "may," "will," "should," "expect," "plan," "anticipate," "could," "intend," "target," "project," "estimate," "believe," "predict," "potential" or "continue" or the negative of these terms or other similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

The information in this presentation, including without limitation the forward-looking statements contained herein, represent our views as of the date of this presentation. Although we believe the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Accordingly, readers are cautioned not to place undue reliance on these forward-looking statements. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise. No representations or warranties (expressed or implied) are made about the accuracy of any such forward-looking statements. The forward-looking statements in this presentation involve risks and uncertainties that could cause actual results to differ materially from those reflected in such statements. Risks and uncertainties that may cause actual results to differ materially include uncertainties inherent in the drug development process and the regulatory approval process, our reliance on third parties over which we may not always have full control, and other risks and uncertainties that are described in our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the U.S. Securities and Exchange Commission (SEC) on March 2, 2022, our Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 filed with the SEC on November 7, 2022 and our other filings made with the SEC. New risk factors and uncertainties may emerge from time to time, and it is not possible to predict all risk factors and uncertainties. There can be no assurance that the opportunity will meet your investment objectives, that you will receive a return of all or part of such investment. Investment results may vary significantly over any given time period. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. We recommend that investors independently evaluate specific investments and strategies.

VERRICA PHARMACEUTICALS
Reinventing Skin Science

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

Reinventing dermatology therapeutics with a focus on development and commercialization

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

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

Providing meaningful benefit for people living with skin diseases

Investment Highlights

Near-term catalysts:

- Potential approval/launch of VP-102 for treatment of molluscum contagiosum in H2 2023; no current approved therapies
- Expect to initiate Part 2 of PH2 study on of VP-315 for Basal Cell Carcinoma Q2 2023 (confirmation of exploratory dose)

Lead product candidates with significant end markets:

- **VP-102** – in late-stage development to address molluscum contagiosum (MC); common and genital warts; U.S. prevalence of molluscum contagiosum ~6M[1]
- **VP-315** – potential non-surgical, oncolytic peptide-based therapy for treatment of dermatology oncologic conditions, including basal cell carcinoma, squamous cell carcinoma, non-metastatic melanoma and non-metastatic Merkel cell carcinoma; annual diagnoses of Basal Cell Carcinoma U.S. 3.6M[2]

Innovative Inventory Management and Commercial "Buy-and-Bill" model

- Focused on products that capture medical benefits vs. pharmacy benefits; accelerates lives under coverage limited payor discounting
- In-office provider administered; opportunity for no capital outlay for dermatology practices; shelf-stable products; efficient delivery

IP/Exclusivity – patents projected to expire between 2032 and 2037 (US) and between 2029 and 2037 (ex-US)

Proven management team – industry-leading, experienced team with extensive dermatology product launch experience

(1) Prevalence in the US of 5.1% to 11.5% in children aged 0-16 years. (Fam Pract. 2014 Apr;31(2):130-6). US Census estimates ~69.4MM children aged 0 to 16 years in 2016.
(2) 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/

Our Product Candidate Portfolio: VP-102, VP-315, and VP-103

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

VP-102 Targeting Two of the Largest Unmet Needs in Dermatology

VP-102

MOLLUSCUM

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

COMMON WARTS

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

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

VP-315 In Development to Address Two Most Common Types of Skin Cancer

VP-315

VP-315 has the potential to impact the care of **5.4MM nonmetastatic skin cancer cases annually**[1]

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

Innovative Commercial Plan: Commitment and Focus within Medical Dermatology via “Buy-and-Bill” Distribution and Payment Model

OFFICE ADMINISTERED THERAPIES

Expertise of a trained Health Care Professional

Guaranteed Patient Adherence

MEDICAL BENEFIT VS PHARMACY BENEFIT PRODUCTS

Beneficial reimbursement landscape

Favorable access at launch

PARTNERSHIP WITH DERMATOLOGY

Distribution strategies create financial opportunities for physicians and hospitals

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Comprehensive Regulatory, IP and Manufacturing Strategy to Maintain VP-102 Exclusivity; VP-315 COM-Issued Protection

VP-102

Regulatory Exclusivity; Patent Portfolio

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

Patent applications on:
- *Specific formulation*
- *Applicator*
- *Method of Use*
- *Design*

Compounding Pharmacies

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

Manufacturing **

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

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

True Generic Unlikely

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

VP-315

Extensive Issued and Pending Patents Covering VP-315 from 2029-2037

PCT/EP2009/006774; composition-of-matter (COM) patent
- Expires 2029 (EU) ***
- Expires 2032 (US)
- Expires 2029 (Japan)

PCT/EP2017/05229; methods-of-use patent, pending
- Expires 2037 (EU)
- Expires 2037 (US)
- Expires 2037 (Japan)

* 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.

** 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

VERRICA PHARMACEUTICALS Reinventing Skin Science

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

Selected Launched Products

Diovan 80 mg • 160 mg valsartan capsules

Hemangeol PROPRANOLOL HYDROCHLORIDE

Acticlate (Doxycycline Hyclate USP) Tablets 75 mg 150 mg

ELIDEL Pimecrolimus Cream 1% mg/g

LAMISIL SINGELDOS

Molluscum Contagiosum

THE POTENTIAL SOLUTION

VP-102

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Molluscum Background

Overview

- Caused by a pox virus
- Primarily infects children, with the highest incidence occurring in children <14 years old
- Highly contagious
- If untreated, lesions persist an average of 13 months, with some cases remaining unresolved for 2+ years
- Often leads to anxiety and social challenges for the patients and parents and negatively impacts quality of life

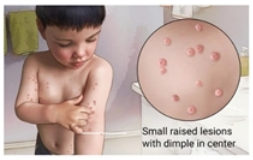
Etiology and Clinical Presentation

TRANSMISSION

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

DIAGNOSIS & SYMPTOMS

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



COMPLICATIONS

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

Current Treatments for Molluscum are Not FDA-Approved and Have Many Limitations

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

	DESCRIPTION	LIMITATIONS
Cryotherapy	Freezing the lesions with liquid nitrogen	• Pain and scarring • 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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Historical Compounded Cantharidin Presents a Number of Limitations

1 Varying concentration

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

2 Inconsistent purity and lack of controlled product manufacturing

- Risk of impurities present such as residual solvents and pesticides

3 Lack of reimbursement

- Not FDA approved and therefore not eligible for drug reimbursement

4 Inconvenient and variable administration

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

5 Limited availability

- Generally not available in hospitals and academic settings, which require FDA approved product
- Only an estimated 7% of 503B compounders produce formulations containing cantharidin[1]

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

VP-102 (cantharidin) topical solution 0.7%

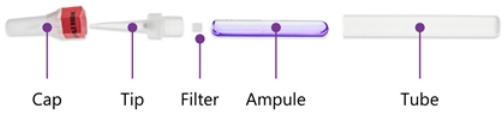
DESIGNED FOR RELIABLE, AND TARGETED ADMINISTRATION

Topical solution in a single-use applicator

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

GMP-controlled, shelf-stable, consistent topical formulation

- Visualization agent to identify treated lesions



Potential first FDA Approved therapy for molluscum contagiosum

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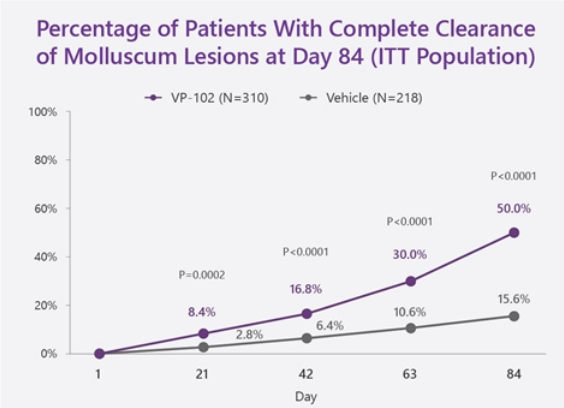
We Have **Successfully Completed** Two Pivotal Phase 3 Trials (CAMP-1 & CAMP-2) For Molluscum

Trial Design	Two identically designed, randomized, double-blinded, multicenter, placebo controlled trials	CAMP-1 conducted under FDA Special Protocol Assessment (SPA)	12-week study period
Endpoints	**Primary:** Percent of subjects with complete clearance of molluscum at Day 84	**Secondary:** Percent of subjects with complete clearance at week 3, 6, 9 Safety & tolerability	
Population	Subjects 2+ years of age with MC lesions who have not received any type of treatment within the past 14 days; Enrollment complete with 266 subjects for CAMP-1 and 262 subjects for CAMP-2; enrollment of Phase 3 trials finished two months ahead of schedule		
Application	Study drug (VP-102 or placebo) is administered topically to all treatable lesions every 21 days until clearance or a maximum of 4 applications	VP-102 or placebo will be left on for 24 hours before removal with soap and warm water	

Phase 3 Studies Demonstrated Favorable Tolerability and Activity in Complete Clearance

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



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

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

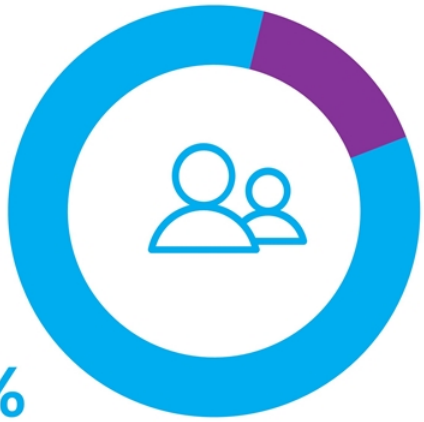
(1) Note: slide reflects pooled data from Phase 3 molluscum trials (CAMP-1 and CAMP-2)
(2) Eichenfield *Amer J Clin Derm* 2021

MC Commercial Opportunity

Realizing the Molluscum Opportunity

US PREVALENCE OF
~6 million in molluscum(1)

US PREVALENCE WITH
~1 million diagnosed annually(2)



15%
Diagnosed
0.9 million

85%
Not Diagnosed
5.1 million

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

Dermatologists are Familiar with Cantharidin & Would Use if Available

Physicians who do not use Cantharidin **stated inaccessibility as a primary reason why they are not using**[1]

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

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

Physicians are Highly Favorable to VP-102 Profile

Derms and Ped Derms (1)

Pediatricians (1)

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

KEY REASONS TO USE IF APPROVED

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

Pediatricians (1)

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

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

Payer Research Suggests a **Favorable Reimbursement Landscape**[1,2]

Medical Directors, Pharmacy Directors, and IDN Stakeholders Research findings

- Payers recognize the unmet need for treatment of molluscum due to the lack of FDA approved therapies
- Based on market research and live meetings, we expect VP-102 to be predominantly covered under the medical benefit. VP-102 is an in-office administered therapy
- Payers have indicated that being a medical benefit covered product, VP 102 will have minimal contracts or rebates required for coverage

The Payer Organizations and Plans represented in research **Cover over 205 Million Commercial & Medicaid Lives**

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

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

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Integrated Commercial Approach with Multiple Strategic Levers

COMMERCIAL STRATEGY

Brand Awareness

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

KOL Engagement

Established relationships with industry leading Key Opinion Leaders

Specialized Sales Team

Targeting office-based and institutional Dermatologists, and select Pediatricians

Dedicated Institutional Team

Specialists to promote to dermatologists in academic settings and group practices

Buy-and-Bill / Specialty Pharmacy

Forward Deployed Inventory Available

Supportive HUB services

Dedicated field reimbursement Team

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Physicians will have a choice of Distribution Model

	Buy-and-Bill	Specialty Pharmacy
HCP Reimbursement		
Permanent J-code	Yes (within 1-2 quarters post-launch); Reimbursed under miscellaneous J-code until permanent J-code assigned	No
Office visit fee	Yes	Yes
Lesion destruction (CPT 17110, 17111)	Yes	Yes
Margin on sale of product	Yes, typically 6%-10% of ASP (dependent on health plan)	No
Distribution	**Opportunity for Forward Deployed Inventory**	**Specialty Pharmacy Model**
	• Verrica sells product to distributor • VP-102 shelf-stable; no cold storage requirements • Distributor supplies product on forward deployed basis to physicians • Allows physicians to pay for inventory only after the claim has been adjudicated and the patient agrees to treatment	• RX filled by specialty pharmacy • The pharmacy will also support prior-authorizations, if applicable • Pharmacy adjudicates claim with patients and applies co-pay program • White bag delivery to physician

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Pre-Commercialization Activities Ongoing

ENGAGEMENT AT PREMIER VENUES & INDUSTRY CHANNELS

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

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DISEASE AWARENESS

Caregiver Molluscum education through digital and social tools

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

OTHER

Trade distribution channel development

Customer segment insights

Brand strategy, customer segmentation, and targeting

Commercial systems infrastructure

U.S. Regulatory Status of VP-102

- Verrica announced the successful tech transfer of bulk solution manufacturing from Sterling Pharmaceuticals (Dupo, IL) to Piramal Pharma Solutions[1] (Sellersville, PA) in January 2023, including the completion of registration batch material and the manufacture of three process validation batches of bulk solution meeting all pre-determined specifications.
- Based on the successful tech transfer from Sterling to Piramal, Verrica resubmitted its NDA for VP-102 for the treatment of molluscum contagiosum to the FDA on January 23, 2023.
- The FDA performed a 9-day general cGMP inspection at Piramal in late December 2022/early January 2023, which is expected to result in VAI status. Similarly, the FDA performed a 3-day general medical device GMP inspection at Tjoapack's Clinton TN site in mid January 2023, which is expected to result in NAI status.
- The FDA previously indicated that the NDA review was complete other than addressing the sole deficiency at Sterling, and that label comments were ready to be communicated. Verrica is working proactively and collaboratively with the FDA to maintain open and clear lines of communication during the current NDA review cycle.

1. Verrica received a CRL from FDA in May 2022 due to deficiencies identified at a general reinspection at Sterling Pharmaceuticals Services, LLC ("Sterling"), the CMO who previously manufactured the bulk solution for VP-102. None of the issues identified by FDA during the Sterling reinspection were specific to the manufacturing of VP-102, and a PAI of VP-102 was conducted at Sterling with no observations.

Basel Cell Carcinoma

THE POTENTIAL SOLUTION

VP-315

VP-315 Overview
Induces Immunogenic Cell Death and a Tumor-specific Immune Response[1,2]

OVERVIEW

- First-in-class oncolytic peptide injected directly into a tumor to induce immunogenic cell death
- Host Defense Peptide designed to be administered locally to tumors easily accessible for injection in the clinic
- May offer a non-surgical option for patients suffering from skin cancer
- Worldwide license from Lytix Biopharma in August 2020 for dermatology oncologic conditions including, basal cell carcinoma, squamous cell carcinoma, non-metastatic melanoma and non-metastatic Merkel cell carcinoma
- Verrica intends to focus initially on basal cell and squamous cell carcinoma as lead indications
- FDA acceptance of IND in November 2021; First Patient Dosed in Phase 2 clinical trial for BCC in April 2022

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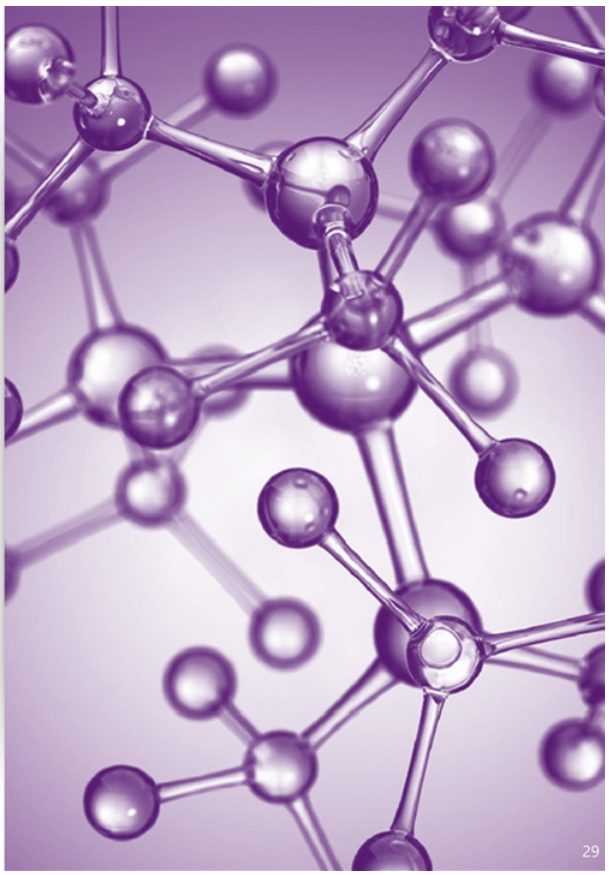
(1) Camilio *Oncoimmunology* 2014.
(2) Eike LM, Yang N, Rekdal Ø, Sveinbjørnsson B. The oncolytic peptide VP-315 induces cell death and DAMP release by mitochondria distortion in human melanoma cells. *Oncotarget*. 2015;6(33):34910-34923.
(3) Lesions within 1 cm of the eyelids or lips, or on the hands,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



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

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

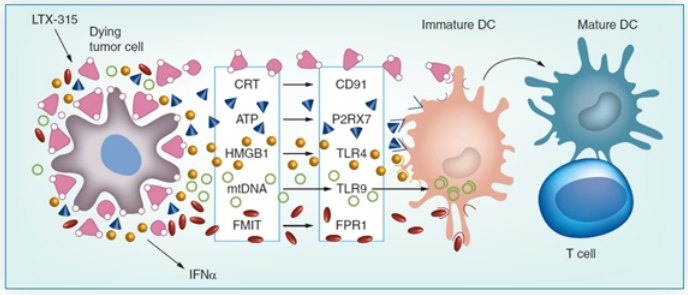
1. Kills the Tumor Cells

VP-315 enters the cells by disturbing cell membranes and **targets** mitochondria, and other organelles causing cell death and release of a patient's tumor specific antigens[2,3]

2. Triggers Immune Responses Targeting Tumor Cells

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

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



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

Phase 2 Open-Label Proof of Concept Study of VP-315 in Basal Call Carcinoma (BCC)[1]

3 Part Study to evaluate Safety and Efficacy

Part 1: DOSE EXPLORATION (Active)

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

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

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

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

(1) Currently in Part 1, design of subsequent parts of trial may change depending on results of Part 1

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VP-315 Part 1 Update

- Part 1 of VP-315 Phase 2 trial enrolled 10 patients and demonstrated a favorable safety and tolerability profile with no reported serious adverse events.
- Patients receiving the higher range of dosing experienced a consistent response of clinical tumor necrosis.
- Part 2 of the Phase 2 trial is expected to begin in the second quarter of 2023 and will further explore dosing regimens to allow the Company to identify the recommended dose for Part 3 of the study, which is expected to start in the second half of 2023.

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BCC Market Opportunity

BCC creates significant burden for the patient and healthcare system

- In the US, skin cancer accounts for $8.1 billion in total healthcare costs, nonmelanoma skin cancer represents 59% of the overall category[3]
- Majority of patients, 90%, are age 50+, of those 61% are 65+
- Approximately 42% are female, 58% are male

Treatment modalities for BCC

- 98% of BCC patients are treated with surgery (annually)[1]
- Surgical and destructive therapies may leave a lasting impact on the patient's appearance and quality of life[2]
- Other modalities that may be considered are topicals and oral therapies
- The average BCC patient has 5.6 BCC related treatments over a two-year period[1]

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

OPPORTUNITY

VP-315 could play a significant role as part of an alternative therapeutic regimen to surgery

Key Commercialization Opportunities

- **Potential alternative to current surgical procedures** like destruction, excision, or MOHS surgery
- **Reduced out-patient and recovery costs**, potentially leading to an improved total cost for many patients
- Potential for decreased risk of scaring, **improved post-treatment recovery outlook**
- **Opportunity for primary derms to keep BCC patients in their practice** versus having to refer them to derms who specialize in surgery/MOHS procedures for BCC

VP-102 in External Genital Warts

Condyloma Acuminatum (Genital Warts)

Overview

- Caused by human papilloma virus (HPV)
- Lesions on the surface of the skin in the genital and perianal regions
- Highly contagious and recurrences are common
- Treatment options have limitations
- Approximately 500,000 to 1 million cases of EGW are newly diagnosed per year in the United States[1]

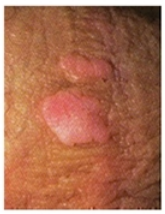
(1) Yanofsky, Valerie & Patel, Rita & Goldenberg, Gary. (2012). Genital warts: A comprehensive review. The Journal of clinical and aesthetic dermatology. 5. 25-36.

Etiology and Clinical Presentation

TRANSMISSION

- Skin to skin contact
- Spread through sexual contact

DIAGNOSIS & SYMPTOMS



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

COMPLICATIONS

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

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

Study Design

Multi-center, double-blind, vehicle-controlled

Dose regimen, efficacy, safety & tolerability

Study comprised of two parts (A and B)

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

Endpoints

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

Secondary:
Percent of subjects achieving complete clearance of all treatable warts at days 21, 42, and 63

Patients

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

Part B: 87 subjects 18+ years of age with 2-30 external genital and/or perianal warts for ≥ 4 weeks at baseline visit

Application

Study drug (VP-102) is administered topically to each treatable wart every 21 days until complete clearance for a maximum of 4 treatments

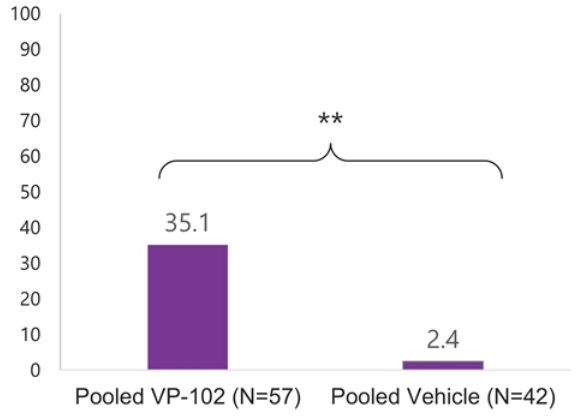
Part A: Three treatment groups with a 2-hour, 6-hour, and 24-hour duration of skin exposure before removal with soap and warm water

Part B: 6- and 24-hour duration of treatment exposure (chosen based on Part A) with follow up period through Day 147

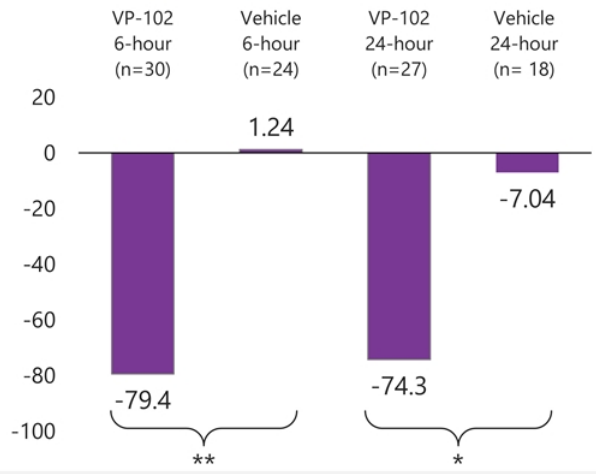
Frequency of administration is every 21 days

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



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

(1) Guenthner 2020 Winter Clinical Dermatology Symposium

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

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

TEAEs = Treatment Emergent Adverse Events

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

(1) Guenthner 2020 Winter Clinical Dermatology Symposium

VP-102 in Common Warts

Verruca Vulgaris (Common Warts)

Overview

- Caused by human papilloma virus (HPV)
- Infects patients of all ages
- Persistent infection, highly refractory
- Typically 2-5 lesions
- No FDA-approved drug for the treatment of common warts
- U.S prevalence of 22 million[1], with 1.5 million[2] diagnosed annually

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

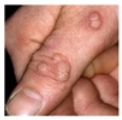
Etiology and Clinical Presentation

TRANSMISSION

- Skin to skin contact
- Touching of contaminated objects

DIAGNOSIS & SYMPTOMS

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



COMPLICATIONS

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

We Have Successfully Completed a Phase 2 Study (COVE-1) in Common Warts

Study Design

Efficacy, safety & tolerability

Open label study with two cohorts

Cohort 1: one center
Cohort 2: four centers

Endpoints

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

Secondary
Percent of subjects achieving complete clearance of all treatable warts at Visits 2, 3, and 4
Change from baseline in number (%) of treatable warts at Day 84

Patients

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

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

Application

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

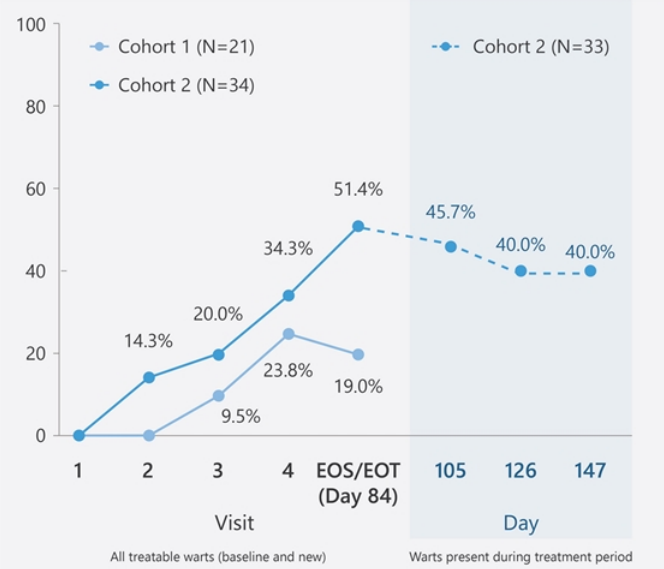
Cohort 1 is treated until clear, Cohort 2 receives one additional treatment at the first visit clearance was observed up to a maximum of 4 total applications

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

Paring was allowed in Cohort 2

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

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



(1) Guenthner 2019 Fall Clinical Dermatology Symposium

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

	Cohort 1 N=21 (To Day 84)	Cohort 2 N=34 (To Day 147)
Incidence: N (%)		
Application Site Vesicles	20 (95.2)	27 (79.4)
Application Site Pain	15 (71.4)	26 (76.5)
Application Site Erythema	13 (61.9)	19 (55.9)
Application Site Pruritus	9 (42.9)	16 (47.1)
Application Site Scab	8 (38.1)	20 (58.8)
Application Site Dryness	6 (28.6)	13 (38.2)
Application Site Edema	4 (19.0)	6 (17.6)
Application Site Discoloration	1 (4.8)	8 (23.5)
Application Site Exfoliation	0	4 (11.8)
Application Site Erosion	0	3 (8.8)
Papilloma Viral Infection**	0	3 (8.8)

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

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(1) Guenthner 2019 Fall Clinical Dermatology Symposium

Corporate Summary and Highlights

Near-term catalysts	• Potential approval/launch of VP-102 for treatment of molluscum contagiosum in H2 2023; no current approved therapies • Expect to initiate Part 2 of PH2 study on of VP-315 for Basal Cell Carcinoma in Q2 2023 (confirmation of exploratory dose)
Lead product candidates with significant end markets	• **VP-102** – U.S. Prevalence of Molluscum Contagiosum ~6M[1] • **VP-315** – U.S. annual diagnoses of basal cell carcinoma ~3.6M[2]
Innovative forward-deployed "Buy-and-Bill" distribution and commercial model	• Focused on products that capture medical benefits vs. pharmacy benefits; accelerates lives under coverage limited payor discounting • In-office administration; opportunity for no capital outlay for dermatology practices; shelf-stable products; efficient delivery
IP/Exclusivity	• Patents projected to expire between 2032 and 2037 (US) and between 2029 and 2037 (ex-US)
Proven Management Team	• Industry-leading, experienced team with extensive dermatology product launch experience

As of September 30, 2022

- Cash, cash equivalents and marketable securities of $39.5M
- Debt: None
- Outstanding Shares: 41.1M
- Outstanding option shares and RSUs: 4.25M

Analyst Coverage[4]
Ken Cacciatore, Cowen
Greg Renza, RBC Capital Markets
Oren Livnat, H.C. Wainwright
Serge Belanger, Needham
Kemp Dolliver, Brookline Capital Markets

(1) Prevalence in the US of 5.1% to 11.5% in children aged 0-16 years. (Fam Pract. 2014 Apr;31(2):130-6). US Census estimates ~69.4MM children aged 0 to 16 years in 2016.
(2) Our New Approach to a Challenging Skin Cancer Statistic. The Skin Cancer Foundation. https://www.skincancer.org/blog/our-new-approach-to-a-challenging-skin-cancer-statistic/
(3) 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.

Appendix

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Molluscum Clinical Evidence

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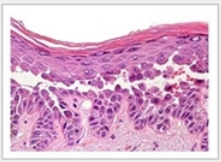
Cantharidin Elicits a Dual Response in the Skin

1 Superficial blistering of lesional skin

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

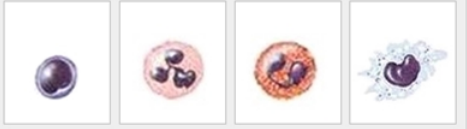
Once applied, cantharidin activates neutral serine proteases that cause degeneration of the desmosomal plaque and intraepidermal blistering.(1)



Desmosome Cleavage and Blister Formation

2 Elicits Inflammation & Immune Response

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



Lymphocyte Neutrophil Eosinophil Macrophage

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

Significant Clinical Progress of YCANTH™ (VP-102) for the Treatment of Molluscum

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

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Demographics in Phase 3 Trials[1]

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

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

(1) Eichenfield *Amer J Clin Derm* 2021

Safety Results Summary for Molluscum Phase 3 Trials[1]

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

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

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

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

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

(1) Eichenfield *JAMA Derm* 2020

Overview of VP-102/103 Intellectual Property Portfolio

	KEY CLAIMS AND PATENT APPLICATIONS	VALUE TO VERRICA
1	Our specific formulation, YCANTH™ (VP-102), key safety additions and novel cantharidin formulations (PCT/US2014/052184) (PCT/US2018/036353)	May prevent generics from copying our ether-free formulation or from making similar formulations
	Single use applicator containing cantharidin formulations (PCT/US2014/052184) (PCT/US2018/037808)	May prevent generics from utilizing a single-use applicator for cantharidin that contains both a glass ampule to maintain product stability and a filter placed prior to dispensing tip, which helps increase administration accuracy and prevents direct contact with skin
2	Specific design of our commercial applicator (PCT/US2018/037808) (US 29/607744)	May prevent generics from utilizing a similar applicator Design patent application allowed in the US
3	Methods of use for cantharidin in the treatment of molluscum (PCT/US2018/037808 and PCT/US2018/036353) (PCT/US2014/052184)	May prevent generics from a similar treatment regimen and label
4	Methods for purifying cantharidin and analyzing cantharidin or cantharidin solutions (PCT/US2016/14139)	May force generics to find alternative methodologies to produce GMP cantharidin or determine if their API or drug product is GMP compliant
5	Methods for complete cantharidin synthesis (PCT/US2015/066487) (PCT/US2018/054373)	Synthetic version would reduce risks of outside contaminants and environmental factors affecting the naturally-sourced API. May prevent generics competing with a synthetic version of cantharidin

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