

A close-up photograph of a person's bare shoulder and upper arm. A hand is applying a small, circular, translucent medical device to the skin. The device has a white center and a clear outer ring. The background is a blurred indoor setting. The image is overlaid with a blue gradient at the bottom and orange wavy lines across the shoulder area.

Corporate Presentation

March 2024

DermTech

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These forward-looking statements include, without limitation, expectations and evaluations with respect to: the performance, patient benefits, cost-effectiveness, commercialization and adoption of DermTech’s products and the market opportunity for these products; expectations regarding DermTech’s potential growth, scale, patient reach, financial outlook, including its cash runway and future financial performance DermTech’s ability to increase its test volume, revenue and the proportion of reimbursed billable tests and control or reduce cost, expenses and cash burn, including as a result of DermTech’s recent restructuring actions; and expectations regarding agreements with or reimbursement or cash collection patterns from government payers (including Medicare) or commercial payers and related billing practices or number of covered lives. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside of the control of DermTech and are difficult to predict. Factors that may cause such differences include, but are not limited to: (1) the outcome of any legal proceedings that may be instituted against DermTech; (2) DermTech’s ability to obtain additional capital when and as needed or on acceptable terms; (3) the existence of favorable or unfavorable clinical guidelines for DermTech’s tests; (4) the reimbursement of DermTech’s tests by government payers (including Medicare) and commercial payers; (5) the ability of patients or healthcare providers to obtain coverage of or sufficient reimbursement for DermTech’s products; (6) DermTech’s ability to grow, manage growth and retain its key employees and maintain or improve its operating efficiency and reduce operating expenses; (7) changes in applicable laws or regulations; (8) the market adoption and demand for DermTech’s products and services together with the possibility that DermTech may be adversely affected by other economic, business, and/or competitive factors; (9) DermTech’s ability to continue as a going concern and (10) other risks and uncertainties included in the “Risk Factors” section of the most recent Annual Report on Form 10-K filed by DermTech with the Securities and Exchange Commission (the “SEC”), and other documents filed or to be filed by DermTech with the SEC, including subsequently filed reports. DermTech cautions that the foregoing list of factors is not exclusive. You should not place undue reliance upon any forward-looking statements, which speak only as of the date made. DermTech does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions, or circumstances on which any such statement is based.

Our Mission Is to Improve the Lives of Millions by Providing Non-Invasive Precision Dermatology Solutions that Enable Individualized Care



**Proprietary
non-invasive skin
genomics technology**



**Significant patient
need and large
addressable market
in melanoma**



**Commercial stage
product; targeting
reimbursed tests and
expanding payer
coverage**



**Growing ASPs and
test revenue**

Who We Are



**Medicare coverage
for the DermTech
Melanoma Test (DMT)
received in 2020⁽¹⁾**



**CLIA/JCO⁽²⁾, state-of-
the-art 13,200 sq. ft.
lab which can scale
to process 1 million+
tests annually**



**>225K suspicious
pigmented lesions
tested to date using
the DMT**



**~45% of 9,000
targeted
dermatologists
ordered the DMT
in 2023**

(1) DermTech originally marketed its foundational assay under the name Pigmented Lesion Assay (PLA). The PLA assesses pigmented skin lesions, moles or dark skin spots for melanoma. In particular, the PLA detects expression of the LINC00518 (LINC) and preferentially expressed antigen in melanoma (PRAME) genes using reverse transcription-polymerase chain reaction (RT-PCR). The Company introduced an add-on assay to PLA in 2021, which is designed to identify the presence of mutations in TERT gene promoter region using DNA sequencing. The Company has since branded its PLA and TERT add-on-assay as the DermTech Melanoma Test (DMT). The TERT add-on assay will be discontinued effective March 1, 2024.

(2) CLIA (Clinical Laboratory Improvement Amendments); JCO (Joint Commission)

The Existing Paradigm in Dermatology

- Dermatologists are working hard to provide great patient care, but there are significant capacity constraints – only 3.4 dermatologists per 100K people in the U.S.⁽¹⁾
- Patient wait times for an appointment average one month and can be as long as six months in certain geographies⁽²⁾
- Demand for dermatology services will continue to increase with few new dermatologists, an aging U.S. population and rising rates of skin diseases⁽³⁾
- The current standard of care is challenging with traditional methods and techniques

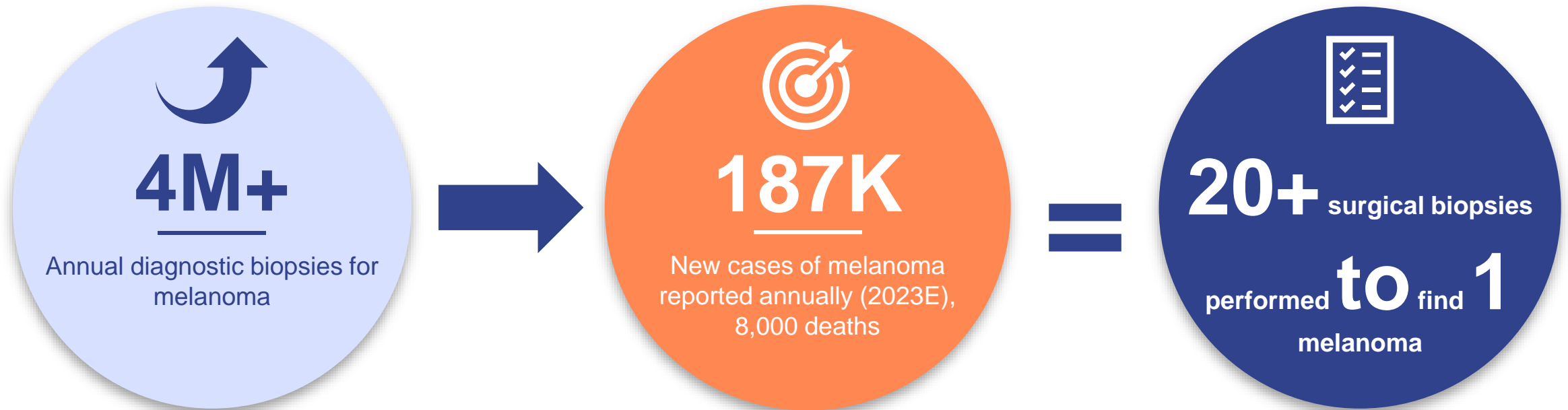


(1) NIH - <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5470415/#:~:text=Dermatologist%20density%20in%20the%20Unites,3.4%20per%20100%20000%20individuals>.

(2) GAPP - <https://www.businesswire.com/news/home/20190430005564/en/Patients-Harmed-by-Long-Waits-for-Dermatology-Appointments-Says-New-Report>

(3) Glazer AM, Farberg AS, Winkelmann RR, Rigel DS. Analysis of Trends in Geographic Distribution and Density of US Dermatologists . JAMA Dermatol. 2017;153(4):322–325. doi:10.1001/jamadermatol.2016.5411.

The Current Standard of Care Is Challenging – DMT Can Be a Great Tool for Healthcare Providers



Sources - Cancer Facts & Figures 2023. American Cancer Society - <https://www.cancer.org/content/dam/cancer-org/research/cancer-facts-and-statistics/annual-cancer-facts-and-figures/2023/2023-cancer-facts-and-figures.pdf>; American Academy of Dermatology – www.aad.org

Genomic Innovations Are Improving the Standard of Care

		Old Standard of Care	Next-Gen Solution
Skin			
Breast			
Colorectal			
Thyroid			
Heart			
Prenatal			

Bringing the Genomic Revolution to Dermatology

Current Standard of Care - Invasive, 83% NPV, Higher Cost



Subjective
Visual
Assessment



Surgical
Biopsy



Subjective
Histopathology

The Future Is Here - Non-Invasive, 99% or higher NPV, Lower Cost



DermTech Smart
Sticker™



Genomic Analysis in
CLIA/JCO Lab



Results
within 5
Business Days

Abv. – CLIA (Clinical Laboratory Improvement Amendments); JCO (Joint Commission); NPV (Negative Predictive Value)

Finding Melanoma Early Is Critical to Survival – Cancer Is A Disease of The Genome

5-Year Melanoma Relative Survival Rate⁽¹⁾

99%

**Local Stage
Diagnosis**

68%

**Regional Stage
Diagnosis**

30%

**Distant Stage
Diagnosis**

(1) Sources - Cancer Facts & Figures 2023. American Cancer Society - <https://www.cancer.org/content/dam/cancer-org/research/cancer-facts-and-statistics/annual-cancer-facts-and-figures/2023/2023-cancer-facts-and-figures.pdf>; American Academy of Dermatology – www.aad.org

(2) Hanke CW, Carcinoma and Keratoses, 1:2 2019

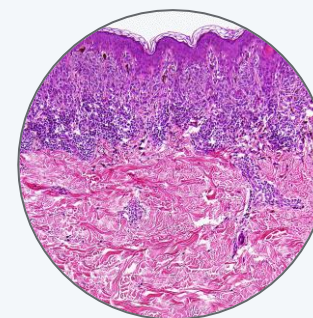
Early Visual Detection is Often Difficult⁽²⁾



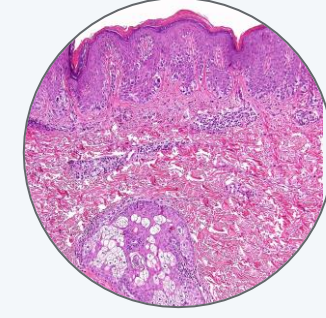
Benign Mole



Melanoma



Benign Mole



Melanoma

Melanoma's Challenging Diagnostic Pathway Leads to Diagnostic Inaccuracy and Unnecessary Surgery

Subjective Clinical Visual Assessment

20+ surgical biopsies are performed to find 1 melanoma⁽¹⁾

Subjective Pathology Assessment

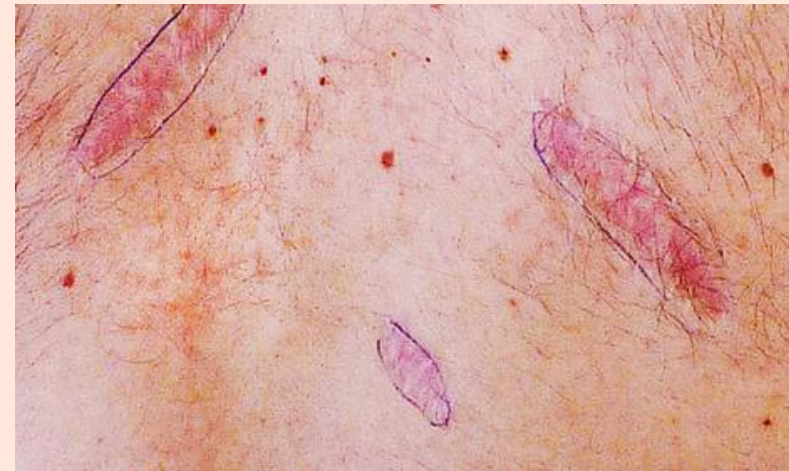
>50% of early-stage lesions may be diagnosed inaccurately⁽²⁾

Histopathologic analysis typically evaluates only 1-2% of the lesion

Leads to high proportion (>20%) wide excisions⁽³⁾

Most Biopsies Do NOT Reveal Melanoma

4.0M+ biopsies annually to identify 187K new cases of melanoma



Multiple biopsies and excisions for benign pigmented lesions
(Courtesy of G. Peck, MD)

(1) Anderson A, et al., *JAMA Dermatology*, 2018; doi:10.1001/jamadermatol.2018.0212

(2) Elmore JG, et al. *BMJ*. 2017;357:j2813.

(3) Strazzula L, et al. *Journal of the American Academy of Dermatology*, 2014; 71:1071-6

The DMT: A Non-Invasive Approach to Rule Out Melanoma

Non-Invasive Smart Stickers™

- Reduces surgeries and potential complications^(1,2)
- Improves patient care and comfort

Benefiting From Genomics

- Detects genomic markers that are correlated with a higher risk of melanoma^(1,3,4)
- Genomic changes may precede visual changes^(1,3,4)

High NPV

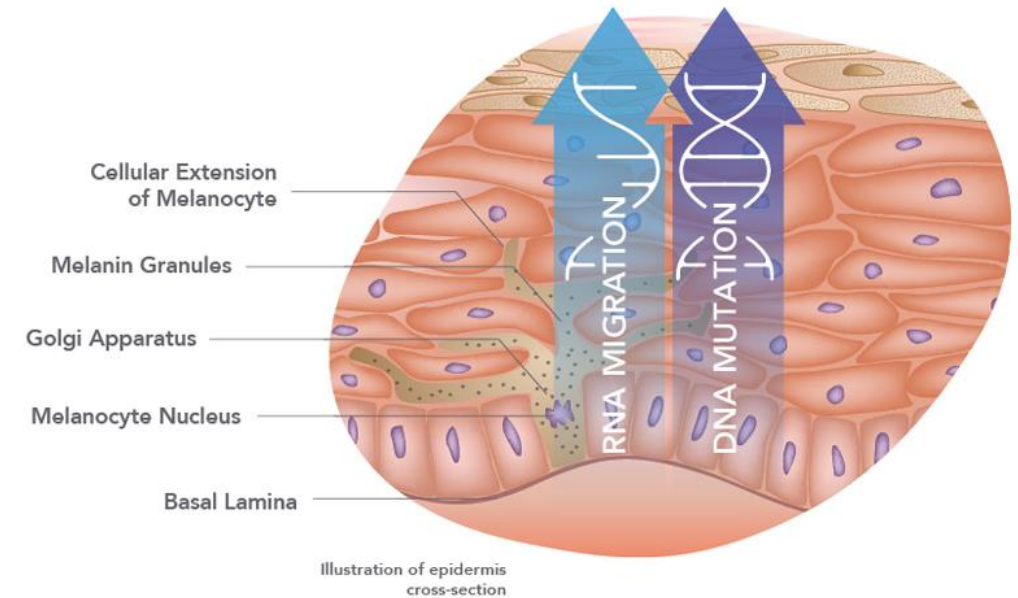
- **Samples the lesion's entire surface**
- **Provides clinicians with objective and actionable genomic data for a suspicious lesion**
- **Rules out melanoma with 99% or higher probability**

(1) Data on File. DermTech, Inc.

(2) Jackson RJ, Jansen B, Yao Z, Ferris LK. Skin. 2020;4(2):105-110

(3) Gerami P, Yao Z, Polsky D, et al. J Am Acad Dermatol. 2017;76(1):114-120.

(4) Jansen B, et al. J Drugs Dermatol. 2018;17(5):574-576.



Improved Patient Care, Higher NPV and Lower Cost

Strong Validation & Clinical Utility Performance

NPV 99%+⁽¹⁻⁴⁾
(Current standard is ~83%)

91-97%
Sensitivity^(1,2,4)



Significant Performance Improvement

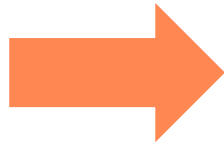
Performance Metric	Current Standard	PLA	Improvement
Biopsies to Detect 1 Melanoma ⁽⁵⁾	20+	2.5 - 5.0	4x - 8x
Wide Excisions per Melanoma ^(5,6)	5.2	1.6	3x
Present Value Net Neutral 3-Year ROI ⁽⁷⁾	~\$1,300	~\$760	~42%

(1) Gerami P, et al. *J Am Acad Dermatol*. 2017;76(1):114-120
(2) Jackson S, et al. *SKIN J Cutan Med*. 2020;4(2):105-110
(3) Skelsey M, et al. *SKIN J Cutan Med*. 2021;5(5):512-523
(4) Trust 2 Study Topline Results, DermTech Press Release
(5) Ferris L, et al. *JAMA Dermatology*, 2018; 154(10):1229-1230 & Gerami P, et al., *JAAD* 2017, 76:114-120e
(6) Strazzula L, et al. *JAAD*, 2014; 71:1071-6 & Ferris L, et al. *Melanoma Research*, 2018 1:DOI10.1097
(7) Optum Insights Economic Analysis, April 2021 - Siegel et al. 2022 - <https://dermtech.com/wp-content/uploads/Siegel-SKIN-032022.pdf>

Trust 2 Study Top-Line Results - High NPV Delivers Assurance That a Lesion Which Tests Negative Is Unlikely to Be Melanoma



N = 20,000
Trust 2 Study
initiated in 2021,
real-world
clinical setting



Follow-up evaluations for
more than 5,000 tested
lesions; 337 days mean
duration



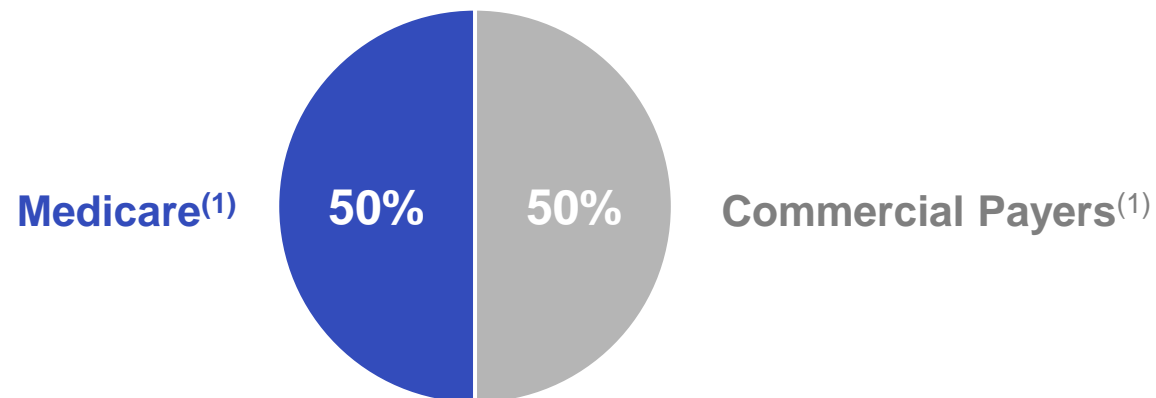
NPV = 99.7%
Sensitivity = 95.8%
Specificity = 69.4%
PPV = 13.4%



Commercial Strategy

Medicare Coverage Anchors Significant Market Opportunity

Estimated Total Number U.S. Biopsies for Pigmented Lesions⁽¹⁾








Medicare	~2.0 Million Total Biopsies ⁽²⁾	×	~\$760 Reimbursement ⁽²⁾	=	~\$1.5 Billion
Other	~2.0 Million Total Biopsies	×	Reimbursement TBD Expect in-line with long-term price targets	=	+\$1 Billion (est.)

1) Source: IQVIA Skin Cancer Claims and Procedures Study; Medicare coverage established in January 2020

2) 2023 Clinical Laboratory Fee Schedule: <https://www.cms.gov/medicare/medicare-fee-service-payment/clinicallabfeesched/clinical-laboratory-fee-schedule-files/23clabq1>

Strong Progress Expanding Payer Footprint – Covered Lives Increased Approximately 45% in 2023

	2019	2020	2021	2022	2023	
Governmental Payers 		 Medicare	COVID-19		 	
Commercial Payers 		Regional plans – CA, IL, TX			+42 million covered lives	Regional plans – AZ, Highmark, HI, KC, LA, MI, NC, NY, SC
<i>Favorable coverage policies and/or payer agreements expand access to the DMT as an in-network benefit and improve reimbursement</i>						

Prioritizing Reimbursed Tests To Grow Revenue



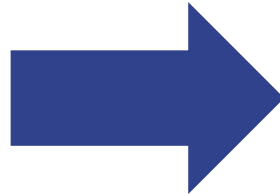
45%

of U.S. total covered lives
(~133 million)



<33%

total billable sample
volume reimbursed
today



	DMT Volume	Reimbursed Volume as % Total Volume	Average Selling Price (ASP)	Test Revenue
FY2022	68,000	<33%	\$202	\$13.8M
Illustrative Example	68,000	66%	\$406	\$27.6M

Adjusting Commercial Tactics

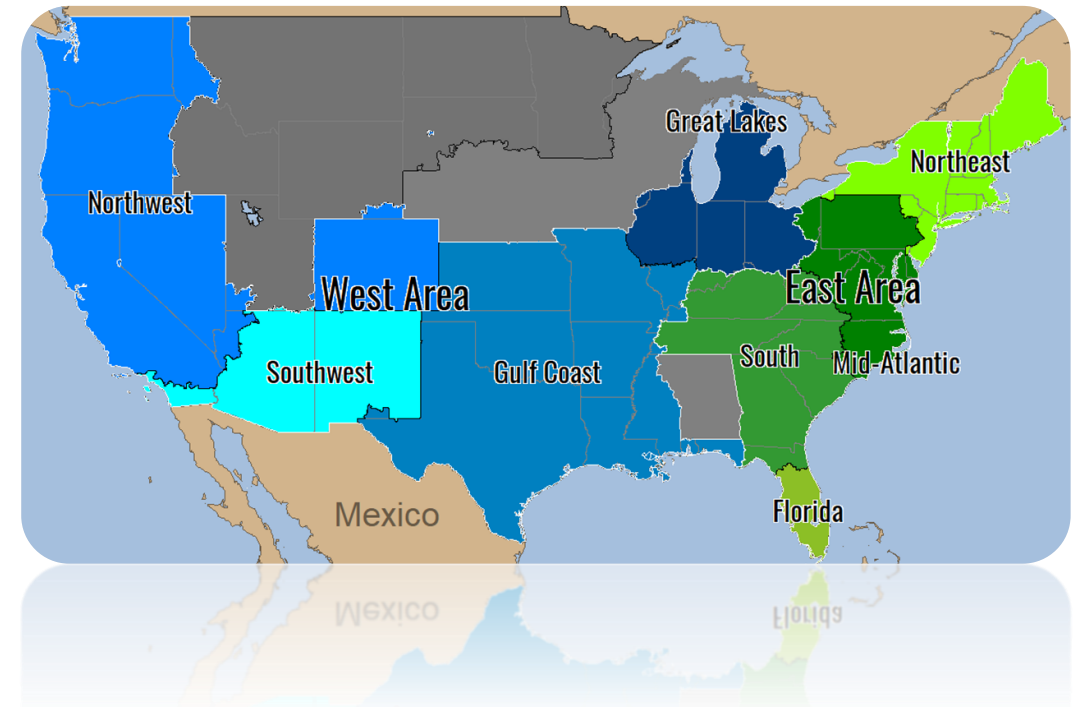
- **Incentive compensation for sales team aligned with generating reimbursed tests and revenue over volume growth**
- Re-aligned sales territories now focused on reimbursed tests where broad insurance coverage exists
- Promotional spending targeted more closely to sales team enablement rather than broad-based marketing efforts; new collateral material and messaging to customers
- Support infrastructure (concierge services, medical affairs) harmonized with re-aligned sales territories
- **Build DMT adoption at the ground level with clinicians**



Dermatology Professional Sales Force

- Approximately 55 sales territories
- Coverage of 13,000 dermatology clinical professionals
- Growing target utilization of DMT
 - Historically ~180 biopsies/qtr./clinician vs. current utilization ~7.2 DMT tests/quarter¹
- ~10% served market penetration = ~446K tests per year
- Revenue potential at 10% penetration = ~\$312M/year²

U.S. Field Sales Territory Map



1) DermTech estimate based on historical "good" account

2) Assumes convergence of Medicare and commercial payer rates with average selling price of \$700 per test

The DMT Should Evolve Over Time Into a PCP-Centric Product

- PCP channel is the natural evolution for the DMT because it reduces reimbursement hurdles and optimizes highest value patient referrals to derms
- Several initiatives launched since 2021 to foster PCP channel business case
- Partnerships allow for lower capital commitment versus expanding with a direct sales force
- Two established integrated delivery network (IDN) programs in Florida and the Midwest continue to have steady traction; working with an important payer-provider in the West
- Sonora Quest (largest lab network in AZ) agreement established a reference testing model - Sonora Quest bills insurance for the DMT samples they generate and pays DermTech a set fee per sample





Financial Highlights & Outlook

FY23 Financial Summary



\$14.4M

Test Revenue,
4% y-o-y increase primarily
due to higher ASP



~66,540

Billable Sample Volume,
2% y-o-y decrease due to
focus on reimbursed tests



\$216

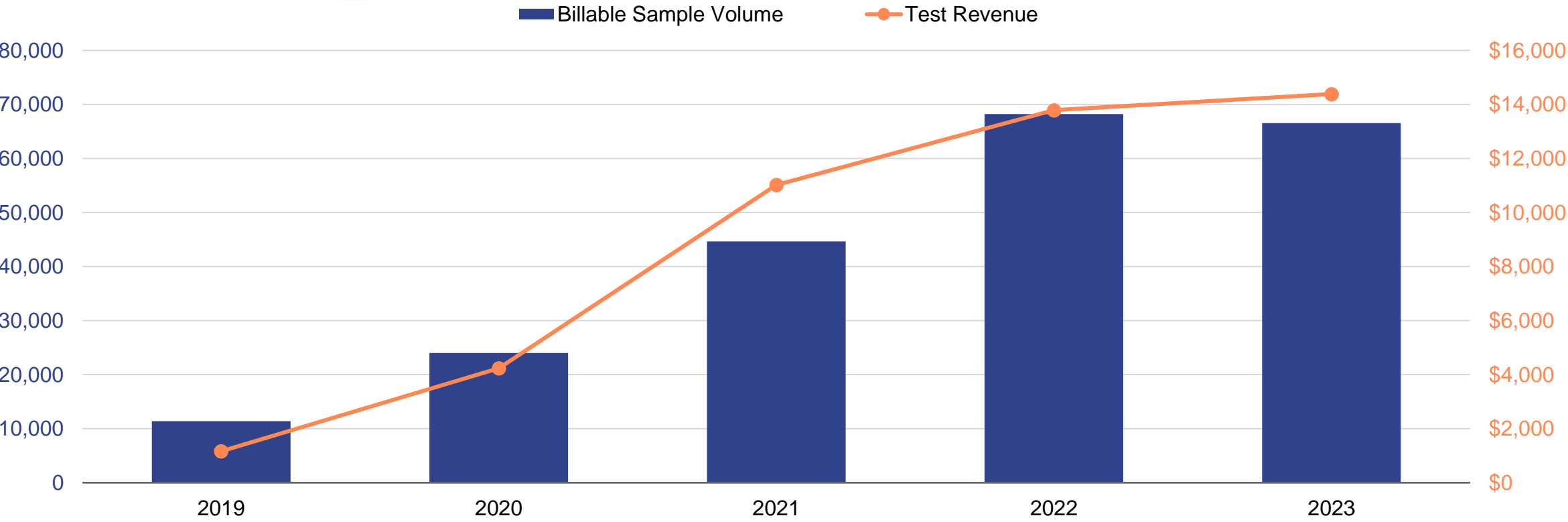
Average Selling Price (ASP)
7% y-o-y increase due to
improved proportion of
reimbursed tests



\$59M

Cash balance

Historical Test Volume and Revenue Growth



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non-invasive skin
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**Significant patient
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in melanoma**



**Commercial stage
product; targeting
reimbursed tests and
expanding payer
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**Growing ASPs and
test revenue**



Appendix

Strong Clinical Validation and Robust Patent Portfolio

Milestone	Status	Sample Size
Analytical Validation	✓ Complete	125
Clinical Validation – pathology	✓ Complete	555
Clinical Validation – mutation	✓ Complete	626
Clinical Utility	✓ Complete	45 Derms
Real-World Utility	✓ Complete	381
1-Year Follow-up	✓ Complete	734
Real-World Utility Registry	✓ Complete	3,418
Adhesive Biopsy Validation	✓ Complete	N/A
Real-World NPV Study- TRUST Study	✓ Complete	1,781
Real-World PPV Study	✓ Complete	316
Economic Impact/ROI- Optum Study	✓ Complete	27 MM Claims Analyzed
CPT Codes	✓ Complete	N/A
Trust 2 Study	✓ Complete	20,000

CPT: Current Procedural Terminology; N/A: not applicable, OUS: Outside U.S.
Publications available at www.dermtech.com

Seven issued US patents provide broad protection

- Broad methods covering RNA analysis via rtPCR of adhesive patch collected skin – 7,183,057
- Broad claims for melanoma gene classifier – 9,057,109
- Broad claims for melanoma gene classifier – 10,407,729
- 34 U.S. patents pending

Patents issued in select countries worldwide

- Multiple European countries, Canada, Japan, and Australia
- Issued foreign patents – 5; pending foreign patents – 28

Trade secrets and technical know-how

- Low quantity, poor quality sample material requires special processes
- Custom automation

A close-up photograph of a person's bare shoulder and upper arm. A hand is applying a small, circular, translucent medical device to the skin. The device has a white center and a clear outer ring. The background is blurred, showing what appears to be a clinical or laboratory setting. The image is overlaid with a blue gradient at the bottom and decorative orange wavy lines.

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