ARCUTIS BIOTHERAPEUTICS

Investor Day

December 9, 2020

Legal 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.

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 ARQ-151 and ARQ-154; 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.

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. Further information on these and other factors that could affect these forward-looking statements is contained in our our Form 10-Q filed with U.S. Securities and Exchange Commission (SEC) on November 5, 2020, and other reports filed with the SEC from time to time. You should not rely upon forward-looking statements as predictions of future events. 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.

This presentation also contains estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Neither we nor any other person makes any representation as to the accuracy or completeness of such data or undertakes any obligation to update such data after the date of this presentation. In addition, projections, assumptions and estimates of our future performance and the future performance of the markets in which we operate are necessarily subject to a high degree of uncertainty and risk.

Today's Speakers

Frank Watanabe
President and CEO

Ken Lock
Chief Commercial Officer

Patrick Burnett, M.D., Ph.D., FAAD
Chief Medical Officer

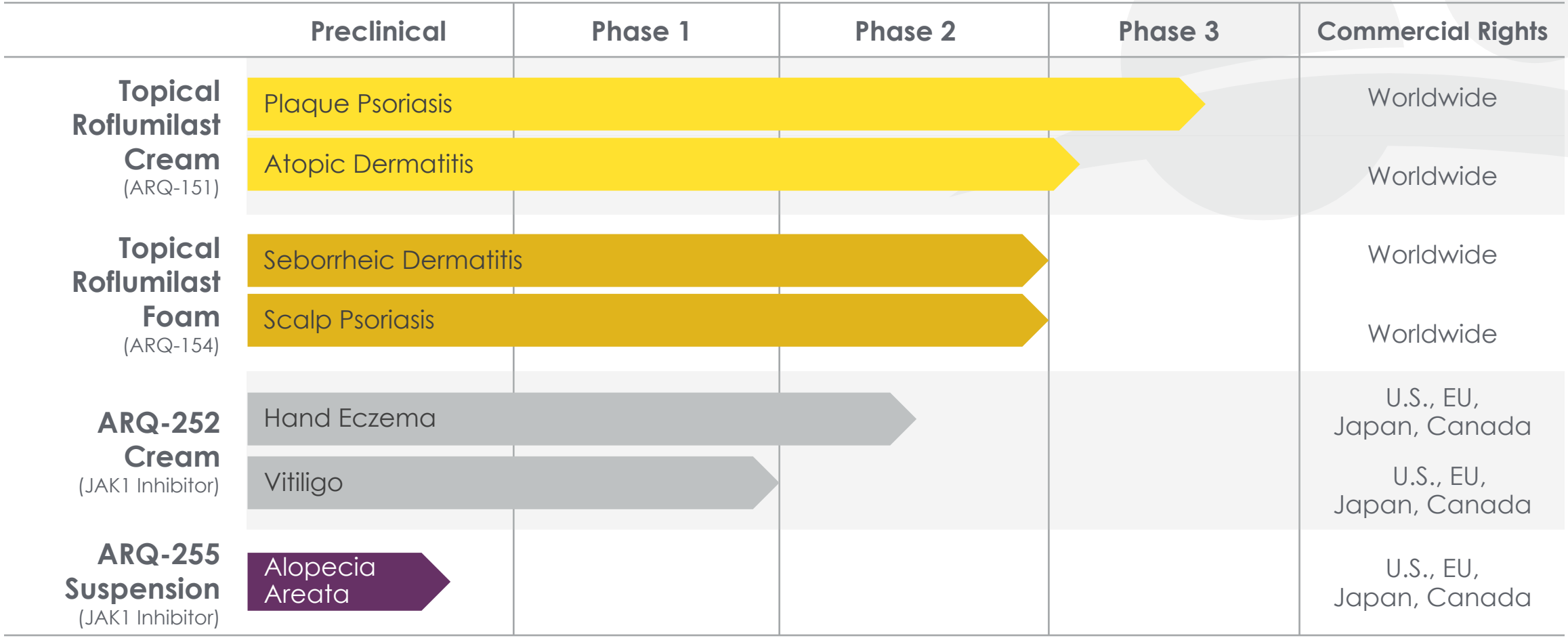
Zoe Diana Draelos, M.D., FAAD

Consulting professor of dermatology, Duke University School of Medicine, Durham, N.C., and an investigator, Dermatology Consulting Services, High Point, N.C.

Arcutis – Unrivalled in Dermatology Drug Development

- Unique strategy that affords **speed**, **capital efficiency** and **reduced risk**
- Broad and deep portfolio of unique and **highly differentiated** product candidates aligned with needs of doctors & patients
- Unrivalled **product development** capabilities
- Unmatched **expertise** in dermatology drug development
- Pipeline could generate **2030 U.S. sales of $3B – $8B**

Arcutis is Building a Robust Dermatology Pipeline

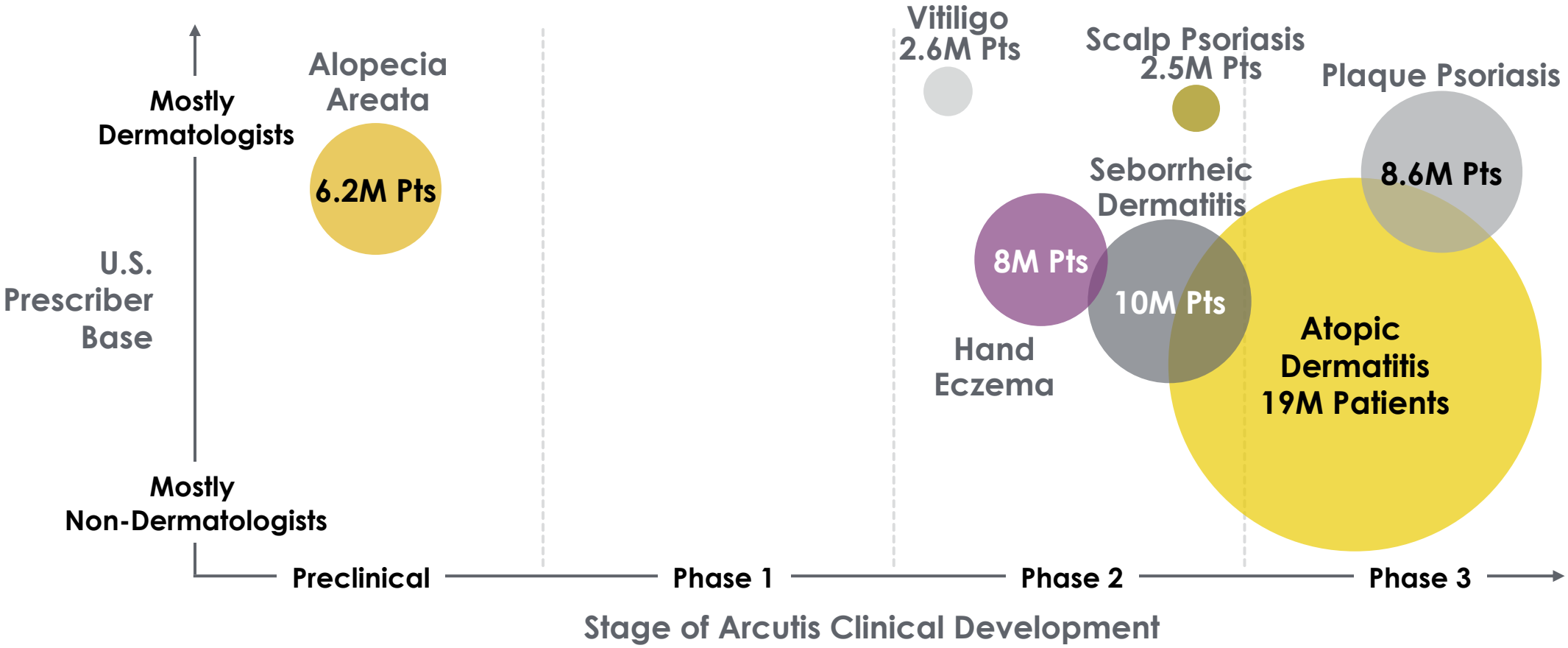


Our Unique Product Development Platform Fuels Our Pipeline

- Innovative topical formulation of roflumilast (patented)
- Arcutis' in-house product development platform continues to generate topical innovations:
  - First topical vehicle without skin-drying surfactants (patent pending)
  - First topical treatment for seborrheic dermatitis with dual anti-fungal and anti-inflammatory action (patent pending)
  - Novel "4D" deep-penetrating vehicle allowing topical delivery deep in the dermis where other topicals can't reach (patent pending)
- Continue to develop new and differentiated product candidates to fill out our pipeline
- Complimented by our deep clinical and commercial dermatology expertise

Our Product Candidates Target Large Markets

Prevalent U.S. Patient Populations



We Expect Topical Roflumilast to be Highly Differentiated

Potential target product profile

- Robust efficacy in multiple inflammatory dermatoses
- Symptomatic improvements similar to high potency steroids
- Significant impact on itch
- Ability to use chronically
- Ability to use everywhere, including face, scalp and intertriginous regions
- Little or no application site reaction
- Convenient, easy to use once-a-day cream or foam
- No boxed warning

Favorable Safety Profile Across Indications

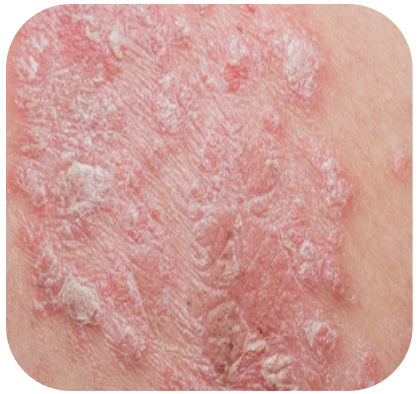
In psoriasis, AD, scalp and seb derm Phase 2 studies:

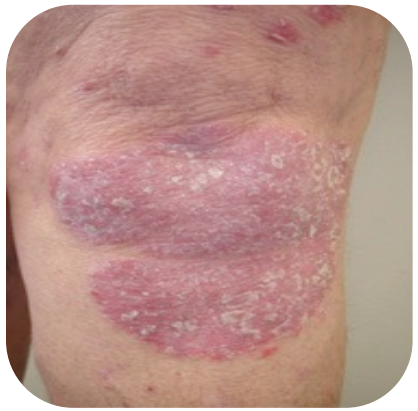
- > 2400 individuals already treated with topical roflumilast
- Treatment-related AEs low & balanced across arms
- Discontinuations on topical roflumilast due to AEs rare
- **No new safety or tolerability issues with chronic use**
- No treatment-related SAEs on topical roflumilast
- No evidence of local tolerability issues (burning, stinging)
- No evidence of side effects typical of oral PDE4 inhibitors
- Supported by extensive oral roflumilast experience
  - >1M patient years of exposure

89-94%

of subjects treated with topical roflumilast completed Phase 2 studies

Significant Unmet Needs in Plaque Psoriasis

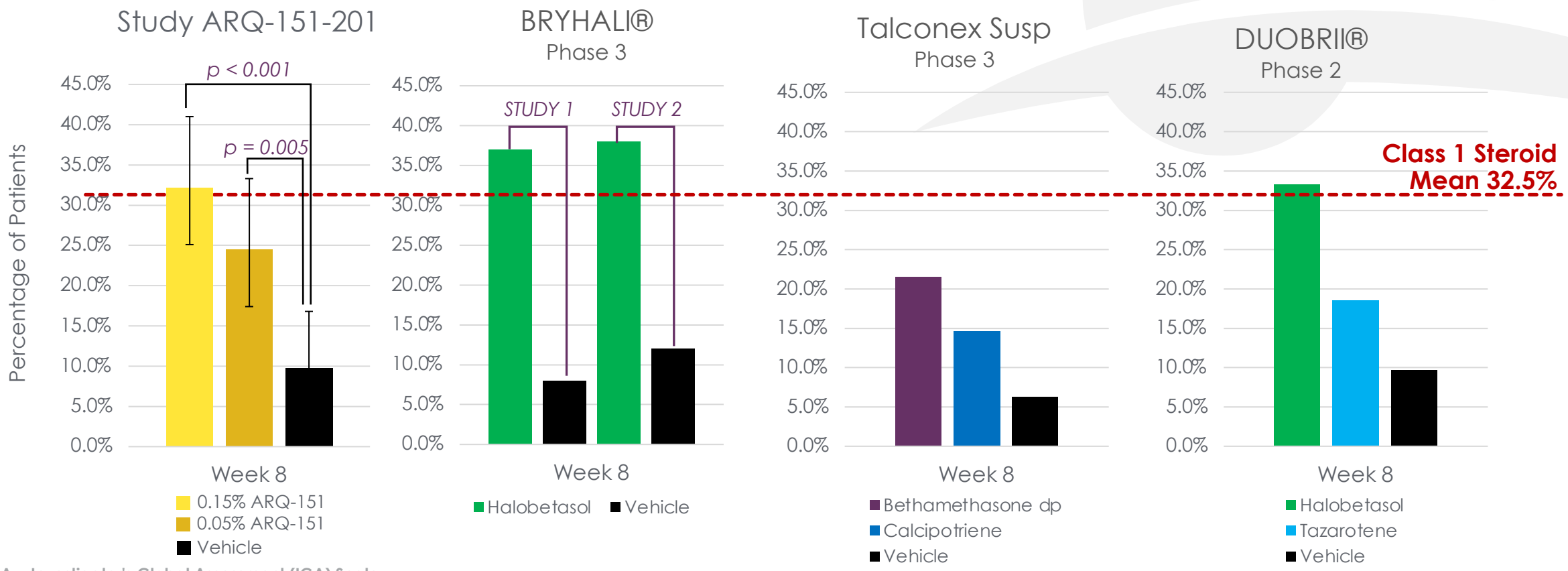




- > 90% of US patients treated with topical drugs
- Existing topical therapies have numerous shortcomings
  - High potency steroids
    - Effective but limited treatment duration (2 to 8 weeks)
    - Risk of HPA suppression, stretch marks, skin thinning, spider veins, etc.
    - Can't be used in thin skinned areas like face/intertriginous
  - Vitamin D analogs (e.g., calcipotriene)
    - Less efficacious than high potency steroids
    - Frequently irritating, contraindicated for sensitive areas like face/intertriginous
- Ideal topical: efficacy of high potency steroids, ability to use chronically, and ability to use in all body areas

IGA Success at 8 Weeks Similar to High Potency Steroids

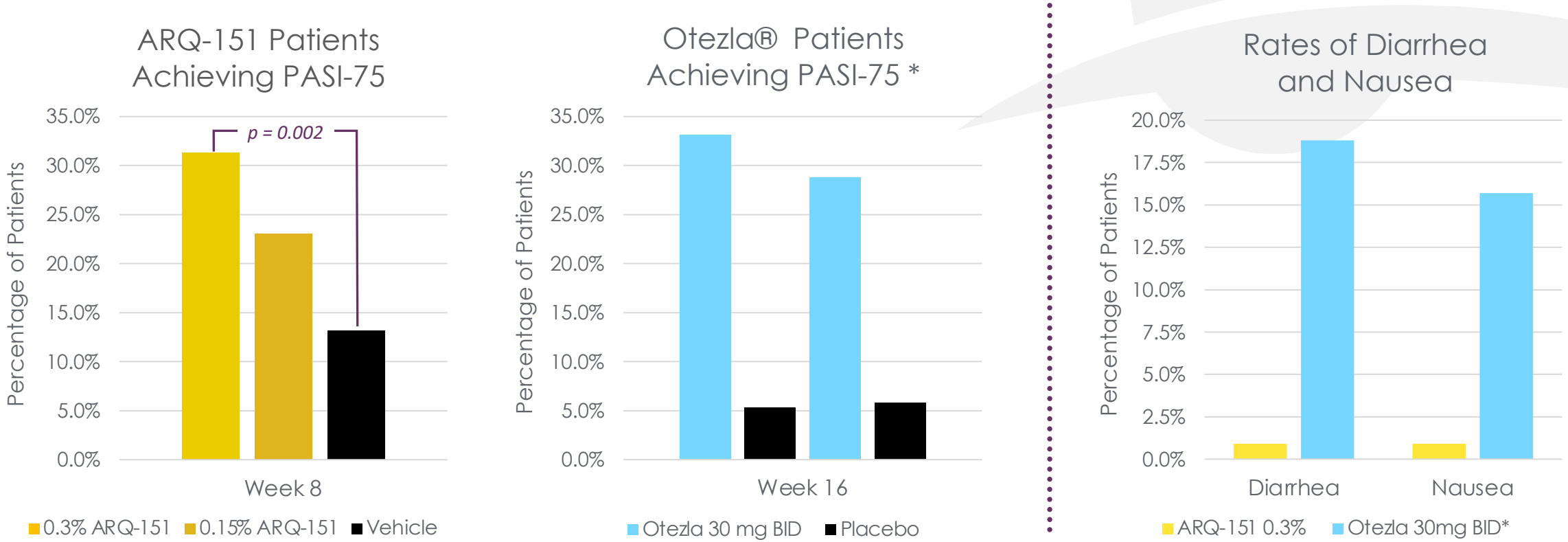
Comparison of IGA Success Rates Across Separate Topical Psoriasis Clinical Trials



IGA = Investigator's Global Assessment (IGA) Scale
Note: The results of this retrospective post-hoc cross-trial comparison may not be directly comparable, as they are not from a single head-to-head clinical trial.

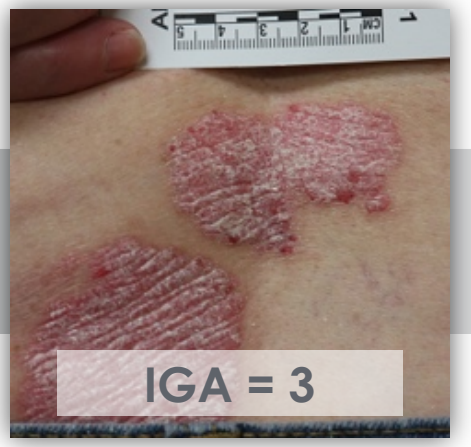
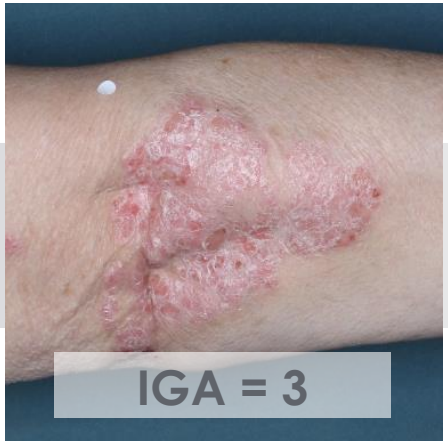
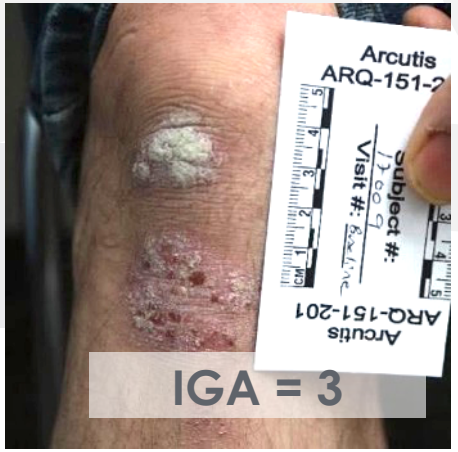
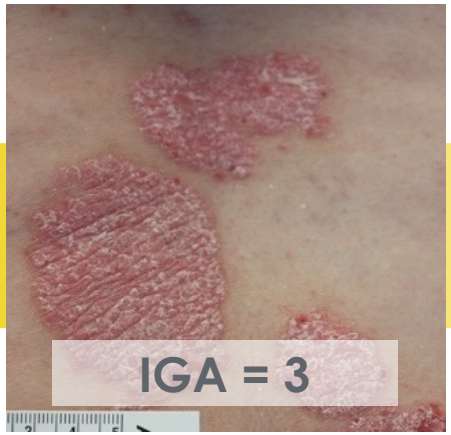
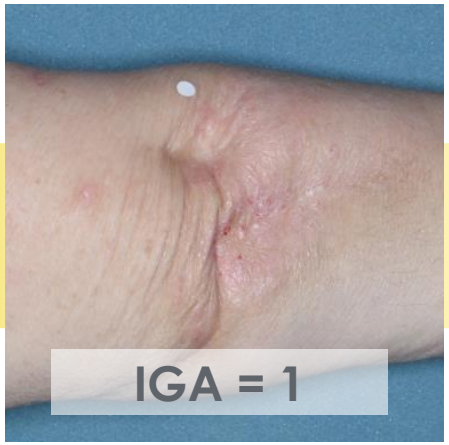
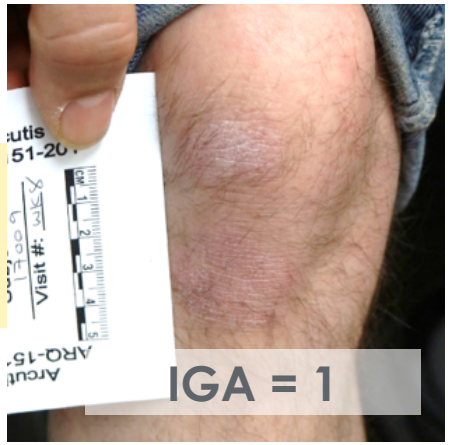
Promising Efficacy Without Typical PDE4 Side Effects

Comparison of PASI-75 and GI AE Rates Across Separate Psoriasis Clinical Trials



Note: The results of this retrospective post-hoc cross-trial comparison may not be directly comparable, as they are not from a single head-to-head clinical trial.
*Otezla® trials were in moderate-to-severe patients

Phase 2b Psoriasis Study Results

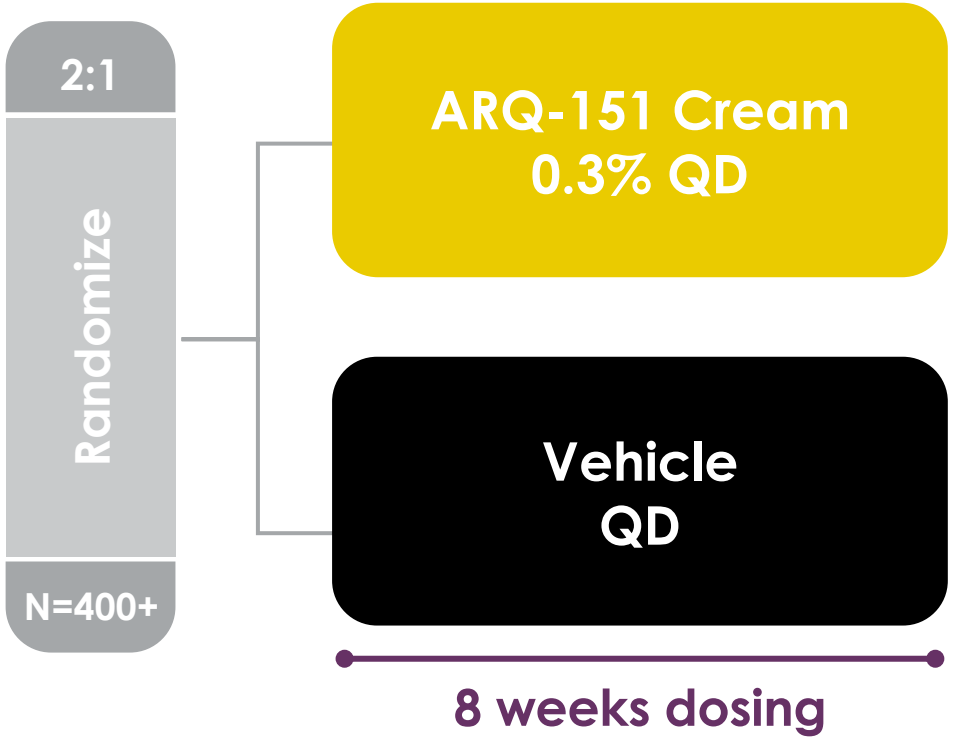
	Vehicle	Topical Roflumilast 0.15%	Topical Roflumilast 0.3%
Baseline			
Week 8 of Treatment			

DERMIS-1/2 Phase 3 Psoriasis Studies

Randomized, Double-blind, Vehicle-controlled Multicenter Studies
(Two identical parallel Phase 3 studies)

Eligibility

- Diagnosis of at least mild plaque psoriasis
- Age 2+
- 2-20% BSA



Endpoints

Primary

- IGA success at week 8

Secondary

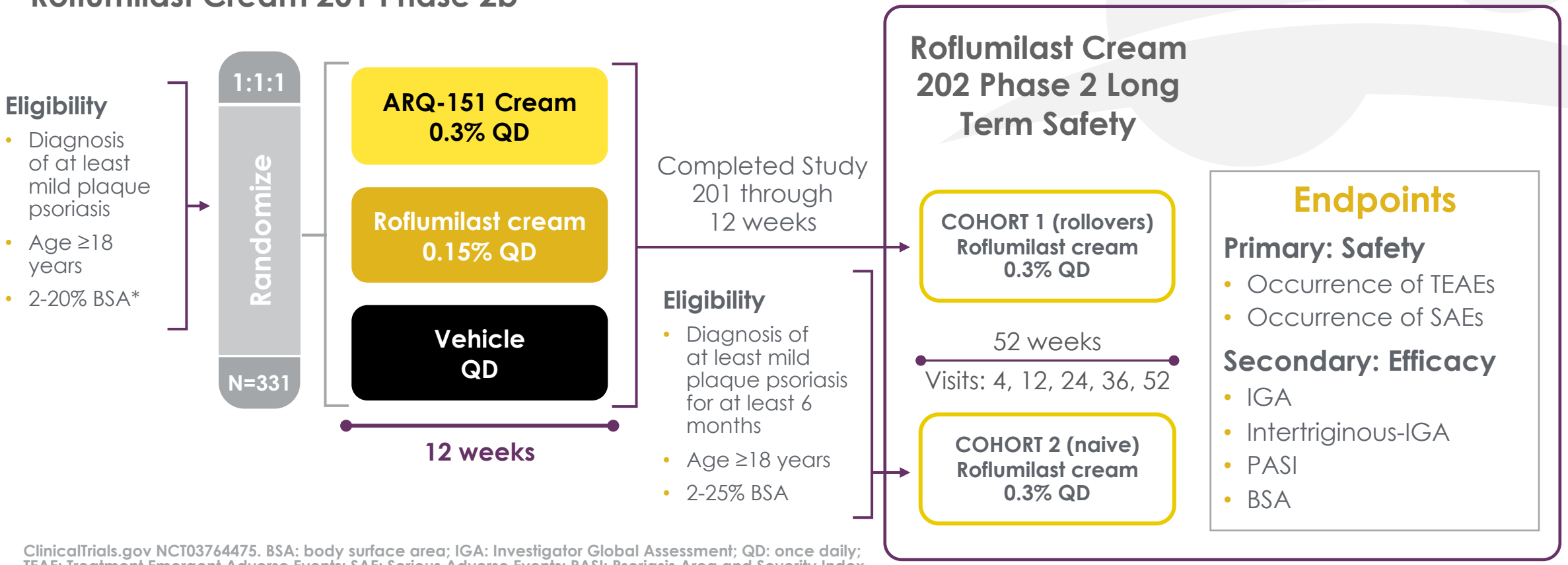
- PASI-50 and PASI-75
- Intertriginous-IGA (I-IGA) Success
- WI-NRS (itch)
- Psoriasis Symptom Diary (PSD)

Safety and tolerability

IGA Success & I-IGA Success = Clear or Almost Clear with at least a 2-grade improvement from baseline

ARQ-151-202 Psoriasis Phase 2 Long-term Safety Study

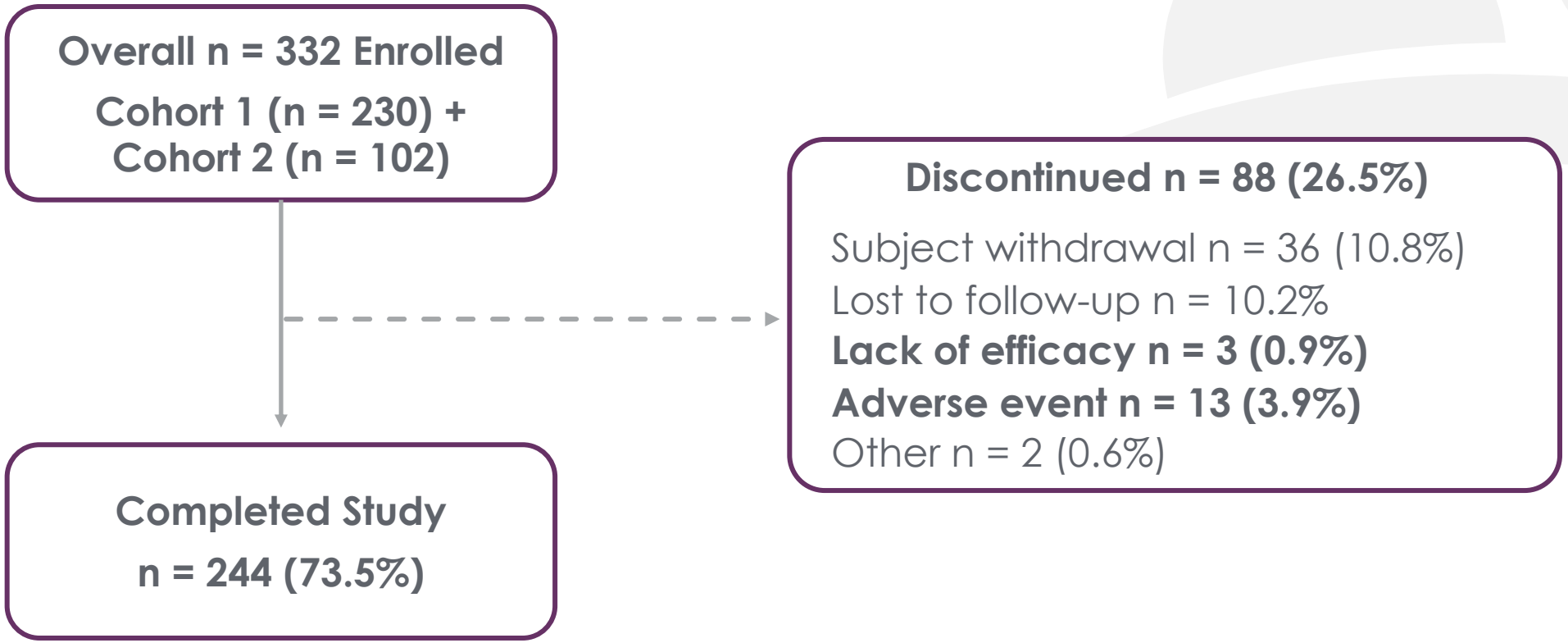
Roflumilast Cream 201 Phase 2b[1]



ClinicalTrials.gov NCT03764475. BSA: body surface area; IGA: Investigator Global Assessment; QD: once daily; TEAE: Treatment Emergent Adverse Events; SAE: Serious Adverse Events; PASI: Psoriasis Area and Severity Index.

1. Lebwohl MG, et al. N Engl J Med. 2020;383:229-239.

Long Term Safety
Subject Disposition – Overall



Median duration of participants on study = **52 weeks**

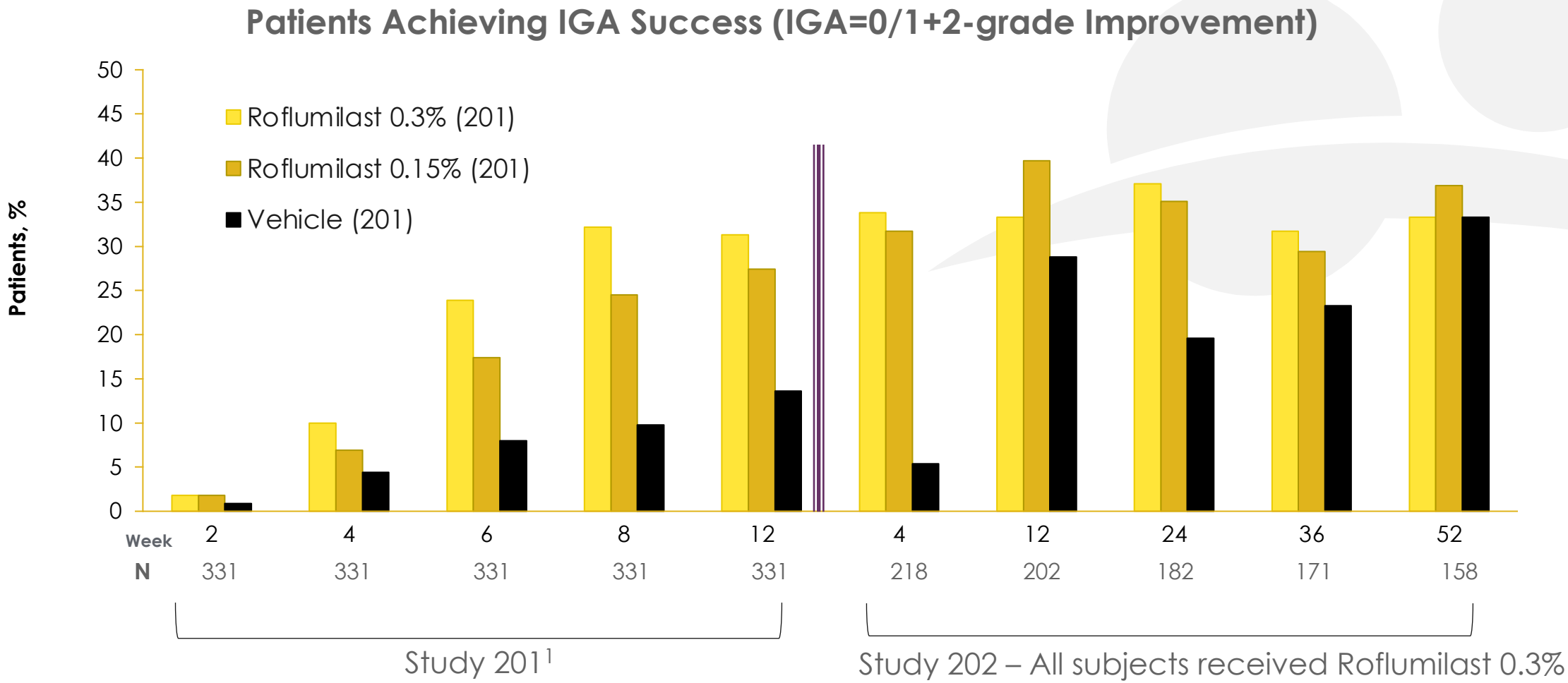
Study ARQ-151-202

Baseline Characteristics

	Cohort 1 Total (n=230)	Cohort 2 Total (n=102)	Overall Total (n=332)
BSA, mean %	6.2	6.6	6.3
PASI, mean	**7.2**	**6.8**	**7.1**
IGA score, n (%)			
1 (almost clear)	8 (3.5)	0 (0.0)	8 (2.4)
2 (mild)	51 (22.2)	17 (16.7)	68 (20.5)
3 (moderate)	156 (67.8)	78 (76.5)	234 (70.5)
4 (severe)	15 (6.5)	7 (6.9)	22 (6.6)
Intertriginous Involvement (I-IGA ≥2)			
I-IGA, n (%)			
2 (mild)	19 (8.3)	12 (11.8)	31 (9.3)
3 (moderate)	17 (7.4)	12 (11.8)	29 (8.7)
4 (severe)	2 (0.9)	0 (0.0)	2 (0.6)

*Baseline = last observation prior to first dose of Roflumilast cream in either ARQ-151-201 or 202
BSA: body surface area; IGA: Investigator Global Assessment; I-IGA: Intertriginous Investigator Global Assessment; PASI: Psoriasis Area and Severity Index
Study ARQ-151-202

Cohort 1: IGA Success by Treatment Sequence



No imputation of missing values. Baseline is defined as the last observation prior to the first dose of ARQ-151 cream in either the ARQ-151-201 or ARQ-151-202 study.

[1]Lebwohl MG, et al. N Engl J Med. 2020;383:229-239.

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Favorable Safety and Tolerability with up to 64 Weeks of Use

- 94% of AEs were rated mild or moderate
- 97% of AEs were unrelated or unlikely related to treatment as determined by the investigator
- Rates of GI and psych AEs were low

TEAE, n (%)	Cohort 1 Total (n=230)	Cohort 2 Total (n=102)	Overall (n=332)
Patients with any TEAE	104 (45.2)	60 (58.8)	164 (49.4)
Patients with any treatment-related TEAE	7 (3.0)	5 (4.9)	12 (3.6)
Patients with any SAE	10 (4.3)	2 (2.0)	12 (3.6)
- Any Treatment-related SAE	*0 (0)*	*0 (0)*	*0 (0)*
Patients who discontinued study drug due to AE	11 (4.8)	2 (2.0)	13 (3.9)

Treatment-emergent adverse event defined as event with an onset on or after the date of the first study drug application in ARQ-151-202 study.
AE: adverse event; SAE: serious adverse event; TEAE: treatment-emergent adverse event.
Study ARQ-151-202

Most Common Adverse Events (>2% Overall)

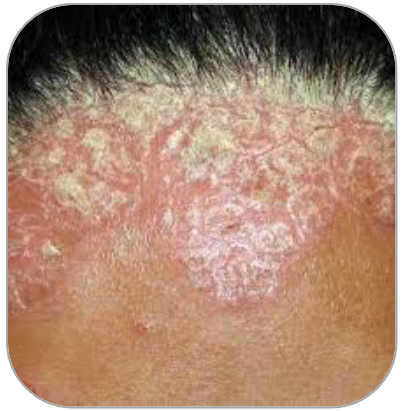
TEAE, n (%)	Cohort 1 Total (n=230)	Cohort 2 Total (n=102)	Overall (n=332)
Upper Respiratory Tract Infection / Viral URTI	14 (6.1)	8 (7.8)	22 (6.6)
Urinary tract infection	9 (3.9)	4 (3.9)	13 (3.9)
Nasopharyngitis	8 (3.5)	5 (4.9)	13 (3.9)
Sinusitis/Chronic sinusitis	3 (1.3)	6 (5.9)	9 (2.7)
Hypertension/Essential hypertension	8 (3.5)	1 (1.0)	9 (2.7)
Arthralgia	7 (3.0)	1 (1.0)	8 (2.4)
Back pain	5 (2.2)	2 (2.0)	7 (2.1)
Cough	4 (1.7)	3 (2.9)	7 (2.1)

Study ARQ-151-202

Long-term Study Completion Rate vs. Competition

Product	Long-term Study Completion Rate
Roflumilast cream	*74%*
Plaque Psoriasis	
Taclonex ointment	70%
Vectical ointment	42%
Duobrii® lotion	25%
Enstilar® foam	48%
Tazorac gel 0.1%	43%
Tazorac gel 0.05%	40%
Scalp Psoriasis	
Daivobet® gel	80%
Calcipotriol gel	62%
Atopic Dermatitis	
Eucrisa® ointment	52%

Topical Roflumilast May Address Unmet Needs in Scalp Psoriasis

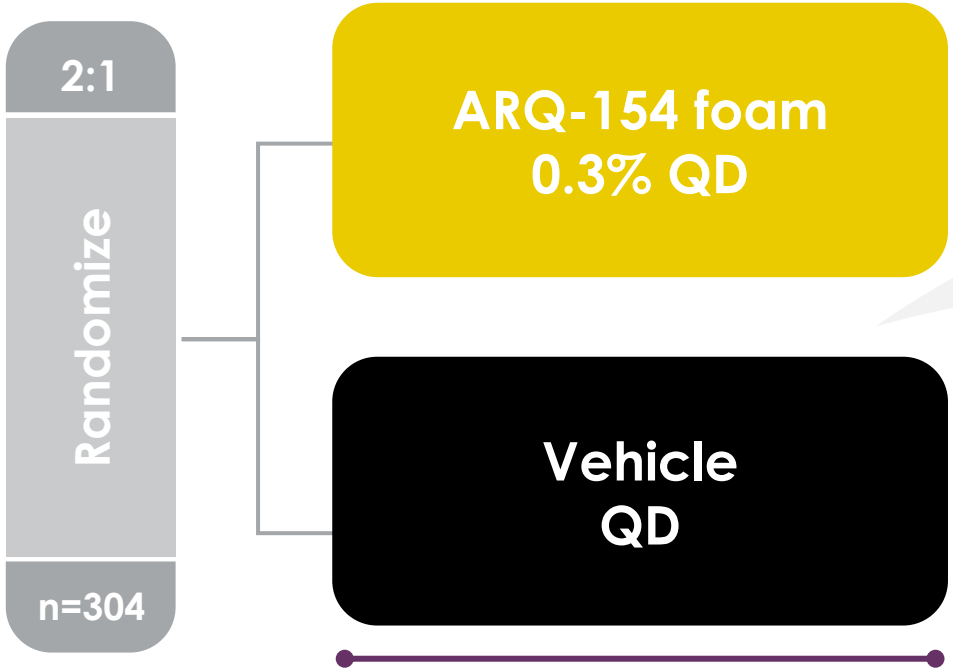


- Scalp psoriasis
  - Affects over 2.5 million U.S. patients
  - Difficult to treat because of drug access into hair-bearing regions
  - Significant unmet need for effective treatment safe for chronic use
- Roflumilast foam ideal for scalp psoriasis
  - Suitable for chronic use
  - Foam is ideal for hair-bearing areas such as scalp, where cream, lotion, or ointment not suitable
  - Unlike most other options, single treatment for all areas of the body
  - Safe to use near the eyes

Phase 2b Scalp Psoriasis Study Design

Eligibility

- Aged ≥12y
- Diagnosis of scalp and body plaque psoriasis
- At least Mild severity* on both scalp (S-IGA) and body (B-IGA) IGAs
- ≤25% BSA
- Psoriasis Scalp Severity Index (PSSI) ≥6
- ≥ 10% of scalp involved
- PASI ≥2



Endpoints

Primary

- Scalp-IGA (S-IGA) success

Secondary

- Body-IGA (B-IGA) success
- Scalp worst itch NRS (SI-NRS)
- PSSI-50/75/90/100
- S-IGA=0
- Psoriasis Symptoms Diary (PSD)

Exploratory

- PASI
- WINRS
- DLQI
- BSA

Safety and Tolerability

S-IGA Success = Clear or Almost Clear with at least a 2-grade improvement from baseline

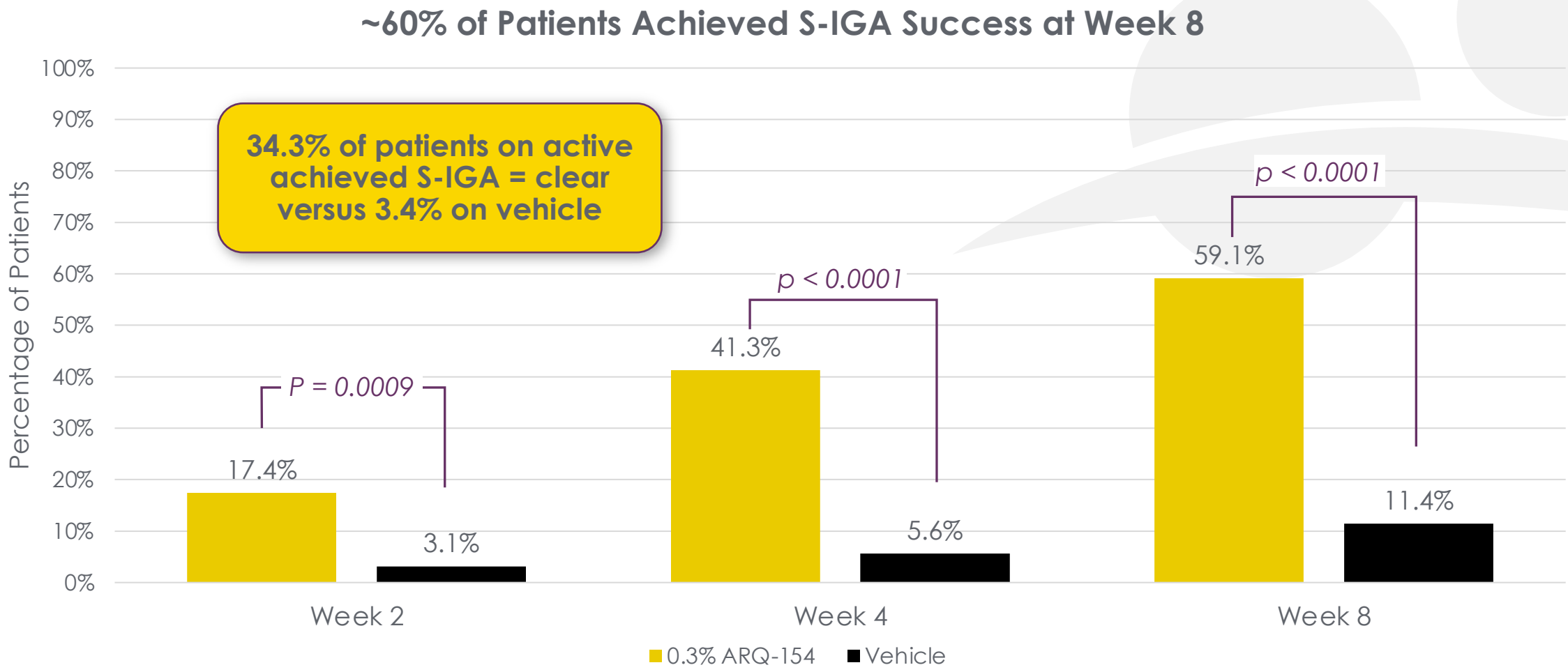
Subject Disposition

Subjects, n (%)	ARQ-154 0.3% (n=200)	Vehicle (n=104)	Overall (n=304)
Completed	177 (88.5)	87 (83.7)	264 (86.8)
Prematurely discontinued	23 (11.5)	17 (16.3)	40 (13.2)
Reason for discontinuation			
Withdrawal by subject	9 (4.5)	6 (5.8)	15 (4.9)
Non-compliance	1 (0.5)	0	1 (0.3)
Lost to follow-up	8 (4.0)	7 (6.7)	15 (4.9)
Adverse event	5 (2.5)	2 (1.9)	7 (2.3)
Other	0	2 (1.9)	2 (0.7)

Baseline Characteristics (ITT Population)

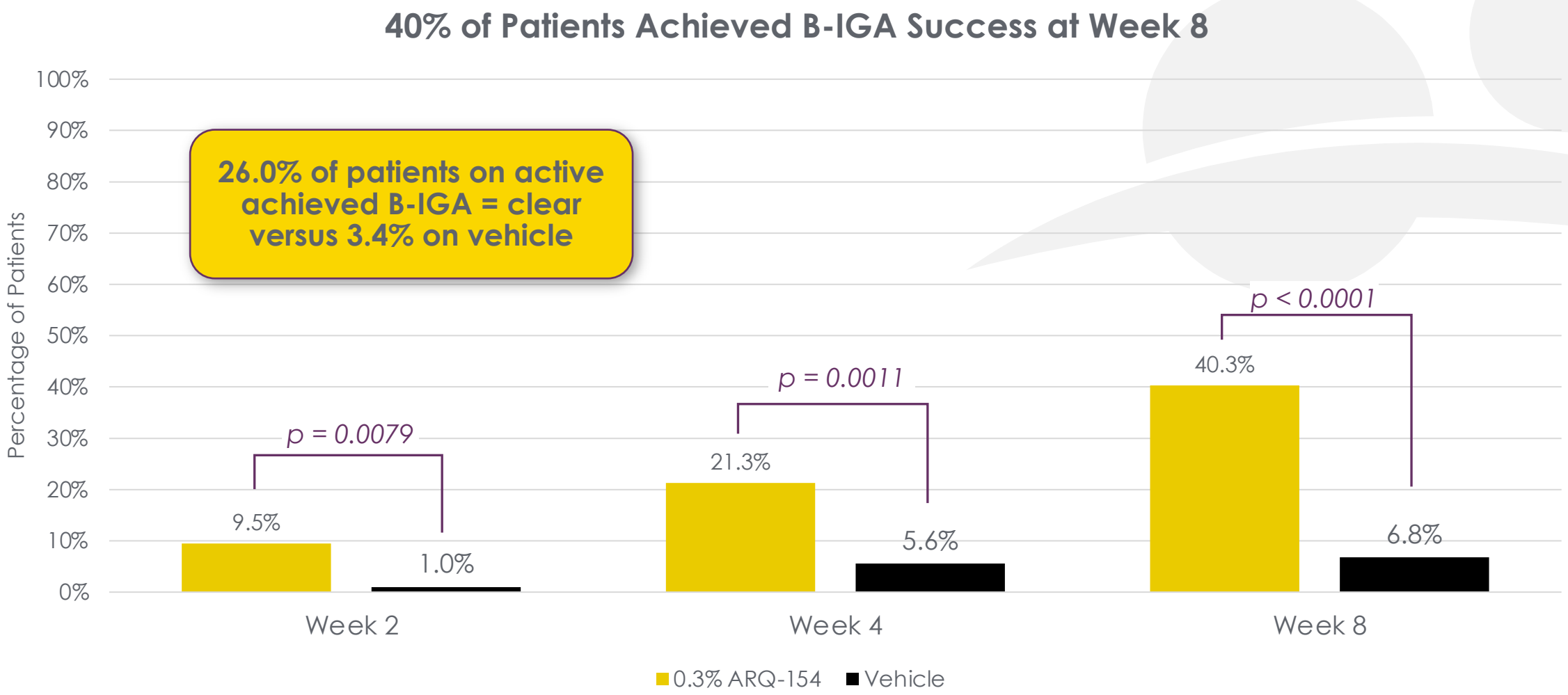
Subjects, n (%)	ARQ-154 0.3% (n=200)	Vehicle (n=104)	Overall (n=304)
BSA, mean %	8.0	7.6	7.9
Baseline S-IGA			
2 – Mild	18 (9.0)	14 (13.5)	32 (10.5)
3 – Moderate	151 (75.5)	80 (76.9)	231 (76.0)
4 – Severe	29 (14.5)	10 (9.6)	39 (12.8)
Baseline B-IGA			
2 – Mild	69 (34.5)	39 (37.5)	108 (35.5)
3 – Moderate	119 (59.5)	60 (57.7)	179 (58.9)
4 – Severe	10 (5.0)	5 (4.8)	15 (4.9)
PSSI, mean (SD)	22.4 (12.5)	20.9 (11.7)	21.9 (12.3)
PASI, mean (SD)	7.2 (4.3)	6.8 (4.4)	7.0 (4.3)
SI-NRS, mean (SD)	6.4 (2.4)	6.6 (2.3)	6.5 (2.3)
SI-NRS, $\geq$4 (%)	173 (86.5)	96 (92.3)	269 (88.5)

Scalp IGA Success at Each Visit (ITT)



IGA Success = Clear or Almost Clear with at least a 2-grade improvement from baseline

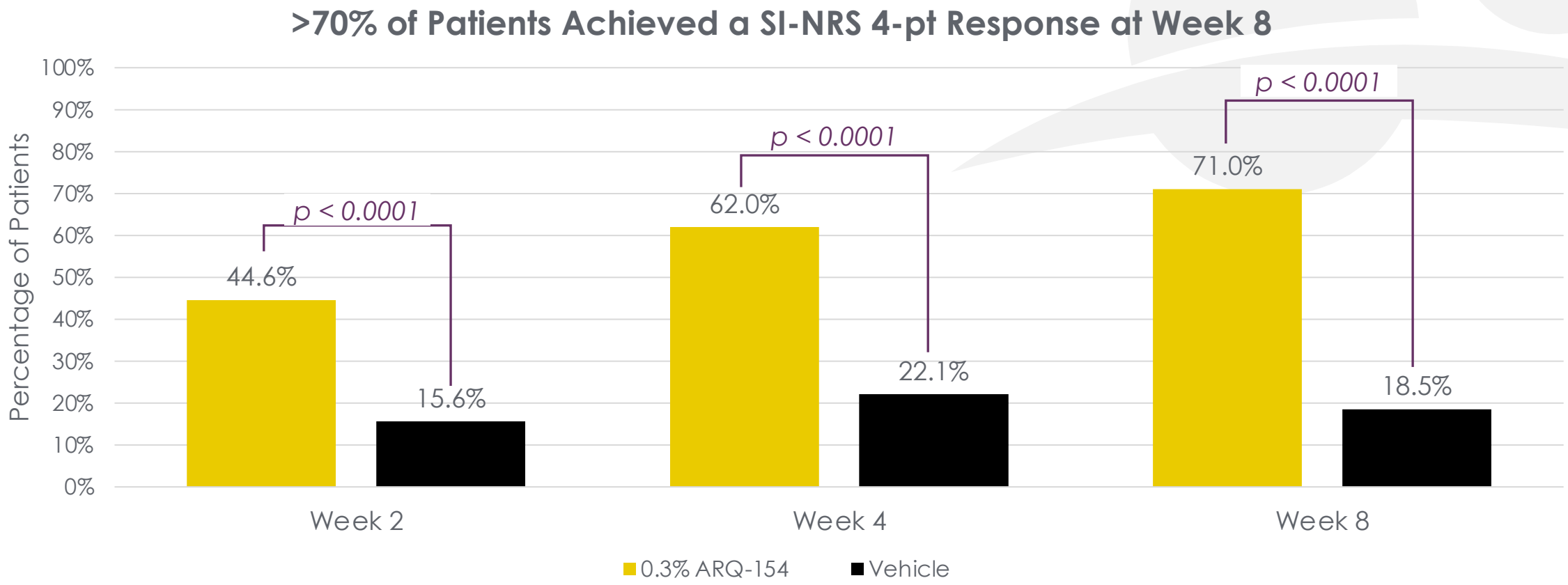
Body IGA Success at Each Visit (ITT)



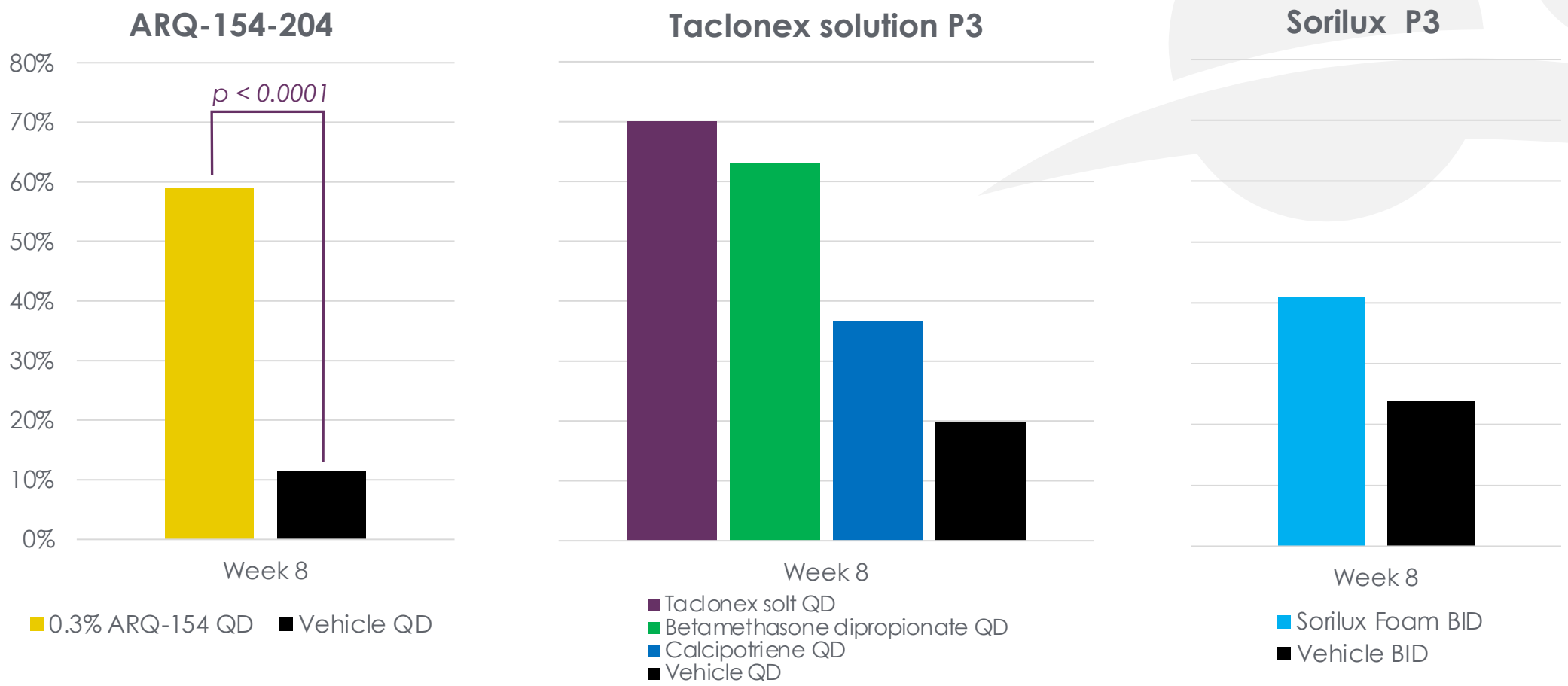
IGA Success = Clear or Almost Clear with at least a 2-grade improvement from baseline

Scalp Itch (SI-NRS) Response

In Patients with a SI-NRS Score ≥ 4 at Baseline

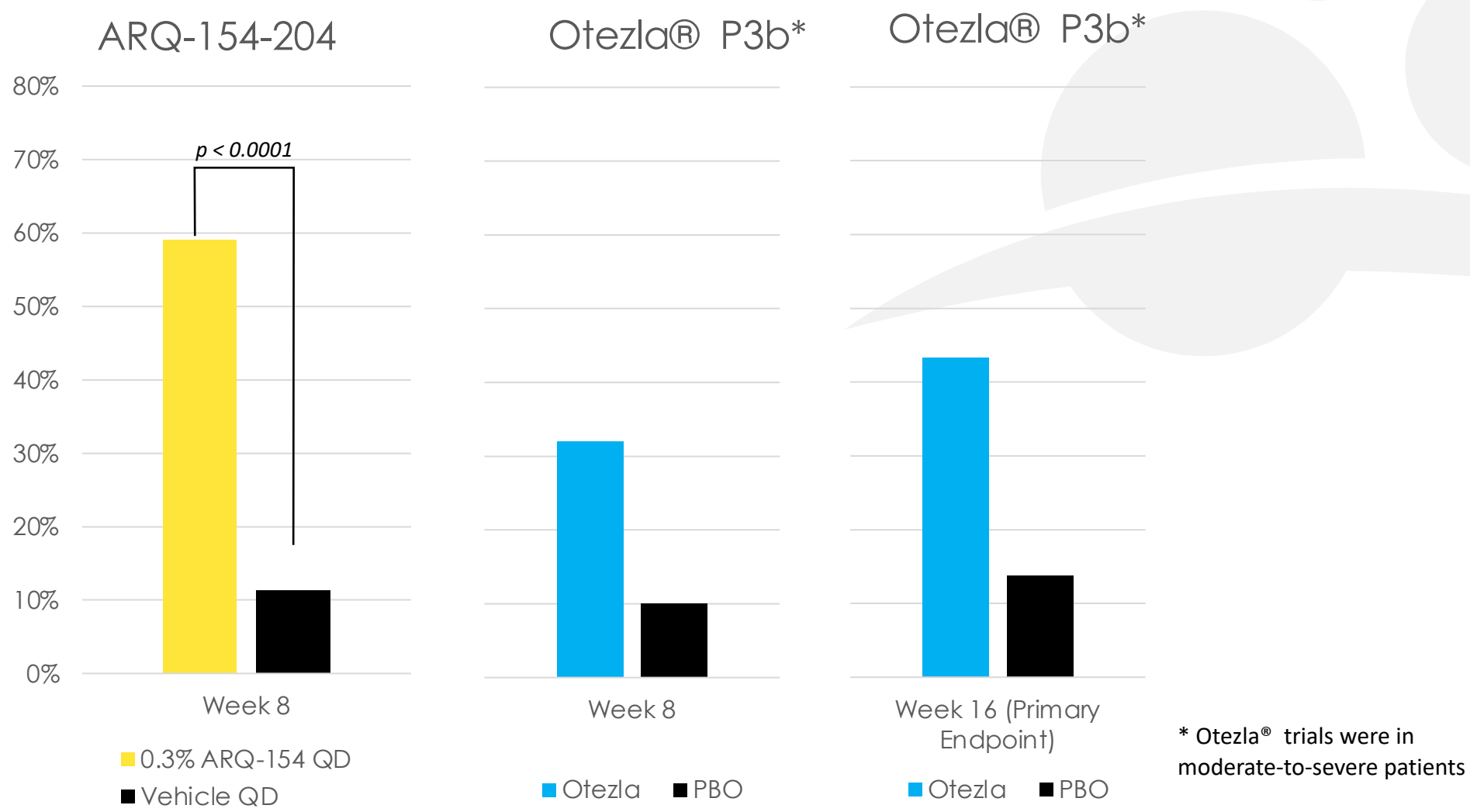


Scalp IGA Success at 8 Weeks Similar to High Potency Steroids



Note: The results of this retrospective post-hoc cross-trial comparison may not be directly comparable, as they are not from a single head-to-head clinical trial.

Efficacy in Scalp Compared to Otezla



* Otezla® trials were in moderate-to-severe patients

Note: The results of this retrospective post-hoc cross-trial comparison may not be directly comparable, as they are not from a single head-to-head clinical trial.

Low Rates of Adverse Events
(Safety Population)

Subjects (%)	ARQ-154 0.3% (n=198)	Vehicle (n=104)	Overall (n=302)
Subjects with any TEAE	46 (23.2)	20 (19.2)	66 (21.9)
Subjects with any Tx-Related TEAE	8 (4.0)	9 (8.7)	17 (5.6)
Subjects with any SAE	1 (0.5)	0	1 (0.3)
Subjects who discontinued Study due to AE	5 (2.5)	2 (1.9)	7 (2.3)

1 SAE = Testicular torsion, unrelated

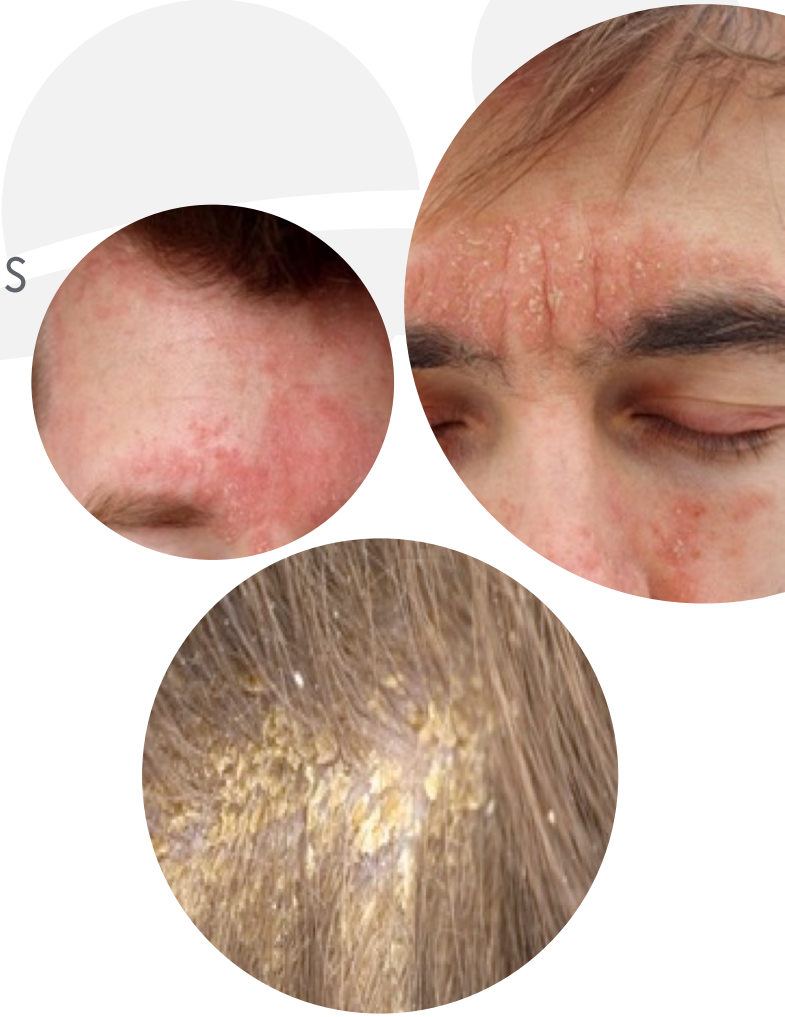
Most Common TEAEs by Preferred Term

> 1.5% in any group

Subjects, n (%) Preferred Term	ARQ-154 0.3% (N=198)	Vehicle (N=104)	Overall (N=302)
Application site pain	2 (1.0)	4 (3.8)	6 (2.0)
COVID-19	3 (1.5)	2 (1.9)	5 (1.7)
Psoriasis	1 (0.5)	2 (1.9)	3 (1.0)
Sinusitis	1 (0.5)	2 (1.9)	3 (1.0)
Hypertension	3 (1.5)	1 (1.0)	4 (1.3)
Diarrhea	3 (1.5)	0 (0.0)	3 (1.0)

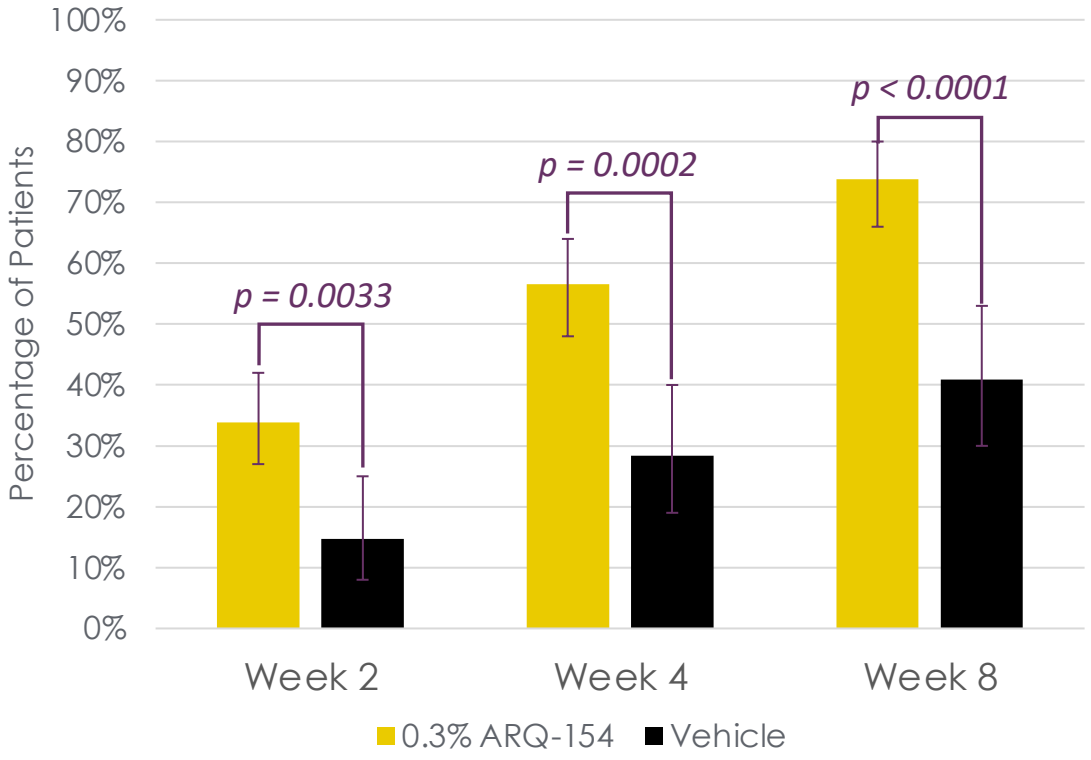
Significant Unmet Needs in Seborrheic Dermatitis (Seb Derm)

- Common, chronic inflammatory skin disease
- Itchy red patches covered by greasy, flaking scales on the scalp, face & chest
- Topicals dominate treatment but pose challenges
  - Steroids effective but pose safety issues, especially with chronic use
  - Topical antifungals offer only modest efficacy
  - Proximity to eyes / thin skin on face exacerbates safety concerns
  - Treatment requires special formulation
- Ideal topical: more effective, ability to use chronically, safe on face/near eyes, hair-friendly formulation

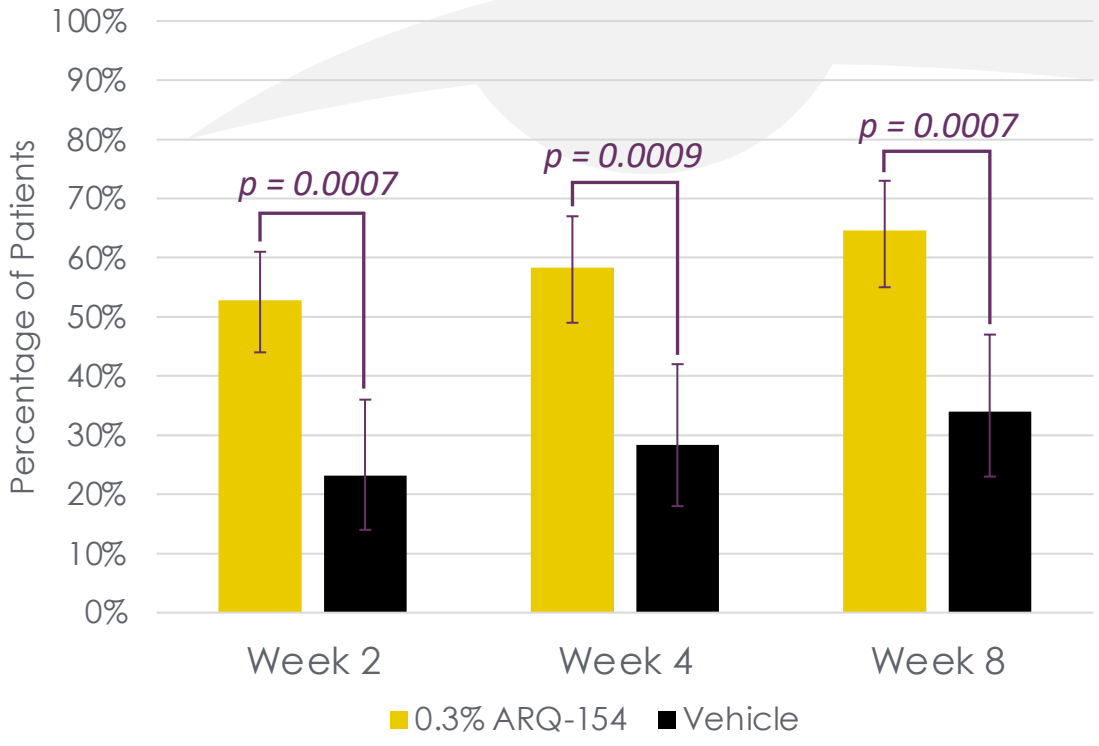


Rapid and Robust Efficacy on Key Seb Derm Efficacy Measures

74% of Patients Achieved IGA Success at Week 8

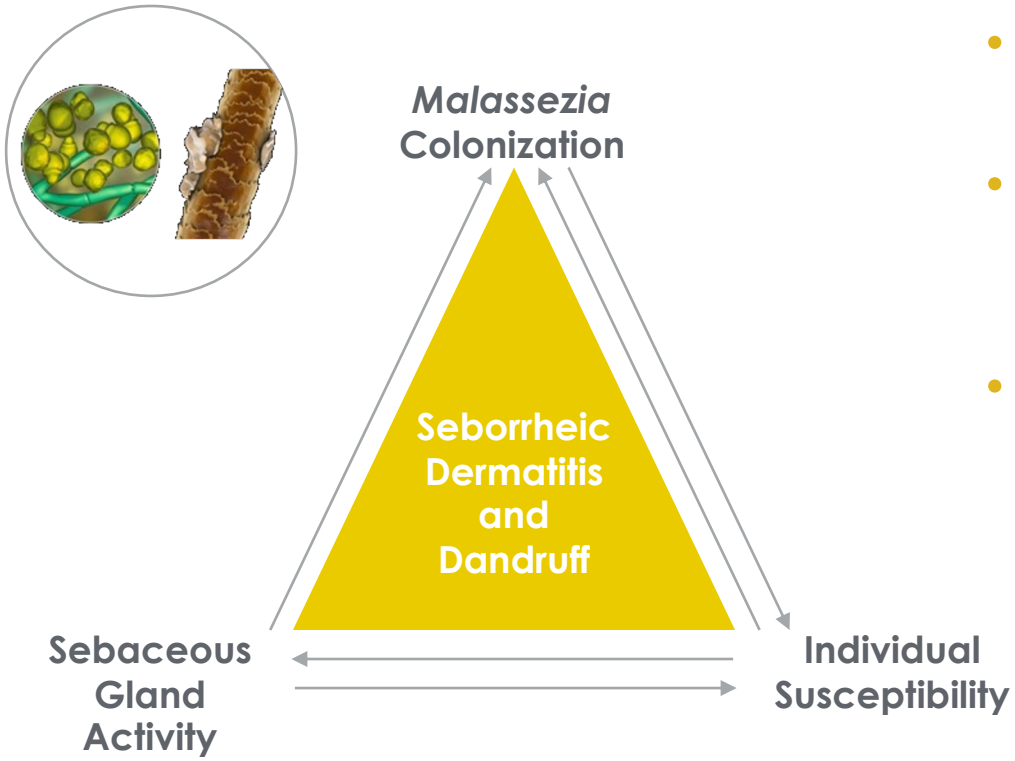


65% of Patients Achieved a WI-NRS Response at Week 8



IGA Success = Clear or Almost Clear with at least a 2-grade improvement from baseline
WI-NRS response = 4 point reduction in WI-NRS in patients with WI-NRS > 4 at baseline

Malassezia Furfur (M. Furfur) Plays a Key Role in Pathology of Seb Derm



- M. furfur is common yeast that colonizes on the skin
- M. furfur lives off of sebum (skin oil)
  - Sebum-rich areas such as the scalp and face are more prone
- Inflammatory response to over-colonization by M. furfur
  - Correlation between yeast density and seb derm severity, and efficacy of antifungal agents
  - M. furfur digests sebum that releases free radicals
  - Free radicals cause irritation and inflammation

Borda Figure 1: Predisposing factors and their interactions in the pathogenesis of seborrheic dermatitis and dandruff.

Roflumilast May Possess Anti-fungal In Addition to Anti-inflammatory Effects

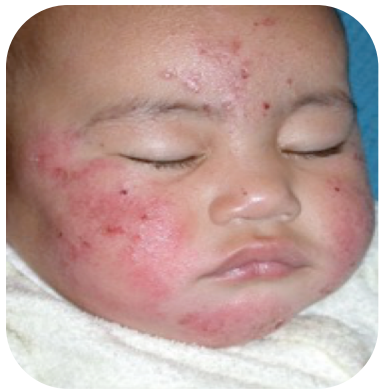
	M. Furfur Colony Forming Units (CFU)	
	CFU	Percent Reduction Vs. Baseline
Baseline inoculum	**650,000**	**-**
Vehicle Foam	**56,000**	**90% at 24 hrs**
0.3% Roflumilast Foam	**5,300**	**99% at 24 hrs**

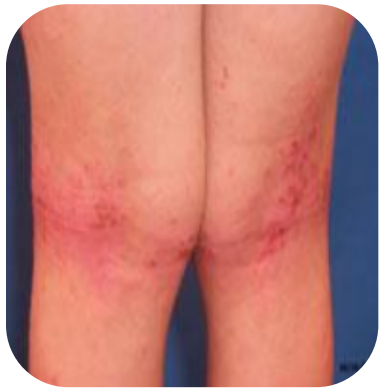
- Compared to vehicle alone, roflumilast had an additional 90% reduction in CFU at 24 hours
  - 24 hours is consistent with once-daily dosing in Ph2b study
- PDE4 known to play a key metabolic role in other fungal species
- Additional in vitro and clinical studies planned to further evaluate potential antifungal effect of roflumilast foam

Topical Roflumilast May Address Unmet Needs in Seborrheic Dermatitis

- Efficacy:
  - Symptomatic improvements potentially better than current standard-of-care
  - Rapid and robust impact on itch
  - Rapid onset - as early as week 2
- Well tolerated
- Safe for use near eyes / on thin facial skin
- Monotherapy with a potential dual mechanism of action- antifungal and anti-inflammatory
- Simple, easy to use once-a-day foam suitable for scalp

Significant Unmet Needs in Treatment of Atopic Dermatitis

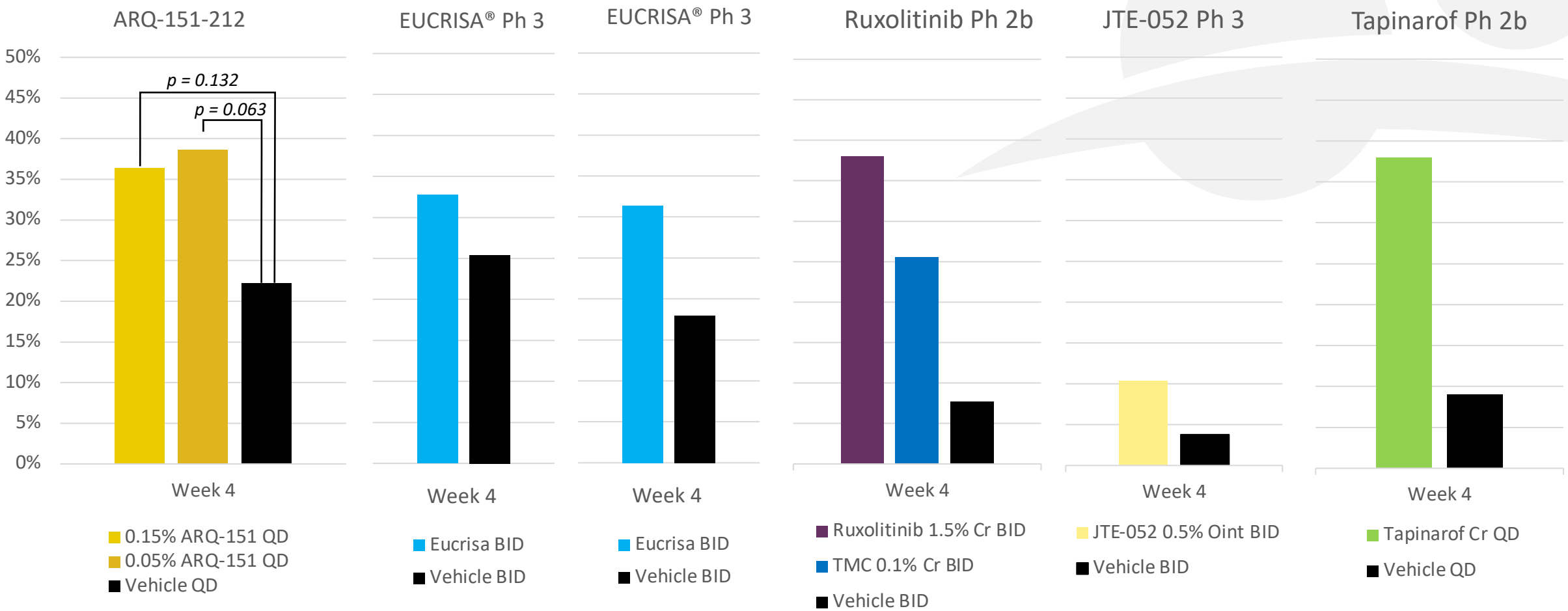




- At least 60% of AD patients are children
  - 15-20% of all children in U.S. affected
- Topicals dominate treatment
  - Low- to mid-strength steroids most commonly used
  - Calcineurin inhibitors can be used for maintenance therapy
  - Side effect concerns with both steroids and calcineurin inhibitors
  - Eucrisa causes frequent burning at application site
- For moderate-to-severe disease, first biologic (Dupixent) has a high response rate but use is very limited
- Ideal topical: equal or better efficacy without safety concerns or tolerability issues of current topicals

IGA Success in AD at 4 Weeks Similar to Other Topicals

Comparison of IGA Success Rates Across Separate Topical Atopic Dermatitis Clinical Trials



Note: The results of this retrospective post-hoc cross-trial comparison may not be directly comparable, as they are not from a single head-to-head clinical trial.

We are Progressing Roflumilast Cream into Atopic Dermatitis Phase 3 Trials

- PDE4 is a validated mechanism in Atopic Dermatitis
- Favorable efficacy and safety profile with roflumilast cream 0.05% and 0.15% in Phase 2 study
- Successful End of Ph2 meeting with FDA completed
- Phase 3 studies to be initiated in early 2021

Topical JAK1 Inhibition a Promising Approach to Inflammatory Dermatologic Diseases

- Topical JAK inhibitors proven effective in multiple dermatological disorders
  - But JAK inhibitors carry risk of hematological adverse events and immunosuppression
- Our topical JAK inhibitor (ARQ-252) may be "best in class"
  - Highly potent and highly selective inhibitor of JAK1
  - Oral study in RA shows highly potent JAK1 inhibitor with good side effect profile
- Completed enrollment in Phase 1/2b study with ARQ-252 in chronic hand eczema
  - Topline data anticipated by mid-2021
- Phase 2a proof-of-concept study in vitiligo planned in 1Q21
- Ongoing formulation work on ARQ-255
  - A "deep penetrating" formulation of ARQ-252 for alopecia areata

ARQ-252 is Highly Selective to JAK1 Over JAK2

Comparative IC50 Against JAK Subtypes

	JAK1/3 Inhibition						JAK2 Inhibition
	IL-2		IL-4		IL-6		
IC_{50} (μM)	CD-4	CD-8	CD-4	CD-8	CD-4	CD-8	GM-CSF
ARQ-252	1.15	1.05	2.29	1.39	5.22	1.66	50*
Ruxolitinib	1.48	1.25	3.24	1.87	4.49	1.50	6.08

A lower IC50 value, a common measurement of drug potency, indicates a lesser amount is required to inhibit the various JAK subtypes.

ARQ-252 JAK1:JAK2 IC50 ratio = 23.5:1
Ruxolitinib JAK1:JAK2 IC50 ratio = 2.6:1

*A value of 50 μM was used as the IC50 value for the purpose of assigning a ratio, since 50% inhibition of JAK2 was not reached. The average percentage inhibition measured in the GM-CSF assay was 23.5% at 20 μM. While 50 μM was used, we believe that the IC50 value is greater than 50 μM, but likely <100 μM.
Note: Based on preclinical study

Among Topical JAK Inhibitors, ARQ-252/255 is Uniquely Specific to JAK1

Oral JAKi

Compound	Manufacturer	Specificity
SHR0302*	Reistone/ Hengrui	JAK1
Rinvoq	Abbvie	JAK1
Deucravacitinib	BMS	TYK2
Olumiant	Lilly	JAK1/2
Abrocitinib	Pfizer	JAK1
Ritlecitinib	Pfizer	JAK3/TEC
Brepocitinib	Pfizer	TYK2/JAK1
PF-06826647	Pfizer	TYK2
CTP-543	Concert	JAK1/2
Gusacitinib	Asana BioSciences	JAK/SYK

Topical JAKi

Compound	Manufacturer	Specificity
ARQ-252/255	Arcutis	JAK1
Ruxolitinib	Incyte	JAK1/2
Delgocitinib	JTE/LEO	Pan-JAK
Brepocitinib	Pfizer	TYK2/JAK1
Cerdulatinib	Dermavant	JAK/SYK
CEE321	Novartis	Pan-JAK
ATI-1777	Aclaris	JAK1/3

*ARQ-252 = topical SHR0302

~5 Million PsO, AD, Seb Derm Patients Rx Topical Treated by Dermatologists in US

US Patient Populations (Millions)

	Psoriasis	Atopic Dermatitis	Seborrheic Dermatitis
Prevalence	8.6	19.2	10.0
Rx treated	3.5	6.3	2.7
Topically treated	2.5	5.4	2.7
Rx treated in Derm Setting	2.8	1.2	1.8
Rx treated (Topically) in Derm Setting	**2.0**	**1.0**	**1.8**

Additional opportunities to unlock value of our molecules:

- **6M U.S. patients** Rx topical treated by other specialties (e.g., PCPs or pediatricians)
- Ex-US markets

Key Market Dynamics

- Large pool of addressable patients with **high concentration of prescribers** across disease states generates efficiency
  - Minimal behavioral change required to activate utilization
    - In our target diseases, **80 -100% of patients already treated with rx topical**
  - **Highly dynamic market facilitates Start/Switch**
    - Short duration of steroid use – frequent opportunities to switch
  - **Sparse Competitive landscape** for innovative topical therapies
  - **Nimble go-to-market approach**
    - Focused on evolving use of telemedicine & virtual detailing, artificial intelligence, and shifting channel models

We Intend to Optimize Patient Access to Our Innovative Treatments

- Focus on **broad access**, **appropriate pricing**, and **reduction in prescriber burden** to maximize volume opportunity
  - Ability for HCP to **get drug when prescribed** and **patient affordability** are as important as profile itself, hassle factor is anathema to prescribing
  - Highly innovative products at **appropriate pricing allow for broad and rapid adoption**
  - Rapid introductions of follow-on indications allows for **portfolio volumes across multiple indications** supporting payer value

Pipeline Could Generate 2030 Sales of ~$3B-$8B in U.S. Market Alone

U.S. Opportunity		2030 Sales
Dermatology market:	**Topical roflumilast (ARQ-151/154)**	**1.3-3.7B**
	Plaque & scalp psoriasis	0.5-1.5B
	Atopic dermatitis	0.4-1.0B
	Seborrheic dermatitis	0.4-1.2B
	Topical JAK inhibitor (ARQ-252)	**0.5-1.6B**
Non-dermatologist market:		**1.0-2.6B**
Total Arcutis pipeline		**2.8-7.9B**

Source: Company estimates, includes indications currently under development

Arcutis Enjoys Strong IP Protection

Strong Patent Protection

7	Issued US and foreign patents on ARQ-151/154 formulation
3	Pending patents on topical roflumilast PK profile
1	Pending patent on anti-fungal properties of PDE4 inhibitors
1	Pending patent on novel restorative effect of the ARQ-151 Vehicle
1	Pending patent for method of use on a critical ingredient in the ARQ-151/154 formulation

Unmatched expertise in dermatology drug development

Leadership has developed or commercialized More than 50 FDA-Approved Products

Frank Watanabe, MA, President & CEO
- Former COO and Co-Founder, Kanan Therapeutics
- Former VP, Strategy and Corporate Development, Kythera
- Former Executive, Amgen and Eli Lilly

Patrick Burnett, M.D., Ph.D., FAAD, Chief Medical Officer
- Former CMO, Verrica Pharmaceuticals
- Former Associate VP of Clinical Development, Sun Pharmaceuticals Former Global Program Medical Director, Novartis

Patricia Turney, MBA, SVP, Operations
- Former VP External Supply and Manufacturing, Amgen
- Former head, Manufacturing Site Operations, Amgen Breda
- Manufacturing, Engineering, EH&S, R&D, and Quality leadership roles, Amgen

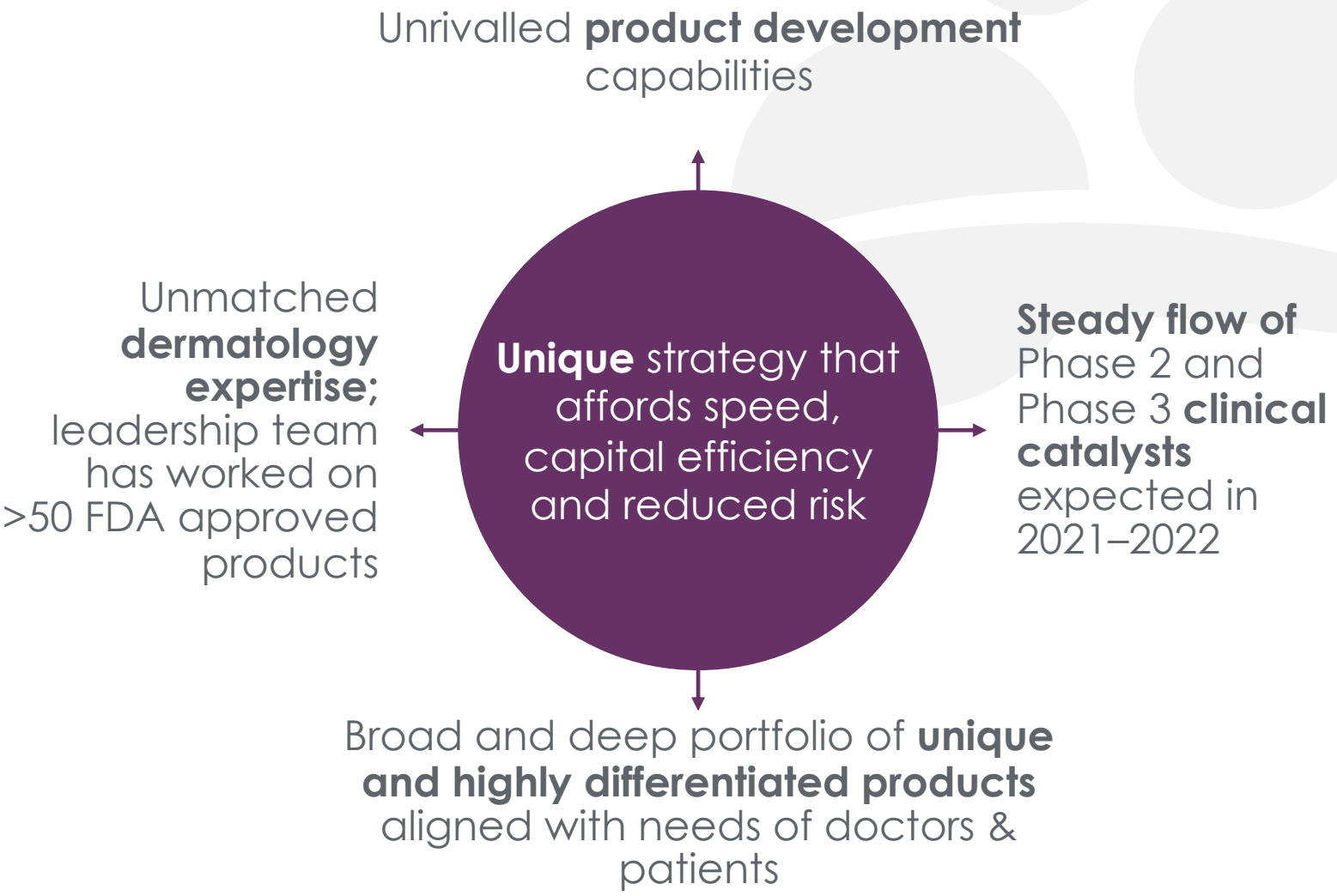
Keith Klein, JD, General Counsel
- Former General Counsel, Unity Biotechnology, Sienna Biopharmaceuticals, Kythera Biopharmaceuticals
- Former Senior Associate General Counsel, Amgen

Ken Lock, MBA, Chief Commercial Officer
- Former senior marketing lead for inflammation, Gilead
- Former head, U.S. Dermatology Marketing, Amgen
- Sales and marketing leadership roles; Amgen, Gilead, Wyeth

John Smither, Chief Financial Officer
- Former CFO of Kythera, Unity, Sienna; interim CFO, Kite
- Independent Director, eFFECTOR, Achaogen
- Former Executive at Amgen and Audit Partner, Ernst & Young

David Osborne, PhD, Chief Technical Officer
- Former CSO of Tolmar
- Former VP Product Development, Dow Pharmaceutical
- Former VP Product Development, Atrix

Developing Differentiated Medicines; Maximizing Probability of Success



Thank You