

STRATA

SKIN SCIENCES

Investor Presentation | January 2023



Company Overview

A medical technology company dedicated to developing cutting-edge solutions for the in-office treatment of life-altering skin conditions.



Large Market Opportunity
Addressing \$38B market



Treatment Focus
Psoriasis, Vitiligo, Eczema and Acne



2 Main Product Devices
XTRAC® & TheraClear®X



Global Leader
Dermatology excimer laser



Experienced Management
20+ year history

Addressing a \$38B Market

XTRAC®

Psoriasis
\$20.1B¹

Eczema
\$11.8B²

Vitiligo
\$1.2B³

TheraClear® X

Acne
\$5.5B⁴

¹Fortune Business Insights Market Report 2019; 2016-2018 historical, 2019 base year, 2020-2027 projected

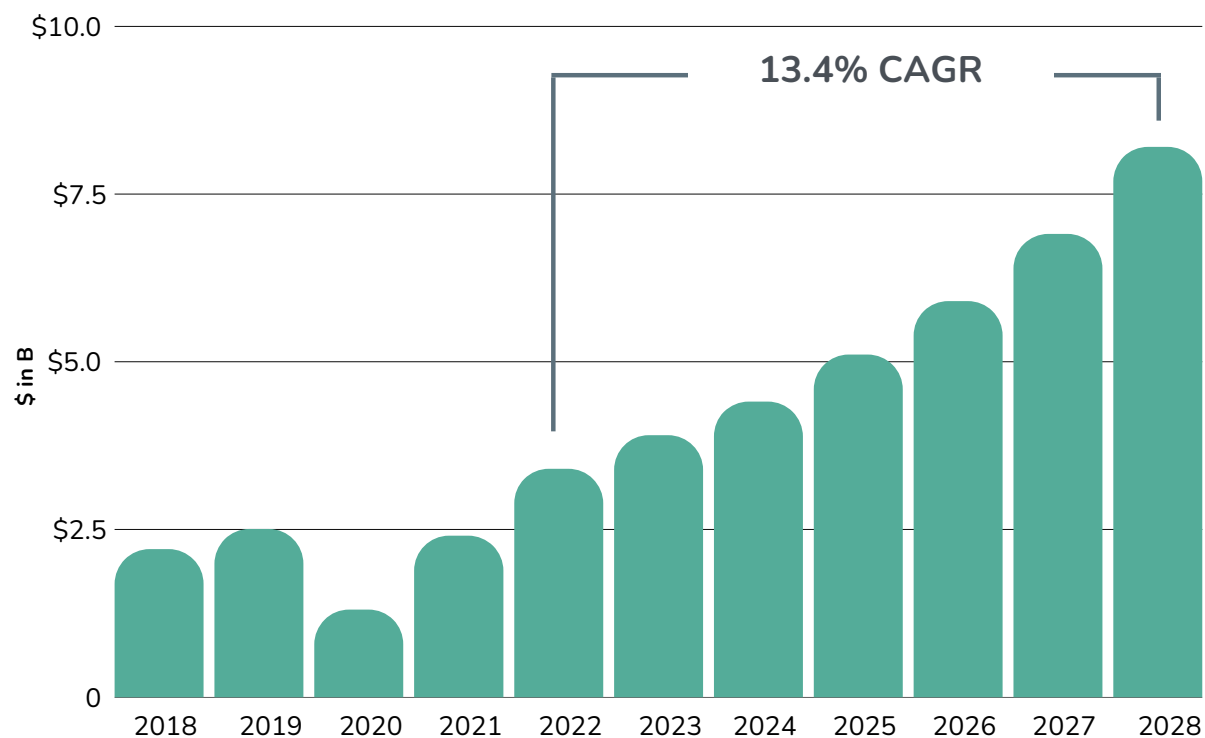
²Market Data Forecast Analysis Report 2020; 2020 base year, 2021-2026 projected

³Fortune Business Insights Market Report 2018; 2015-2017 historical, 2018 base year, 2019-2026 projected

⁴Strata Skin Sciences

Dermatology Device Market

\$8.2 Billion Market¹



Recent Acquisitions to Drive Top-line Growth



January 2022



August 2021

XTRAC®: Overview



Safe, effective treatment



150+ peer-reviewed clinical studies



Psoriasis treatment is the number 1 domestic use for XTRAC® lasers



Opportunities exist for expanding use for other approved indications like vitiligo and eczema



Clinical Support Team focused on:

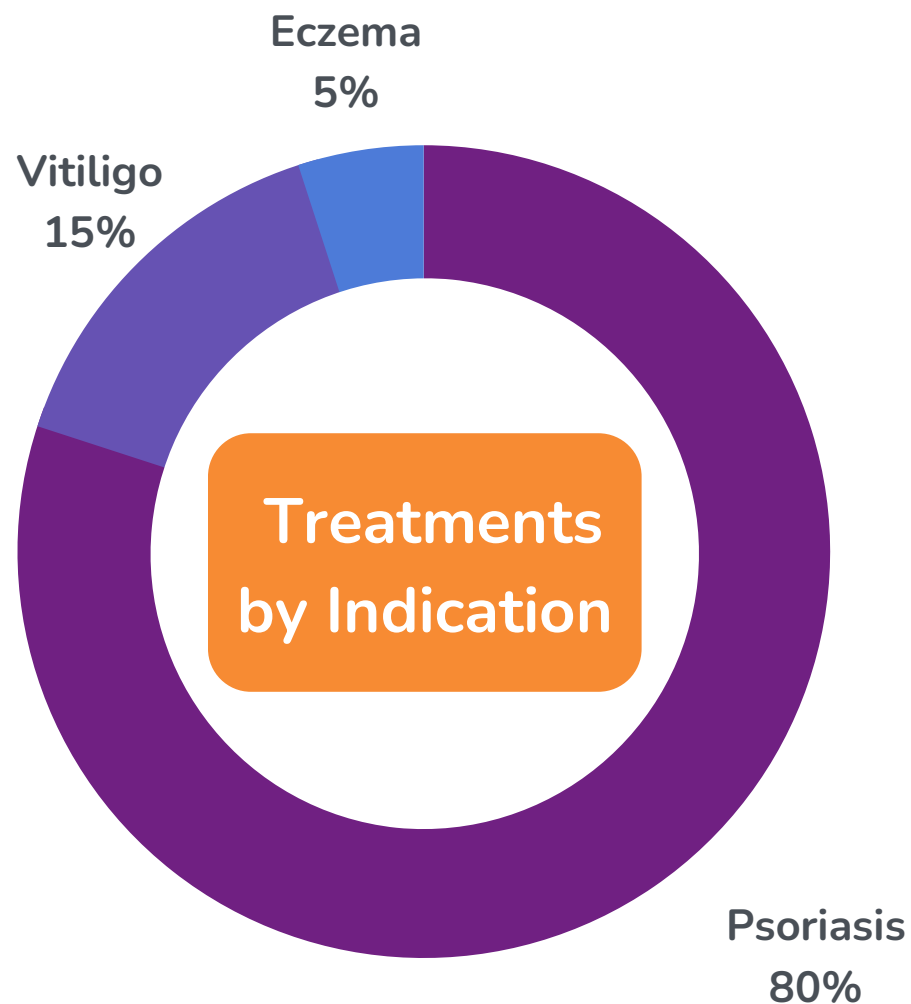
- In-office training
- Best practices

XTRAC®: Overview

30M Patient Opportunity

Indications: Psoriasis, Vitiligo + Eczema

- Psoriasis - 8M patients in U.S.
- Vitiligo - 5M patients in U.S.
- Eczema - 18M patients in U.S.



XTRAC®: Psoriasis

Clinical Protocol – 6.2 treatments to PASI* 75



Baseline



After 2 tx



After 4 tx







How it Works:

- Beam of UVB light applied to the affected area
- UVB light induces apoptosis of the keratinocytes and T cells in the dermis
- Promotes immunosuppression
- Induces alterations in cytokine profile

Psoriasis: Autoimmune disease that causes the skin to regenerate faster than normal; characterized by red, itchy, scaly patches (65% Mild; 25% Moderate; 10% Severe)

XTRAC®: Psoriasis

Treatment Options Addressing Psoriasis Indication

	XTRAC® LIVE CLEAR. LIVE FREE.		NB-UVB	Topical Steroids	Non-biologic Systemics	Biologics
Approximate Costs (\$)	 1K-3K		3K-9K	1K-7K	1K	32K-68K
Clinical Impact	 92%		71%	75%	48%	50-70%
Speed of Onset (in Weeks)	 5		10	3	14	12
Days of Actual Care	 18		80	294	52	12-65
Remission	 2.5 mos.		Continued with maintenance	Continued with maintenance	Continued with maintenance	Continued with maintenance
Adverse Events	 Mild Temp		Mild Temp	Mild-Mod Temp-Lasting	Mild-Severe Temp-Lasting	Mild-Severe Temp-Lasting

XTRAC®: Vitiligo

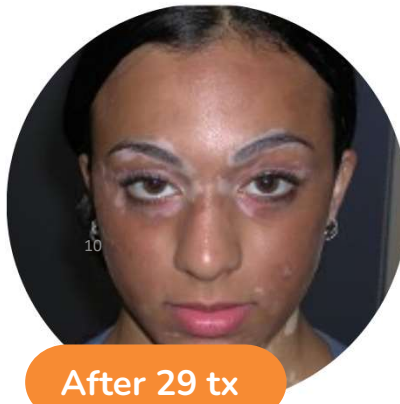
Vitiligo is an autoimmune condition due to a loss of melanocytes, characterized by patches of skin losing its pigment



Baseline



After 18 tx



After 29 tx

How it Works:

- Beam of UVB light applied to the affected area
- UVB light reduces the immune system's attack on the melanocytes
- Results in re-pigmentation
- Simple, safe, effective + long-lasting

TheraClear® X



50M+ Patient Opportunity

Indications: Acne vulgaris, comedonal acne and pustular acne



Dual mechanism of action (MOA) combining intense pulse light with vacuum (suction)



Mechanically evacuates sebum and acne causing bacteria



Addresses the estimated \$5.5B acne care market

TheraClear® X: Acne

TheraClear® X addresses multiple causes of acne in a single treatment



Baseline



After 5 tx

How it Works:

- The system combines intense pulse light with vacuum (suction) for the treatment of mild to moderate inflammatory acne, comedonal acne and pustular acne

VTRAC®



GD0

Large International Opportunity

Indications: Psoriasis, vitiligo and other various conditions



Excimer technology with the simplicity of design and reliability of a lamp



Lower-cost device



Marketed and sold internationally



Reliable device, requires low maintenance

A True Partnership

Delivering a Complete Business Solution



DTC Marketing



Co-pay Assistance



Clinical Support



Field Service Support



Customer Support



Laser Upgrades*



Reimbursement Support*



Consumables and Parts

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Domestic Commercial Operations

- Sales team targeting 7,500 dermatologists
- Sales team covering 30 territories
- Opportunity to sell TheraClear®X through existing salesforce

Other Statistics

- 4 sales regions
- 2 national account managers
- 15 field service technicians

Affiliated Academic Institutions

STRATA has placed over 50 XTRAC® machines in residency programs across academic institutions



International Sales Operations



- New experienced in-house Head of International Sales
- 39 international partner XTRAC® clinics
- Capital equipment sales preferred model
- Usage per device higher than in U.S. market
- TheraClear®X equipment sales opportunity
- Latin America & European markets untapped

Enhancing STRATA's Business Model



Improved sales team

- Transitioned sales team
- Strengthen dermatology experience & relationships
- Sales force training/CRP



Improved client education + marketing

- KOL engagement
- Direct to dermatologist marketing



Focused on operational performance

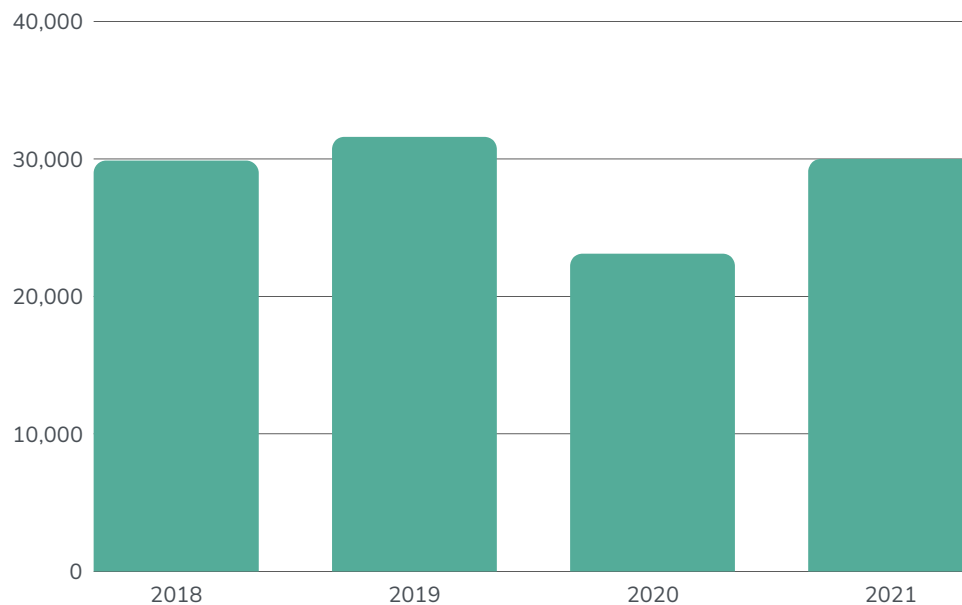
- Improved data collection and analytics
- Messaging targeted therapy: 3 indications
- Management of international distributors in-house

Financials

\$33M - \$35M

Est. 2022 annualized
revenue, representing
strong double-digit
growth

Total Revenue



New Management...New Focus

100+ Years of Sales and Operational Dermatology Experience

➤ New leadership: CEO, CFO, VP of Marketing, VP of Professional Relations, Head of International Sales, Director of Business Operations, and 3 new board members



Chief Executive Officer
Robert (Bob) Moccia



Chief Financial Officer
Chris Lesovitz



VP of Operations
Shmuel Gov



VP of Professional Relations
John Bagdasarian



VP of Sales
Keith Simeone



VP of Marketing
Brent Cowgill



Senior Director of International Sales
Michael Goodman

Strategic Initiatives



- Expansion Opportunities
 - Continued and growing usage of XTRAC® machines
 - International business growth - selling TheraClear®X outside of the U.S.
 - Expand the use of TheraClear®X
 - M&A opportunities - focused on the medical device side of business, strong presence



- Upcoming Catalysts/Milestones
 - Launch new acne device based on acquired technology from Theravant
 - New product registrations in Asia and Latin America
 - New drug approvals in vitiligo will grow market domestically



- Cost Savings:
 - Net installed base growth - redeploying underutilized devices
 - Leverage commercial team for new products
 - Distribution network active internationally; reduces need for additional infrastructure

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