

Venus Concept (NASDAQ:VERO)

Investor Overview

Winter 2024



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This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Any statements contained herein that are not of historical facts may be deemed to be forward-looking statements. In some cases, you can identify these statements by words such as “anticipates,” “believes,” “plans,” “expects,” “projects,” “future,” “intends,” “may,” “should,” “could,” “estimates,” “predicts,” “potential,” “continue,” “guidance,” and other similar expressions that are predictions of or indicate future events and future trends. These forward-looking statements include, but are not limited to, statements about our product and service offerings; financial performance and metrics; business growth prospects and aspirations; and the efficacy of the restructuring plan, workforce reduction and management transition. These forward-looking statements are based on current expectations, estimates, forecasts, and projections about our business and the industry in which the Company operates and management’s beliefs and assumptions and are not guarantees of future performance or developments and involve known and unknown risks, uncertainties, and other factors that are in some cases beyond our control. As a result, any or all of our forward-looking statements in this communication may turn out to be inaccurate. Factors that could materially affect our business operations and financial performance and condition include, but are not limited to, general economic conditions and involve risks and uncertainties that may cause results to differ materially from those set forth in the statements and those risks and uncertainties described under Part II Item 1A—“Risk Factors” in our Quarterly Reports on Form 10-Q and Part I Item 1A—“Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. You are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on the forward-looking statements.

All forward-looking statements in this presentation are based on information available to us as of the date of this presentation. Except as expressly required by applicable law, we assume no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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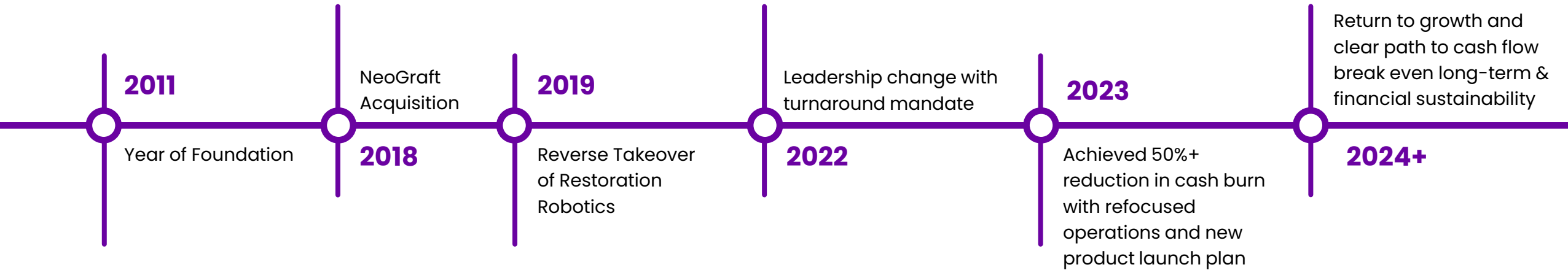
Investment Highlights

Venus Aesthetic Intelligence (Venus.AI) is a future-oriented approach to aesthetics innovation that aims to be transformational in delivering more than just leading device performance—with a shift towards total practice performance—from the moment the patient enters the clinic to post-treatment recovery

- 1** Comprehensive aesthetic portfolio of innovative energy-based devices with market leading platforms in all key treatment segments, including Face/Skin, Body Contouring and Hair Removal
- 2** Unique competitive positioning providing complete practice solutions for both Core (Physician) and fast-growing Non-Core (Medi-Spa) markets
- 3** Market leading Robotic Hair Restoration business expanding core access to male aesthetics segment and offering tremendous option value for the Company
- 4** Exciting and innovative Venus.AI technology pipeline, leveraging advanced R&D capabilities in energy-based technologies, robotics automation and AI/ML technologies, to deliver next-generation aesthetic robotics solutions (AI.ME)
- 5** Scalable global operating infrastructure with established direct US/NA coverage and an expanding hybrid (direct/distributor) network delivering profitable international growth
- 6** Successful business restructuring completed and capital restructuring near completion - delivering right-sized cost base, enhanced quality of revenues and working capital efficiency, and a refocused innovation roadmap - collectively providing a clear path to cash flow profitability and double-digit long-term growth



Company History & Leadership Team



Our Leadership Team



Rajiv De Silva
Chief Executive Officer



Dr. Hemanth Varghese
President & Chief Operating Officer



Domenic Della Penna
Executive Vice President & Chief Financial Officer



Michael Mandarello
General Counsel & Corporate Secretary



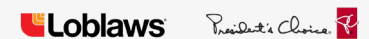
Ross Portaro
Executive Vice President & General Manager, Sales and Marketing
















William McGrail
Executive Vice President, R&D, Technical Operations and Compliance




Anna Georgiadis
Chief Human Resources Officer



Company Uniquely Positioned in the Aesthetic Industry

	Face & Skin	Body	Hair Restoration	Hair Removal
 VENUS				
				
				
				
				
				
				
				
				
				

 Offer products in the segment



Offer advanced robotics capability in the space



Future robotic offering



Only company with advanced robotics & AI/ML capabilities



End-to-end technology and portfolio



Pioneer in aesthetics robotics



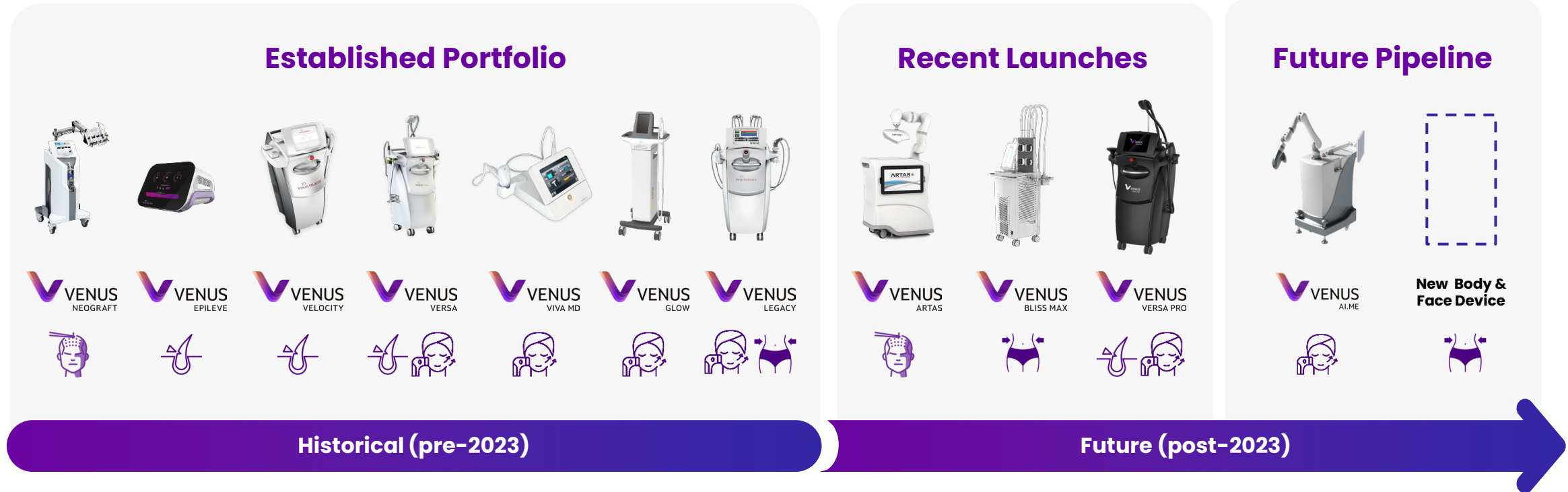
Market leader in Hair Restoration / Men's Health



Targeted and diversified global presence



A Company in Evolution



- **High quality energy-based** aesthetic device portfolio
- **Uniquely positioned** among competitors in **hair restoration**
- Emphasis on **subscription sales (internal financing) model**
- Global direct presence (**peak of 26 direct offices**)

- Expected launch of **industry first robotics platform in aesthetics**
- **Rejuvenation** of **energy-based** device portfolio
- Emphasis on **higher quality cash sales model**
- **Focused** geographic model (<10 direct offices)

Broad Portfolio Offering Across Modalities & Key Segments

Product	Segment				Technology						
	Face	Body	Hair Removal	Hair Restoration	Laser	Light (IPL, LED, LHE)	Radio-Frequency (Monopolar, Multipolar)	Electro magnetic Energy (PEMF / HIEF)	Electrical Muscle Stimulation	Robotics or AI / IoT	Mechanical
● Viva MD							✓	✓			
● Versa / Versa Pro						✓	✓	✓			
● Velocity					✓					✓	
● Legacy							✓	✓			
● Bliss Max					✓		✓	✓	✓	✓	
● Neograft										✓	✓
● ARTAS										✓	✓
● Epileve					✓					✓	
● New Face & Body							✓	✓	✓	✓	
● AI.ME Platform										✓	✓

● = Available in US based on FY23 sales data and Venus Concept US website

● = Under Development

= Face & Skin

= Body

= Hair Restoration

= Hair Removal

= Robotics

Sources: Company Analysis; Company Website; 10K Report.

Market Leading Platforms Across All Key Aesthetic Segments

Core Product Platforms with Best-in-Class Performance



VENUS
VIVA MD

Skin resurfacing device using NanoFractional RF with SmartScan Technology



VENUS
BLISS MAX

3-in-1 solution targeting fat, muscle and skin body treatments



VENUS
VELOCITY

Diode laser with gold standard efficacy and safety and IoT technology



VENUS
LEGACY



VENUS
VERSA PRO

Best Selling Versatile Platforms with Broad Customer Reach



Venus Viva MD

Fractional RF & MP(2) Technology for Skin Rejuvenation



Unique Technology Offering to Tighten the Skin and Elicit Collagen Formation

SMARTSCAN™ Patented Tip Technology



80 pin tip

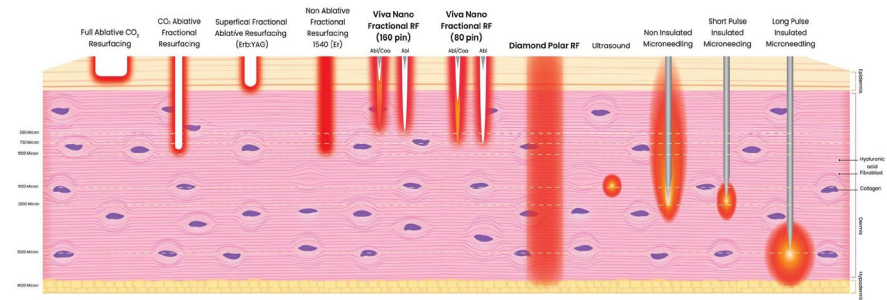
(with up to 124 mJ/pin)
for more severe skin concerns—scars, acne scars, rhytides



160-pin tip

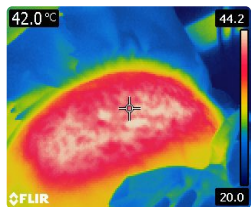
(with up to 62 mJ/pin)
for milder skin texture irregularities

Evolution & comparison of fractional skin rejuvenation

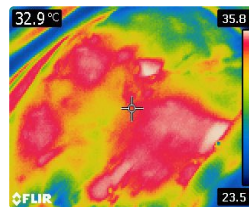


VENUS
VIVA MD

Head-to-Head RF Comparison



Venus - Multi Polar RF
After 7 minutes



Competitor-Bi polar RF
After 15 minutes

Same Power, ½ The Time, 9° Higher!

Results Revealed After 6 Wrinkle Reduction and 3 Skin Resurfacing Treatments



Before



After

VENUS

Venus Bliss Max

Complete Body Transformation



The Ultimate 3-in-1 Solution for Body Treatments



Four FlexMAX EMS applicators for hands-free muscle definition and toning

Muscle



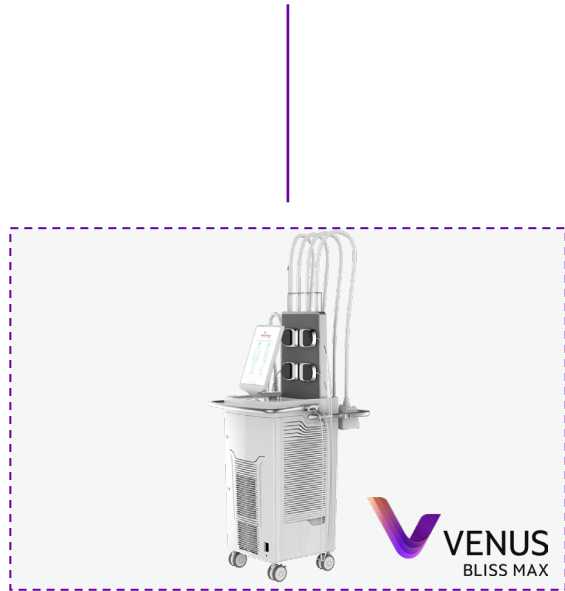
Proprietary **(MP)2 tech** with VariPulse vacuum massage for skin tightening and cellulite reduction

Fat



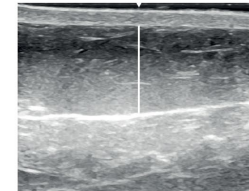
Four 1,064 nm diode lasers for non-invasive lipolysis with hands-free operation

Skin & Cellulite

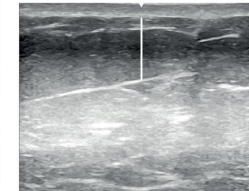


Clinical Result of One Diode Laser Treatment

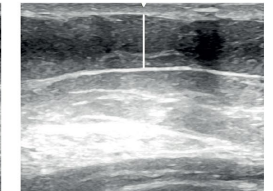
UP TO A **41%** REDUCTION IN ADIPOSE LAYER THICKNESS



Baseline (1.30 cm)

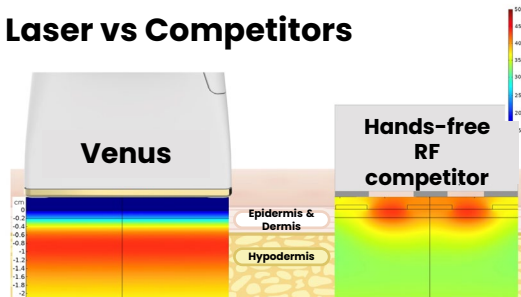


6 weeks after treatment (0.95 cm)
27% Decrease



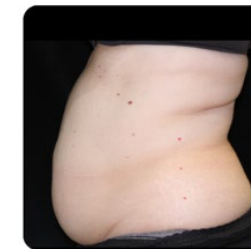
12 weeks after treatment (0.80 cm)
41% Decrease

Venus Diode Laser vs Competitors



- Homogenous heating of the hypodermis vs Uneven heating in the issue
- Complete treatment area reached target temp vs Hypodermis does not reach therapeutic temp

Results Revealed After 3 Fat Reduction and 5 Muscle Toning, Skin Treatments



Before



After



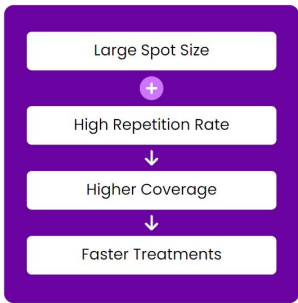
Venus Velocity

The Gold Standard in Laser Hair Removal

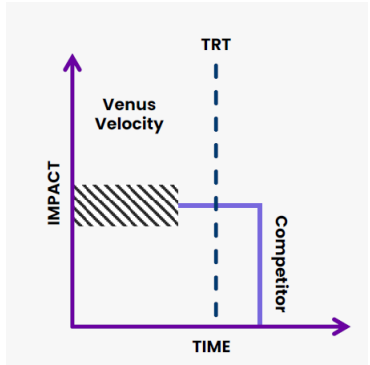


The Comprehensive Hair Removal Tabletop Solution

Ergonomic Applicators With 3 Changeable Spot Sizes



<p>1</p> <p>7 cm² tip Up to 3 Hz Energy Density 4-20 J/cm²</p>	<p>2</p> <p>3.5 cm² tip Up to 5 Hz Energy Density 4-40 J/cm²</p>	<p>3</p> <p>1.7 cm² tip Up to 10 Hz Energy Density 6-100 J/cm²</p>
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With a wavelength of **800 nm**, Venus Velocity™ provides the optimal balance between high energy absorption of melanin chromophores and deep penetration into the skin, making it **safe and effective for all skin types**, including tanned skin

Advantages Of Diode Over Alex & ND:YAG



Higher Stability
Fewer parts
= less maintenance and
inexpensive treatment



Less Cooling Required
Solid state lasers heat up
quickly requiring a more
aggressive cooling system,
which uses a lot of electricity
and is prone to failure



**Lower Maintenance
and Running Costs**
Diode lasers are 10x
more efficient optically
and electrically

Before ————— After



After 5 Treatments —————



FY 2023 Product Launch: Versa Pro

Fresh Update of one of Venus's Most Versatile Devices



Strong upgrade opportunity with a potential install base of 2,200+ systems globally, 1,300+ in the US, in addition to new device sales



An improved look & feel, with the addition of the Viva MD applicator and Viva tip consumables to increase recurring revenue base



New system includes:

- New color of the main console
- 10 handpieces, like before, with the addition of Viva MD applicator to replace the Viva applicator
- New 80 pin tips for a deeper ablation and coagulation effect (up to 750nm)
- New branded procedure to leverage combination treatment
- Launch kit including marketing materials & education program



Venus Hair: ARTAS

First and Only Complete Hair Robotics Restoration Platform



ARTAS Overview

Dynamic **HD vision** system having **44-micron** resolution with AI integration provides precise and intelligent follicular tracking



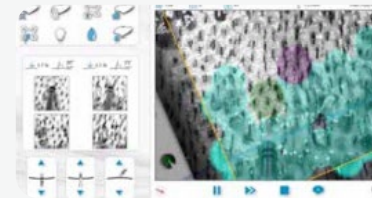
Harvesting

State-of-the-art **six-degree robotic arm** increases operational efficiency, consistency and repeatability



Use Cases
Implantation

Advanced AI consistently analyzes, monitors and tracks each hair follicle's characteristics and adjusts for patient movement



Site Making

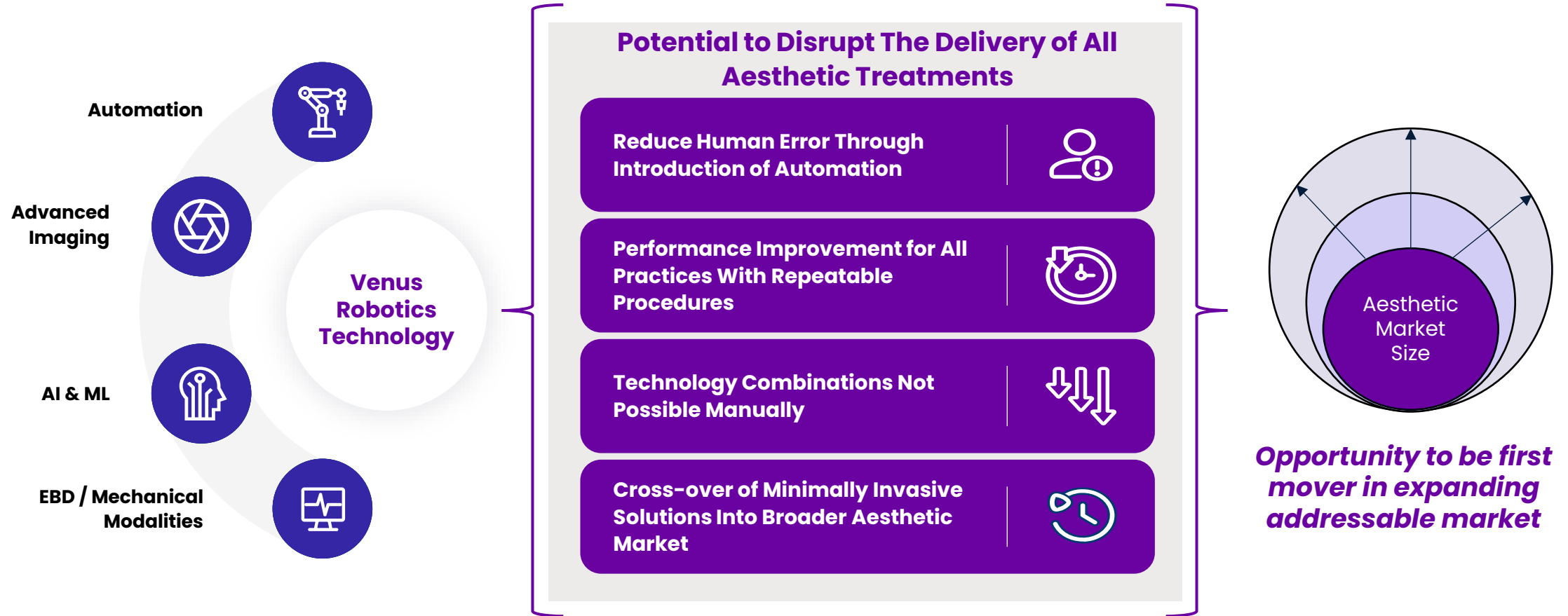
2022 Update Significantly Improved Implantation Speed



ARTAS is the only hair restoration robotic solution available in the market today, leveraging all the distinct advantages of a medical robotic platform: Enhanced HD vision, Customized pre-operative planning and real-time navigation and tracking (supported by AI/ML). With the ARTAS platform, Venus is leading the industry in transitioning from manual FUE to robot-assisted automated HR procedures, enhancing speed and quality of treatment outcomes

Future of Aesthetics Practices

Opportunity to lead introduction of Robotics/AI to enhance treatment delivery

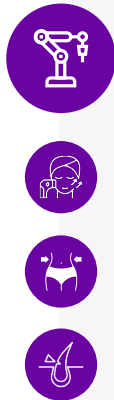


Venus AI.ME

Our Next-Generation Aesthetic Platform



The First Robotic Aesthetic Offering



Platform Approach

- ✓ Same base platform with automated delivery method and powered by latest AI/ML technology
- ✓ Non-invasive (automated) platform targeting Non-Core segment
- ✓ Non-invasive & Minimally Invasive option targeting Core Physicians

Competitive Advantage

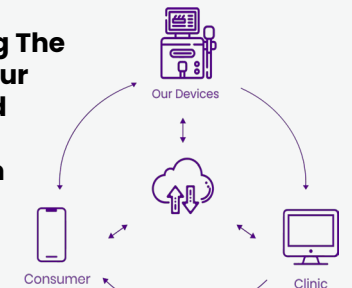
- ✓ Incorporates automation into workflow to reduce human error
- ✓ Proven history from Hair Restoration experience
- ✓ Flexible in adapting Venus Aesthetic technologies and combination technology offerings
- ✓ State of the art software to deliver high precision outcomes

Technologies

- ✓ Microneedling
- ✓ MP(2)
- ✓ Hair Removal
- ✓ Cellulite
- ✓ Diode Laser

Venus Connect

Leveraging The Power of Our Connected Device Ecosystem



Updated Strategic Plan: Key Pillars

01

Right sizing the business by rationalizing our international infrastructure, reducing costs and simplifying the organization

Completed ✓

02

Changing business model to focus on cash sales and reduce reliance on subscription sales model

Completed ✓

03

Focusing on the US as our primary market while maintaining an optimal mix of direct presence and distributors in international

Completed ✓

04

Strengthening financial health by simplifying existing capital structure and raising capital to catalyze product and commercial growth drivers

05

Returning to growth through investing in R&D with a focus on robotics with targeted efforts to rejuvenate our energy-based product portfolio and to build a sustainable consumables revenue base to complement device sales. Pursue business development opportunities to accelerate growth and pipeline progress

06

Demonstrating long-term financial sustainability by achieving cash flow break even through execution of product growth plan, managed cost spend, improvement of working capital and focused R&D investments

Phase 1

Phase 2 – Current Focus



Strong Results from Phase I Turnaround Plan

Category	Status	FY 2022	LTM Q3'24	Commentary
Rationalizing the Cost Base	✓ ✓	Cash OPEX		<ul style="list-style-type: none"> Reduction of 22% in cash OPEX and 27% in GAAP OPEX period over period
		\$87M	→ \$68M	
Shifting to Higher Quality Revenues	✓ ✓	Cash vs. Subscription		<ul style="list-style-type: none"> Successful re-balancing of business model Remaining subscription sales under new credit model
		58% : 42%	→ 69% : 31%	
Refocus on the US and Optimize International Markets	✓	Direct Offices		<ul style="list-style-type: none"> Reduction of 5 offices as of Q4 2024
		15	→ 10	
Reduction in Cash Burn	✓ ✓	CF From Ops / Unlevered CF¹		<ul style="list-style-type: none"> 70% and 78% reduction in Cash Flow from Ops and Unlevered Cash Flow¹, respectively
		(\$27M) / (\$23M)	→ (\$8M) / (\$5M)	

1. Unlevered Cash Flow is defined as Cash Flow from Operations excluding Finance Expenses minus CAPEX

Debt Restructuring Complete to Date

October 2023:
Provided Financial Relief & Flexibility for the Company in the Short-Term

Term Loan (CNB)

- On October 5th, 2023, the Company announced that CNB restructured the loan to provide relief and flexibility
- Per the agreement, 100% (\$7.7M) of the 2023 annual payment of principal plus accrued interest is deferred to end of term, and 50% (\$3.9M) of the 2024 annual payment of principal plus accrued interest is deferred to end of term (represents ~\$11.6M in total deferred payment)
- Agreement includes a \$3.0M minimum cash covenant and interest rate reset to 1-month SOFR + 3.25%

Convertible Debt (Madryn)

- On October 5th, 2023, the Company announced that Madryn restructured its convertible notes to provide relief and flexibility
- Per the agreement, \$5.0M of the original convertible debt was exchanged for new senior convertible preferred stock, which pays a 12.5% dividend-in-kind on a quarterly basis
- The remaining outstanding balance of the notes bear an interest rate of 3-month adjusted SOFR + 8.5% per annum; interest payments are PIK'd and the notes carry a new conversion price of \$24.00

April & May 2024:
First Step in a Multifaceted Plan to Simplify the Company's Capital Structure and Provide Operational Capital

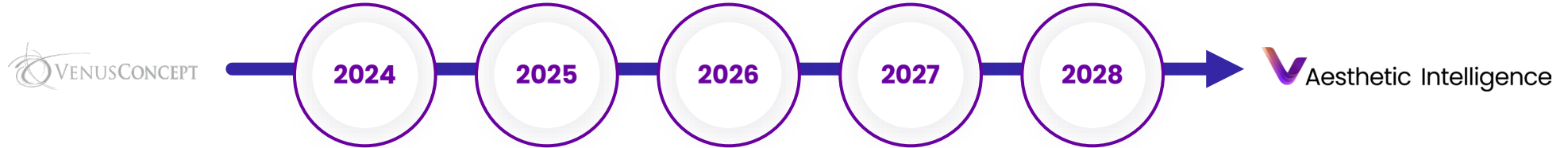
Term Loan (Madryn)

- On April 24th, 2024, the Company announced that Madryn purchased the MSLP loan from CNB
- The MSLP Loan balance was \$51.3M as of 12/31/23 and carried an interest rate of 1-month SOFR + 3.25%
- On May 28th, 2024, and September 9th, 2024, Madryn exchanged \$35.0M and \$15.0M, respectively, of the MSLP loan into Series Y Preferred Shares

Bridge Loan (Madryn)

- On April 24th, 2024, the Company announced that Madryn, in conjunction with the MSLP Loan purchase, entered into a Loan and Security Agreement
- The Loan provides up to \$5.0M in debt financing to support the Company's near-term liquidity requirements
- \$2.2M of this facility was drawn down at closing at an interest rate of 12.0% and as of Q3'24, \$4.4M is outstanding

Growth Drivers Based on Key Pillars



Updated R&D roadmap & New Product Innovation strategy (Venus Aesthetics, Venus Hair, AI.ME Robotics, Venus.AI)



Re-structured International Business (Direct, Distributors, Hybrid) and Expanded Market Access (e.g. China, India)



Strong Focus on Cash Generation while Leveraging New Business Solutions (e.g. Venus Prime)



Advance Business Development / M&A Strategy in Aesthetics, Venus Hair and AI.ME Robotics

Longer-Term Aspirations

Growth Aspirations

Revenue: Double Digit Growth
Operating Cash Flow: ~50% Cash Burn Reduction YoY, Positive in 2026
EBITDA Margin: Positive in 2H 2025, Industry Standard 2026+

'23 & '24

Right size business, re-focus business model and rejuvenate R&D

'25

Growth with key pipeline launches

'26+

Accelerate pipeline / inorganic growth



VENUS

