Creating Innovation in Dermatology

2016 YEAR END RESULTS

February 2017

Disclaimer

This presentation is strictly confidential to the recipient and has been prepared by Cosmo Pharmaceuticals S.A. (Luxembourg) (the "Parent" and the "Selling Shareholder") and Cassiopea S.p.A. (the "Company", and together with the Company, the "Group") solely for use at the presentation to research analysts ("Presentation") on May 8, 2015. By attending such Presentation, you agree to be bound by the following terms.

This Presentation may not be reproduced, retransmitted or further distributed to the press or any other person or published, in whole or in part, for any purpose. Failure to comply with this restriction may constitute a violation of applicable securities laws. This Presentation does not constitute or form part of and should not be construed as, an offer to sell or issue or the solicitation of an offer to buy or acquire securities of the Company or the Parent in any jurisdiction or an inducement to enter into investment activity. No part of this Presentation, nor the fact of its distribution, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. This Presentation does not constitute a prospectus or a similar communication within the meaning of article 752, 652a and/or 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange.

The information contained herein consists of slides solely for use at the Presentation in connection with the proposed offering (the "Offering") of the Company's shares (the "Securities") by the Parent.

Any purchase of Securities in the Offering should be made solely on the basis of the information contained in the prospectus in final form prepared by the Group (the "Prospectus") and any other supplemental prospectus to be published in respect of the Offering. The information contained in this Presentation has not been independently verified. Neither the Group nor Jefferies International Limited, Credit Suisse AG and Bank am Bellevue (together, the "Managers") are under any obligation to update or keep current the information contained herein. Accordingly, no representation or warranty or undertaking, express or implied, is given by or on behalf of the Group, the Managers or any of their respective members, directors, officers, agents or employees or any other person as to, and no reliance should be placed on, the accuracy, completeness or fairness of the information or opinions contained herein. None of the Group, the Managers or any of their respective members, directors, officers or employees nor any other person accepts any liability whatsoever for any loss howsoever arising from any use of this Presentation or its contents or otherwise arising in connection with the Presentation.

Neither the Presentation nor any copy of it may be taken or transmitted into the United States of America, its territories or possessions, or distributed, directly or indirectly, in the United States of America, its territories or possessions. Any failure to comply with this restriction may constitute a violation of U.S. securities laws. The Presentation is not an offer of securities for sale in the United States. Neither the Company nor the Parent have registered and do not intend to register any portion of the Offering in the United States or to conduct a public offering of any securities in the United States. The Securities may not be offered or sold in the United States except pursuant to an exemption from, or transaction not subject to, the registration requirements of the Securities Act.

Neither this Presentation nor any copy of it may be taken or transmitted into, or distributed directly or indirectly in, Australia, Canada or Japan or to Australian, Canadian or Japanese persons or to any securities analyst or other person in any of those jurisdictions. Any failure to comply with this restriction may constitute a violation of Australian, Canadian or Japanese securities law. Neither the Company nor the Parent have registered and do not intend to register any portion of the offering under the applicable securities laws of Australia, Canada or Japan, and, subject to certain exceptions, the securities may not be offered or sold within Australia, Canada or Japan or to any national, resident or citizen of Australia, Canada or Japan. This Presentation does not constitute a public offer or an advertisement of securities in Australia, Canada or Japan, is not an offer, or an invitation to make offers, to purchase securities in Australia, Canada or Japan and must not be passed on to third parties or otherwise be made publicly available in Australia, Canada or Japan. The Securities have not been and will not be registered in Australia, Canada or Japan and are not intended for "placement" or "public circulation" in Australia, Canada or Japan.

This Presentation is made to and is directed only at persons in the United Kingdom having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (the "Order"), and to those persons to whom it can otherwise lawfully be distributed (such persons being referred to as "relevant persons").

The Managers are acting for the Selling Shareholder in connection with the Offering and no one else and will not be responsible to anyone other than the Selling Shareholder for providing the protections afforded to their clients or for providing advice in relation to the Offering or any transaction or arrangement referred to in this document or Presentation.

This presentation includes forward-looking statements, beliefs or opinions, including statements with respect to plans, objectives, goals, strategies, product pipelines, potential benefits of product candidates and objectives, estimated market sizes and opportunities, milestone potential and well as strength of competitors which are based on current beliefs, expectations and projections about future events. The words "believe," "expect," "anticipate," "intends," "estimate," "forecast," "project," "will," "may," "should" and similar expressions identify forward-looking statements.

The forward-looking statements in this Presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including, without limitation, management's examination of data contained in the Group's records and other data available from third parties. Although the Group believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond its control, and the Company or the Parent may not achieve or accomplish these expectations, beliefs or projections. Neither the Group, nor any of its members, directors, officers, agents, employees or advisers intend or have any duty or obligation to supplement, amend, update or revise any of the forward-looking statements contained in this Presentation.

The information and opinions contained herein are provided as at the date of the analyst presentation and are subject to change without notice and will only be finalised at the time of the Offering.

Cassiopea Overview

- IPO 7/2015 was largest healthcare IPO on Swiss Stock Exchange SIX since 2000
  - Total shares issued 10 million, secondary placement of 5.18 million Cosmo's shares; Cosmo Pharmaceuticals NV continues holding 45.1%
- Exclusive focus on dermatology
- Innovative late stage pipeline of 4 products each containing NCE
- Experienced management team and low overhead through development phases
- Infrastructure and services provided by Cosmo Pharmaceuticals at arms' length
- Strategy:
  - Establish full scale organization in US after Winlevi® approval; Partner in Rest of World after Winlevi Phase 3 results
  - Financing targeted to last through publication of Winlevi Phase 3 results

Cassiopea

Key Investment Highlights

Cassiopea is a clinical-stage specialty pharmaceutical company focusing on developing and commercializing innovative and differentiated medical dermatology products

1. **Exclusive focus on dermatology: a large specialty-driven market with little innovation and with unmet medical needs in Acne and Alopecia**
2. **Four unencumbered products with novel mechanisms of action**
   - Winlevi™ – Lead NCE for Acne(1)
   - Breezula™ – NCE for Alopecia(1)
   - CB-06-01 – NCE Antibiotic for Acne
   - CB-06-02 – NCE for HPV
3. **Winlevi™ in Phase III(2) with statistical significance shown in Phase II**
   Breezula™ successfully completed PoC phase II for Alopecia
4. **Strong barriers to entry**
5. **Multiple catalysts and anticipated value inflection milestones on the horizon**

(1) Winlevi™ and Breezula™ are different formulations of the same NCE, for different indications.
(2) Special Protocol Assessment submitted to the FDA in April 2015.

A Balanced Pipeline

Product	Pre-Clinical	Phase I	Phase II	Phase III	MA / Expected Launch	Next Catalyst	Market Opportunity
Winlevi® ACNE Anti-androgen **NCE**(1)				H2 2017	2019	H1 2018 (Ph 3 data)	**US only:** $5bn(2)
Breezula® ALOPECIA Anti-androgen **NCE**(1)			POC completed H1 2016 DR H2 2018	2019-20	2021	H2 2018 (Ph II DR data)	$1.9bn(3) (surgical) $600m(4) (drugs)
CB-06-01 ACNE Antibiotic **NCE**			POC completed H2 2016 DR 2018	2019-20	2021	H2 2018 (Ph II DR data)	**US only:** US$5bn(2)
CB-06-02 HPV Integrin activator **NCE**			POC H2 2017 DR 2019	2020-2021	2022	H2 2017 (POC)	**US only:** c.14m new infections each year(5)

POC = Proof of Concept
DR = Dose Ranging

(1) Winlevi® and Breezula® are different formulations of the same NCE, for different indications.
(2) Management estimates based on IMS Health, IMS SMART MVP Solutions. Comprised of USC3 Classification 37100 Acne Therapy, Prescription Only, plus antibiotics Doryx, Monodox, Solodyn and Tazorac – Manufacturing prices increased by 20%.
(3) International Society of Hair Restoration Surgery. Note: 2012 survey figure.
(4) EvaluatePharma.
(5) Centers for Disease Control and Prevention.

Cassiopea

2016 Development Highlights

- Winlevi Phase 3 program progressed substantially – 54% enrolled as of 12/31/16
- Positive POC results published for both Breezula and CB0601
- POC study for CB0602 continued
- Breezula Phase 2 Dose Ranging study designed, CRO and sites selected

2016 Financial Results

Cassiopea

Income Statement
and Statement of Comprehensive Income

EUR / 1,000	2016	2015
Revenues	**0**	**0**
Other income	5,883	0
Cost of sales	(0)	(0)
Research and development costs	(14,310)	(7,597)
Selling, general and administrative costs	(2,026)	(760)
Net Operating expenses	**(10,453)**	**(8,357)**
Operating Result	***(10,453)***	***(8,357)***
Financial income	1,245	1,980
Financial expenses	(288)	(74)
Profit (loss) Before Taxes	***(9,496)***	***(6,451)***
Income tax expenses	(0)	(0)
Profit (loss) For The Period	***(9,496)***	***(6,451)***

EUR / 1,000	2016	2015
Profit (loss) for the period (A)	**(9,496)**	**(6,451)**
Other comprehensive income that will be not reclass. to P/L	0	0
Other comprehensive income that will be reclassified to P/L	0	0
Total other comprehensive income, net of tax (B)	**0**	**0**
Total comprehensive income (A)+(B)	**(9,496)**	**(6,451)**

Cassiopea

Discussion of Income Statement

- No revenues were generated in 2016 and 2015
- Net operating expenses are detailed below:

	2016	2015
Other income	5.883	0
Raw materials and consumables used	(375)	(291)
Personnel expenses	(1.974)	(444)
Outsourced preclinical and clinical trial costs	(11.363)	(5.675)
Other operating expenses	(2.599)	(1.932)
Depreciation and amortization	(25)	(15)
Total net operating expenses	**(10.453)**	**(8.357)**

- Other income refers to the tax credit for research and development pursuant to Ministerial Decree of May 27, 2015, implementing Law No. 190 of December 23, 2014 (2015 Stability Law)
- Raw materials and consumables mainly include purchase of laboratory supplies and materials for clinical trials

Discussion of Income Statement

- Personnel expenses increased from EUR 444 thousand to EUR 1,974 thousand (+344.6%): the Company has started to operate as a separate entity only from May 2015

  The average employees numbers were 9 in 2016 and 3,5 in 2015

- In 2016 the expense for the value of employees' and executives Directors' services exchanged for stock options amounted to EUR 890 thousand (EUR 60 thousand as at 31 December 2015) and it refers to the cost accounted in relation to the 80,000 and to 20,000 options granted by the Board of Directors on 3 December 2015 and on 23 February 2016 respectively.

- Staff break down at year end:

No. of people	2016	2015
Managers	3	4
Junior managers	6	3
Employees	-	-
Total n. of people	**9**	**7**

Discussion of Income Statement

- Outsourced preclinical and clinical trial costs are detailed here below:

	2016	2015
CB-03-01 Winlevi®	10,257	4,755
CB-03-11 Breezula®	777	543
CB-06-01	199	269
CB-06-02	130	108
Outsourced preclinical and clinical trials costs	**11,363**	**5,675**

- Other operating expenses are detailed here below:

	2016	2015
Service costs	2,594	1,929
Other operating costs	5	3
Total other operating expenses	**2,599**	**1,932**

Cassiopea

Discussion of Income Statement

Service costs:

	2016	2015
External consultancy services	378	396
Patent costs	144	152
Investor relations and web site maintenance	161	133
Technical assistance	4	1
Utilities, telephone, internet	8	13
Insurance	147	56
Non executive directors	145	94
Stock options non executive directors	574	46
Management control committee	12	6
Auditing	12	64
Advertising and marketing costs	6	-
Freight and customs	58	47
Travel expenses	107	77
External laboratory services	91	123
R&D and Regulatory services	739	720
Other costs	8	1
Total service costs	**2,594**	**1,929**

Cassiopea

Discussion of Income Statement

- In 2016 and 2015 EUR 739 thousand and EUR 720 thousand respectively, are included for R&D and Regulatory services charged by Cosmo S.p.A. (a subsidiary of Cosmo Pharmaceuticals N.V.)

- For both 2016 and 2015 the Company has been charged by Cosmo S.p.A. (a subsidiary of Cosmo Pharmaceuticals N.V.) for an amount of EUR 130 thousand and EUR 71 thousands respectively, for secretarial and accounting services included in External consultancy services.

Discussion of Income Statement

- Stock options non-executives directors of EUR 574 thousand (EUR 46 thousand in 2015) refers to the 60,000 options granted on 3 December 2015

- Financial income in 2016 includes EUR 1,033 thousand for foreign exchange differences (EUR 1,948 thousand in 2015) and EUR 210 thousand for interests received on cash and cash equivalents (EUR 32 thousand in 2015); financial expenses mainly includes foreign exchange differences.

- Income tax expenses: on the loss for 2016 and 2015 no deferred tax assets have been recognized due to uncertainties of the availability of future taxable profits against which such an asset may be offset.

Discussion of Statement of Financial Position

EUR / 1,000	2016	2015
Tangible and intangible assets	358	232
Tax receivables	5,583	0
Total non-current assets	**5,941**	**232**
Other receivables and other current assets	2,328	1,491
Cash and cash equivalents	33,656	48,113
Total current assets	**35,984**	**49,604**
Total assets	**41,925**	**49,836**
Total Non-current liabilities	0	0
Total Current liabilities	2,776	2,655
Total liabilities	**2,776**	**2,655**
Total equity	**39,149**	**47,181**
Total equity and liabilities	**41,925**	**49,836**

Discussion of Statement of Financial Position

- Tangible and intangible assets include EUR 356 thousand as costs for filing and extension of patents owned by the company
- Tax receivables refer to Tax Credit R&D costs
- Other receivables and other assets consist of VAT receivables, current amount of Tax Credit R&D costs and prepaid expenses to the CRO in relation to the clinical trials
- Cash and cash equivalents (mainly owned in USD) decreased by EUR 14,457 thousand due to the use of cash for the operations
- Current liabilities mainly refer to trade payables

Discussion of Statement of Financial Position

STATEMENT OF CHANGES IN EQUITY

EUR1,000	*Number of Shares*	Share capital	Share premium	Extraordinary reserve	Available for sale financial assets reserve	Stock option plan reserve	Retained earnings	TOTAL
	(n)							
Net equity as at 1 January 2015	***100.000***	**100**	**-**	**6.302**	**-**	**-**	**(2.776)**	**3.626**
Allocation of prior year result				(2.776)			2.776	
Capital increase	*9.900.000*	9.900	40.000					49.900
Cost for stock options						106		106
Total comprehensive income for the year							(6.451)	(6.451)
Net equity as at 31 December 2015	***10.000.000***	**10.000**	**40.000**	**3.526**	**-**	**106**	**(6.451)**	**47.181**

EUR1,000	*Number of Shares*	Share capital	Share premium	Extraordinary reserve	Available for sale financial assets reserve	Stock option plan reserve	Retained earnings	TOTAL
	(n)							
Net equity as at 1 January 2016	***10.000.000***	**10.000**	**40.000**	**3.526**	**-**	**106**	**(6.451)**	**47.181**
Allocation of prior year result			(2.925)	(3.526)			6.451	-
Cost for stock options						1.464		1.464
Forfaited stock options			305			(305)		-
Total comprehensive income for the year							(9.496)	(9.496)
Net equity as at 31 December 2016	***10.000.000***	**10.000**	**37.380**	**-**	**-**	**1.265**	**(9.496)**	**39.149**

Cassiopea

Discussion of Statement of Financial Position

- Equity 2016 is composed by:
  - “Share capital”: 10,000,000 shares issued, fully subscribed and paid up, each share with a nominal value of EUR 1.00, for a total share capital of EUR 10,000 thousand
  - “Share premium” of EUR 37,380 thousand refers to the proceeds from April 2015 capital increase, partially reduced in relation to the allocation of the previous losses
  - The expense for SOP amounts to EUR 1,464 thousand of which EUR 890 thousand for management and personnel and EUR 574 thousand for nonexecutive Directors (in 2015 EUR 60 thousand and EUR 46 thousand respectively).
  - The decrease of EUR 305 thousand refers to the stock options forfeited at the end of 2016.

Cash Flow Statement

EUR / 1,000	2016	2015
Profit (loss) before taxes	**(9,496)**	**(6,451)**
Income taxes paid (net)	0	1,111
Tax credit R&D costs	(5,883)	0
Depreciation and amortization	25	15
Share payment based expenses	1,464	106
Unrealised foreign exchange (gain) losses on cash and cash equivalents	(1,005)	(1,815)
Change in net working capital	(416)	1,376
Cash flows from operating activities	**(15,311)**	**(5,658)**
Cash flows from investing activities	**(151)**	**1,216**
Cash flows from financing activities	**0**	**49,900**
Unrealised foreign exchange gain (losses) on cash and cash equivalents	1,005	1,815
Net increase / (decrease) in cash and cash equivalents	***(14,457)***	***47,273***
Cash and cash equivalents at the beginning of the period	***48,113***	***840***
Cash and cash equivalents at the end of the period	***33,656***	***48,113***

Cassiopea

Cassiopea's Pipeline

Creating a New Class of Drugs for Acne: The First Topical Anti-Androgen

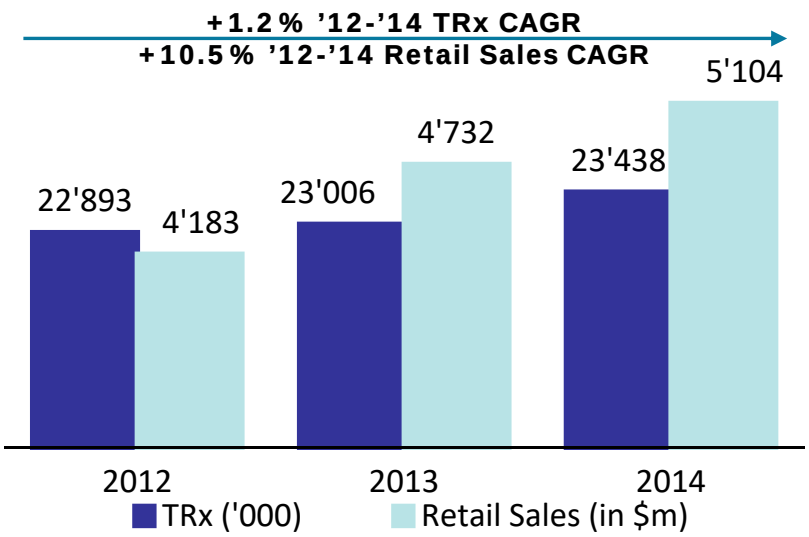
Cassiopea

US Acne Market Overview

Acne market dynamics & opportunity

- affects 40m-50m people annually[1] – c.15% of the population[2]
  - 85% of all people aged 12-24 get acne[1]
- ~24m prescriptions[3] are written annually, mostly of older molecules as there are no new drugs

US Acne Market 2012-2014[3]



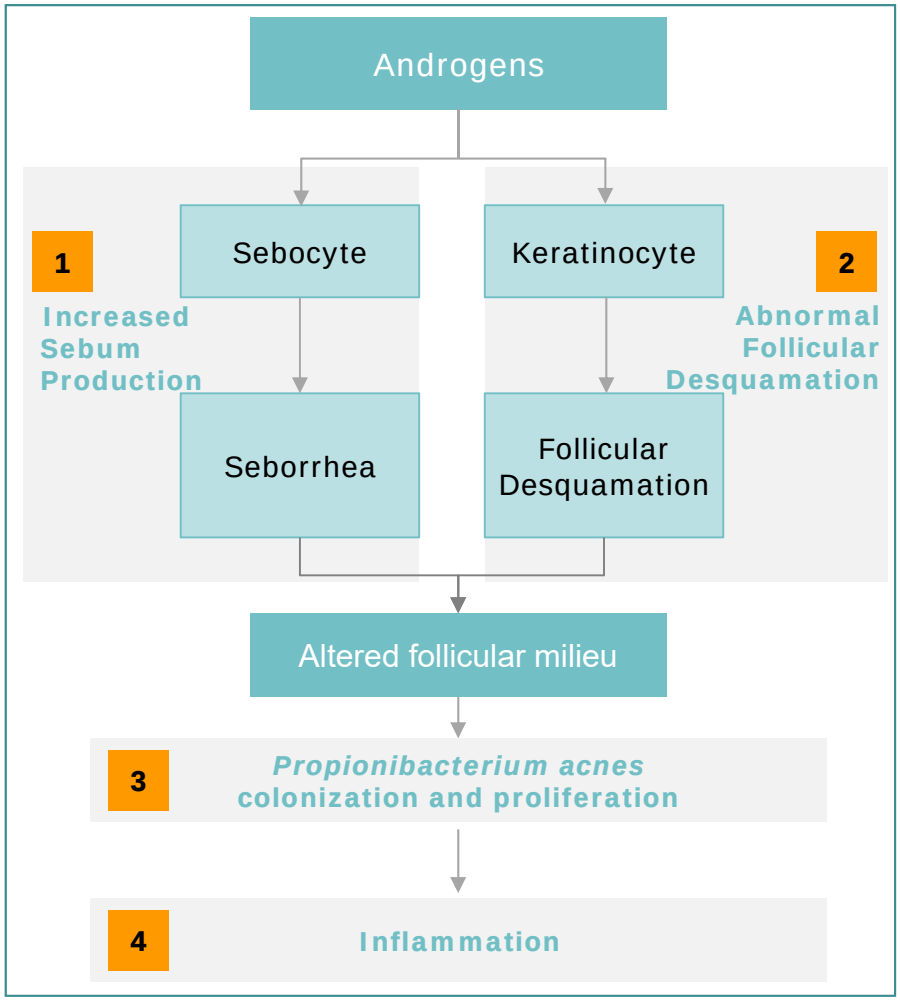
Dermatology market has had little innovation

- No NCE in acne in the US market since the mid 1990s (Differin and Tazorac launched in '95 and '97)
- AAD guidelines recommend acne treatment should target as many pathogenic factors as possible
- Derms generally prescribe 2-3 products with complementary MoAs at the same time as the cause of acne is multifactorial
- Dermatology is lower risk area: Historically low clinical trial failure rate
- Acne medications in the US are subject to reimbursement
- Avg branded products have annual revenues of $250-400MM
- Major topical prescription sellers are the anti-infectives EPIDUO and Aczone

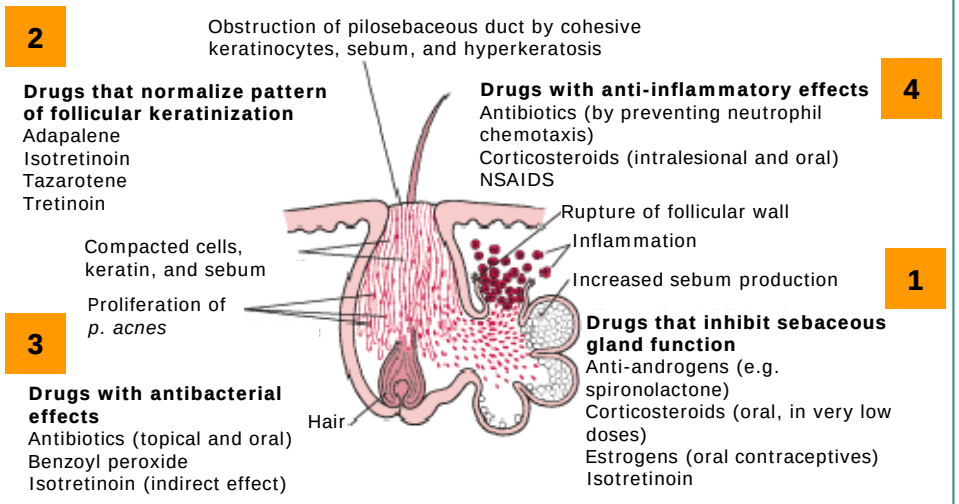
(1) American Academy of Dermatology.
(2) United States Census Bureau, US 2013 population of 317m.
(3) Management analysis of data from IMS Health, IMS SMART MVP Solutions. TRx and Retail sales comprised of USC3 classification 37100 Acne Therapy, Prescription Only, in all specialties; selected anti-acne products Doryx, Monodox, Solodyn and Tazorac, in all specialties; TRx and Retail sales within the Dermatology specialty only for Doxycycline HYC DR, Doxycycline Hyclat, Doxycycline Monohyd, Minocycline HCl, Minocycline HCl ER, and Spironolactone.

Overview Of Acne Pathogenesis

The 4 pathways of Acne pathogenesis



Acne formation(1)



1 **Seborrhea**

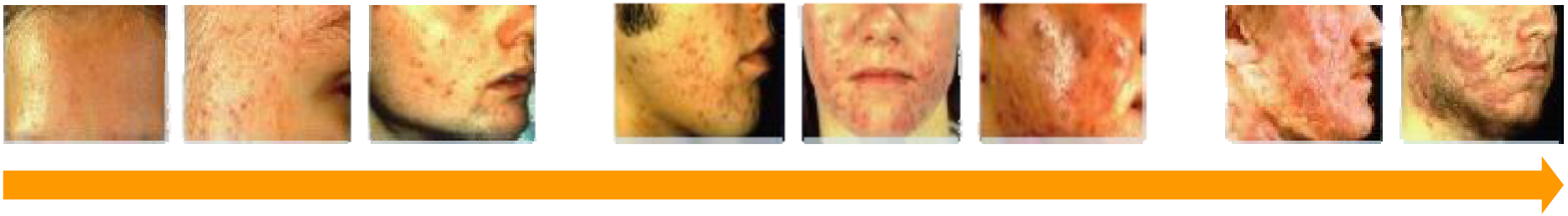
2 **Obstruction**

3 ***P. acnes***

4 **Inflammation**

(1) Merck Manual.

3 Winlevi Acne Treatment Algorithm



	Mild		Moderate		Severe
	Non-inflammatory	Inflammatory	Inflammatory	Inflammatory	Inflammatory
	Comedonal	Papular / pustular	Papular / pustular	Nodular	Nodular / conglobate
First choice	Topical retinoid	Topical retinoid + topical antimicrobial	**Oral** antibiotic + topical retinoid +/- BPO	**Oral** antibiotic + topical retinoid +/- BPO	**Oral** isotretinoin
Alternatives (males and females)	Azelaic acid or salicylic acid	Alt. topical antimicrobial agent + all. topical retinoid or azelaic acid	Alt. **oral** antibiotic + alt. topical retinoid +/- BPO	Oral isotretinoin or alt. **oral** antibiotic alt. topical retinoid +/- BPO/azelaic acid	High-dose **oral** antibiotic + topical retinoid + BPO
Alternatives (females only)	See first choice	See first choice	**Oral** anti-androgen(1) + topical retinoid/ azelaic acid +/- BPO	**Oral** anti-androgen(2) + topical retinoid +/- oral antibiotic +/- alt. antimicrobial	**High-dose oral anti-androgen**(2) + topical retinoid +/- alt. topical Antimicrobial
Maintenance therapy	Topical retinoid		Topical retinoid +/- BPO		

Notes: BPO = Benzoyl peroxide.

(1) Expert Rev Clin Pharmacol 2010 Expert Reviews Ltd.

(2) Off-label spironolactone.

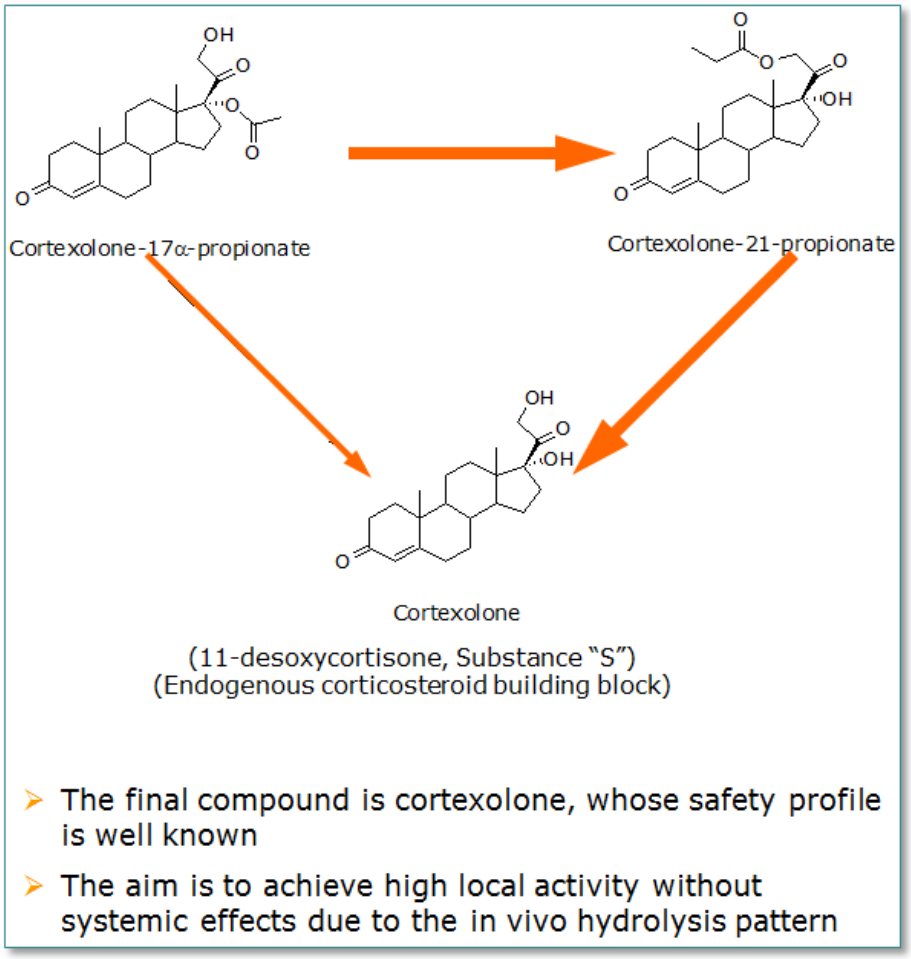
Cassiopea

Mechanism of Action

Mechanism of Action

- A topical anti-androgen would prevent the cascade of physiological events that leads to acne formation
- Winlevi™ displaces the androgen hormones from the androgen receptors located at the sebaceous gland and hair follicle
- This reduces sebum secretion and follicle cell keratinization
- As a result, the follicle is not obstructed, preventing colonization by *p. acnes* and subsequent inflammation
- Winlevi™ is metabolized to cortexolone, a physiological component of the body's endogenous pool of corticosteroids

Metabolic Pathway



- The final compound is cortexolone, whose safety profile is well known
- The aim is to achieve high local activity without systemic effects due to the in vivo hydrolysis pattern

Winlevi Highlights

Key Takeaways

- If approved, will be the first ever topical anti-androgen, fully developed in-house
- A new chemical entity (NCE) with a new mechanism of action
- Expansive to the existing acne market
- Clean safety profile
- An active anti-inflammatory agent
- Clinically superior and better tolerated than topical tretinoin (based on our trial results)
- Has the potential to be used in combination with other drugs such as anti-infectives or retinoids

Cassiopea

Note: These properties are all as seen in trials thus far but testing / development are not complete and final clinical results may vary.

Positive Phase IIb Results

Trial Highlights

- Successful FDA End Of Phase II attained January 28, 2015
- 360 patients – 4 doses + vehicle (12 weeks treatment)
- Dose escalating trial – 4:1 randomization ratio
- Best dose identified (1% BID)
- No adverse events
- 110 patients treated in Phase I/IIa
- 290 patients treated in Phase IIb
- Winlevi™ has shown statistical significance in Phase II primary end-points with only 72 patients per cohort
- Winlevi™ therefore has high potential for showing statistical superiority vs. vehicle

Results of best identified dose vs. vehicle

Statistical significance in IGA improvement (co-primary endpoint)

ITT	BID 1.0%	VEHICLE	P value
2-Point Improvement	17.1%	6.7%	0.0321

Statistical significance in total lesion count reduction (co-primary endpoint)

ITT	BID 1.0%	VEHICLE	P value
Mean	(35.7%)	(13.1%)	0.0173

IGA = Investigator Global Assessment.

Successful also in secondary endpoint showing reduction in Inflammatory Lesion Counts

ITT	BID 1.0%	VEHICLE	P value
Mean	(37.2%)	(27.0%)	0.0384

Successful also in secondary endpoint showing reduction in Non-Inflammatory Lesion Counts

ITT	BID 1.0%	VEHICLE	P value
Mean	(32.9%)	(16.1%)	0.0178

Winlevi Phase III Program Ongoing

Phase III Program and Trial Design

- Special Protocol Assessment (SPA) approved by FDA in July 2015
- Winlevi® 1% cream applied twice-daily for 12 weeks in subjects with facial acne
- FDA requires at least 1,000 patients treated for safety evaluation
- 2 pivotal trials (sites in both US + EU) with 700 patients/each
  - FPI November 2015 /Complete enrollment in H2 2017
  - Enroll subjects from 9 years of age and older with moderate to severe acne (Grades 3 and 4 on IGA)
  - **Data expected to be available H1 2018**
- 1 longterm open label safety trial: 300+ subjects 6 months, 100 subjects 12 months exposure
- NDA filing targeted for H2 2018

Study Endpoints

Primary

- Proportion of subjects with IGA score of 0 (clear) or 1 (almost clear) and at least a two-point reduction in IGA compared to baseline
- Absolute change from baseline in non-inflammatory lesion count at week 12
- Absolute change from baseline in inflammatory lesion count at week 12

Secondary

- Absolute and % Change from baseline in total lesion count at week 12
- %age change from baseline in non-inflammatory lesion count at week 12
- %age change from baseline in inflammatory lesion count at week 12

IGA = Investigator Global Assessment.

Cassiopea

Phase 3 Acne Studies

54% enrolled

Study 25 US (as of 31 DEC 16)

- 35 sites actively recruiting
- 322 randomized subjects
- 227 completed

Study 26 EU (as of 31 DEC 16)

- 35 sites actively recruiting (25 EU sites, 10 US sites)
- 440 randomized subjects
- 292 completed

Study 27 EU/US Open Label Long Term Safety Study (as of 31 DEC 16)

- 339 subjects have rolled over from Studies 25 and 26
  - 141 rolled over from 25 study
  - 198 rolled over from 26 study

Cassiopea's Pipeline

A Novel Approach To Alopecia In Phase II

Cassiopea

Alopecia Market Overview

- US population of 317m[1] in 2013, of which 35m men and 21m women experienced hair loss in 2012[2]
- Worldwide, US$1.9bn was spent on hair restoration surgery in 2012, an increase of 48% since 2008[2]
- Globally, only US$600m was spent on drugs in 2013[3]
  - Propecia and Rogaine are the only approved drugs in the US and EU (generically available), yet both have low levels of efficacy and Propecia is not indicated for women
  - Current drug market size of limited relevance given off-patent status of both Propecia and Rogaine
- Hair loss sufferers are highly motivated to seek treatment
  - 47% say they would spend their life savings to regain a full head of hair[2]
  - 60% say they would rather have more hair than more money and friends[2]
  - 30% say they would give up sex if it meant they could get their hair back[2]

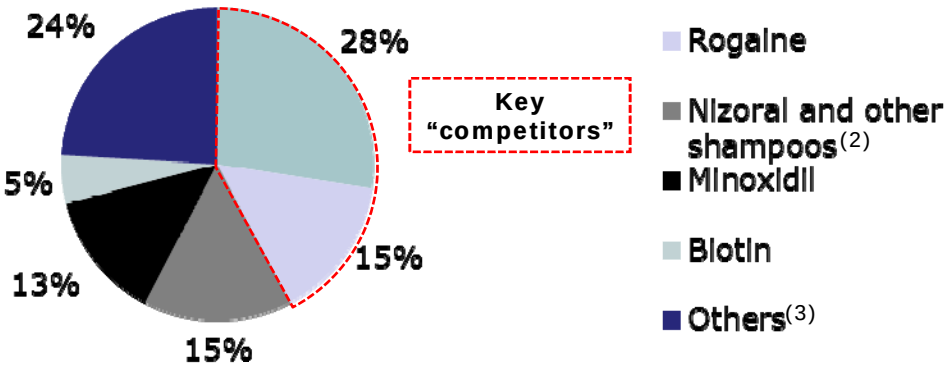
- **Very large market where current treatments do not meet all patient needs**
- **Excellent opportunity for new topical drugs with novel treatment forms and potentially low side effects**

(1) United States census bureau.
(2) International Society of Hair Restoration Surgery, survey from 2014.
(3) EvaluatePharma.

Breezula Alopecia Market Overview

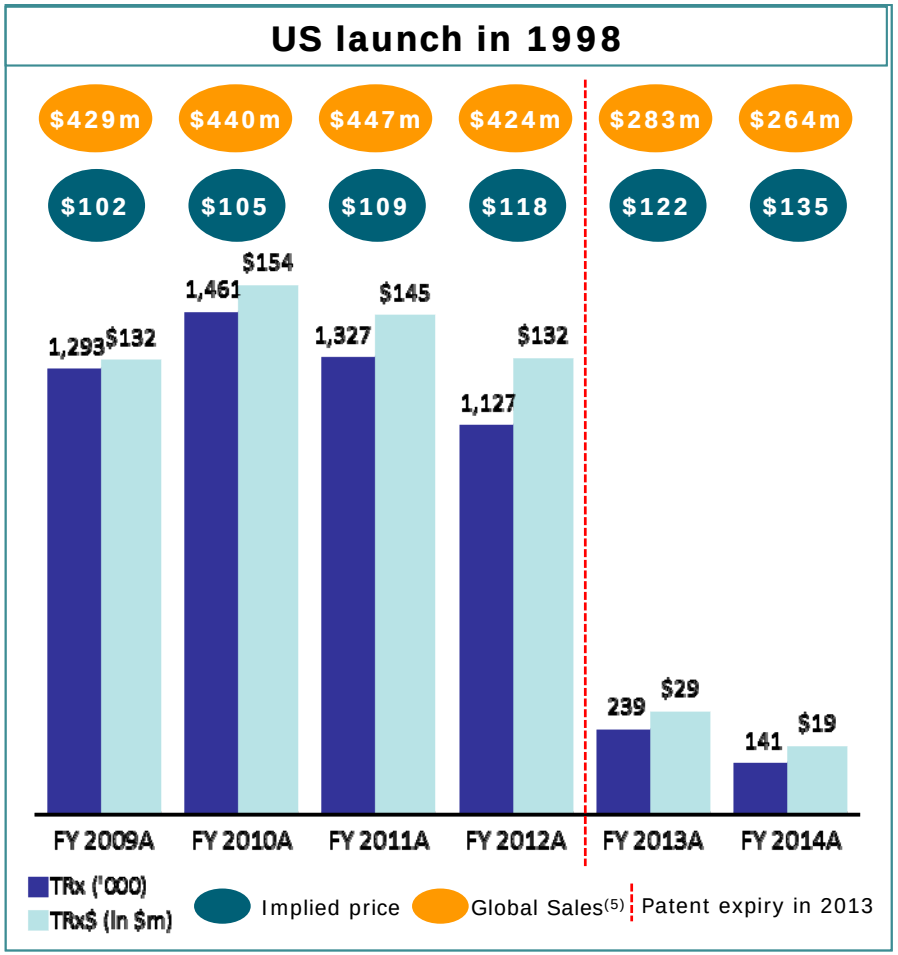
Competitive Landscape

Non-Surgical Patient Prescription Usage[1]



- Overview of key competitors:
  - Rogaine (topical): shows a vasodilator effect, ensuring a better flow of nutrients to the papilla
  - Propecia (oral): Shows anti-androgenic activity on follicle, however, serious side effects due to systemic hormonal imbalance. Not indicated for women

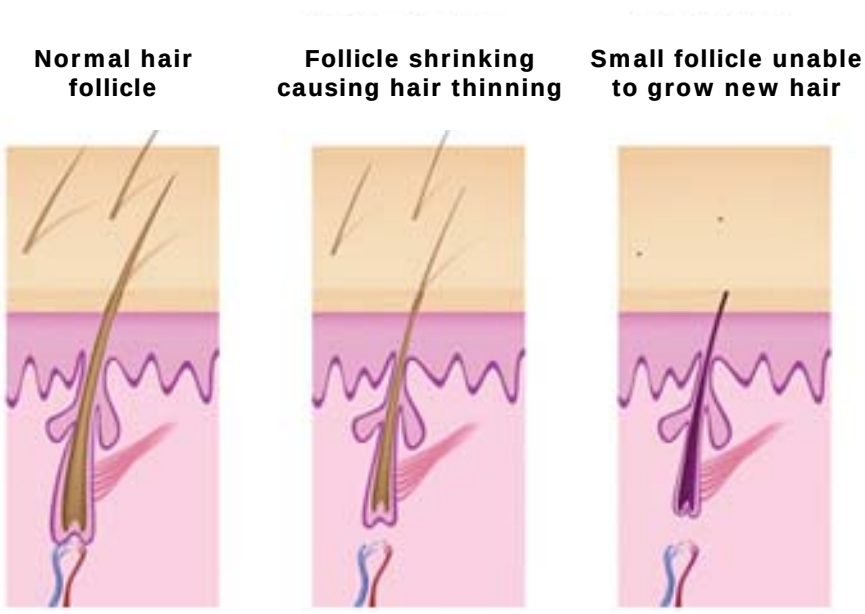
US Propecia Case Study[4]



(1) International Society of Hair Restoration Surgery, 2014.
(2) Other shampoos include Nioxin, other special shampoos and Head & Shoulders.
(3) Other treatments include Proscar, Compounded minoxidil with additives, home and clinical low level laser therapy, herbs & vitamins and Avodart.
(4) IMS Health, IMS SMART MVP Solutions.
(5) EvaluatePharma.

Cassiopea

Overview Of Existing Drugs



Existing Treatments

Propecia™ (finasteride)

- Shows anti-androgenic activity on follicle
- However, serious side effects due to hormonal imbalance
- Not indicated for women

Minoxidil©

- Shows a vasodilator effect, ensuring a better flow of nutrients to the papilla

Breezula® A Novel Anti-androgen

Breezula

- Antagonizes DHT's negative effects on dermal papilla
- Reduces hair miniaturization
- Reduces dermal inflammation

DHT = Dihydrotestosterone

Cassiopea

Breezula Highlights

Key Takeaways

- Positive POC results in androgenic alopecia
- NCE(1) with topical anti-androgenic properties
- All available alopecia treatments have a very low and transient (treatment-lasting) efficacy
- Large opportunity in a significantly underexploited market
- Can be used by men and women
- Can be used in sunlight exposure
- Chronic treatment
- No significant systemic side effects

Mechanism of Action

- Breezula® is formulated to act at cutaneous (scalp) level:
  - Antagonizes DHT's negative effects on dermal papilla
  - Reduces prostaglandin D2 production by human skin fibroblasts
  - Controls sebum secretion
  - Reduces hair miniaturization
  - Reduces dermal inflammation
- No exhibited interference with the hormonal (testosterone) profile of patients (libido and sexual behaviour unaffected) in trials to date

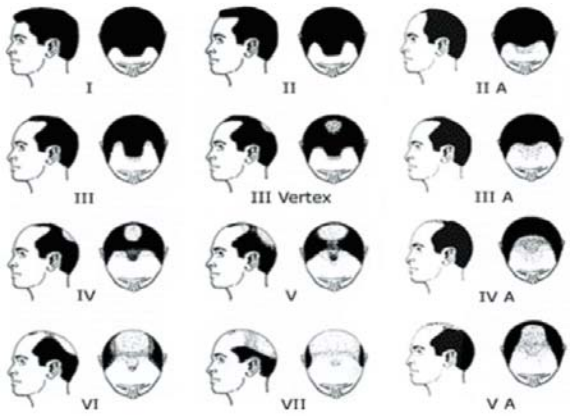
Cassiopea

Note: These properties are all as seen in trials thus far but testing / development are not complete and final clinical results may vary.
(1) Winlevi® and Breezula® are different formulations of the same NCE, for different indications.

PH2 POC Study Design

- 95 enrolled, 78 completed treatment period, 73 per protocol efficacy analysis
- Double blind, 3 parallel arms, Breezula 5% (N=31), placebo (N=33) and Minoxidil 5% control (n=31), 6-months of treatment, BID, study conducted 10/2014 to 12/2015
- Co-primary endpoints on total hair count (TAHC within 1 cm^2) increase from baseline and subject hair growth assessment (HGA) using 7-point scale at Month 6
- Other secondary endpoints: Change from baseline in hair width (TAHW) and density (TAHD), subject satisfaction and changes at Months 2 and 4. Local tolerability, local and systemic AEs, ECGs, physical, clinical labs
- Subjects (18-50 years old) had 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. Mean age 40

Modified Norwood-Hamilton Scale



Positive PH2 POC Results

Trial Highlights

- Both actives (Minoxidil and Breezula) showed directional superiority (study was not sized for statistical significance) over Vehicle at Month 6 in term of TAHC
- Minoxidil showed significance on TAHC, compared to baseline, (p=0.0006) and CB-03-01 approaches significance (p=0.0780), Vehicle was not effective (p=0.4274)
- Data by subjects HGA correlates with the hair count outcomes for all treatment groups
- Local skin reactions observed for all treatment groups were mostly minimal or mild and decreased over time, no significant systemic AEs

Results of the primary endpoints

Change from Baseline in Non-Vellus TAHC (co-primary endpoint)

PP	BREEZULA	MINOXIDIL	VEHICLE
Mean	12.7%	18.8%	2.9%

Hair Growth Assessment (HGA) increased (co-primary endpoint)

PP	BREEZULA	MINOXIDIL	VEHICLE
% of Subjects	39.1%	36%	16%

- Maximal effect with Breezula TBD; may not have been reached at Month 6. For Oral Finasteride (antiandrogen) significant increase is observed at Month 6 with peak effect seen at 12 months (75% of peak effect at month 6)
- Overall, results of this POC study indicate a favorable efficacy profile of Breezula 5% with potential of showing greater and sustained efficacy long-term, without having the systemic effects of oral finasteride

Phase 2 DR Study Design

- Single 12-month study with interim analysis at 6 months
- Male subjects 18-55 years of age with mild to moderate AGA
- Co-Primary Endpoints:
  - Changes from Baseline in TAHC [in number of non-vellus hairs] at Month 12
  - The subject's evaluation of treatment benefit via the HGA question at Month 12
- 400 subjects, 80 per treatment arm
- 5 arms: 2.5%, 5.0%, 7.5%, vehicle BID and 7.5% QD
- CRO: bioskin; 6 German sites and 1 Back up site
- First Patient In anticipated 1H 2017

Cassiopea's Pipeline
CB-06-01

A NCE In Phase II POC For Acne

Cassiopea

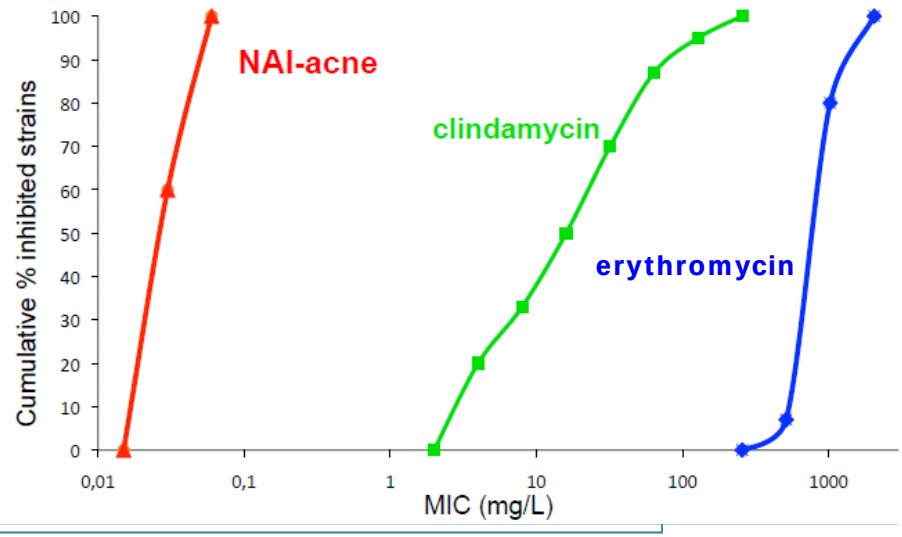
CB-06-01 Highlights

Key Takeaways

- Topical antibiotic for the treatment of Acne; inhibits bacterial protein synthesis
- NCE with very potent and selective properties
- Effective on bacterial strains resistant to certain other antibiotics
- PoC completed H2 2016
- Complementary to Winlevi®
- In-licensed worldwide from Italian company Naicons

Specifically more effective on *p. acnes* than currently available alternatives

- Incidence of erythromycin-resistant *p. acnes* can be as high as 70%
- Most erythromycin-resistant strains are cross-resistant to clindamycin



Note: These properties are all as seen in trials thus far but testing / development are not complete and final clinical results may vary.

CB-06-01 Phase II POC Results

Trial Highlights

- Double-blind randomized placebo controlled trial
- 90 patients (Slovakia)
- 12 weeks of treatment
- 3% gel treatment twice per day
- No adverse events
- Results announced October 2016

Top Line Results

Primary

- Absolute and percent change in inflammatory lesion count from baseline to week 12 compared between treatments:
- **Median reduction of ILC by 66,2%, 9% greater than vehicle**

Secondary

- Absolute and percent change in total lesion count from baseline
- **Median reduction of TLC by 61,3%, 17% greater than vehicle**
- Proportion of subjects with IGA score reduction of at least 2 (defined as a success) from baseline
- **17.8% of patients on CB-06-01 vs 6.7% on vehicle**

Safety

- Evaluation of safety, tolerability and local tolerability as compared to the matching placebo
- **No Serious Adverse Events were reported, no increased local skin reactions vs vehicle**

IGA= Investigator Global Assessment.
CADI= Cardiff Acne Disability Index (Quality of life index).

Cassiopea

Cassiopea's Pipeline
CB-06-02

A NCE In Phase II POC For Genital Warts

Cassiopea

CB-06-02 Highlights

Key Takeaways

- Genital warts market consists of products with low efficacy and high recurrence rates
- Tellurium-based topical product for treatment of HPV ano-genital warts
- Proven anti-viral agent on cutaneous viral warts caused by HPV, most commonly located on the skin and genitalia
- Demonstrated safety in hundreds of patients in different topical formulations for dermatological indications (Verruca vulgaris, Condiloma Acuminata)
- 75.7% of all patients treated (n=74) were completly cured(1)
- In-licensed worldwide from Israeli company BioMas

Mechanism of Action

- Acts as a low toxicity immunomodulator in supporting the natural immune response against HPV and its warts for quicker clearance and reduced recurrence(2)

Phase II POC Trial Design

- POC Phase II ongoing in Israel on 30 + 30 patients, double blind, parallel arms, 14 weeks of treatment + 3 months of follow up, endpoints on remission and recurrence rates
- Trial completion anticipated by H2 2017

Cassiopea

Note: These properties are all as seen in trials thus far but testing / development are not complete and final clinical results may vary.

(1) Friedmann N., British Journal (2009), 160, 403-8.
(2) BioMas preclinical study.

Key Future Milestones

2017

- H1 Breezula Phase 2 DR study begins
- H2 End of Phase 3 Winlevi®
- H2 PoC data CB-06-02 HPV

2018

- H1 Winlevi ® Phase 3 results & Pre - NDA meeting
- H2 NDA filing Winlevi®
- H2 Breezula Phase 2 DR results
- H2 CB-06-01 Phase 2 DR results

Note: Current timing is based on certain assumptions with regards to progression through clinical trials and may be subject to delays.

Cassiopea

Cassiopea SpA

Information	Contacts
• Number of shares: 10,000,000 • Listing: SIX Swiss exchange, Main board • ISIN: IT0005108359 • Ticker: SKIN	• Diana Harbort, CEO dharbort@cassiopea.com • Luigi Moro, CSO lmoro@cassiopea.com • Alessandro Mazzetti, CMO amazzetti@cassiopea.com • Chris Tanner, CFO ctanner@cassiopea.com