



SALEM PARTNERS

JULY 2017

SEBACIA

\$20,000,000
SERIES D CONVERTIBLE
PREFERRED STOCK

Sebacia Announces \$36 Million Equity and Debt Financing to Advance Breakthrough In-Office Procedure for Acne

Duluth, Ga., July 25, 2017 – Sebacia, Inc., a privately held, clinical and commercial stage dermatology and aesthetics company, today announced that the company has completed a \$20 million Series D financing led by existing investors Versant Ventures, Domain Associates, Accuitive Medical Ventures and Partners Healthcare Innovation Fund. New investors accounted for approximately 60 percent of the round and include Salem Partners and other undisclosed investors. Additionally, Sebacia closed a \$16 million debt facility with Hercules Capital.

“At this pivotal time, we are grateful for the continued support of our top tier venture capital syndicate and energized by the addition of Salem Partners and other new investors,” said Anthony V. Lando, Sebacia’s Chief Executive Officer. “From intellectual property to extensive clinical experience and a defined clinical path to approval, we believe we have all the pieces to bring Sebacia’s breakthrough treatment for acne to market in Europe and the United States.”

John Dyett of Salem Partners said, “We have been very impressed by the Sebacia team and are excited to join such a distinguished group of institutional life sciences investors.”

Sebacia is developing a proprietary microparticle treatment for moderate to severe acne. Sebacia’s microparticles are delivered in a topical suspension specifically designed to work with hair removal or pigmented lesion treatment laser systems, which are already owned by the dermatologist. The Sebacia treatment is intended to be a simple, physician-guided, in-office procedure that could provide an alternative to existing therapies, such as oral antibiotics and isotretinoin. Sebacia has extensive clinical experience with nearly 2,000 treatments performed to date. The procedure is CE Marked in Europe and is being evaluated in clinical studies in the United States.

Sebacia intends to use the proceeds from the financing to complete a U.S. pivotal trial with expected results reporting by mid-2018, with submission and FDA response expected by the end of 2018. Further, with CE mark and market clearance for commercialization in Europe, Sebacia also intends to expand its commercial presence in the European Union. Additionally, the company plans to expand its worldwide patent estate, which includes the seminal selective photothermolysis methods developed by Dr. R. Rox Anderson at Massachusetts General Hospital.

About Sebacia Microparticles

Made of gold and silica, Sebacia microparticles are specially designed to be activated by the light from commonly used hair removal lasers and are placed in a suspension designed to penetrate the sebaceous follicles. When exposed to a laser pulse, they create a focused photothermal effect in the sebaceous gland and follicle to reduce the activity level of the gland and the inflammatory lesions that cause acne. The Sebacia treatment is being evaluated in clinical studies in the United States and CE Marked in Europe.

About Sebacia

Sebacia, Inc. is a private medical device company dedicated to creating breakthrough topical therapies for the treatment of dermatological conditions affecting millions of people. Sebacia’s goal is to provide a better alternative to the daily use of topical and systemic drugs currently available for the treatment of acne. Sebacia’s patented microparticles technology was invented at Rice University, and the proprietary dermatology applications were further developed with researchers from the Wellman Center of Photomedicine at Massachusetts General Hospital. Sebacia is located in Duluth, Georgia.

About Salem Partners

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Founded in 1997, Salem Partners is an investment banking and wealth management firm with expertise in healthcare & life sciences, media & entertainment and real estate.

Our capabilities have been developed since the firm’s inception to offer a unique and comprehensive base of knowledge regarding the values, risks and financing possibilities connected with the industries we serve.

Salem professionals have completed hundreds of financial and strategic advisory assignments, including advising on over one hundred mergers and acquisitions and financing transactions.

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