

# **Venus Concept (NASDAQ:VERO)**

## **Investor Overview**

**Spring 2025**



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## Cautionary Note Regarding Forward-Looking Statements

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.

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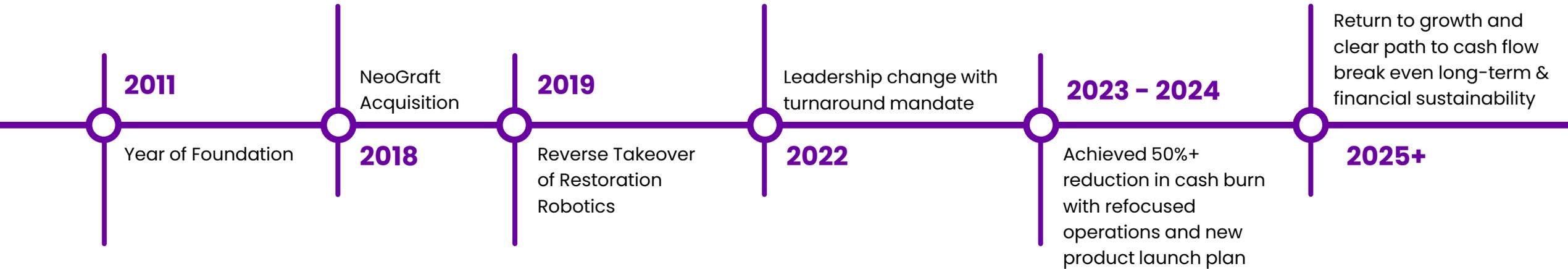
# Investment Highlights

*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



**Domenic Della Penna**  
Executive Vice President & Chief Financial Officer



**Michael Mandarello**  
Chief Legal Officer and Head of Strategy & Operations



**Ross Portaro**  
Executive Vice President, Commercial Strategy and Head of Venus Hair



**Kirk Gunhus**  
Chief Revenue Officer



**Melissa Kang**  
Chief Product Officer



**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



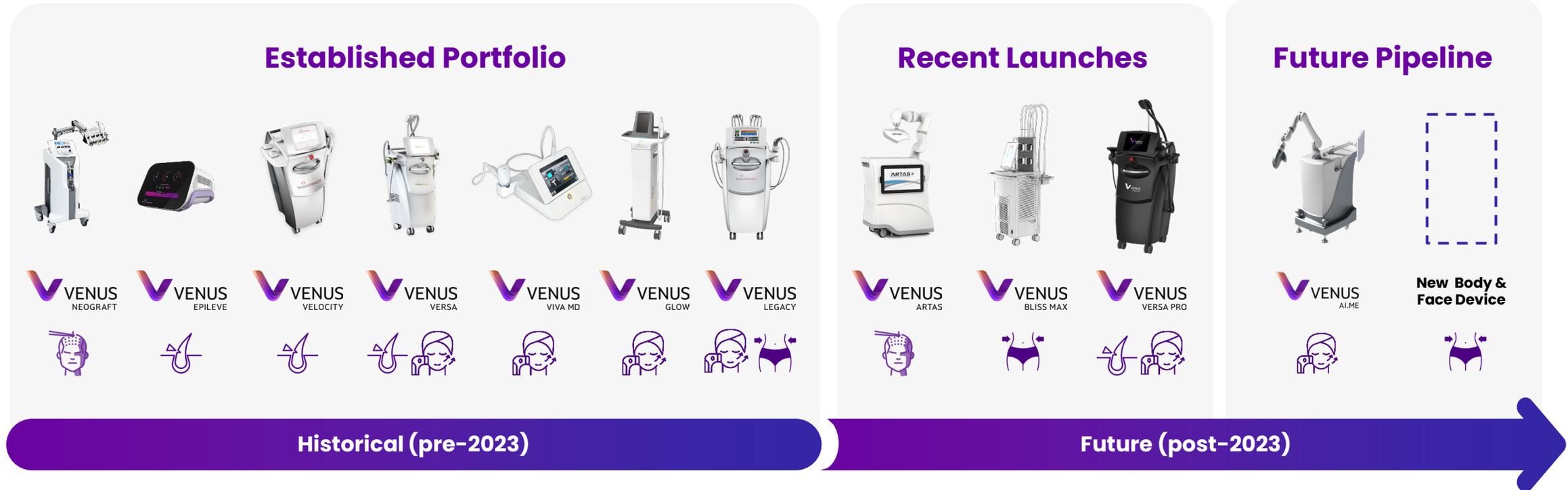
Market leader in Hair Restoration / Men's Health



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

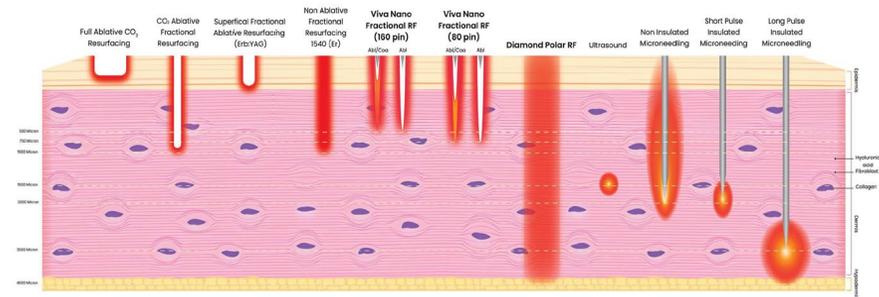
(with up to 124 mJ/pin)  
for more severe skin concerns—scars, acne scars, rhytides



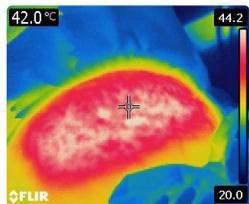
#### 160-pin tip

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

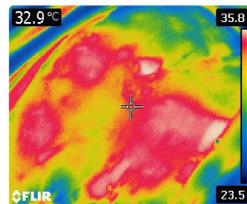
### Evolution & comparison of fractional skin rejuvenation



### 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 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



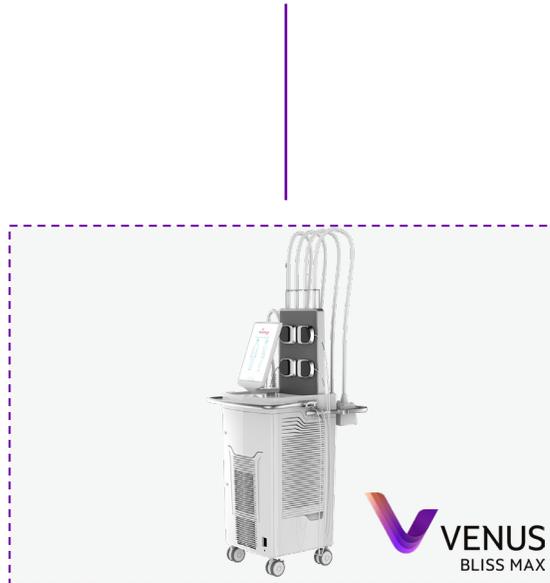
Proprietary (MP)2 tech with VariPulse vacuum massage for skin tightening and cellulite reduction

Fat



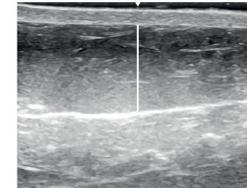
Four 1,064 nm diode lasers for non-invasive lipolysis with hands-free operation

Skin & Cellulite

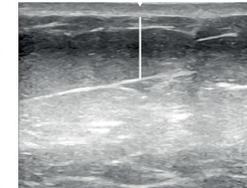


### Clinical Result of One Diode Laser Treatment

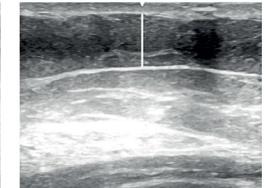
UP TO A 41% REDUCTION IN ADIPOSE LAYER THICKNESS



Baseline (1.30 cm)

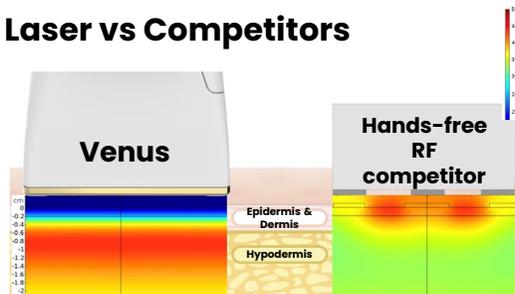


6 weeks after treatment (0.95 cm)  
27% Decrease



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



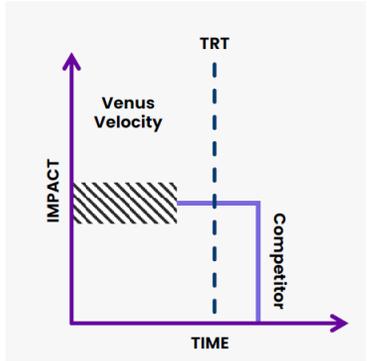
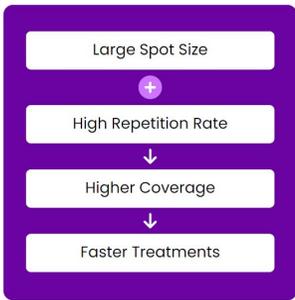
# Venus Velocity

## The Gold Standard in Laser Hair Removal



### The Comprehensive Hair Removal Tabletop Solution

#### Ergonomic Applicators With 3 Changeable Spot Sizes



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



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



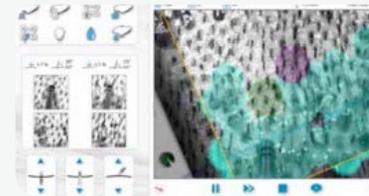
Harvesting

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

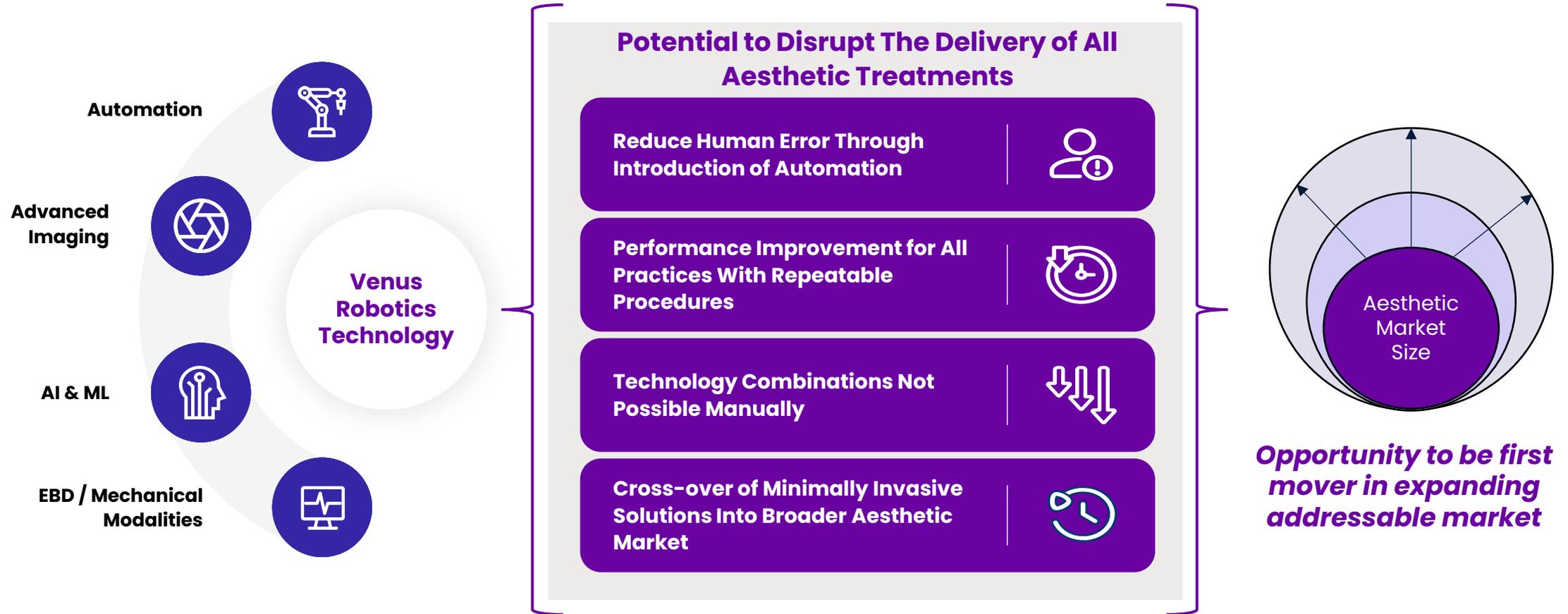
**2022 Update Significantly Improved Implantation Speed**



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

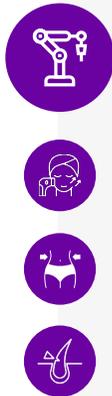


# Venus AI.ME

## 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

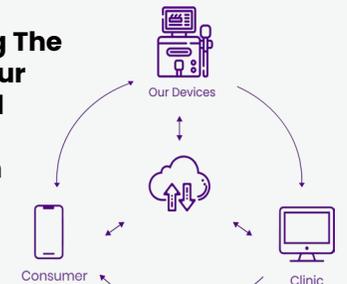
- ✓ Incorporates automation into workflow to reduce human error
- ✓ Proven history from Hair Restoration experience
- ✓ Flexible in adapting Venus Aesthetic technologies and combination technology offerings
- ✓ State of the art software to deliver high precision outcomes

### 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	FY 2024	Commentary
<b>Rationalizing the Cost Base</b>	✓✓	<b>Cash OPEX</b>		<ul style="list-style-type: none"> <li>Reduction of 25% in cash OPEX and 29% in GAAP OPEX period over period</li> </ul>
		\$87M	→ \$65M	
<b>Shifting to Higher Quality Revenues</b>	✓✓	<b>Cash vs. Subscription<sup>1</sup></b>		<ul style="list-style-type: none"> <li>Successful re-balancing of business model</li> <li>Remaining subscription sales under new credit model</li> </ul>
		58% : 42%	→ 74% : 26%	
<b>Refocus on the US and Optimize International Markets</b>	✓	<b>Direct Offices</b>		<ul style="list-style-type: none"> <li>Reduction of 5 offices as of Q4 2024</li> </ul>
		15	→ 10	
<b>Reduction in Cash Burn</b>	✓✓	<b>CF From Ops / Unlevered CF<sup>2</sup></b>		<ul style="list-style-type: none"> <li>59% and 58% reduction in Cash Flow from Ops and Unlevered Cash Flow<sup>1</sup>, respectively</li> </ul>
		(\$27M) / (\$23M)	→ (\$11M) / (\$10M)	

1. Ratio based on systems revenue only

2. 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 5<sup>th</sup>, 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 5<sup>th</sup>, 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 24<sup>th</sup>, 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 28<sup>th</sup>, 2024, and September 9<sup>th</sup>, 2024, Madryn exchanged \$35.0M and \$15.0M, respectively, of the MSLP loan into Series Y Preferred Shares

## Bridge Loan (Madryn)

- On April 24<sup>th</sup>, 2024, the Company announced that Madryn, in conjunction with the MSLP Loan purchase, entered into a Loan and Security Agreement
- The Loan initially provided up to \$5.0M in debt financing to support the Company's near-term liquidity requirements and has been amended over time to increase the capacity available
- As of Q4'24, \$8.3M of this facility was outstanding at an interest rate of 12.0%

# 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:** Cash Burn Reduction YoY, Positive in 2026  
**EBITDA Margin:** 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**

