Tarsus Pharmaceuticals

Fourth Quarter and Full-Year 2023 Financial Results Conference Call

February 27, 2024

Today's Speakers

Bobak Azamian, M.D., Ph.D.

Chief Executive Officer and Chairman

Aziz Mottiwala

Chief Commercial Officer

Sesha Neervannan, Ph.D.

Chief Operating Officer

Jeff Farrow

Chief Financial Officer and Chief Strategy Officer

Forward-Looking Statements

This presentation contains forward-looking statements that involve risks and uncertainties. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on our current expectations about future events that we believe may affect our financial condition, results of operations, business strategy, and financial needs. These statements include statements regarding the market size, acceptance, demand, prescription fill rate and adoption rate for XDEMVY; our ability to achieve distribution and patient access for XDEMVY and timing and breadth of payer coverage; our ability to continue to educate the market about Demodex blepharitis, the timing, objectives, and results of the clinical trials, anticipated regulatory and development milestones, our ability to continue investing in our business, and the quotations of Tarsus' management. The words, without limitation, "believe," "contemplate," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "potential," "predict," "project," "should," "target," "will," or "would," or the negative of these terms or other similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these or similar identifying words. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors. Important factors that could cause actual results to differ materially from those in the forward-looking statements include: Tarsus' ability to maintain regulatory approval for and successfully commercialize XDEMVY for the treatment of Demodex blepharitis, Tarsus has incurred significant losses and negative cash flows from operations since inception and anticipates that it will continue to incur significant expenses and losses for the foreseeable future; Tarsus may need to obtain additional funding to complete the development and commercialization of its product candidates, if approved; Tarsus is heavily dependent on the success of its lead product, XDEMVY for the treatment of Demodex blepharitis; even if TP-03, TP-04, TP-05, or any other product candidate that Tarsus develops receives marketing approval, Tarsus may not be successful in educating healthcare professionals and the market about the need for treatments specifically for Demodex blepharitis, MGD, rosacea, Lyme disease prevention, and/or other diseases or conditions targeted by Tarsus' products; the development and commercialization of Tarsus products is dependent on intellectual property it licenses from Elanco Tiergesundheit AG; Tarsus will need to develop and expand the company and Tarsus may encounter difficulties in managing its growth, which could disrupt its operations; the sizes of the market opportunity for XDEMVY and Tarsus' product candidates, particularly TP-03 for the treatment of MGD, TP-04 for the treatment of Rosacea, as well as TP-05 for the prevention of Lyme disease, have not been established with precision and may be smaller than estimated; the results of Tarsus' earlier studies and trials may not be predictive of future results; any termination or suspension of, or delays in the commencement or completion of, Tarsus' planned clinical trials could result in increased costs, delay or limit its ability to generate revenue and adversely affect its commercial prospects; if Tarsus is unable to obtain and maintain sufficient intellectual property protection for its product candidates, or if the scope of the intellectual property protection is not sufficiently broad, Tarsus' competitors could develop and commercialize products similar or identical to Tarsus' products; and if Tarsus is unable to access capital (including but not limited to cash, cash equivalents, and credit facilities) and/or loses capital, as a result of potential failure of any financial institutions that Tarsus does business with directly or indirectly. Further, there are other risks and uncertainties that could cause actual results to differ from those set forth in the forward-looking statement and they are detailed from time to time in the reports Tarsus files with the Securities and Exchange Commission, including Tarsus' Form 10-K for the year ended December 31, 2022 filed on March 17, 2023, the Form 10-Q for the quarter ended June 30, 2023 filed on August 10, 2023 and the most recent Form 10-Q quarterly filing filed with the SEC, which Tarsus incorporates by reference into this press release, copies of which are posted on its website and are available from Tarsus without charge. However, new risk factors and uncertainties may emerge from time to time, and it is not possible to predict all risk factors and uncertainties. Accordingly, readers are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statements contained in this press release are based on the current expectations of Tarsus' management team and speak only as of the date hereof, and Tarsus specifically disclaims any obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.

A Category-Creating Approach to Delivering Blockbuster Medicines and Serving Millions of Patients

XDEMVY®
A GROUND-BREAKING LAUNCH

- The **first and only FDA-approved** therapy for *Demodex* blepharitis
- **A category-creating** medicine with a clear value proposition
- **Compelling patient outcomes** driving:
  - Rapid uptake: >17,400[1] bottles dispensed to patients
  - Ongoing waves of eye care provider (ECP) adoption: ~6,000[2] ECPs started patients on XDEMVY
  - Strong traction with payers and high-value net price: 58%[1] GTN discount

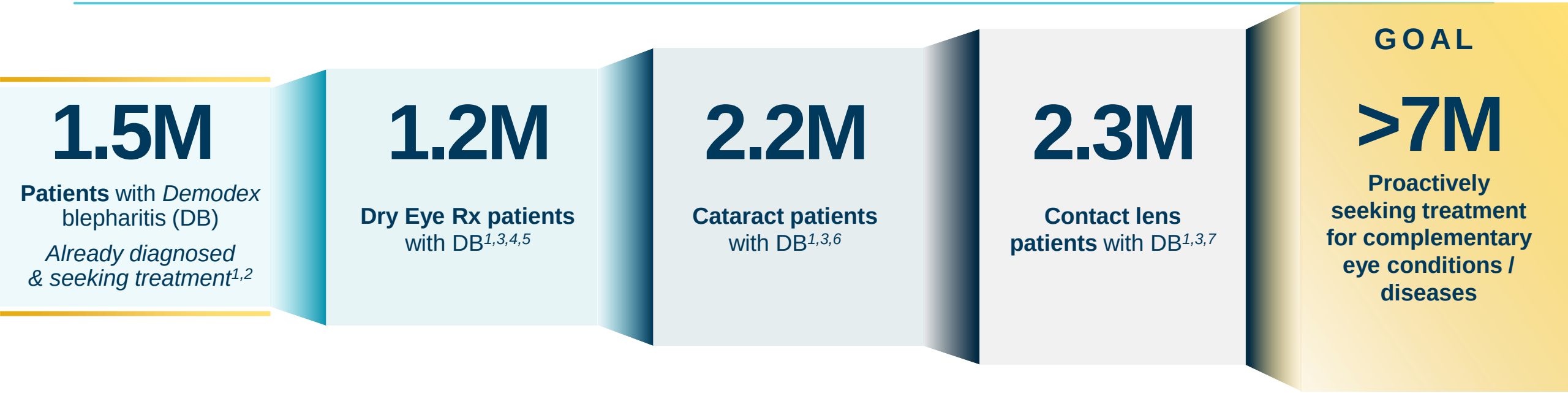
A ROBUST PIPELINE
WITH MULTIPLE 2024 CATALYSTS

- "**Pipeline in a product**" with multiple category-creating product candidates
- **Near-term partnering potential**
- **Three major 2024 catalysts**
  - Meibomian Gland Disease (TP-03): FDA meeting to determine path forward planned 1H 24
  - Rosacea (TP-04): Positive Phase 2a data reported in 1Q 24
  - Lyme Disease Prevention (TP-05): Positive Phase 2a reported in 1Q 24

Net Product Sales of $14.7 Million[1] in the Four Months since Launch

 1. For Full Year 2023; 2. As of February 23, 2024;

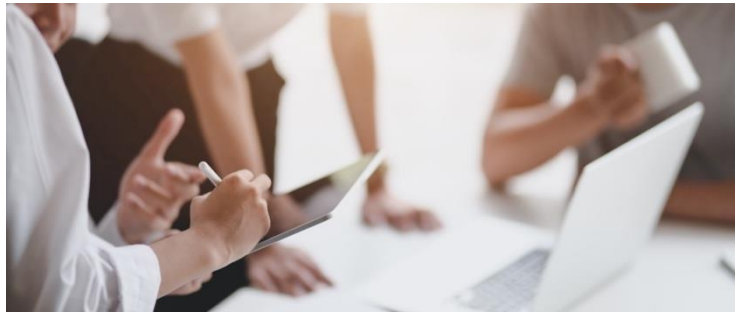
Demodex Blepharitis is a Potential $1B+ Opportunity



~1.5M Patients ✖ **$1,850** WAC/Rx ✖ **~50%** GTN Yield = **$1B+ peak net sales potential** *in initial addressable segment alone*

1. Wilson J Ophthalmology 2015, 435606, 2014; 2. Symphony claims data; 3. Titan collarette prevalence study; 4.Market Scope 2020 Dry Eye Products Report: A Global Market Analysis for 2019 to 2025; 5. White et al., Clin Ophthalmology 2019: 13 2285-2292 6. AAO/ASCRS Statement on Cataract Surgery, July 2021; 7. Refractive Surgery Council August 2021

XDEMVY: Setting a New Standard for Product Launches



Industry-Leading Team

- 85 territory leaders targeting 15K ECPs covering **>80% of prescriptions**
- Best-in-class field team establishing behavioral change for an entirely new category

High-Impact Disease Education

- Action-oriented, visually focused physician and patient education campaigns
- Peer-to-peer scientific exchange conducted by **all-ECP medical field force**

Clear Value Proposition

- **Strong traction with payers**
- Unique distribution model leveraging high touch retail and digital pharmacies (18K+ pharmacies in network)
- Robust patient co-pay and bridging assistance program

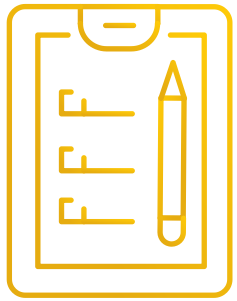
Ongoing Waves of ECP Adoption

UTILIZATION ACROSS SEGMENTS

Early Adopters
(Diagnosing and treating patients on Day 1)

Eager Treaters
(Ready for an FDA-approved solution; ramping TRx alongside patient successes)

New to DB
(Beginning to diagnose, recognizing prevalence and acting)



In less than 6 months

~6,000[1]

XDEMVY Prescribers

ONGOING PRESCRIBING AFTER 5-10 TRx†

 1. As of February 23, 2024; †TRx = Total prescriptions

XDEMVY: Delivering Strong Results

xdemvy®
(lotilaner ophthalmic solution) 0.25%

- **~6,000 ECPs started patients** on XDEMVY[1]
- **>50% repeat prescribers**[1,2]
- **>17,400 bottles dispensed** to patients[3]
- Better than expected **58% GTN discount**[3]
- Secured major commercial payer win: **>19M covered lives**[4]

$14.7 Million FY 2023 Net Product Sales

1. As of February 23, 2024; 2. Figure for ~6,000 ECPs who have started patients on XDEMVY 3. For Full Year 2023; 4. Coverage not reflected in 2023 figures;

A Category-Creating Pipeline With Near-Term Catalysts

Tarsus Product Portfolio

Product Candidate	Indication	Formulation	Preclinical	Phase 1	Phase 2	Phase 3	Marketed	Upcoming Catalyst
XDEMVY	*Demodex* blepharitis (US)	Eye drop					▶	
TP-03	*Demodex* blepharitis (EU)	Eye drop	***Evaluating preservative-free formulation***					
TP-03	Meibomian Gland Disease (US)	Eye drop			**Ersa Phase 2a**			**Determining U.S. Regulatory Path**

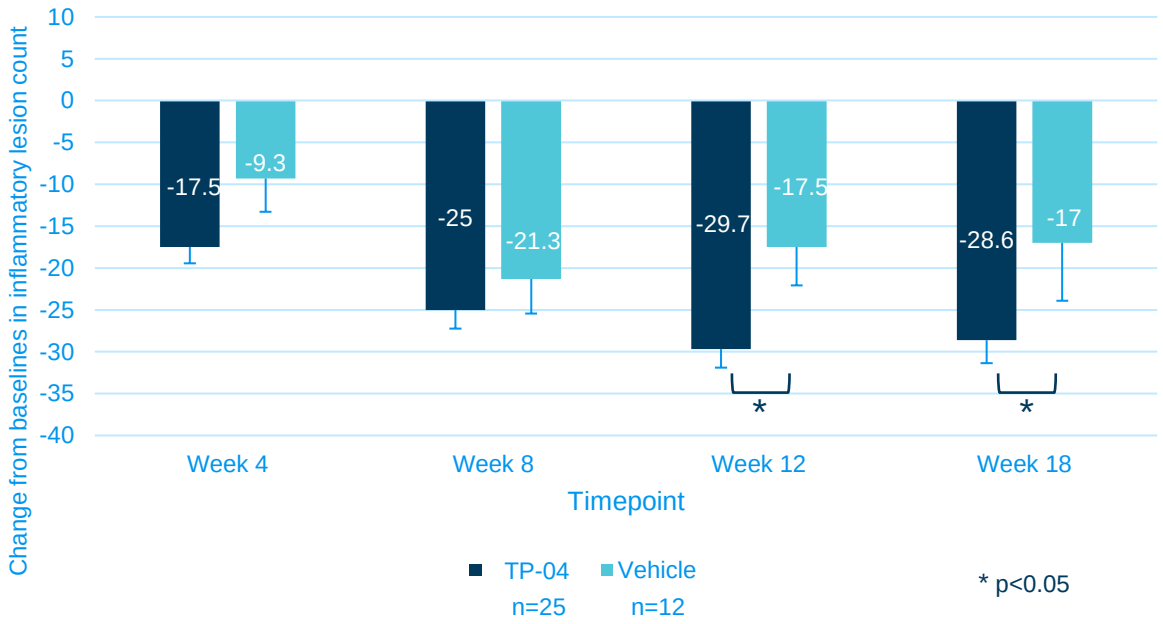
Existing and Potential Partnership Opportunities

TP-03	*Demodex* blepharitis and Meibomian Gland Disease (Greater China)	Eye drop				**Libra Phase 3**		**Determining Regulatory Path In China**
TP-03	*Demodex* blepharitis and Meibomian Gland Disease (OUS)	Eye drop	***Active partnering discussions***					
TP-04	Papulopustular Rosacea (WW)	Topical			**Galatea Phase 2a**			**Determining U.S. Regulatory Path**
TP-05	Lyme disease prevention (WW)	Oral Tablet			**Carpo Phase 2a**			**Determining U.S. Regulatory Path**

Galatea Phase 2a Trial for the Treatment of Papulopustular Rosacea

TP-04: Statistically Significant Improvements in Inflammatory Lesions and IGA Score Compared to Placebo

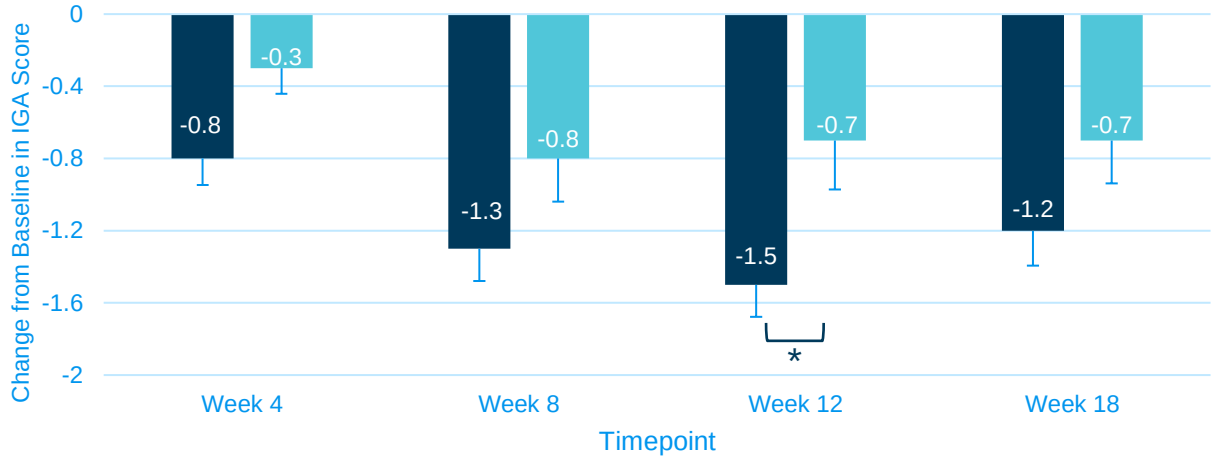
Change from Baseline in Inflammatory Lesion Count (Mean +/- SE)



* p<0.05

Mean patient baseline inflammatory lesion count: ~39

Change from Baseline in IGA Score (Mean +/- SE)



* p<0.05

IGA:
0 – Clear
1 – Almost clear
2 – Mild
3 – Moderate
4 – Severe

Mean patient baseline IGA score: ~3.2

Generally well-tolerated with no serious adverse events

Full Year 2023 Financial Results

$14.7 million in net product sales

In first 4 months of launch

58% gross-to-net discount

Better than anticipated non-contracted coverage

17,400 XDEMVY bottles dispensed to patients

Steady week-over-week growth

$227.4 million in cash

Strong foundation enables continued investments to drive additional value

Closing Remarks and Q&A