

OUR SKIN TELLS A STORY



Credit Suisse &
Jefferies Presentation
Nov. 2019

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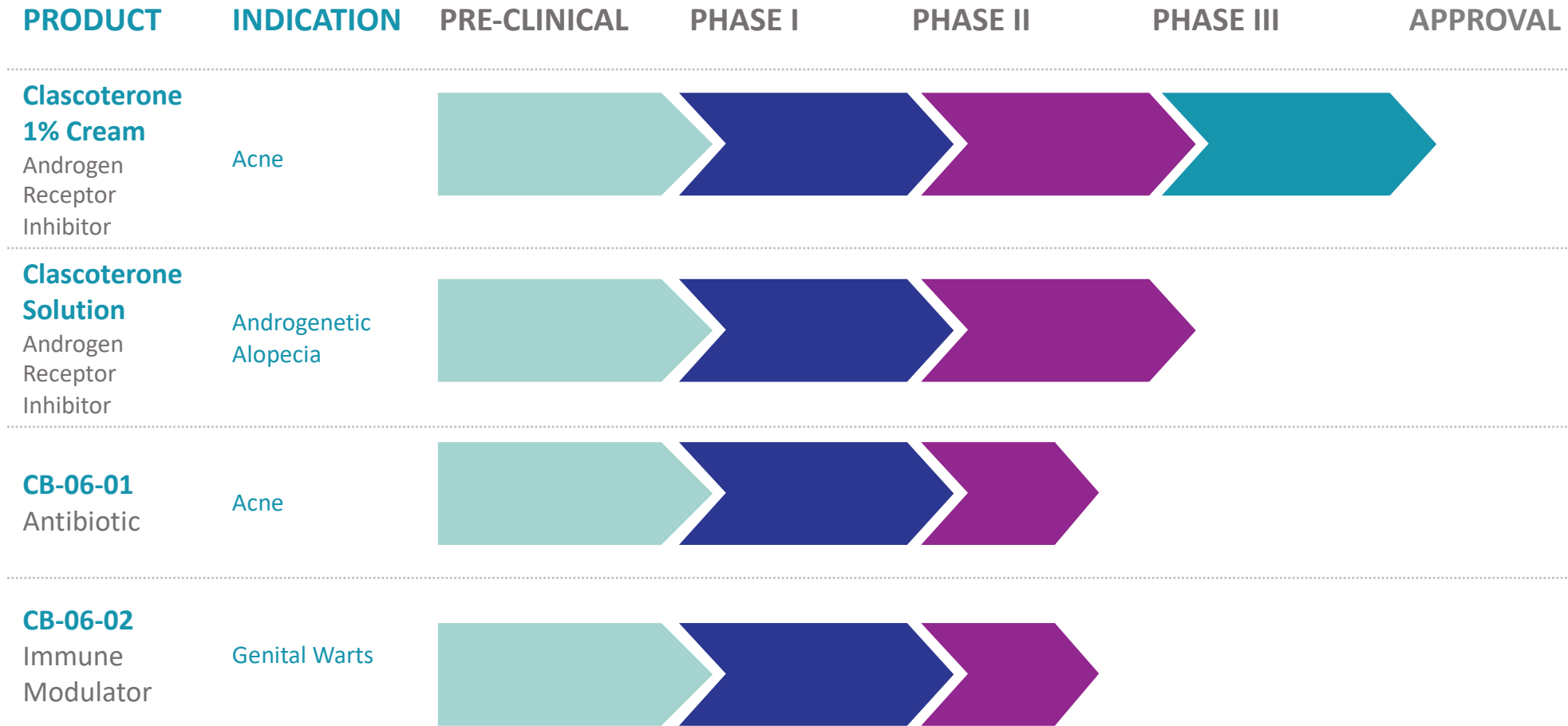
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Cassiopea Overview

- Publicly traded on SIX - Cosmo Pharma holds 45.1%
- Innovative late stage pipeline of 4 dermatology NCE products
- Clascoterone cream 1% - First in Class Topical Androgen Receptor (AR) Inhibitor Targeting Acne - PDUFA Date August 27, 2020
- Will establish a leading US commercial organization upon clascoterone 1% cream approval & partner in ROW

Cassiopea Pipeline





Clascoterone Cream 1%

First in Class Topical Androgen Receptor (AR) Inhibitor Targeting Acne

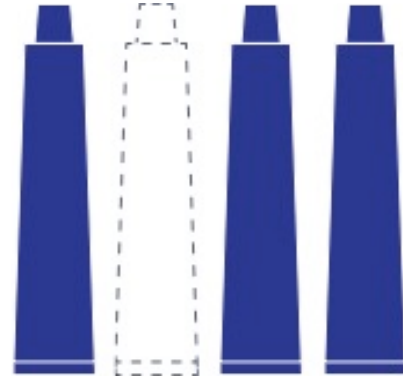
Acne is a medical condition affecting 60 Million people in the US

Acne is a **\$5 BILLION** market



Treatment options are limited to old therapies developed **over 30 years ago**

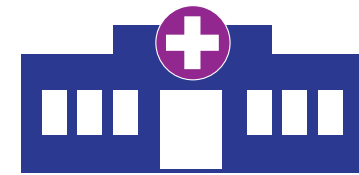
Topical options address 3 of 4 factors in acne pathophysiology, **leaving a gap in treatment regimens**



Payors continue to cover acne as a **medical condition** and all research indicates that this will not change

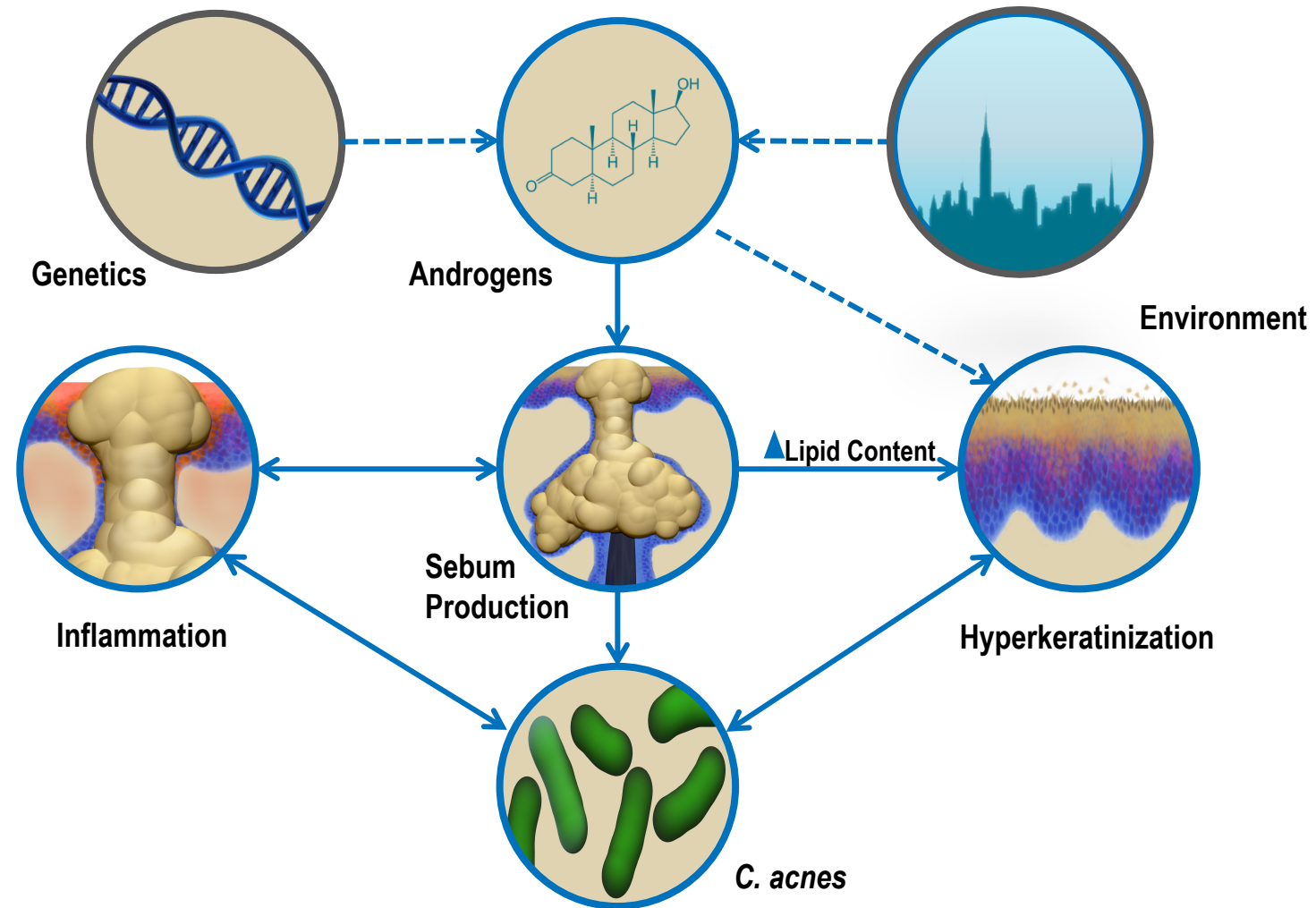


90% of branded prescriptions for acne are written in the Dermatology office



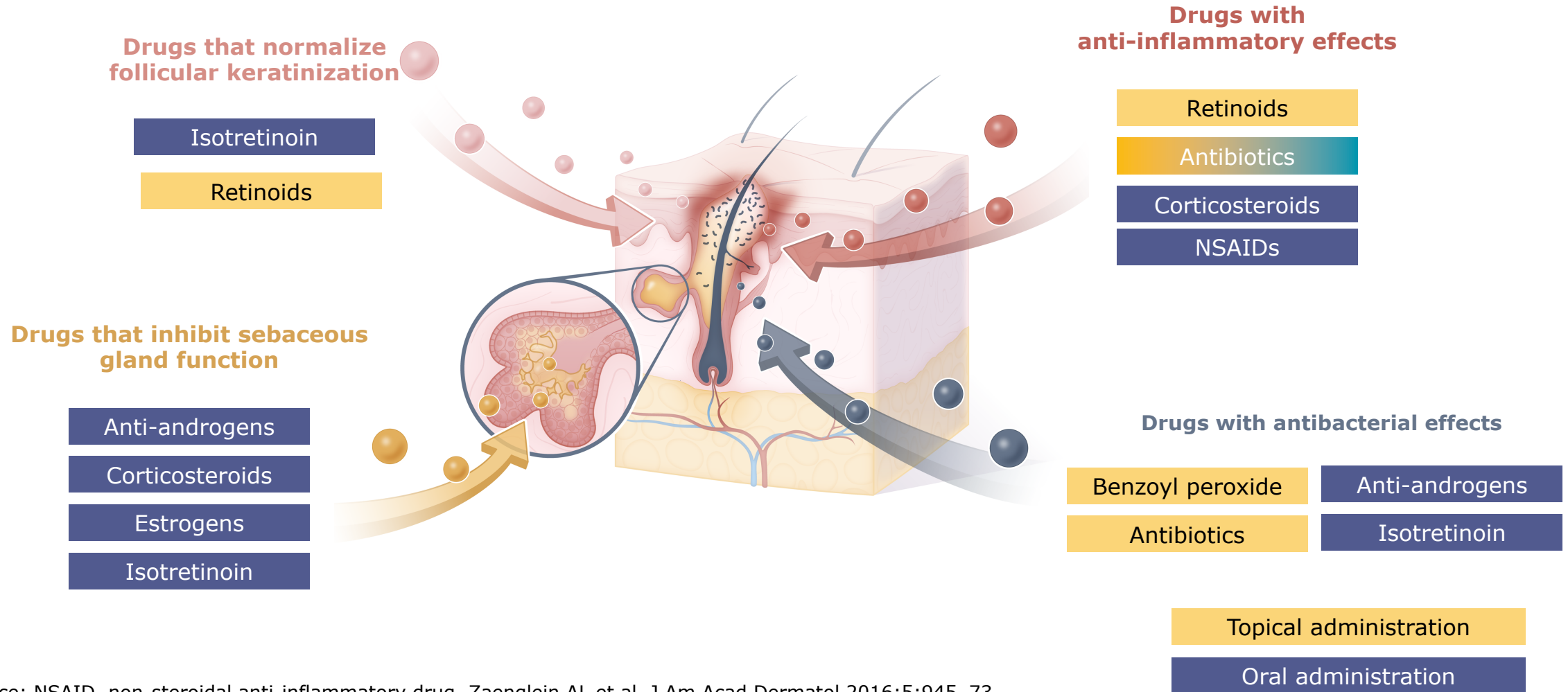
Average branded topicals have annual net revenues of **\$200-400MM**

Androgens Influence the Four Key Elements of Acne Pathogenesis



Source: Lai J-J, Chang P, Lai K-P, et al. *Arch Derm Res*. 2012;304(7):499-510.

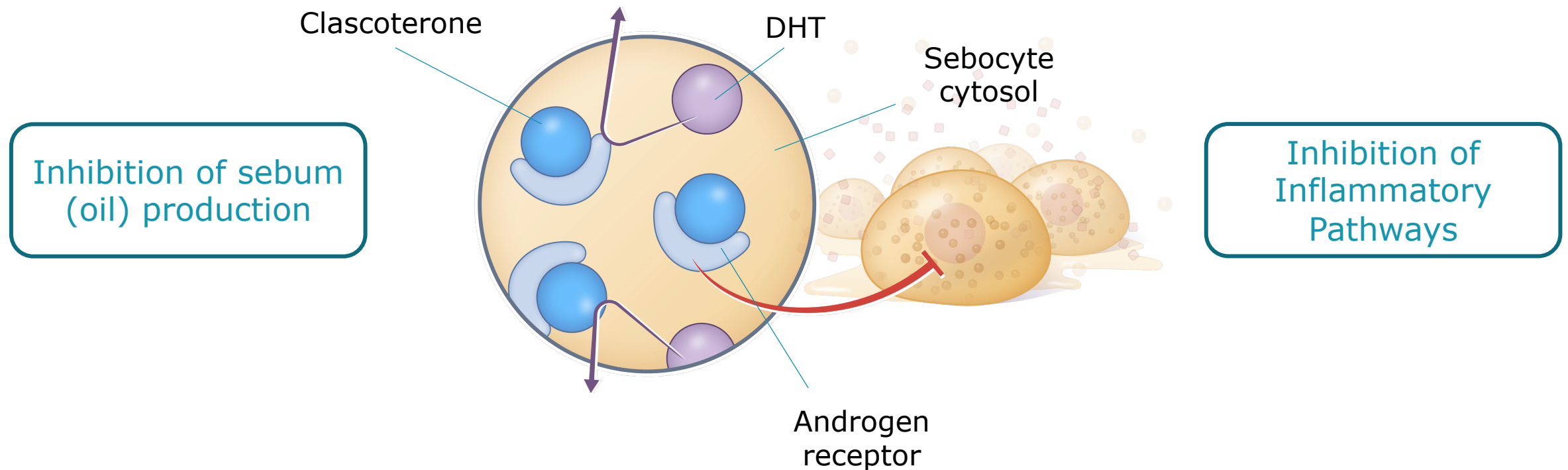
Acne pathophysiology: A complex, multi-factorial disease treated with poly-pharmacy to target different causative factors



Source: NSAID, non-steroidal anti-inflammatory drug. Zaenglein AL et al. J Am Acad Dermatol 2016;5:945-73.

Clascoterone: First topical androgen receptor inhibitor for the treatment of acne

Clascoterone competes with DHT for binding to the androgen receptor^{1,2}



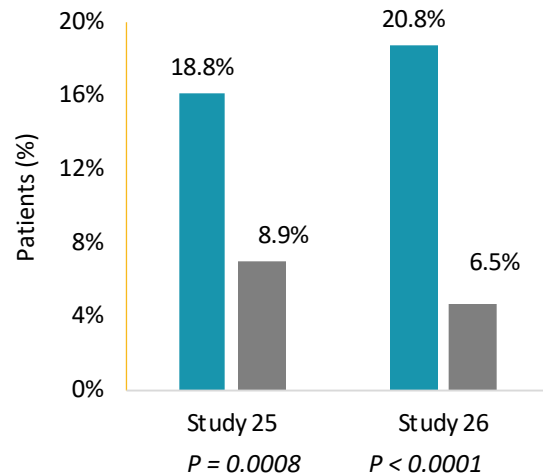
Source: 1. Ferraboschi P et al. Med Chem Commun 2014;5:904-14; 2. Rosette C et al. J Drugs Dermatol 2019 (Submitted)

An NDA for clascoterone cream 1% for the treatment of acne is undergoing review by the US FDA

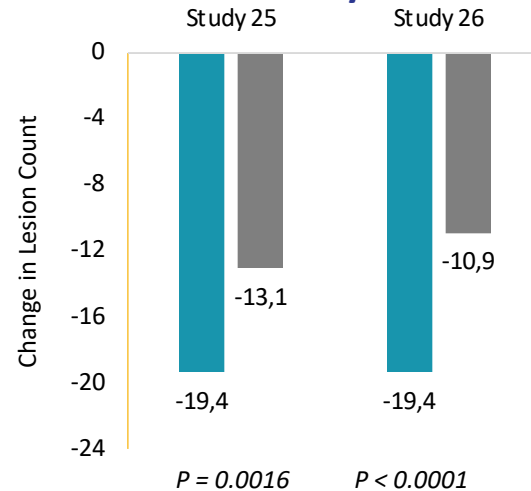
In Phase III trials Clascoterone Cream 1% demonstrated statistically significant efficacy in primary endpoints with side effects similar to vehicle

Safety and Efficacy (Primary Endpoints) ITT (Week 12)

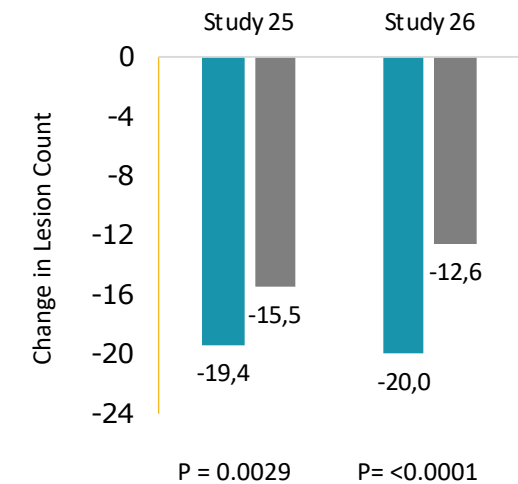
2 Point Reduction in IGA & IGA score of 0 (clear) or 1 (almost clear)



Absolute change from baseline in non-inflammatory lesion count



Absolute change from baseline in inflammatory lesion count



■ Clascoterone ■ Vehicle

Adverse Events

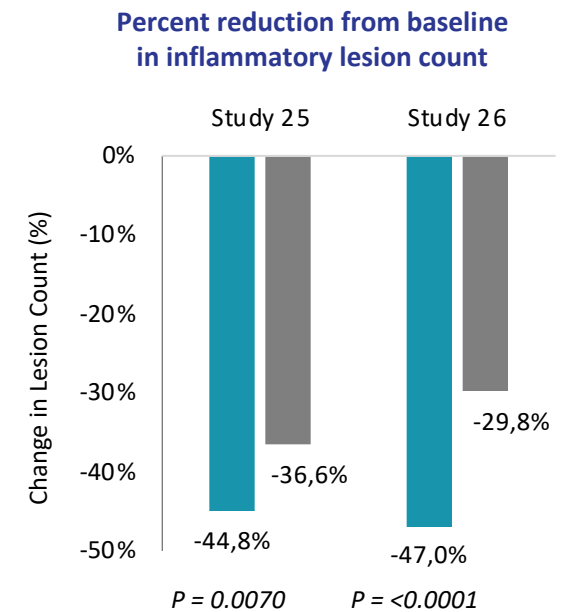
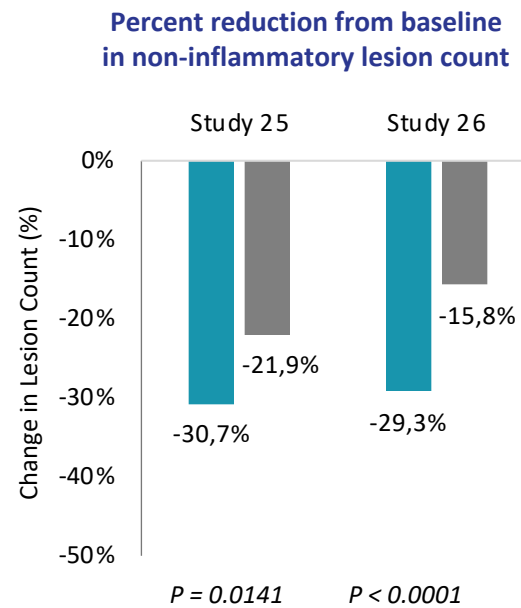
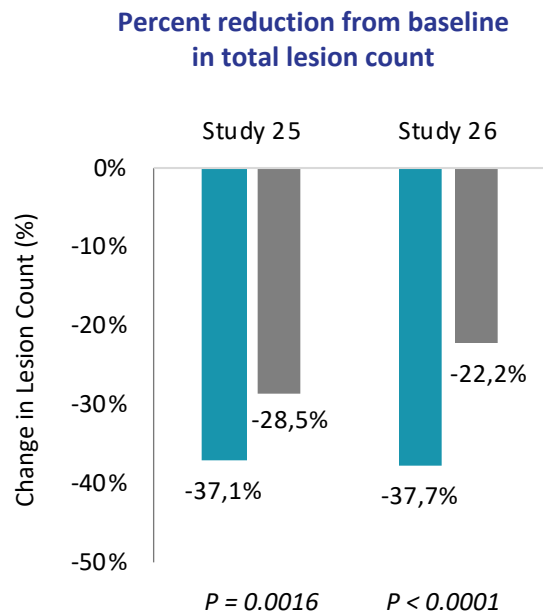
- There were no treatment-related serious adverse events among patients treated with clascoterone
- Local skin reactions, if present, were predominantly classified as mild

Sample Size

- Study 25: N = 708
- Study 26: N = 732

In Phase III trials Clascoterone Cream 1% demonstrated statistically significant efficacy in secondary endpoints with side effects similar to vehicle

Clascoterone Safety and Efficacy (Secondary Endpoints) ITT (Week 12)



■ Clascoterone ■ Vehicle

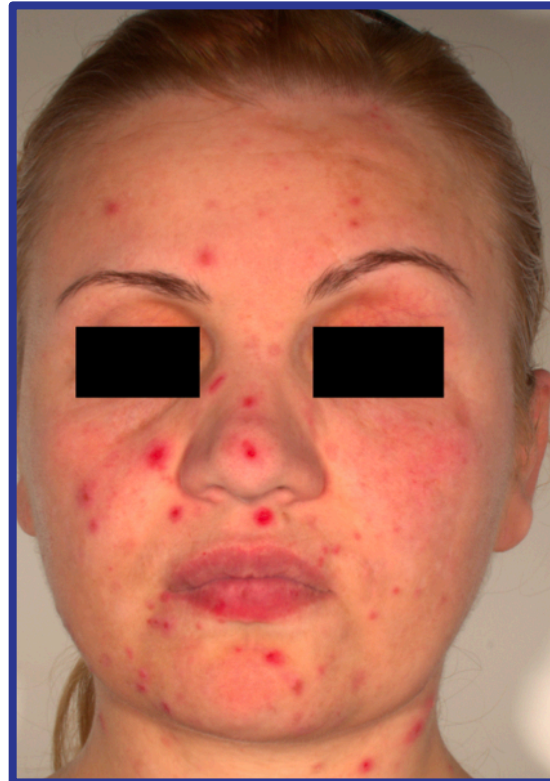
Adverse Events

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Sample Size

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- Study 26: N = 732

Clascoterone Cream 1% Results: Patient Examples Study 26



Baseline



Week 12

Clascoterone Cream 1% Results: Patient Examples Study 25



Baseline



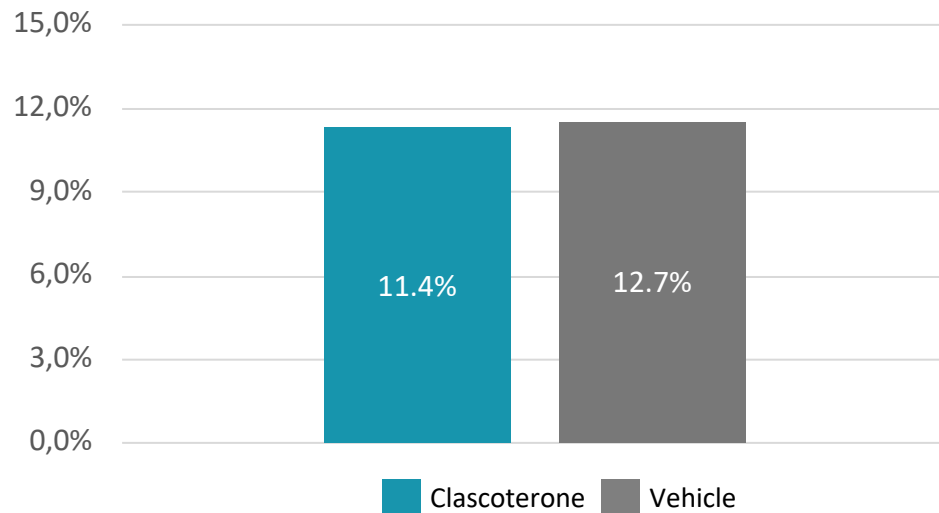
Week 12

An NDA for clascoterone cream 1% for the treatment of acne is undergoing review by the US FDA

Clascoterone Cream 1% Safety Profile

Phase 3 trials across 1,440 patients demonstrated side effects similar to vehicle

Pooled Safety Data – TEAE* Study 25, 26



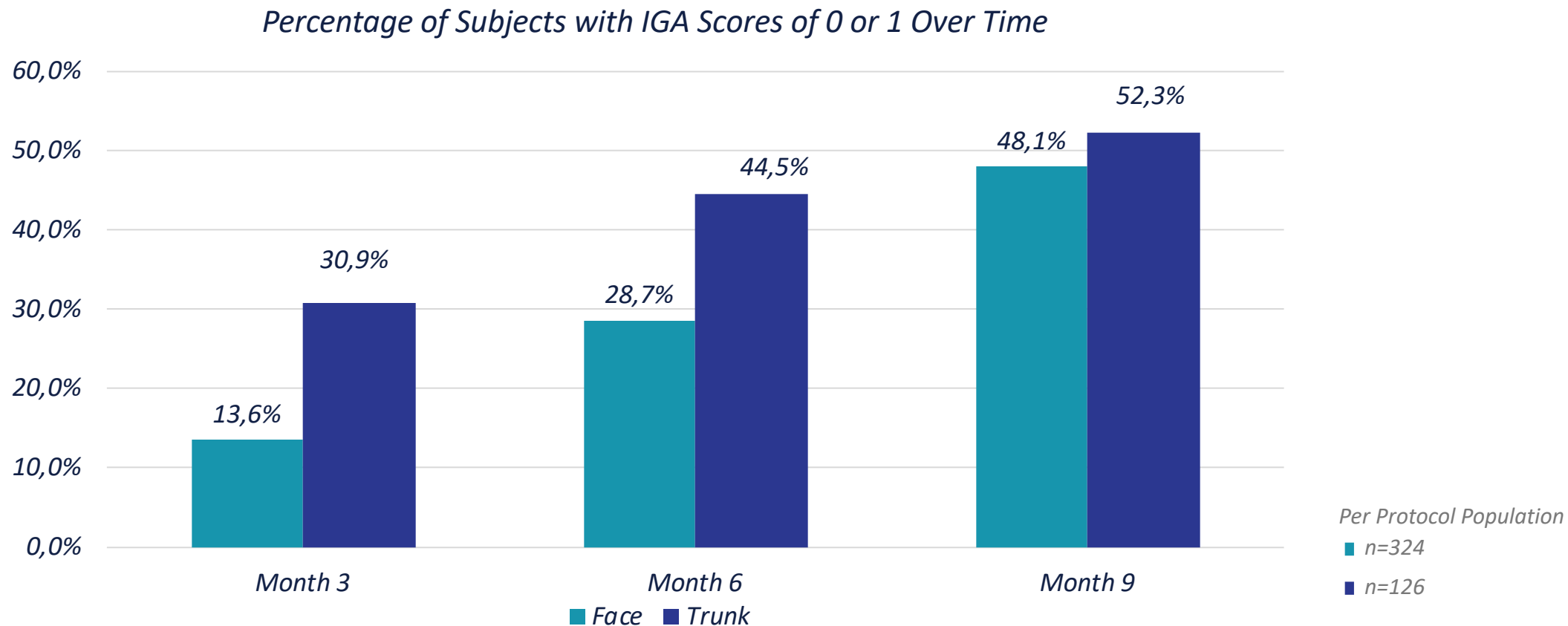
*Treatment Emergent Adverse Events

9 month Open Label Extension Study shows consistent results with Phase 3 trials

- Consistent with previous studies erythema/reddening was the most common local skin reaction
- No systemic side effects were noted
- The mean absolute changes of cortisol values throughout the study were similar among groups, proving no systemic effect on cortisol

An NDA for clascoterone cream 1% for the treatment of acne is undergoing review by the US FDA

Clascoterone Cream 1% Phase III Open Label Extension Study: Efficacy Summary



Patients on study treatment for the maximum period of 12 months on face and 9 months on trunk had an IGA score of 0 or 1 in 56.3% and 61.7% of the cases respectively

Clascoterone Cream 1%: YTD 2019 Achievements

- Received conditional approval from FDA on Winlevi proprietary name
- NDA Filed August 2019
- NDA accepted by FDA and PDUFA date Aug 27, 2020 established
- 20+ Published Papers, Posters and Abstracts
- 24 Meeting Sponsorships
- 55+ Podium Mentions
- 2 acne advisory boards
- Completed extensive market research with payers and segmentation research with HCPs



Clascoterone Cream 1%

Commercial

Commercial Imperatives in the USA

Clear Positioning & Differentiation

- Educate on Androgen Receptor Inhibition in Acne
- Prepare for Launch Excellence

Targeted Sales & Marketing Investment

- Comprehensive segmentation research identifying 2,600 primary targets make up 28% of acne market, with good access coverage
- 5,600 additional secondary targets account for 8% of physician universe but 31% of acne market

Achieve Broad Access Coverage

- Develop Value Proposition around First in Class Mechanism of Action
- Price for Access
- Maintain Gross to Net Metrics

Market Research confirms clascoterone can be positioned as a foundation for acne treatment

Clear Differentiation as a **first in class** Topical Androgen Receptor Inhibitor

*"All acne has a hormone component, it's a matter of to what extent. If Product X treats the hormone aspect of it and can work for both male and female, then **all patients should be on it, like a retinoid.**"*
Derm

90% of Healthcare Providers exposed to clascoterone cream 1% said they would be **extremely likely to prescribe** the product

Almost all Physicians surveyed agreed: **There is a need for topical treatment** to target acne **triggered** by **hormones**

Overall physicians reported a **high preference share**, driven primarily by clascoterone's new & unique mode of action

Source: IQVIA Primary Market Segmentation Research July- Sept 2019. Qualitative research n=50. Q. How likely are you to prescribe Product X for your acne patients? *Number of HCPs; Rating 1-7: 1 = Not Likely; 4 = Somewhat Likely 7 = Extremely Likely*

Segmenting the large US acne market gives us target physician profiles

Segments Overview – Findings from Acne Qualitative Research



Aggressive Treater N=2,600

- 28% acne TRx today
- *Innovator*
- *Sees more pts with "High Access" plans*

- Driven by **achieving quick results** that can be measured objectively, and by selecting the Tx that addresses the patients' root cause of acne



Benefit / Safety - Driven N=3000

- 16% acne TRx today
- *Early adopter*
- *Sees more pts with "Moderate Access" plans*

- Motivated by having the "right" **efficacy-safety risk trade-off** for different pts



Tolerability - Driven N=2600

- 15% acne TRx today
- *Early adopter*
- *Sees more pts with "Low Access" plans*

- **Safety/tolerability** of products enabling patient compliance is their top priority

Source: IQVIA Primary Market Segmentation Research July- Sept 2019 n = 50. IQVIA NPA Data, *Italicized: Information from claims data*

US Payer Research shows no change in how the acne category will be managed & indicate WAC price expectations

Payer Research representing ~92 million lives

Current management approach for prescription acne treatments

- Overall, acne vulgaris is of **moderate to low management priority**, due to perceived relatively lower spend in the category
- In general, **no perceived desire to change** management approach in the next 12 – 18 months and/**or will continue to treat it as a medical condition**

“The greatest unmet need is the lack of a therapy for severe or moderate acne that doesn’t cause side effects. What we need is an alternative to Retin-A with fewer side effects.”

- Regional HP

Acne Price Expectations

- Branded acne WAC prices typically range between \$350 and \$850 WAC
- **\$300 - \$700** identified as an **acceptable WAC price corridor** among Payers; deep-discount rebates expected near the top-end of this corridor

“A thousand dollars would be a lot of money. At that price you would not be covered, or you might have 4 step edits in front of it.”

- Regional HP

Source: In depth interviews conducted June and August 2019 by Precisions Xtract Inc. Perception and coverage expectation data based on primary research conducted June 2019; N=12 Payers (~92M Commercial Lives). Price-Access projections are based on primary research conducted August 2019; N=10 Payers (~79M Commercial Lives)

US Payer Research shows positive reaction to clascoterone cream 1% as a unique addition to the acne category

Payer Research representing ~92 million lives

Payer Value Perception of clascoterone cream 1%

First-in-Class, **novel MOA** of clascoterone cream 1% is an **important driver for Payers** along with safety/efficacy & net cost

“The unmet need is a new mechanism of action to treat patients with moderate to severe acne in a more safe and effective way”

- Regional Payer

Payer Coverage Feedback

Clascoterone cream 1% is anticipated to be on non-preferred formulary tier similar to other acne brands (one step edit through generics), but **ultimate access is dependent on NET price**

Have **identified** appropriate price **range for net pricing** to gain broad **access** coverage

“I think it will be managed as a Tier 3 product...whether or not it has a Step Edit is probably a pricing component”

- National Payer

Source: In depth interviews conducted June and August 2019 by Precisions Xtract Inc. Perception and coverage expectation data based on primary research conducted June 2019; N=12 Payers (~92M Commercial Lives). Price-Access projections are based on primary research conducted August 2019; N=10 Payers (~79M Commercial Lives)

Cassiopea Preparation for Launch of First Product

- Incrementally expanding footprint in Dermatology
 - US subsidiary, Cassiopea Inc, established
 - Small team of executives with decades of derm experience has been hired
 - Extensive Medical Affairs program has rapidly increased awareness of clascoterone new MOA and clinical data in the dermatology community
 - Strategy to balance investment pre and post PDUFA to minimize risk
- Poised to be the next leader in Dermatology

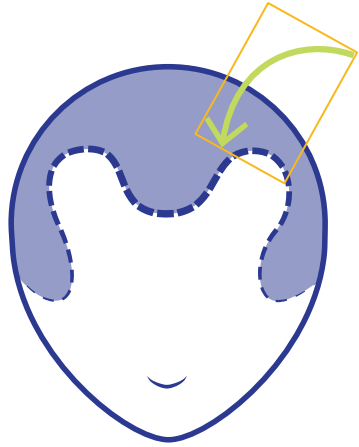
A close-up photograph of a person's hair, likely on the side of the head. A hand is visible on the left, with fingers gently touching the hair. The hair is dark brown and appears to be thinning or receding, particularly at the temples. The background is a solid teal color.

OUR SCIENCE TELLS A STORY

Clascoterone Solution 7.5%
First in Class Androgen Receptor Inhibitor
Targeting Androgenetic Alopecia

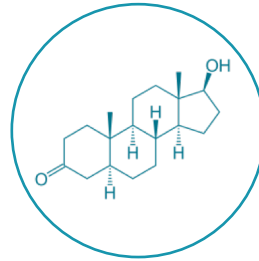
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US Androgenetic Alopecia Market



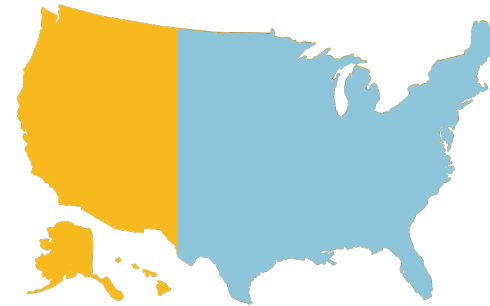
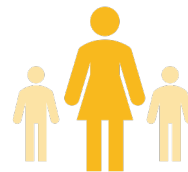
Androgenetic alopecia, also known as **pattern baldness**, is characterized by the progressive loss of terminal hairs on the scalp in a characteristic pattern

It is caused by high concentrations of **dihydrotestosterone (DHT)** at the hair-follicle, which shortens the hair growth cycle.



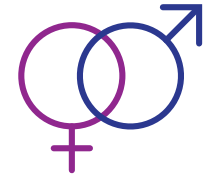
Known psychosocial complications of androgenetic alopecia include **depression, low self-esteem, and less frequent and enjoyable social engagement**

Studies have indicated that **women are more likely to suffer from psychological complications than men**



80-95 million Americans suffer from Androgenetic alopecia

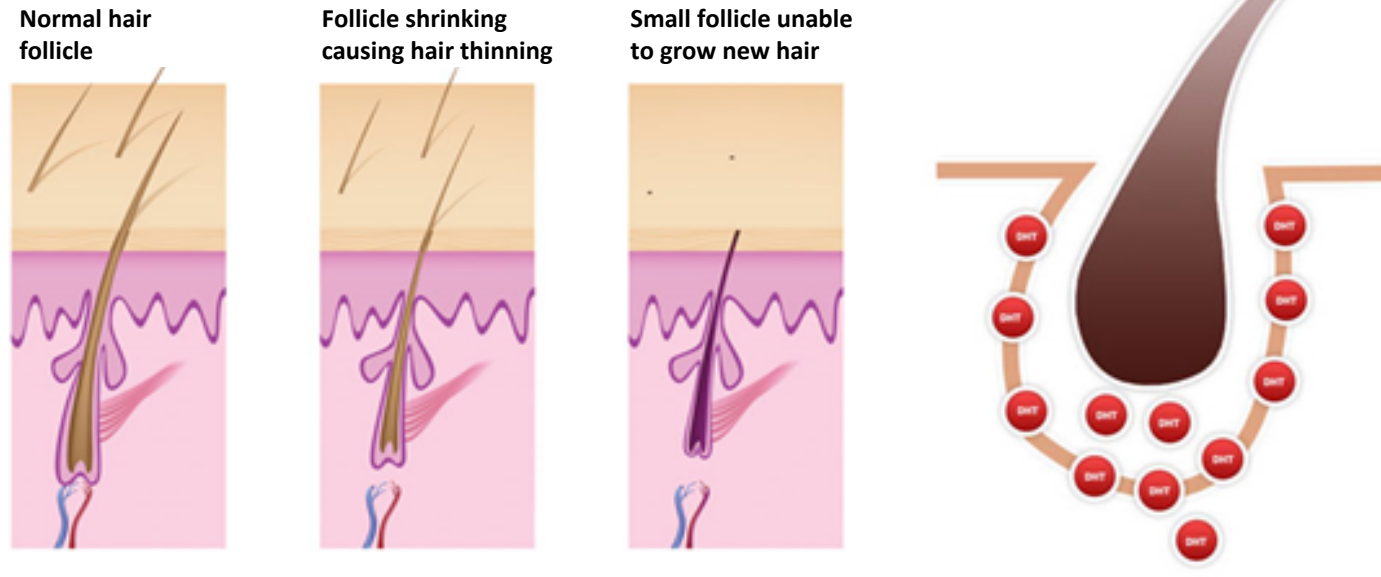
Both men and women are impacted



Only 4-9 million patients are estimated to get treatment

Treatment options are limited to old therapies developed **20 -30 years ago**

Clascoterone Solution stacks up well against existing options



DHT = Dihydrotestosterone

Existing Treatments		Clascoterone Solution <small>A Novel Androgen Receptor Inhibitor</small>
<p>Propecia™ (finasteride)</p> <ul style="list-style-type: none"> Shows anti-androgenic activity on follicle However, serious side effects due to hormonal imbalance Not indicated for women 	<p>Minoxidil®</p> <ul style="list-style-type: none"> Shows a vasodilator effect, ensuring a better flow of nutrients to the papilla 	<ul style="list-style-type: none"> Antagonizes DHT's negative effects on dermal papilla Reduces hair miniaturization Reduces dermal inflammation

Clascoterone is under investigation and is not FDA approved.

Clascoterone Solution Phase II Dose Ranging Study Design

Study 034

52-week, randomized, double-blind, vehicle controlled, in subjects with AGA

Double-blinded Phase II DRS

Randomized (1:1:1:1:1), double-blind versus Vehicle, N = 404

12 months of treatment with planned 6 months interim analysis

Month 3

Month 6

Month 9

Month 12

Baseline

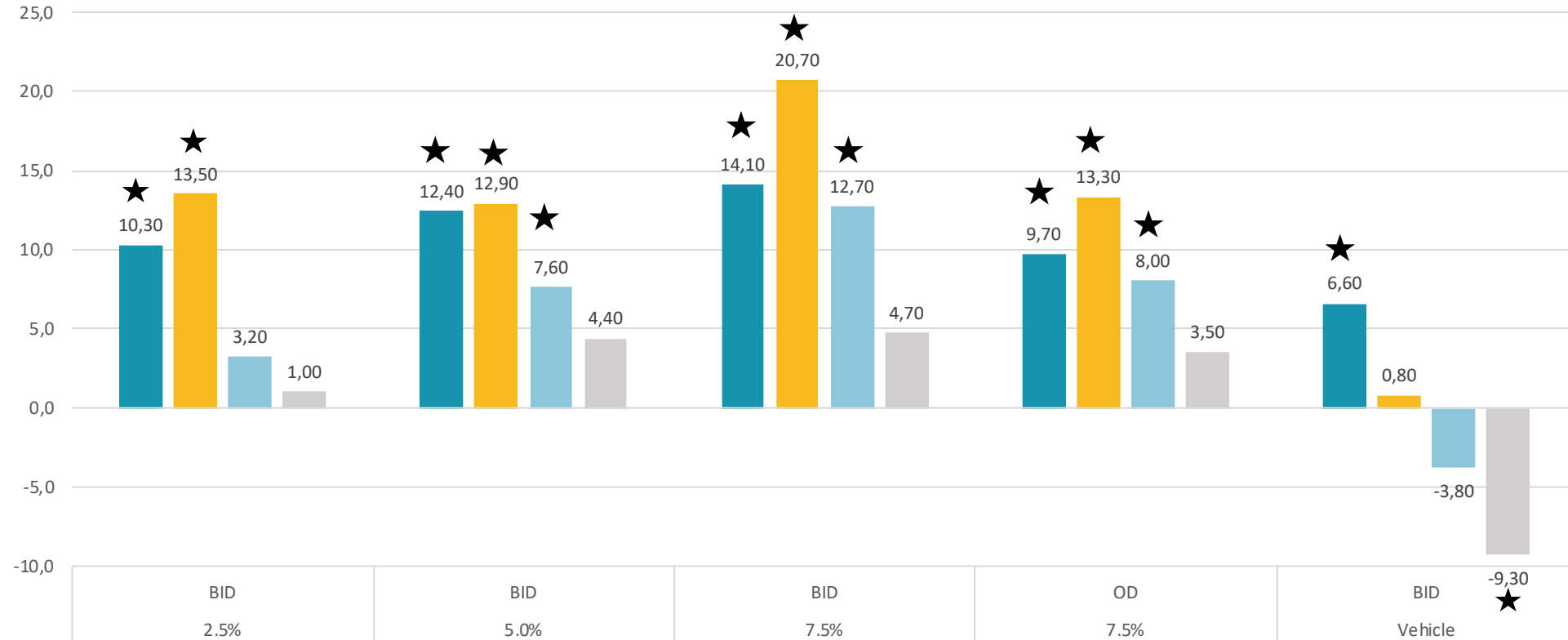
Interim Analysis

End of treatment

- DRS Phase II: 404 patients enrolled, double blind, 5 parallel arms, Breezula 2.5%, 5%, 7.5%, vehicle BID plus 7.5% QD, 52 weeks of treatment, co-primary endpoints on TAHC total hair count increase from baseline and HGA patient satisfaction
- The Modified Norwood-Hamilton Scale is used to assess the eligibility of subjects at the Screening Visit
 - Subject has to have mild to moderate androgenic alopecia in temple and vertex region rating Modified Norwood-Hamilton Scale III vertex to V (IIIv, IV, V) with ongoing hair loss to be eligible for this study
- Six month interim results July 2018, twelve month results April 2019

Clascoterone Solution Phase II Dose Ranging Study

Target Area Hair Count – Changes vs Baseline (PP)

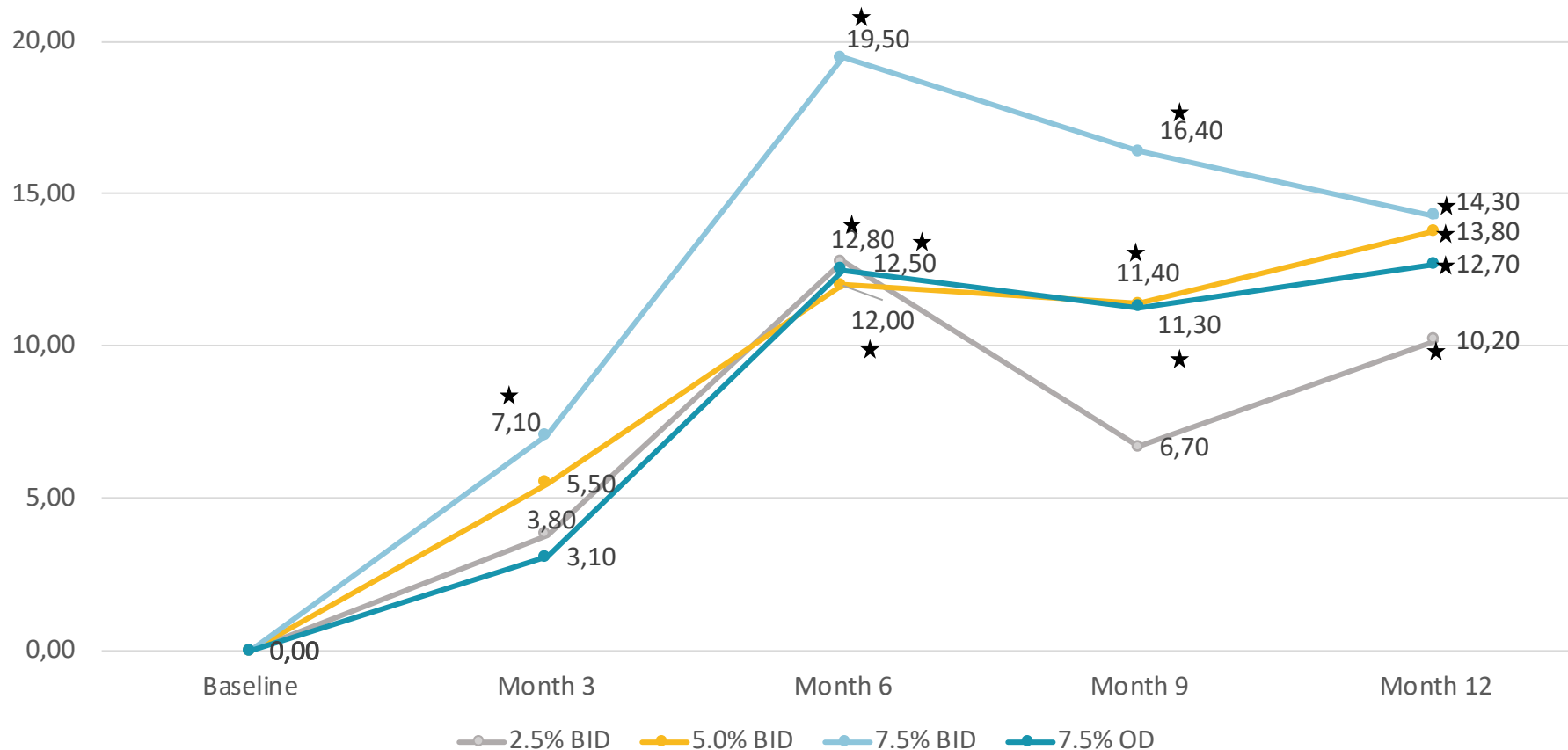


★ Significance vs baseline

■ Month 3 ■ Month 6 ■ Month 9 ■ Month 12

Clascoterone Solution Phase II Dose Ranging Study

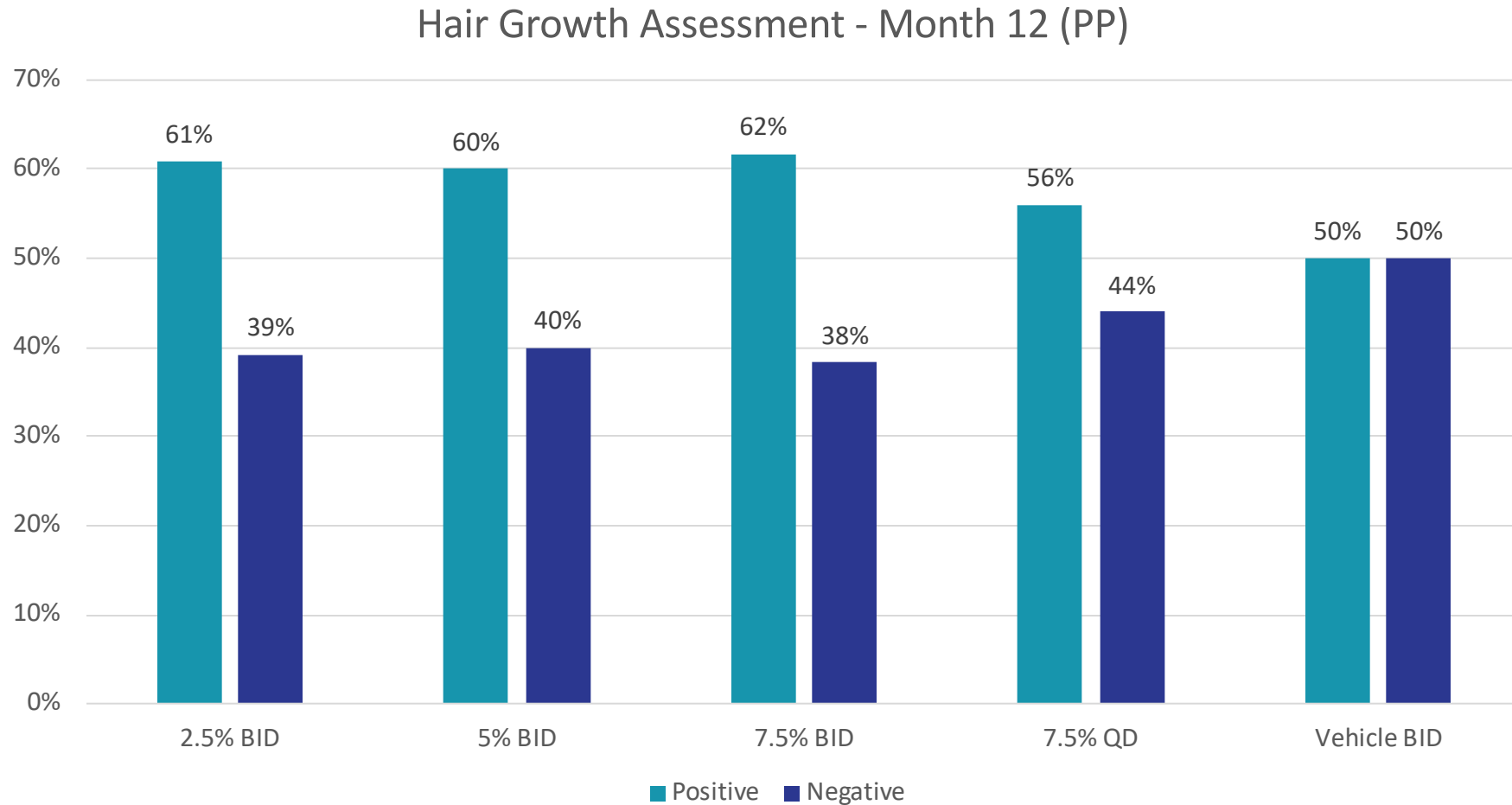
Target Area Hair Count – Changes vs Vehicle (PP)



★ Significance vs vehicle

Clascoterone is under investigation and is not FDA approved.

Clascoterone Solution Phase II Dose Ranging Study



Zero as Negative Result

Phase II Dose Ranging Study Safety Summary – Side effects similar to vehicle

- TEAE were similar across all treatment groups and similar to vehicle
- Most TEAE were moderate in severity
- Most TEAE were not related to study drug
- No serious TEAE were observed in 7.5% BID clascoterone group

Clascoterone is under investigation and is not FDA approved.

Providers and Patients are excited about Clascoterone Solution for AGA

- HCPs were highly receptive to the product profile, emphasizing the novel mechanism and impressive clinical photographs
 - All provider specialties suggest high utilization with a reported adoption of over 60% of male patients and 50% of female patients
 - Physicians reported high adoption rates and would take replace finasteride and minoxidil equally
- Nearly half of Rogaine patients indicated that they would be at least highly likely to request Clascoterone Solution from their physician
- Clascoterone Solution could be priced like other cash pay lifestyle drugs ie \$100-200 per month



"I'm so excited [about Breezula]. We haven't had anything innovative in a long time."

- Dermatologist



"I have never been able to give my female patients something that could really fix their issue. This product could give a bit of hope to female alopecia patients."

- Primary Care Physician

Clascoterone is under investigation and is not FDA approved.

Clascoterone Solution for AGA:

YTD 2019 Achievements:

- Phase 2 dose ranging study successful and most effective dose identified
- 9 Published Papers, Abstracts and Posters
- 17 podium presentations
- 3 advisory boards held
- Approval from German health care authority BfArM for Phase 2 study in women received; first patient treated imminent

Next Steps:

- End of Phase 2 Meeting w FDA scheduled for Nov 13
- Initiate Breezula Phase 3 trials – 2020

Clascoterone is under investigation and is not FDA approved.

Financing

- Cosmo has committed to provide the necessary bridge financing, be it with the necessary equity or with debt at least up to the projected approval of clascoterone for acne
- Cosmo views the investment as a financial investment that will be monetized in due course

Upcoming Company Milestones

- Initiate Clascoterone Solution Phase 2 Study in Women - November 2019
- Clascoterone Solution End of Phase 2 Meeting with FDA - November 2019
- Initiate Clascoterone Solution Phase 3 Studies in Men - 2020
- Clascoterone Cream 1% PDUFA Date – Aug 27, 2020

Cassiopea SpA

Information

Number of shares: 10,000,000

Listing: SIX Swiss exchange, Main board

ISIN: IT0005108359

Ticker: SKIN

Contacts

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