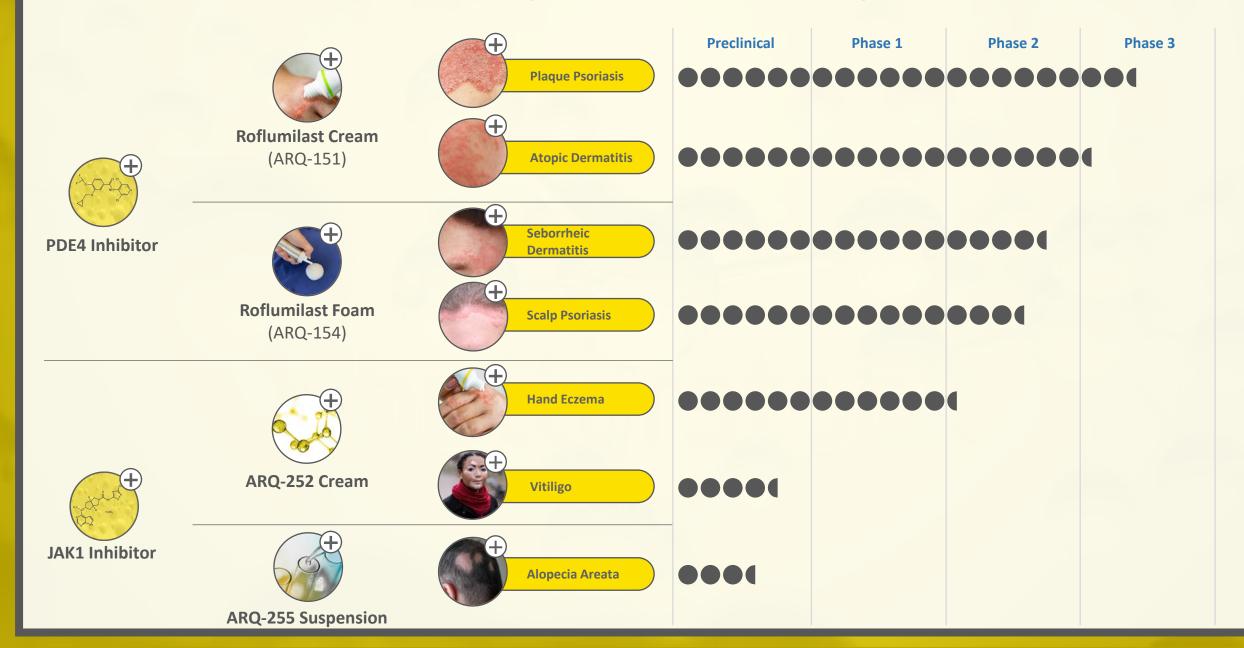


Arcutis Is Building a Robust Dermatology Pipeline



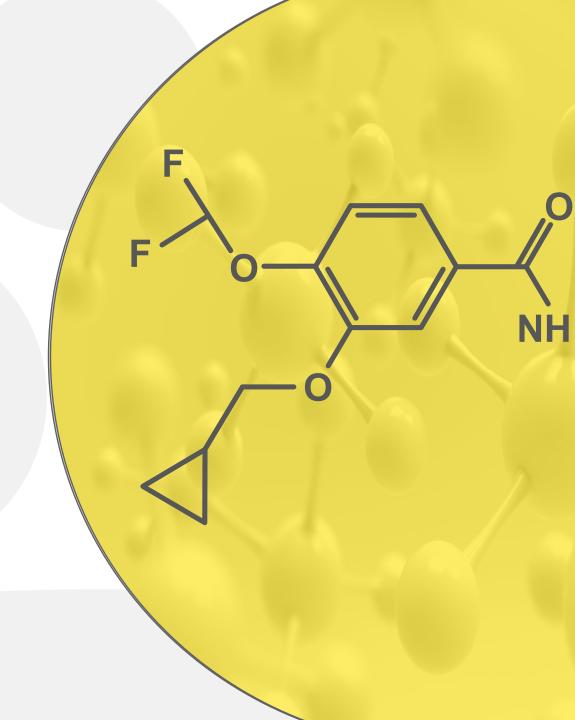


Roflumilast is a Highly Selective Topical PDE4 Inhibitor

Topical roflumilast is a selective and highly potent, once-daily, nonsteroidal, <u>PDE4 inhibitor</u> under investigation for the treatment of chronic plaque psoriasis, atopic dermatitis, seborrheic dermatitis, and scalp psoriasis

PDE4 inhibition has been validated for oral psoriasis therapy, but is a novel formulation for topical dermatologic therapy

Topical roflumilast is a <u>cream</u> or <u>foam</u> formulation of the highly potent antiinflammatory PDE4 inhibitor roflumilast, which was approved by the United States Food and Drug Administration as an oral formulation in 2011 to treat chronic obstructive pulmonary disease¹







Roflumi PDE4 Ir

Topical roflumi <u>PDE4 inhibitor</u> psoriasis, atopi

PDE4 inhibition formulation for

Topical roflumi inflammatory F States Food an chronic obstruction

PDE4 plays a key role in immunodermatology

PDE4 is an enzyme that contributes to immunodermatologic conditions



ot is a Highly Coloctive Topical

Increases inflammatory mediators



Disrupts skin barrier balance



Increases inflammatory response

Click to learn more about how PDE4 inhibition may reduce inflammation

Li et al. Front Pharmacol. 2018;9:1048.









Roflum PDE4 Ir

Topical roflumi <u>PDE4 inhibitor</u> psoriasis, atopi

PDE4 inhibition formulation for

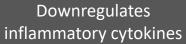
Topical roflumi inflammatory F
States Food an chronic obstruction

Inhibition of PDE4 modulates the immune response

Inhibition of PDE4 modulates immune responses



ot is a Highly Coloctive Tanical





Restores skin barrier balance



Decreases inflammatory response

Li et al. Front Pharmacol. 2018;9:1048.









Roflumilast Cream (ARQ-151)

Roflumilast cream (ARQ-151) is under investigation for the treatment of *psoriasis* and *atopic dermatitis*

Uniquely formulated in an odorless, emollient, water-based moisturizing cream without propylene glycol or alcohols

Cream vehicle incorporates a mild emulsifier, providing smooth delivery of active drug through the stratum corneum

Currently under investigation to address unmet needs, including long-term topical therapy that can be used safely on all regions of the body







Roflumilast Foam (ARQ-154)

Roflumilast foam (ARQ-154) is being investigated for the treatment of <u>seborrheic dermatitis</u> and <u>scalp psoriasis</u>

Roflumilast foam is identical to roflumilast cream (ARQ-151) and is water based, moisturizing, and formulated without propylene glycol or alcohols

Foam vehicle incorporates an innovative, fast-breaking formulation, promoting easy delivery of active drug

Currently under investigation to address unmet needs for long-term treatment of body surfaces

Additionally, areas where creams are not suitable, such as facial, periocular, and hair-bearing areas, are being studied





Roflumilast Cream (ARQ-151)

in Psoriasis

Landscape

- High-potency steroids are limited to short-term use¹
- Sensitive areas such as the face and intertriginous areas can be challenging to treat and require additional considerations¹
- Patient adherence to existing topical therapies is generally low¹
- Patients with psoriasis experience negative impacts to quality of life, reduced work productivity, and sleep disturbances^{2,3}

Mechanism

Development



1. Torsekar and Gautam. Indian Dermatol Online J. 2017;8:235-245. 2. Bhosle et al. Health Qual Life Outcomes. 2006;4:35. 3. Henry et al. PLoS One. 2016;11:e0157843.

4. Li et al. Front Pharmacol. 2018;9:1048. 5. Papp et al. J Drugs Dermatol. 2020;19:734-740. 6. Lebwohl et al. N Engl J Med. 2020;383:229-239.



Roflumilast Cream (ARQ-151) in Psoriasis

Mechanism

- PDE4 activity is elevated in psoriatic skin⁴
- Inhibition of PDE4 results in reduction of proinflammatory factors and restoration of skin barrier²
- Roflumilast cream (ARQ-151) is a selective and highly potent PDE4 inhibitor





1. Torsekar and Gautam. *Indian Dermatol Online J.* 2017;8:235-245. 2. Bhosle et al. *Health Qual Life Outcomes*. 2006;4:35. 3. Henry et al. *PLoS One*. 2016;11:e0157843. 4. Li et al. *Front Pharmacol* 2018;9:1048. 5. Papp et al. *J Drugs Dermatol*. 2020;19:734-740. 6. Lebwohl et al. *N Engl J Med*. 2020;383:229-239.



Roflumilast Cream (ARQ-151) in Psoriasis

Development

- Phase 1/2a results published in *Journal* of *Drugs in Dermatology*⁵
- <u>Phase 2b</u> results published in *New* England Journal of Medicine⁶
- <u>Two phase 3 studies</u> are ongoing (NCT04211363; NCT04211389)
- A phase 3 open-label extension study is ongoing (NCT04286607)

Click to request:

Phase 1/2a manuscript

Phase 2b manuscript

Click to learn more about clinical trials of topical roflumilast:

Learn more





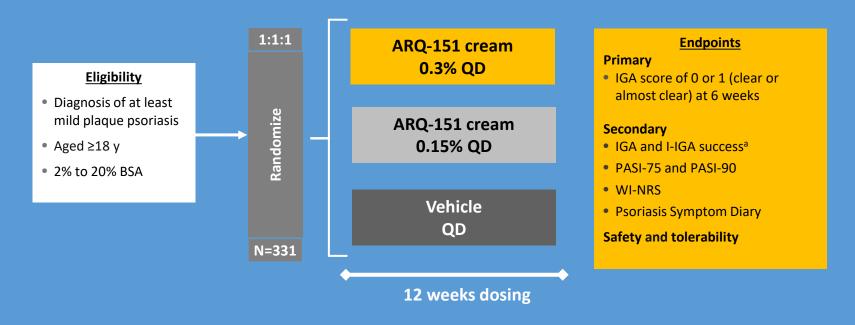
- 1. Torsekar and Gautam. *Indian Dermatol Online J.* 2017;8:235-245. 2. Bhosle et al. *Health Qual Life Outcomes*. 2006;4:35. 3. Henry et al. *PLoS One*. 2016;11:e0157843.
- 4. Li et al. Front Pharmacol 2018;9:1048. 5. Papp et al. J Drugs Dermatol. 2020;19:734-740. 6. Lebwohl et al. N Engl J Med. 2020;383:229-239.





Phase 2b Study of Roflumilast Cream in Psoriasis

Randomized, double-blind, vehicle-controlled multicenter study



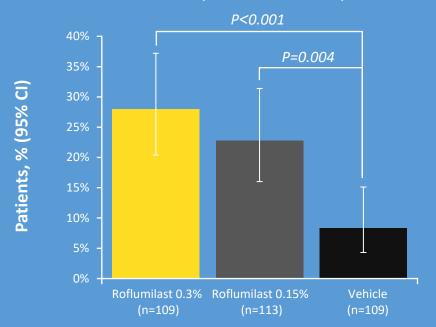
Click here to view data snapshot





Phase 2b Data for Roflumilast Cream in Psoriasis

Roflumilast met its primary endpoint of statistically significant achievement of IGA 0 or 1 (clear or almost clear) at week 6





Most patients with baseline intertriginous psoriasis of at least mild severity achieved I-IGA status of "clear" at week 12 (93%)



Rapid improvement in patient-reported itch and burden of disease as early as week 2^a



Most TEAEs were mild or moderate, and the incidence of application-site reactions was similar between groups

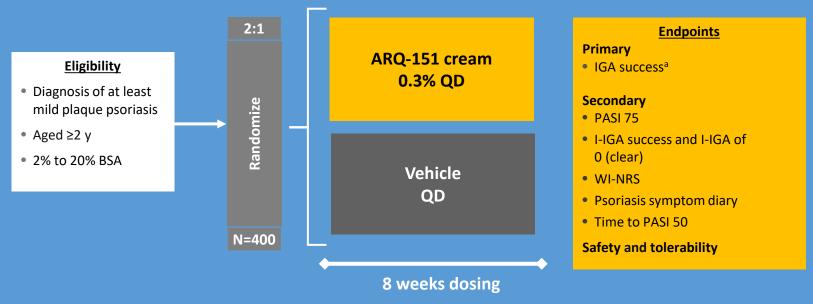
Click here to request the publication in New England Journal of Medicine

^aThe first time point after the start of roflumilast treatment was week 2. CI, confidence interval; IGA, investigator global assessment; I-IGA, intertriginous investigator global assessment. Lebwohl et al. *N Engl J Med.* 2020;383:229-239.





Two Phase 3 Studies (DERMIS-1/-2) Are Ongoing for Roflumilast Cream in Psoriasis^{1,2}



A phase 3 open-label extension study (DERMIS-OLE) evaluating long-term safety of topical 0.3% roflumilast is also ongoing³



Roflumilast Cream (ARQ-151) in Atopic Dermatitis

Landscape

- Atopic dermatitis is a common chronic inflammatory skin disease that affects both children and adults¹
- Itch is the most burdensome symptom, causing patients to experience substantially reduced quality of life and sleep disturbances²
- The skin barrier is typically compromised in atopic dermatitis³
- Topical corticosteroids and emollients are the standard of care³
- Steroids are not suitable for long-term use, and children are at risk for greater systemic absorption³

Mechanism

Development





Roflumilast Cream (ARQ-151) in Atopic Dermatitis

Mechanism

- Elevated PDE4 levels are found in the keratinocytes of individuals with atopic dermatitis³
- PDE4 inhibition decreases inflammatory response and pruritus^{3,4}
- Roflumilast cream (ARQ-151) is a selective and highly potent PDE4 inhibitor that may reduce inflammatory response in atopic dermatitis



Development





Roflumilast Cream (ARQ-151) in Atopic Dermatitis

Landscape

Development

- Phase 2 study completed (NCT03916081)
- Phase 3 study planned

Click to learn more about clinical trials of topical roflumilast:

Learn more

Mechanism

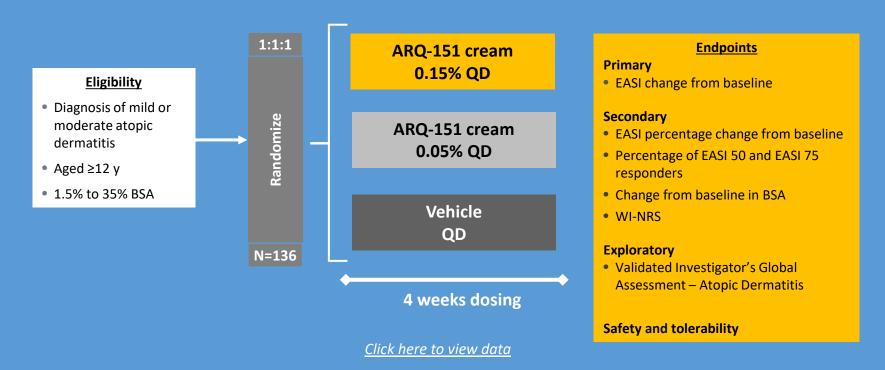






Phase 2 Study of Roflumilast Cream in Atopic Dermatitis

Randomized, double-blind, vehicle-controlled multicenter study







Clinical Development of Roflumilast Cream in Atopic Dermatitis



A phase 2 proof-of-concept study showed consistent evidence of symptomatic improvement across endpoints and favorable tolerability



Both 0.05% and 0.15% doses showed statistically significant improvements compared with vehicle on key secondary endpoints



Roflumilast cream 0.15% trended toward significance for the primary endpoint (EASI change from baseline)



Pivotal phase 3 clinical trials are planned to begin in late 2020 or early 2021



Roflumilast Foam (ARQ-154) in Seborrheic

Dermatitis

Landscape

- Seborrheic dermatitis typically appears as erythematous patches on the scalp and face¹
- Seborrheic dermatitis is associated with itch and reduced quality of life^{1,2}
- Current treatments include topical antifungals and corticosteroids for the face and body, and medicated shampoos for the scalp¹
- Treatment may require alternative formulation (eg, foam) suitable for hair-bearing areas

Mechanism

Development





Roflumilast Foam (ARQ-154) in Seborrheic Dermatitis

Landscape

Mechanism

- Roflumilast is a selective and highly potent anti-inflammatory PDE4 inhibitor that may reduce itch and flaking of the skin
- Foam formulation allows for use on all parts of the body, including hairbearing areas

Development





Roflumilast Foam (ARQ-154) in Seborrheic Dermatitis

Landscape

Development

- <u>Phase 2b</u> study is ongoing (<u>NCT04091646</u>)
- Open-label long-term study is ongoing (NCT04445987)

Click to learn more about clinical trials of topical roflumilast:

Learn more

Mechanism

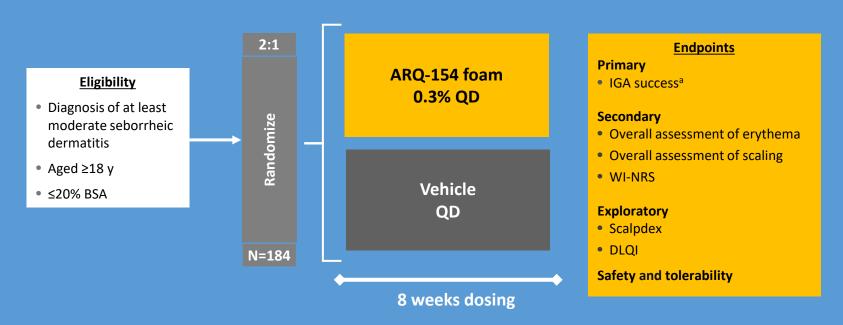






Phase 2 Proof-of-Concept Study of Roflumilast Foam in Seborrheic Dermatitis

Randomized, double-blind, vehicle-controlled multicenter study





Roflumilast Foam (ARQ-154) in Scalp

Psoriasis

Landscape

- Scalp psoriasis is characterized by silvery-white scales and is often the first manifestation of psoriasis on the body¹
- Patient with scalp psoriasis experience reduced quality of life due to itch and embarrassment¹
- Many topical formulations may be difficult to apply directly to hairbearing areas or may make the appearance of hair unacceptable¹
- Requires formulation (eg, foam) suitable for hair-bearing areas







Roflumilast Foam (ARQ-154) in Scalp Psoriasis

Mechanism

- PDE4 activity is elevated in psoriatic skin²
- Roflumilast is a highly potent antiinflammatory, antipruritic
 PDE4 inhibitor
- Foam formulation allows for use on all parts of the body, including hair-bearing areas







Roflumilast Foam (ARQ-154) in Scalp

Psoriasis

Development

• Phase 2b trial is ongoing (NCT04128007)

Click to learn more about clinical trials of topical roflumilast:

Learn more

Landscape

Mechanism

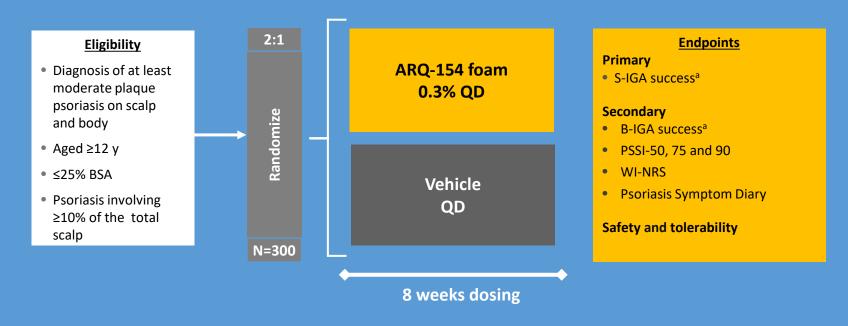






Phase 2b Study of Roflumilast Foam in Scalp Psoriasis

Randomized, double-blind, vehicle-controlled multicenter study





JAK1 Inhibitors ARQ-252 and ARQ-255

ARQ-252 is a selective and highly potent topical JAK1 inhibitor under investigation as a cream for the treatment of <u>hand eczema</u> and <u>vitiliqo</u>

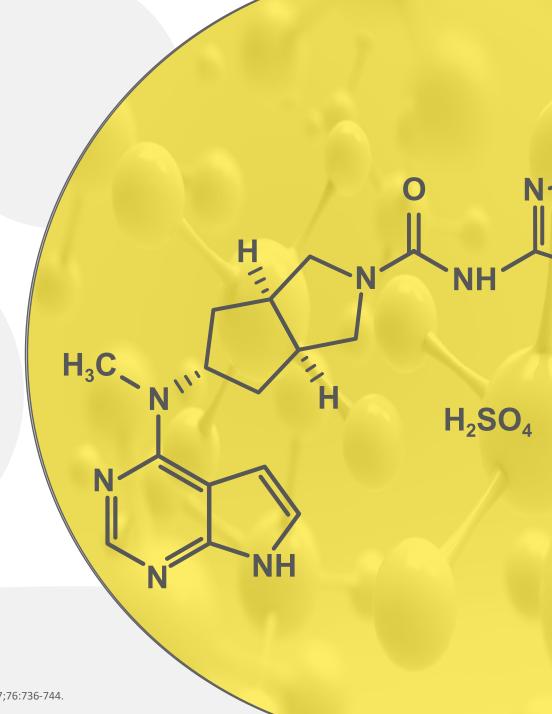
ARQ-252 demonstrates greater potency for JAK1 than JAK2,¹ which may avoid hematological adverse effects typically associated with JAK2 inhibition²

Selective inhibition of JAK1 has demonstrated efficacy for treatment of inflammatory conditions including rheumatoid arthritis, Crohn's disease, psoriasis, and atopic dermatitis³

ARQ-255 is a formulation of ARQ-252 modified to deliver the drug deep into the dermis for the treatment of *alopecia areata*

Click here to learn more about JAK1 inhibition







JAK1 Inhibitors

ARQ-25

ARQ-252 is a se investigation as

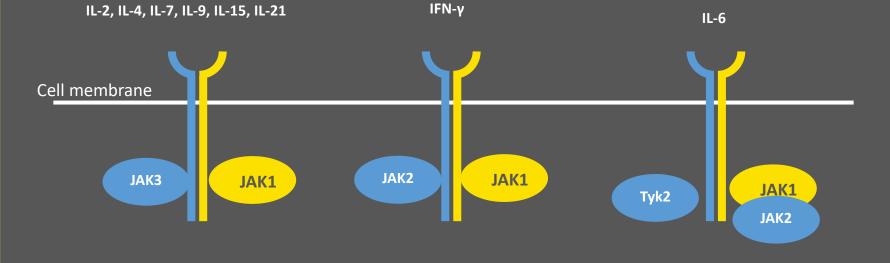
ARQ-252 demo may avoid hem JAK2 inhibition

Selective inhibition inflammatory of psoriasis, and a

ARQ-255 is a for the treatme

Role of JAK1 in immunomodulation

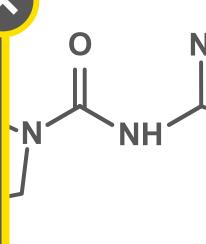
JAK-dependent cytokines contribute to immunodermatologic conditions^{1,2}



Click to learn more about how JAK1 inhibition may reduce inflammation

IL, interleukin; IFN, interferon.

1. Schwartz et al. Nat Rev Drug Discov. 2017;17:78. 2. Fragoulis et al. Rheumatology. 2019;58:i43-i54.



H₂SO₄



JAK1 Inhibitors

ARQ-25

ARQ-252 is a se investigation as

ARO-252 demo may avoid hem JAK2 inhibition

Selective inhibi inflammatory d psoriasis, and a

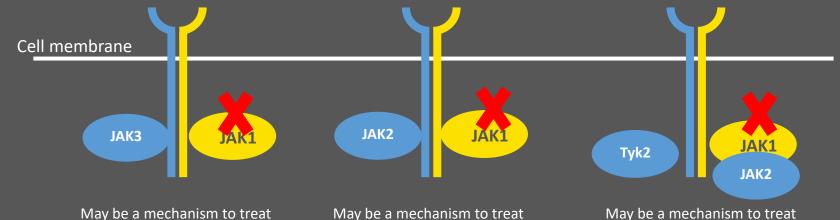
ARQ-255 is a fo for the treatme



Selective JAK1 inhibition modulates immunodermatology pathways

Selective JAK1 inhibition modulates or reduces the activity of specific cytokines while maintaining other JAK-dependent immunomodulatory pathways, with the potential for fewer adverse events than pan-JAK inhibitors

IL-2, IL-4, IL-7, IL-9, IL-15, IL-21 IFN-v



Alopecia areata

May be a mechanism to treat

- Atopic dermatitis/eczema
- Vitiligo

Schwartz et al. Nat Rev Drug Discov. 2017;17:78.

May be a mechanism to treat

IL-6

H₂SO₄

• Atopic dermatitis/eczema





Topical JAK Inhibitor Cream (ARQ-252) in Hand Eczema

Landscape

- Chronic hand eczema is a common condition that occurs in different forms¹
- Chronic hand eczema negatively affects quality of life and incurs a substantial economic burden (eg, reduced work productivity)^{2,3}
- There is a considerable unmet need for new therapies for hand eczema, since few therapies are approved, and most patients and physicians are not satisfied with current treatment options³

Development

Mechanism



1. Diepgen et al. Br J Dermatol. 2009;160:353-358. 2. Bingefors et al. Acta Derm Venereol. 2011;91:452-458. 3. Dibenedetti et al. J Clin Aesthet Dermatol. 2015;8:19-27. 4. Howell et al. Front Immunol. 2019;10:2342.





Mechanism

- JAK inhibition, including JAK1, has been shown to reduce pruritus⁴
- ARQ-252 is a selective and highly potent topical, small molecule JAK1 inhibitor

Development

Landscape



1. Diepgen et al. Br J Dermatol. 2009;160:353-358. 2. Bingefors et al. Acta Derm Venereol. 2011;91:452-458. 3. Dibenedetti et al. J Clin Aesthet Dermatol. 2015;8:19-27. 4. Howell et al. Front Immunol. 2019;10:2342.



Topical JAK Inhibitor Cream (ARQ-252) in Hand Eczema

Development

Landscape

Mechanism

 Phase 1/2b study is ongoing (NCT04378569)

Click to learn more about clinical trials of topical JAK inhibition:

Learn more



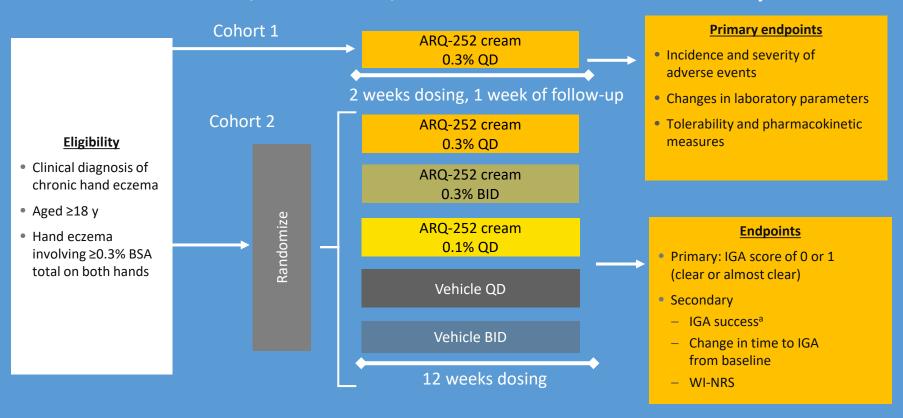
1. Diepgen et al. Br J Dermatol. 2009;160:353-358. 2. Bingefors et al. Acta Derm Venereol. 2011;91:452-458. 3. Dibenedetti et al. J Clin Aesthet Dermatol. 2015;8:19-27. 4. Howell et al. Front Immunol. 2019;10:2342.





Phase 1/2b Study Design of Topical JAK Inhibitor Cream in Hand Eczema

Randomized, Double-blind, Vehicle-controlled Multicenter Study







Landscape¹

- Recommended therapies include narrow band ultraviolet B, tacrolimus, and topical steroids
- As there are limited treatment options available to treat vitiligo, there is a critical need for safe and effective drug therapies for this condition

Development

Mechanism







Mechanism

- Inhibition of the JAK-STAT pathway induces successful repigmentation in vitiligo²
- ARQ-252 is a selective and highly potent topical, small molecule JAK1 inhibitor





Landscape

Development







Development

Landscape

Mechanism

• Phase 2a planned





Topical Roflumilast Suspension (ARQ-255) in Alopecia Areata

Landscape^{1,2}

- There are currently no approved therapies for alopecia areata
- Because of unpredictable and spontaneous remission, optimal duration of therapy and therapeutic dosing regimens have not been well characterized

Development

Mechanism



1. Wagner. J Invest Derm Symp P. 2015;17:67-69. 2. Fricke and Miteva. Clin Cosmet Investig Dermatol. 2015;8:397-403. 3. Triyangkulsri and Suchonwanit. Drug Des Devel Ther. 2018:12.





Mechanism

- JAK-STAT inhibition is a promising target for the treatment of alopecia areata³
- ARQ-255 is a selective and highly potent topical, small molecule JAK1 inhibitor formulated to deliver drug deep into the dermis

1. Wagner. J Invest Derm Symp P. 2015;17:67-69. 2. Fricke and Miteva. Clin Cosmet Investig Dermatol. 2015;8:397-403. 3. Triyangkulsri and Suchonwanit. Drug Des Devel Ther. 2018:12.



Development

