Dermata Therapeutics

Transforming Topical Treatment of the Skin

Corporate Presentation
2024

FORWARD LOOKING STATEMENTS AND DISCLAIMERS

This presentation and the accompanying oral presentation contain "forward-looking" statements that are based on our management's beliefs and assumptions and on information currently available to management. Forward-looking statements include all statements other than statements of historical fact contained in this presentation, including information concerning our current and future financial performance, business plans and objectives, current and future clinical and preclinical development activities, timing and success of our ongoing and planned clinical trials and related data, the timing of announcements, updates and results of our clinical trials and related data, our ability to obtain and maintain regulatory approval, the potential therapeutic benefits and economic value of our product candidates, competitive position, industry environment and potential market opportunities. The words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," and similar expressions are intended to identify forward looking statements.

Forward-looking statements are subject to known and unknown risks, uncertainties, assumptions and other factors including, but not limited to, those related to the success, cost and timing of our product candidate development activities and ongoing and planned clinical trials; our plans to develop and commercialize targeted therapeutics, including our lead product candidates DMT310 and DMT410; the progress of patient enrollment and dosing in our clinical trials; the ability of our product candidates to achieve applicable endpoints in the clinical trials; the safety profile of our product candidates; the potential for data from our clinical trials to support a marketing application, as well as the timing of these events; our ability to obtain funding for our operations, development and commercialization of our product candidates; the timing of and our ability to obtain and maintain regulatory approvals; the rate and degree of market acceptance and clinical utility of our product candidates; the size and growth potential of the markets for our product candidates, and our ability to serve those markets; our commercialization, marketing and manufacturing capabilities and strategy; future agreements with third parties in connection with the commercialization of our product candidates; our expectations regarding our ability to obtain and maintain intellectual property protection; our dependence on third party manufacturers; the success of competing therapies that are or may become available; our ability to attract and retain key scientific or management personnel; our ability to identify additional product candidates with significant commercial potential consistent with our commercial objectives; and our estimates regarding expenses, future revenue, capital requirements and needs for additional financing.

We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. Moreover, we operate in a very competitive and rapidly changing environment, and new risks may emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed herein may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Although our management believes that the expectations reflected in our forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances described in the forward-looking statements will be achieved or occur. We undertake no obligation to publicly update any forward-looking statements, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

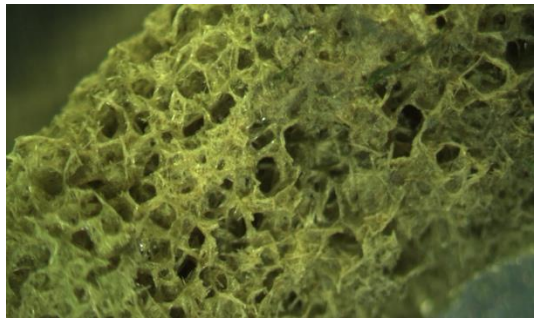
PROPRIETARY INFORMATION

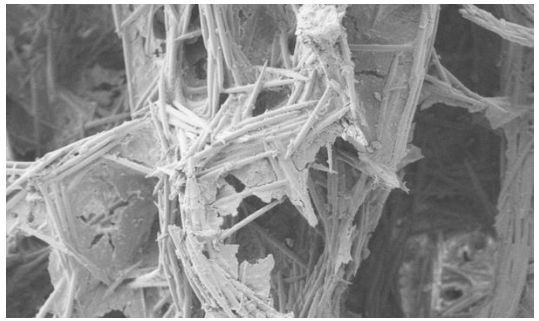
Corporate Highlights

Unique, multi-use topical platform technology utilizing multiple mechanisms of actions

Pipeline addressing **large medical and aesthetic dermatology** market opportunities

Lead program with **compelling Phase 2b clinical data** for once-weekly topical treatment of acne





DMT310

Acne – STAR-1 Phase 3 Ongoing (Topline Q1 '25)

- Once-weekly topical application
- Positive Phase 2b study
- 45% reduction of inflammatory lesions after 4 treatments

Psoriasis – Positive Phase 1b Completed

- Inhibits inflammatory cytokines IL-17A & IL-17F *in vitro*
- Reduced lesion size after 8 weeks

DMT410

Hyperhidrosis – Phase 1b PoC Completed

- Topical delivery of botulinum toxin to the dermis
- 75% reduction in gravimetric sweat production

Aesthetics – Phase 1b PoC Completed

- Potential use of botulinum toxin with topical applications
- Clinical improvement in aesthetic appearance

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Experienced Management Team and Board

Senior Management

Gerry Proehl
Chairman, President, and CEO

Kyri Van Hoose, C.P.A., MBA
SVP, Chief Financial Officer

Maria Bedoya Toro Munera, Ph.D.
SVP, Regulatory Affairs & Quality Assurance

Chris Nardo, M.P.H., Ph.D.
SVP, Chief Development Officer

Board of Directors

Gerry Proehl
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Histogen

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ALPINE Immune Sciences

David Hale
Hale BioPharma Ventures, LLC.

Kathleen Scott
ARS PHARMA

Mary Fischer
colorescience®

Brittany Bradrick
NEURELIS™

Market Opportunities in Dermatology

	DMT310/410 – Acne	DMT310 – Psoriasis	DMT410 – Hyperhidrosis
US Prevalence	**~50M**	**~9M**	**~2M** (diagnosed)
Market Size	**~$2.3B**[2]	**~$10.4B**[5]	**~$281M**[4]
Opportunity Highlights	85% of teenagers experience some form of acne[1] Few new novel topical treatment options • **Most new products are reformulations and dosed QD or BID**	Plaque-type psoriasis affects ~1.6% of the world's population[3] • 75% of patients with plaque-type psoriasis have mild disease • Most effective treatments are **limited to moderate-to-severe disease**[3]	BOTOX® injections expected to be **40%** of the overall market. **Growing demand for hyperhidrosis treatments**, especially with increasing disease awareness

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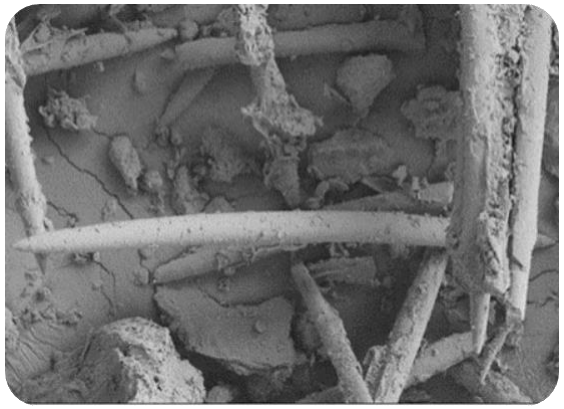
1 – Guideline for Care and Management of Acne
2 – IQVIA, Inc. Top Line Market and Sales Analysis from years 2015-2020
3 – Guideline for Care and Management of Psoriasis
4 – GlobalData Axillary Hyperhidrosis: opportunity Assessment and Forecast to 2030
5– Fortune Business Insights 2021 North American Psoriasis Treatment Market

Unique Natural Platform Technology with Dual MoA

Spongilla-derived Platform

- Complex freshwater sponge, *Spongilla lacustris*, contains unique characteristics, optimized for clinical applications
- Possesses multiple complementary chemical and mechanical properties to potentially enhance pharmaceutical treatment effect
- Potential for use as a standalone product for needle-free topical application of large molecules for intradermal delivery



Mechanism of Actions

Mechanical Component: uniquely sized siliceous spicules that exfoliate the dermal epithelium:

- Creating microchannels into the dermis
- Opening closed comedones (blackheads)
- Promoting collagen production

Chemical Components: contains chemical compounds that demonstrated *in vitro*:

- Anti-inflammatory activity:
  - Reduction of C. *acnes* stimulated IL-8 production in NHEK
  - Inhibition of IL-17A and IL-17F expression in human cell lines
- Anti-microbial activity against C. *acnes*
- Effects on sebum production, namely inhibition of lipogenesis in sebocytes

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DMT310

Once Weekly Topical Treatment

DMT310 Benefits

Frequency of Treatments

- Current topical treatments require one or two applications daily, resulting in poor compliance and early discontinuation
- **Once weekly application of DMT310 may optimize compliance**

Time to Treatment Effect

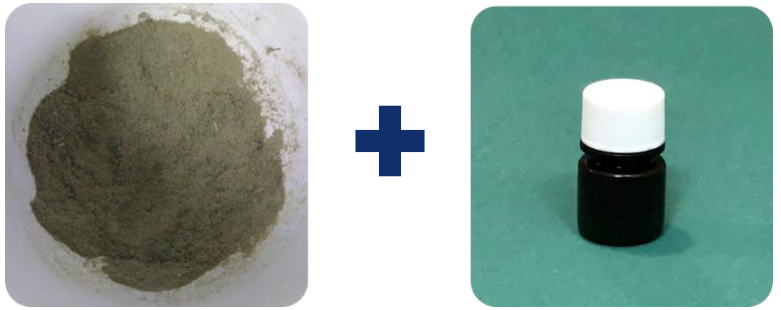
- Current topical treatments may take 6-8 weeks before a patient perceives treatment effect
- **DMT310 in acne demonstrated statistically significant reductions in lesions counts at 4 weeks versus placebo**

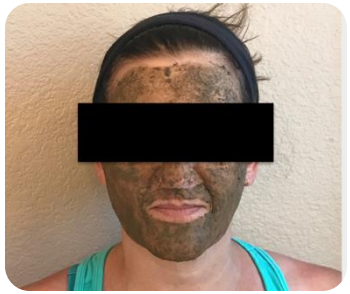
Tolerability and Side Effects

- Current products have various side effects and tolerability issues occurring well before a treatment effect leading to poor overall compliance
- **DMT310's tolerability profile and comparatively fast onset of action may improve compliance, leading to better patient outcomes**

Application of DMT310

Sponge is processed into a fine powder and packaged into pouches with a bottle of 3% H_2O_2





Once weekly, patients mix powder with 3% H_2O_2 and massage onto their skin; after 10-15 minutes, the product is washed off

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DMT310 Phase 3 Acne Program: STAR-1 Topline ~Q1'25

Program Design:

- Two identical studies that will be double-blind, randomized, placebo-controlled, designed to assess the safety, tolerability and efficacy of once weekly application of DMT310 in patients with moderate-to-severe acne
- One long-term extension study

Study Details and Eligibility

- Patients 9 years and older
- Patients must have an IGA baseline score of 3 or 4
- 12-Week study duration
- **Once weekly** application

Endpoints

- Absolute Reduction in Inflammatory Lesion Counts
- Absolute Reduction in Non-inflammatory Lesion Counts
- Investigator Global Assessment (IGA Scale = 0 to 4)
  - Responder classified as 2-Grade reduction and 0 or 1

***Same three primary endpoints as measured in the Phase 2b study**

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DMT310 Phase 2b Results: Moderate-to-Severe Acne Trial Design

Study Design

- Double-blind
- Two treatment Groups:
  - DMT310 + H_2O_2 (N=91)
  - Placebo + H_2O_2 (N=90)
- Patients 12 years and older enrolled across 14 US clinical trial sites
- Patients must have an IGA baseline score of 3 or 4
- 12-Week study duration
- **Once weekly** application

Endpoints

- Absolute Reduction in Inflammatory Lesion Counts
- Absolute Reduction in Non-inflammatory Lesion Counts
- Investigator Global Assessment (IGA Scale = 0 to 4)
  - Responder classified as 2-Grade reduction and 0 or 1

*Same three primary endpoints for Phase 3 studies

Treatment Emergent Adverse Events

	DMT310 (N=91) N (%)	Placebo (N=90) N (%)
General disorders and administration site conditions	5 (5.5)	2 (2.2)
Application site erythema (redness)	4 (4.4)	1 (1.1)
Application site pruritus (itch)	2 (2.2)	2 (2.2)
Application site dryness	1 (1.1)	0 (0.0)
Application site exfoliation	1 (1.1)	0 (0.0)

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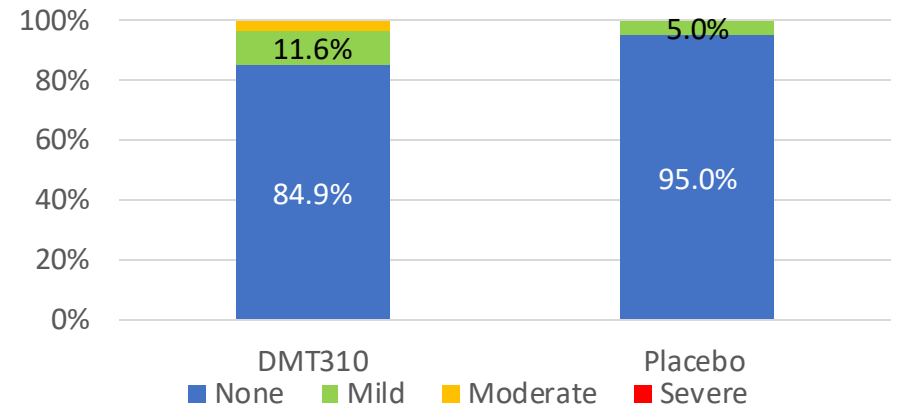
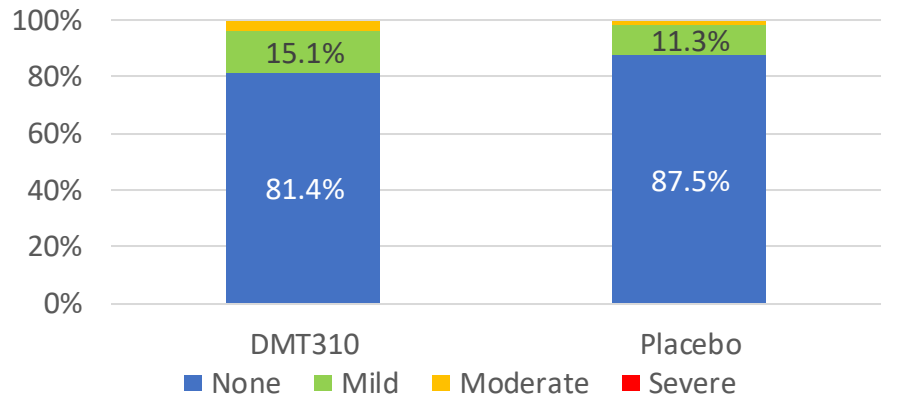
DMT310 Phase 2b Acne Results: Local Tolerability

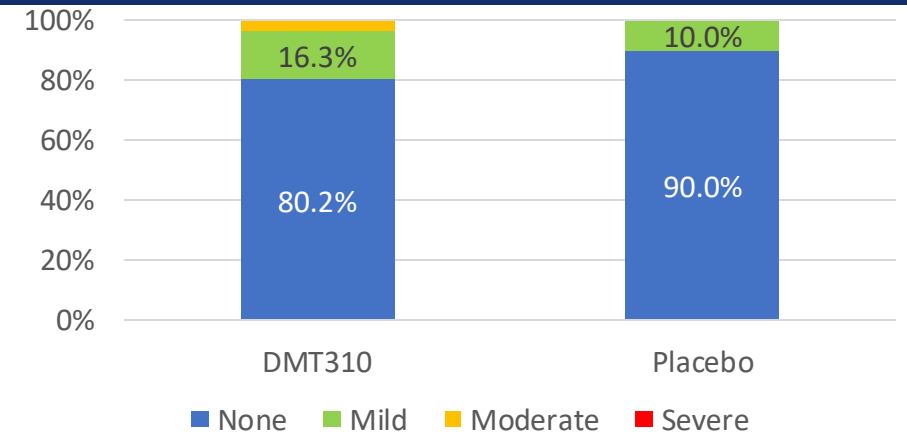
Erythema



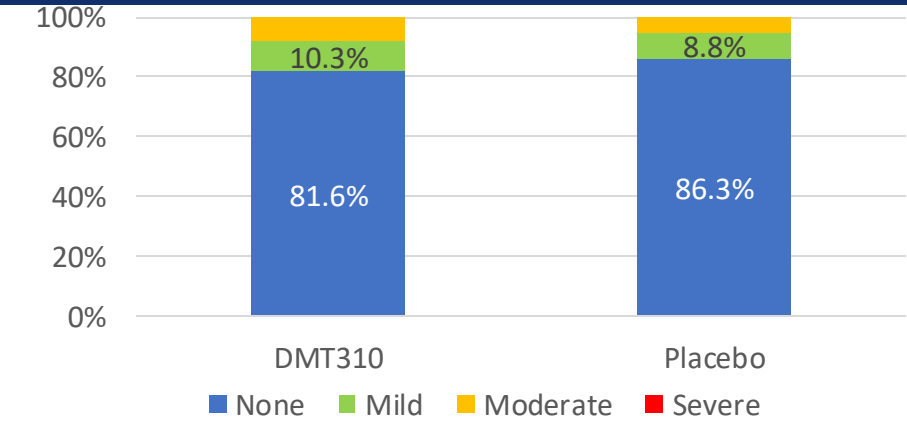
Dryness



Scaling



Stinging/Burning



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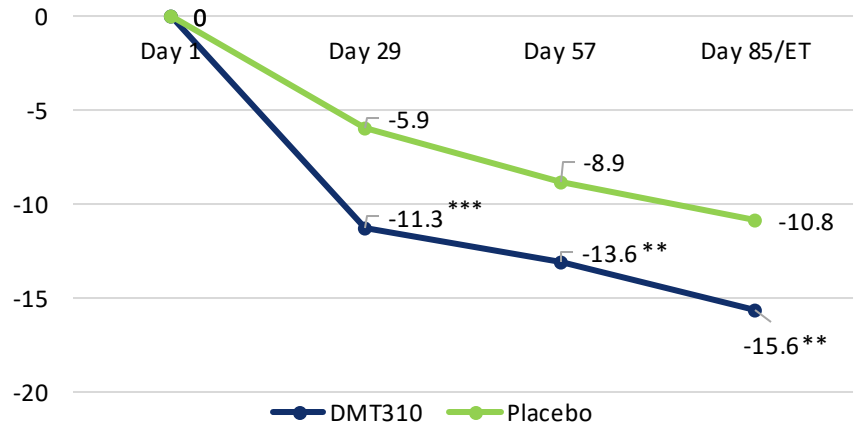
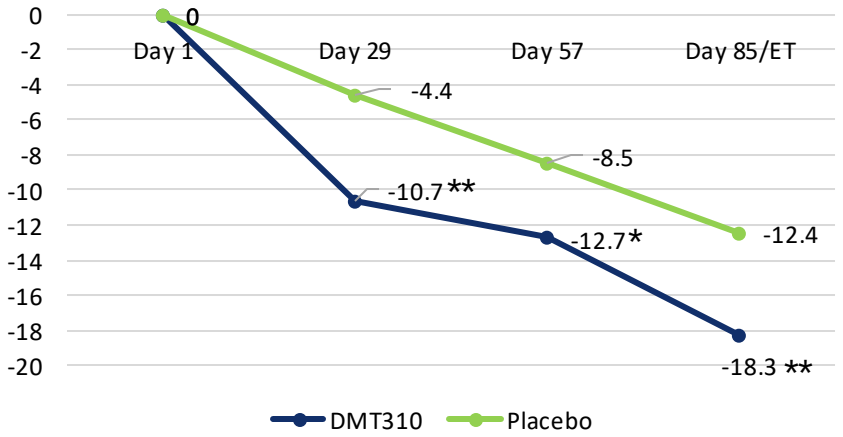
DMT310 Phase 2b Acne Results: Lesion Counts

Mean Change from Baseline

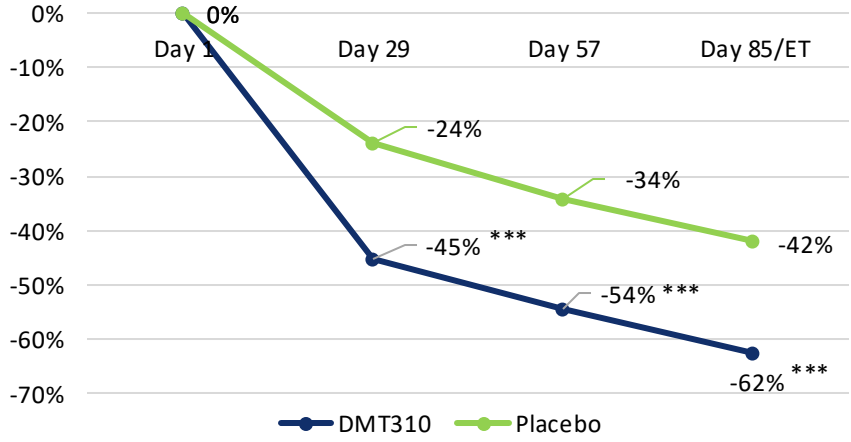


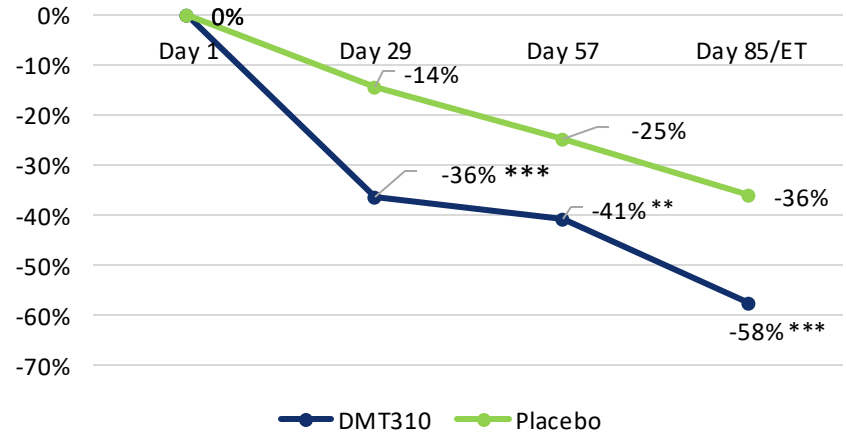
Inflammatory Lesions



Non-Inflammatory Lesions

Percent Change from Baseline





* $p < 0.05$
** $p < 0.01$
*** $p < 0.001$

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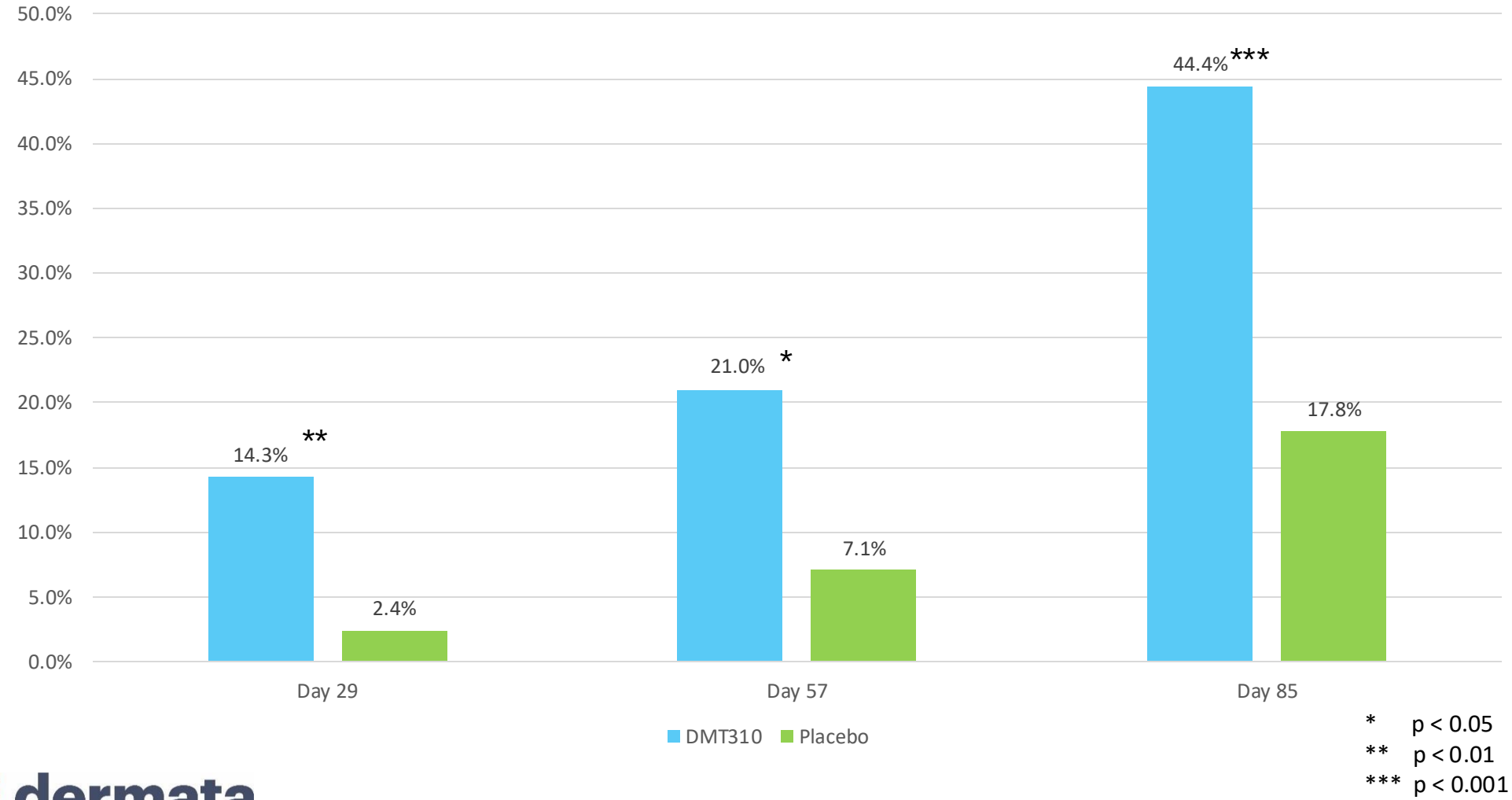
DMT310 Phase 2b Acne Results: IGA

Investigator Global Assessment (IGA)



Responders classified as 2-Grade change in IGA Scale *AND* an IGA = 0 or 1

* $p < 0.05$
** $p < 0.01$
*** $p < 0.001$

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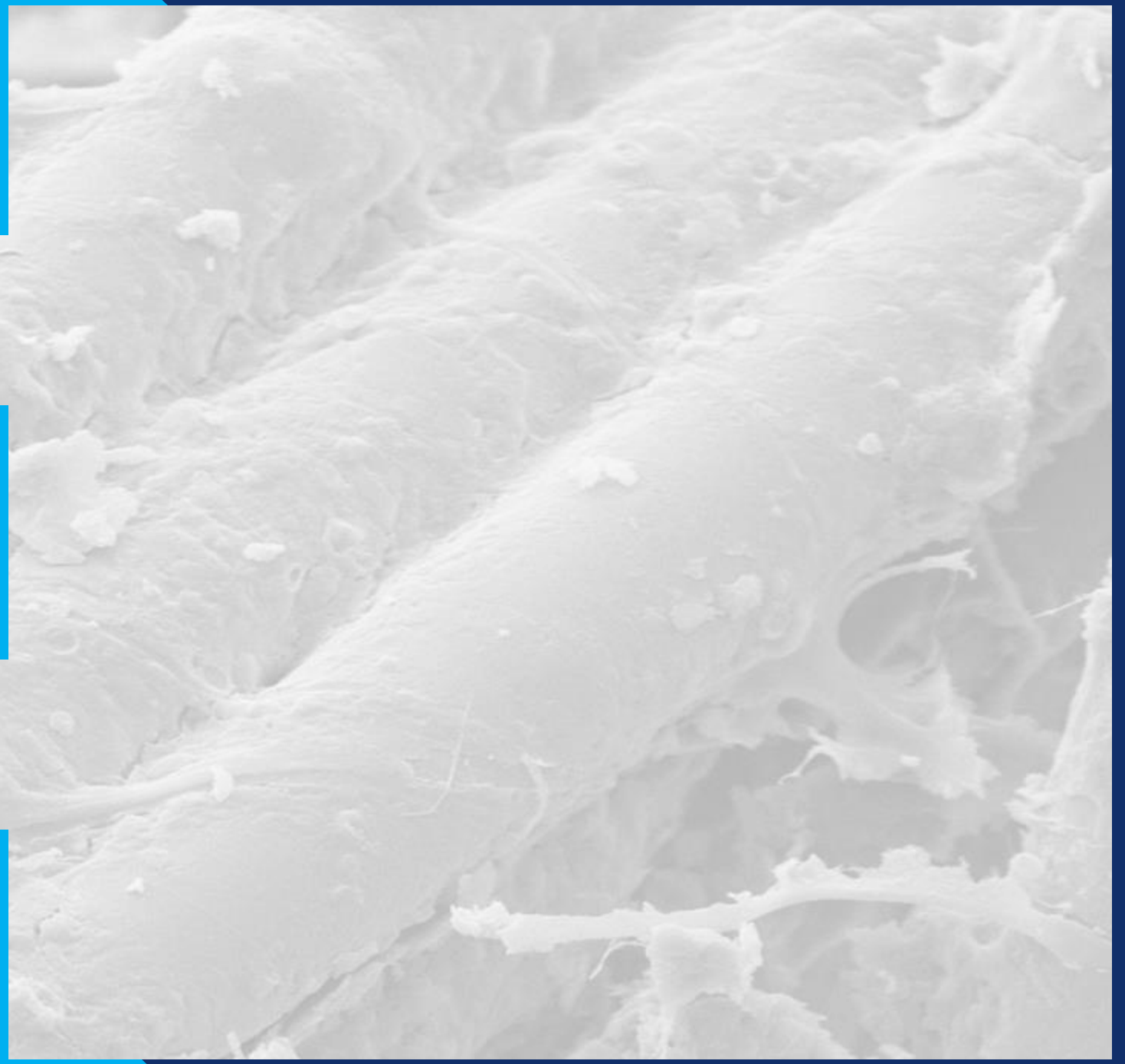
DMT410

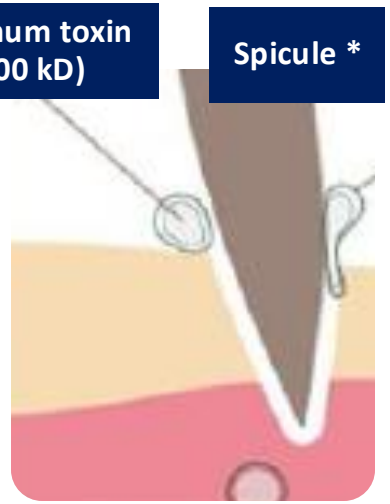
Enabling Topical Application of Botulinum Toxin



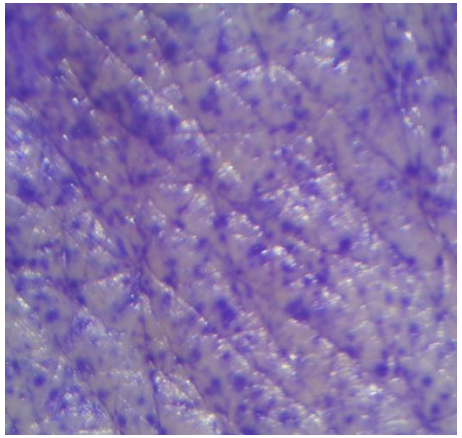
DMT410 Overview

DMT410's Combination Regimen for Botulinum Toxin

DMT410 is a combination treatment using sponge technology to create millions of microchannels **for topical delivery of botulinum toxin** to the dermis



* Spicules average about 200 µm in length, 10-15 µm in diameter



Sponge mixture creates millions of microchannels in the human skin

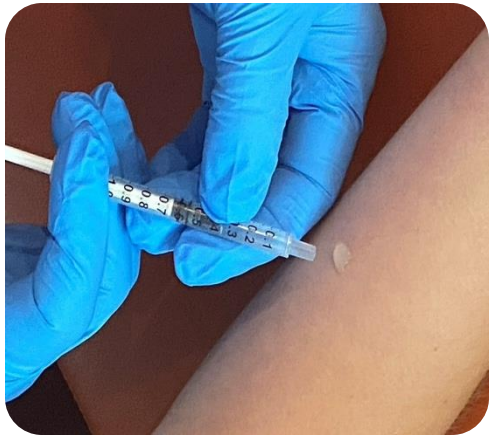
Simple Application Process of DMT410

Sponge mixture is massaged into the treatment area:

- **Enhances spicule penetration**
- **Creates microchannels through the stratum corneum**

Sponge mixture is then removed after 10-15 minutes

Botulinum toxin liquid formulation is applied to the skin and massaged into the treatment area, utilizing sponge's newly created microchannels



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Benefits of DMT410 versus Injections for Delivery of Botulinum Toxin

Molecule Size

Injection Limitation

- Botulinum toxin molecules are between 150-900 kDa and are currently injected for clinical efficacy

DMT410 Potential Benefit

- **DMT410 creates microchannels in the skin that allow topical penetration of botulinum toxin into the dermis**

Increased Coverage

Injection Limitation

- Botulinum toxin injections limit the spread over a large surface area

DMT410 Potential Benefit

- **The creation of millions of microchannels allow a uniform topical application of toxin to more easily deliver treatment to a larger surface area**

No Injections Necessary

Injection Limitation

- Current treatments, like hyperhidrosis, require 10-20 injections in each axilla that can be painful for patients

DMT410 Potential Benefit

- **DMT410's topical application had favorable tolerability in hyperhidrosis clinical trial**

Additional Uses

Injection Limitation

- There are multiple aesthetic conditions where botulinum toxin has efficacy, but difficulty of intradermal injections limits commercial opportunity

DMT410 Potential Benefit

- **DMT410's topical delivery could expand the potential indications for botulinum toxin**

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DMT410 Phase 1b: Axillary Hyperhidrosis

Study Design

- Open-label
- 10 adult patients (20 axillae) enrolled at one site in the US
- 4-Week study duration
- **DMT410: One application of sponge powder, followed by one topical application of BOTOX®**

Endpoints

- Percent of patients with ≥50% reduction in gravimetrically measured sweat production from baseline
- Percent of patients with gravimetric sweat production of ≤50mg
- Percent change in gravimetric sweat production

Phase 1b Results: Reduction in Sweat Production

	DMT410 (N=20) Response Rate
Decrease in gravimetric sweat production ≥ 50%	80%
Gravimetric sweat production <50mg	85%
Change in gravimetric sweat production	-75%

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DMT410 Phase 1b: Facial Aesthetics

Study Design

- Open-label
- 10 adult patients received a single, sequential topical application of:
  - **DMT410 + H_2O**
  - **BOTOX ® (64U per label)**
- Patients assessed at Week 4, Week 8, Week 12 and Week 16 post application

Endpoints

- Reduction of:

Glabellar Lines	Forehead Lines	Lateral Canthal Lines
Fine Lines	Pore Size	Sebum Production

- Improvements in:
  - Luminosity and brightness
  - Improvements in Global Aesthetic scale

Key Findings

- Well tolerated and produced no potential distant spread of toxin events
- Demonstrated improvements in luminosity, brightness, and global aesthetics
- Reduced pore size, sebum production, and fine lines

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DMT410 Phase 1b Aesthetics: Canfield VISIA Image Analysis
Change from Baseline to Month 1

Measure	Forehead		Left Temple		Right Temple	
	Mean Change	Pct Change	Mean Change	Pct Change	Mean Change	Pct Change
Pore Count	-107.5	-12.2%	-14.8	-11.1%	-21.3	-19.0%
Pore Area	-5.2	-16.4%	-1.7	-10.0%	-2.0	-16.5%
Wrinkle Count	-12.2	-11.6%	-3.2	-18.9%	-3.4	-19.0%
Wrinkle Area	-11.7	-7.0%	-4.1	-13.5%	-5.1	-14.1%

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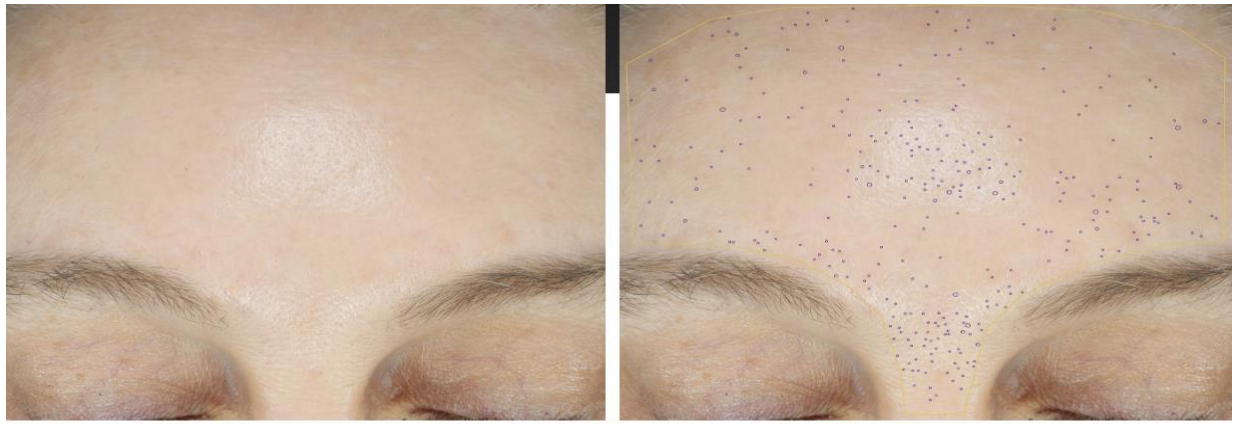
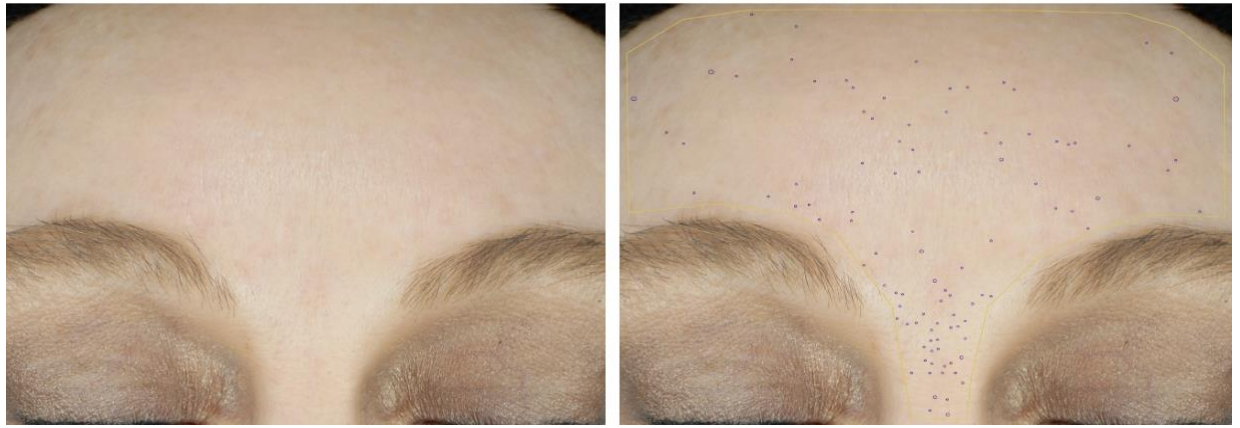
DMT410 Phase 1b Aesthetics: Canfield VISIA Pore Analysis from Baseline to Month 1

Baseline



Data Point	Value
Pore Count	302
Pore FA	0.77

Visit 4



Data Point	Value
Pore Count	100
Pore FA	0.32

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Spongilla Platform: Potential Uses

DMT310

Acne
- Moderate to Severe – Rx
- Mild to Moderate – OTC

Psoriasis
- Mild to Moderate

Acne Scars

DMT400

DMT410 – Topical delivery of botulinum toxin into the dermis
- Aesthetics
  - reduction of pore size/number,
  - reduction in sebum production
  - reduction of fine lines
  - increase brightness/luminosity
- Acne – Severe to Very Severe
- Acne Scars
- Hyperhidrosis – axillary, palmar, plantar
- Rosacea

DMT420 – Topical delivery of biologic (eg, Mab)
- Psoriasis
- Hidradenitis suppurativa

DTM430 – Topical delivery of HA/dermal filler

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IP Overview

Patent

- Applications:
  - DMT310 - sponge as a single entity
    - Treatment of acne
  - DMT410 – sponge plus botulinum toxin
    - Treatment of hyperhidrosis
    - Treatment of aesthetic skin conditions
    - Treatment of acne
  - DMT420 - sponge plus monoclonal antibodies
  - DMT430 – sponge plus dermal fillers
- Granted:
  - DMT410 for hyperhidrosis in Japan

Supply

- Signed an exclusive supply agreement with the largest known supplier of *Spongilla lacustris*
- Favorable COGS

Regulatory

- No clear regulatory pathway for a ”generic” botanical product
- Likely would be required to follow the same pathway as a biosimilar

Trade Secrets

- Proprietary analytical methods
- Proprietary placebo

Dermata Therapeutics

Transforming Topical Treatment of the Skin