



# Transforming Disease Management



November 2023

# Disclaimers

## 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, which are subject to the “safe harbor” created by those sections. These forward-looking statements include, but are not limited to, statements concerning: our 2023 revenue guidance of at least \$200 million; our expected launch of our pipeline expansion by the end of 2025; the potential of DecisionDx-Melanoma test results to help inform more personalized patient management decisions; our belief that DecisionDx-SCC (i) could be used to guide ART the way PNI does in existing guidelines, (ii) may be a benefit to ART when appropriate high-risk patients are identified, (iii) can result in a 40% or greater reduction in risk, (iv) may inform appropriate clinical management decisions related to ART administration in high-risk SCC patients and (v) has the potential for significant cost savings to our healthcare system by helping ensure the appropriate patients receive costly therapies; our mission, vision, strategic guideposts and our strategies for driving long-term growth through strong execution and our operational guideposts; the timing and achievement of program milestones; our estimated U.S. total addressable market for our commercially available tests; our positioning for continued growth; our ongoing studies generating data and their impact on driving adoption of our tests; and study observations and interpretations of study data, including conclusions about the benefits and impact of our tests on treatment decisions and patient outcomes. The words “anticipates,” “can,” “could,” “estimates,” “expects,” “may,” “potential,” “target” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements that we make. These forward-looking statements involve risks and uncertainties that could cause our actual results to differ materially from those in the forward-looking statements, including, without limitation: our estimates and assumptions underlying our estimated U.S. total addressable market for our commercially available tests; the accuracy of our assumptions and expectations underlying our fiscal 2023 and three-year revenue and other financial targets and guidance (including, without limitation, our assumptions or expectations regarding continued reimbursement for our DecisionDx-SCC test at the current rate and reimbursement for our other products and subsequent coverage decisions, our estimated total addressable markets for our products and product candidates and the related expenses, capital requirements and potential needs for additional financing, the anticipated cost, timing and success of our product candidates, and our plans to research, develop and commercialize new tests and our ability to successfully integrate new businesses, assets, products or technologies acquired through acquisitions), the effects of macroeconomic events and conditions, including inflation and monetary supply shifts, labor shortages, liquidity concerns at, and failures of, banks and other financial institutions or other disruptions in the banking system or financing markets and recession risks, supply chain disruptions, outbreaks of contagious diseases (such as the COVID-19 pandemic) and geopolitical events (such as the ongoing Israel-Hamas War and Ukraine-Russia conflict), among others, on our business and our efforts to address its impact on our business; subsequent study or trial results and findings may contradict earlier study or trial results and findings or may not support the results discussed in this presentation, including with respect to the diagnostic and prognostic tests discussed in this presentation; actual application of our tests may not provide the anticipated benefits to patients; and the risks set forth under the heading “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2022, and in our other filings with the SEC. The forward-looking statements are applicable only as of the date on which they are made, and we do not assume any obligation to update any forward-looking statements, except as may be required by law.

# Castle Biosciences – Transforming Disease Management

## Portfolio of Innovative Tests

Dermatology

Ophthalmology

Gastroenterology

Mental Health

Steadfast commitment to improving patient care through our innovative, actionable tests

Leader in the field of molecular diagnostics by challenging the status quo with deep scientific expertise, unique value insight and strong data

Core dermatology business and newer gastroenterology and mental health franchises driving solid test report volume growth

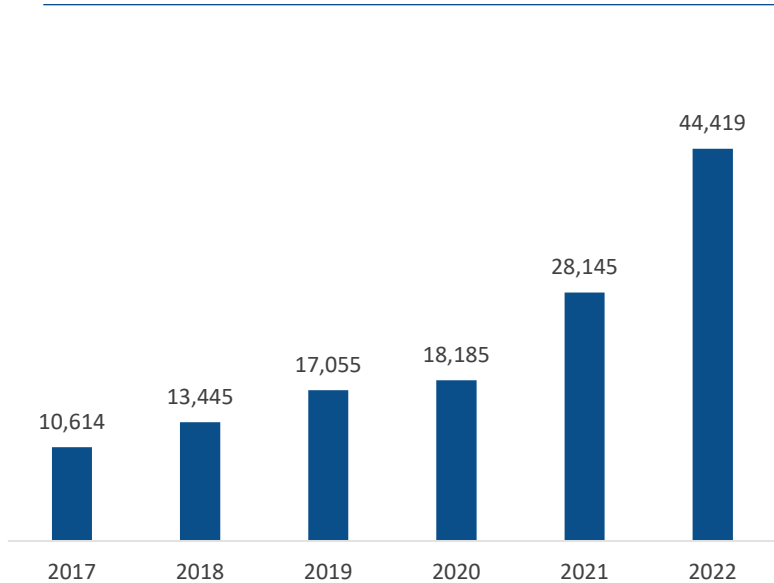
# Financial Performance Summary Q3 2023

	Q3 2023	Q3 2022
Total test reports	18,409	12,114
Total Dermatology test reports	12,390	9,824
Revenues	\$61.5M	\$37.0M
Adj. Revenues <sup>1</sup>	\$60.6M	\$37.3M
Gross Margin	77.9%	69.8%
Adj. Gross Margin <sup>1</sup>	81.3%	76.2%
Net Loss	\$(6.9)M	\$(20.2)M
Adj. EBITDA <sup>1</sup>	\$6.6M	\$(9.6)M
Operating Cash Flow	\$5.0M	\$(5.2)M
Cash, Cash Equivalents & Marketable Investment Securities	as of end of period \$229.8M	\$266M

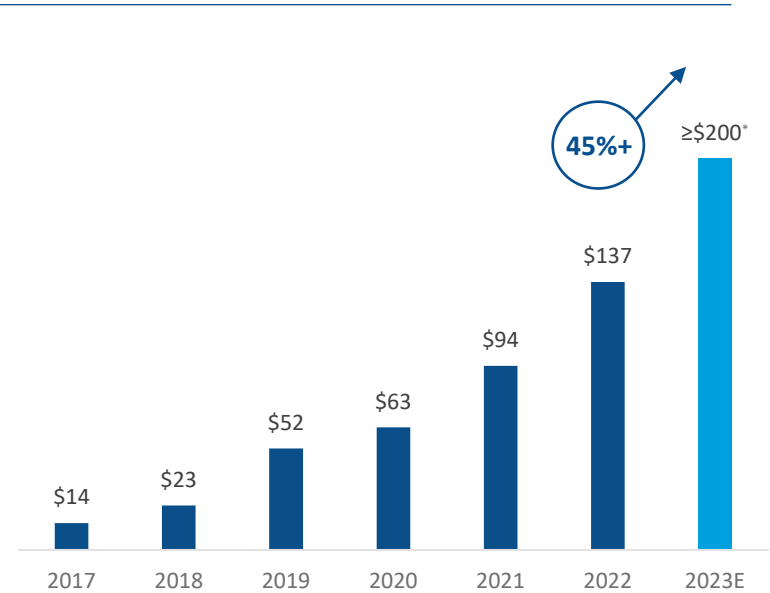
<sup>1</sup>See Non-GAAP reconciliations at the end of this presentation.

# Consistent Execution Of Growth Initiatives Supports Long-Term Growth

2017-2022 Total Test Report Volume



2017-2023 Revenue (\$M)



# Key Q3 2023 and Recent Accomplishments



Delivered excellent Q3 results, highlighted by \$5 million in cash flow from operations and strong year-over-year growth in our total test report volume (+52%) and revenue (+66%)



Raised 2023 revenue guidance to at least \$200 million, from at least \$180 million



Earned a Top Workplaces National Industry Award, ranking third among 84 Top Workplaces in the healthcare industry



Publication of study data showed the addition of drug-drug interactions and lifestyle factors to drug-gene interactions provided by our IDgenetix test improved remission rates for patients with moderate to severe depression



Multiple data announcements demonstrating the clinical utility of our TissueCypher test in guiding risk-aligned care for patients

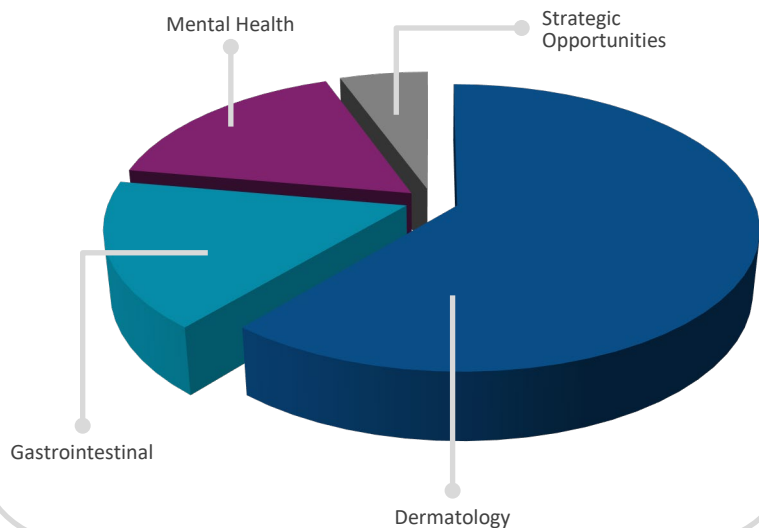


Released early discovery data regarding our inflammatory skin disease pipeline test, confirming the existence of molecular differences among inflammatory skin lesions

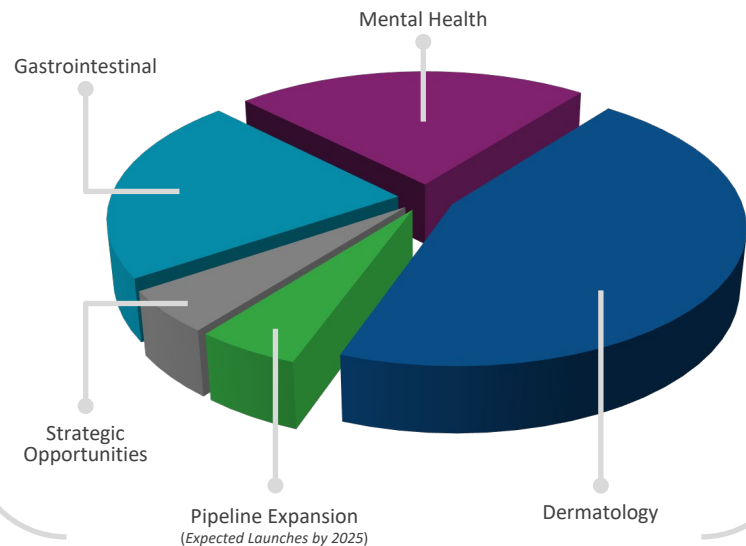
# Driving Long-Term Growth Through Strong Execution And Our Operational Guideposts

Exceptional Employees, Continuous Evolution & Improvement and Customer & Solution Centric

## Near- to Mid-term Growth

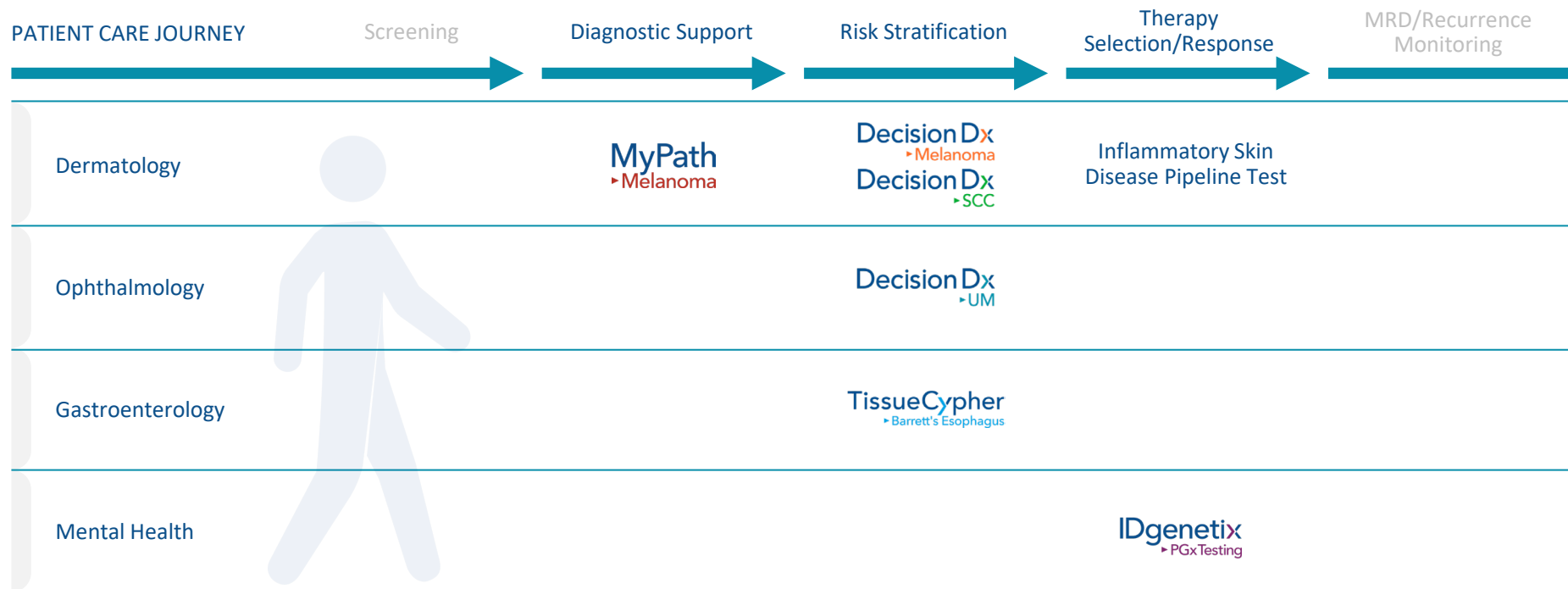


## Mid- to Long-term Growth



# Answering Clinical Questions To Guide Care Along The Patient Journey

Our focus is on diagnostic support, risk stratification and therapy selection/response areas of the patient care continuum



# Estimated ~\$8B U.S. Total Addressable Market<sup>1</sup> for Commercially Available Tests

	Dermatology		Gastroenterology	Mental Health
Cutaneous melanoma/ risk of metastasis, SLNB positivity risk	Cutaneous squamous cell carcinoma/risk of metastasis	Suspicious pigmented lesions/melanoma status	Barrett's esophagus/risk of progression to esophageal cancer	Guide mental health therapy selection
~130K Patients classified as Stage I, II or III <sup>2</sup>	~200K Patients w/high-risk features <sup>2</sup>	~300K Patients w/ diagnostically ambiguous lesions	~415K Patients receiving upper GI endoscopies/year who meet the intended use criteria for TissueCypher <sup>3</sup>	Based on indicated use of IDgenetix for patients diagnosed with depression, anxiety and other mental health conditions
<b>~\$540M</b>	<b>~\$820M</b>	<b>~\$600M</b>	<b>~\$1B</b>	<b>~\$5B</b>

Tests in pipeline add an additional estimated ~\$5.7B to our U.S. TAM

# Significant Scientific Evidence Through Robust Clinical Research Program

14

Ongoing clinical  
research studies

237

Committed/contributing  
clinical research sites as of  
Q3 2023

~11,670

Current patients  
enrolled in  
studies as of Q3 2023

~20,460

Patients enrolled in  
studies over lifetime  
of Castle<sup>1</sup>

*Ongoing collaboration with NCI/SEER has allowed for analyses of 9,200+ patients clinically tested with DecisionDx-Melanoma<sup>2</sup> and 2,900+ patients clinically tested with DecisionDx-UM<sup>3</sup> to date*

Data as of September 30, 2023

<sup>1</sup>Number reflects studies that span Castle's dermatology, ophthalmology, gastroenterology and mental health portfolios, as well as tests that are currently in our development pipeline. Data for TissueCypher, IDgenetix and MyPath are reflective of studies that have occurred since Castle's acquisition of the tests. <sup>2</sup>SEER cancer registries linked CM cases diagnosed from 2013-2018 to data for patients with stage I-III CM tested with the 31-GEP as of Dec. 31, 2022; includes patients in studies not yet published <sup>3</sup>SEER cancer registries linked UM cases diagnosed in 2018 for patients with primary uveal melanoma tested with the 15-GEP; includes patients in studies not yet published.

# First-To-Market Dermatologic Franchise, Additional Growth Opportunities

## Diagnostic Support



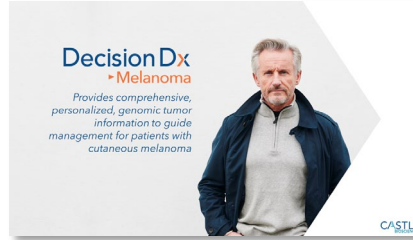
MyPath  
- Melanoma

Highly accurate and objective testing for melanocytic lesions of uncertain malignant potential

CASTLE BIOSCIENCES

A person with a backpack walking on a dirt path through a forest.

## Risk Stratification

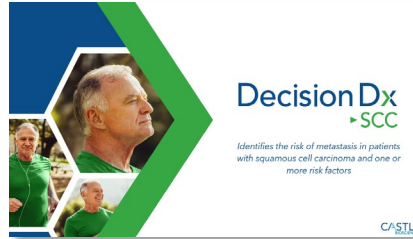


DecisionDx  
- Melanoma

Provides comprehensive, personalized, genomic tumor information to guide management for patients with cutaneous melanoma

CASTLE BIOSCIENCES

A man in a dark jacket standing outdoors.



DecisionDx  
- SCC

Identifies the risk of metastasis in patients with squamous cell carcinoma and one or more risk factors

CASTLE BIOSCIENCES

A collage of images showing people in a clinical setting.

## Therapy Selection



Inflammatory Skin Disease Therapy Selection Pipeline Program

A scientist in a lab coat looking through a microscope.

*Strong provider growth and continued adoption with approximately 1,600 new<sup>1</sup> ordering clinicians and approximately 7,900 total ordering clinicians for dermatologic tests for the nine-months ended September 30, 2023*

# Decision Dx

## ► Melanoma

### Clinical Validity, Utility and Demonstrated Patient Outcomes

Demonstrated clinical validity, utility and impact, backed by more than 45 peer-reviewed publications, including two recent publications (Bailey et al. and Dhillon et al.) demonstrating an association with testing and improved patient outcomes

### ADLT Status

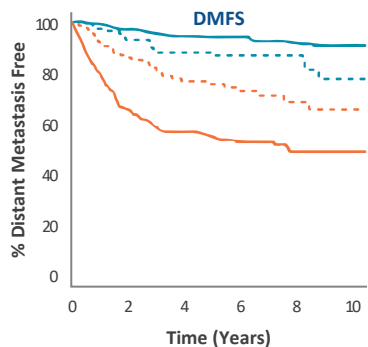
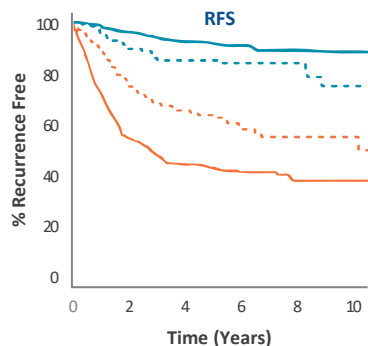
Classified as an Advanced Diagnostic Laboratory Test (ADLT) by the Centers for Medicare & Medicaid Services (CMS), meaning it provides new clinical diagnostic information that cannot be obtained from any other test or combination of tests<sup>1</sup>

### Reimbursement

Reimbursement coverage through Medicare Administrative Contractor (MAC), Noridian, the MAC that oversees our Phoenix laboratory and is part of the MoIDX<sup>®</sup> program that assesses molecular diagnostic technologies



# DecisionDx-Melanoma Has Consistent And Independent Evidence Of Prognostic Value Across Studies



FEATURE	HR RFS (95% CI) p-value	HR DMFS (95% CI) p-value
Breslow thickness (per mm)	1.12 (1.03-1.22), p=0.01	1.14 (1.02-1.26), p=0.02
Ulceration	1.63 (1.18-2.25), p=0.003	2.03 (1.48-2.78), p<0.001
Age (per year)	1.01 (0.99-1.03), p=0.60	1.00 (0.98-1.03), p=0.65
SLNB	2.42 (1.88-3.10), p<0.001	2.80 (2.07-3.77), p<0.001
<b>31-GEP test (DecisionDx-Melanoma)</b>	<b>2.90 (2.01-4.19), p&lt;0.001</b>	<b>2.75 (1.76-4.32), p&lt;0.001</b>



# DecisionDx-Melanoma Results Guided Treatment Decisions And Led To Improved Patient Outcomes

## Independent, multi-center study of SLN negative patients (n=634)

### Tested Group (n=307):

DecisionDx  
► Melanoma **CLASS 2A/2B**

Adhered to routine  
imaging every 6-12  
months

### Untested Control Group (n=327):

Patients without testing

Imaging driven by clinical  
symptoms or physical  
exam findings

### Key Findings:

- Routine surveillance imaging in SLN-, high-risk patients detected melanoma recurrence **~10 months earlier** than those without routine imaging.
- Tumor burden at detection was significantly lower in patients tested compared to those not tested (27.6mm vs 73.1mm)
- At study end, patients tested had **better overall survival** than those not tested (76% vs 50%, p-value= 0.027)

“Patients who received routine imaging after high-risk GEP test scores had an earlier recurrence diagnosis with lower tumor burden, leading to better clinical outcomes.”



# Decision Dx

▶ Melanoma

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## Collaboration with the National Cancer Institute

Linking DecisionDx-Melanoma clinical testing with patients  
captured in the National Cancer Institute's SEER Program Registries

# NCI/SEER Data Linked With DecisionDx-Melanoma Test Results

Data analysis of real-world, unselected, clinically tested patients showed that DecisionDx-Melanoma testing was associated with lower melanoma-specific and overall mortality relative to untested patients

## 29%

**Lower 3-year melanoma-specific mortality rate** in patients clinically tested vs untested

Group	3-year MSS (95% CI)	Deaths, % (n/N)
31-GEP Tested	97.4% (96.6-98.2%)	1.7% (57/3258)
Matched Untested	96.1% (95.5-96.6%)	2.5% (242/9774)
<b>Hazard Ratio<sup>‡</sup></b>		<b>0.71 (0.53-0.94) p=0.018</b>

## 17%

**Lower 3-year overall mortality rate** in patients clinically tested vs untested

Group	3-year OS (95% CI)	Deaths, % (n/N)
31-GEP Tested	92.4% (91.1-93.6%)	5.2% (170/3258)
Matched Untested	90.9% (90.1-91.7%)	6.2% (610/9774)
<b>Hazard Ratio<sup>‡</sup></b>		<b>0.83 (0.70-0.99) p=0.034</b>

Tested: n=3,258  
Not Tested: n=9,774



Data show DecisionDx-Melanoma provided significant, independent risk stratification of patients with cutaneous melanoma, beyond AJCC8 stage, which may help inform more personalized patient management decisions

# Clinical Use Of DecisionDx-Melanoma Shows Favorable Outcomes When Compared To Other Standard Of Care Prognostic Tests

## Sentinel Lymph Node Biopsy (SLNB)

- MSLT-I found that SLN biopsy had no impact on 10-year melanoma specific survival<sup>1</sup>
- SLN positivity is no longer the gateway to immunotherapy<sup>2</sup>

Tumor size	P-value	10-yr MSS
Thin (<1.2mm)	Not reported	Not impacted
Intermediate (1.2-3.5mm)	Not significant (p=.18)	Not impacted
Thick (>3.5mm)	Not significant (p=.56)	Not impacted

## Oncotype DX - Breast<sup>3</sup>

### 3-yr BCSS\*

Oncotype DX - Breast 99.6%

Match Untested 99.1%

Absolute Mortality Difference **0.50% (p<0.05)**

Oncotype DX showed absolute BCSS mortality difference of 0.5% at 3 years over those not tested

## DecisionDx-Melanoma

### 3-yr MSS<sup>4</sup>

DecisionDx-Melanoma 97.4%

Match Untested 96.1%

Absolute Mortality Difference **1.3% (p<0.05)**

DecisionDx-Melanoma showed absolute MSS mortality difference of **1.3% at 3 years over those not tested<sup>4</sup>**

DecisionDx-Melanoma shows more than 2x the survival benefit

## DecisionDx-Melanoma Is Supported By Significant Scientific Evidence

**10,000+**

Total patients included in studies including *independent validation*

**45+**

Peer-reviewed, published studies including *prospective studies and 2 meta-analyses*

**~146,000**

Patients with a clinical *DecisionDx-Melanoma* order from *12,650+ clinicians*

**1A**

Level 1A evidence\*

**50%**

*Demonstrated change* in management for 1 of 2 patients tested

**Medicare+**

Covered by Medicare and multiple private insurers with an *industry-leading* patient assistance program

# Decision Dx

## ► SCC

### Clinical Validity and Utility

Demonstrated validity, utility and impact, backed by 14 peer-reviewed publications, including data showing that DecisionDx-SCC can significantly impact patient management plans in a risk-appropriate manner within established guidelines<sup>1</sup>

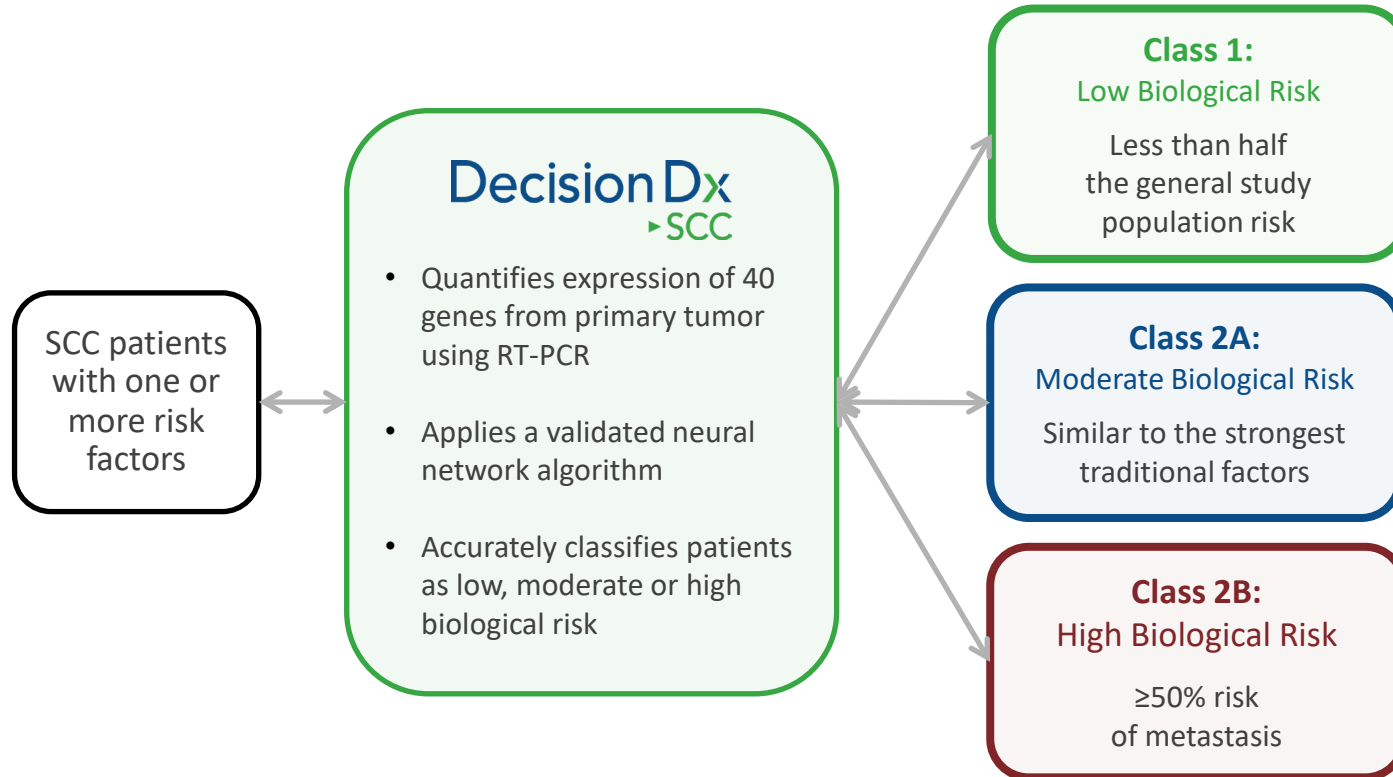
### ADLT Status

Classified as an Advanced Diagnostic Laboratory Test (ADLT) by the Centers for Medicare & Medicaid Services (CMS), meaning it provides new clinical diagnostic information that cannot be obtained from any other test or combination of tests<sup>2</sup>

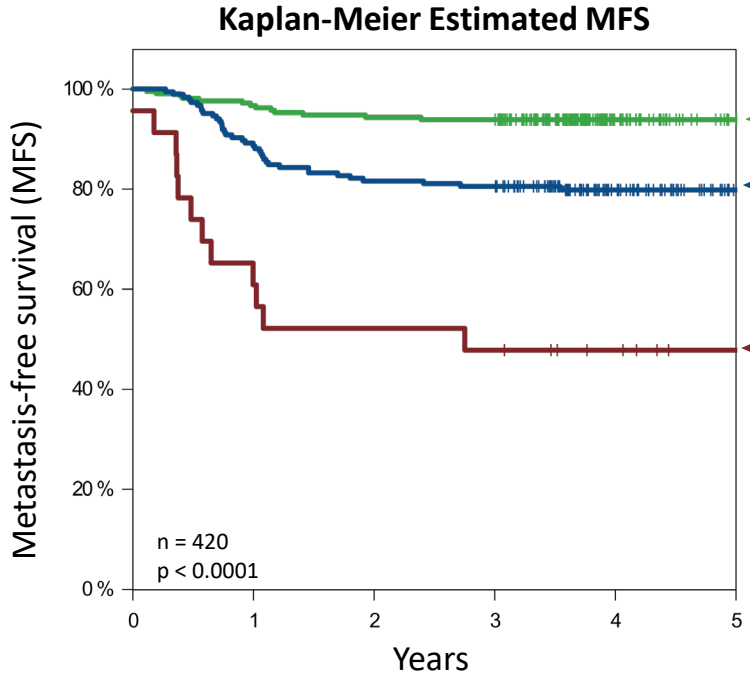
### Real-World Use Framework

Study in *Clinical, Cosmetic and Investigational Dermatology* highlights a clinician-derived, real-world algorithm that provides a framework to incorporate DecisionDx-SCC test results into clinical practice within NCCN guidelines recommendations

# DecisionDx-SCC Provides Independent Risk Stratification To Inform SCC Management Decisions



# DecisionDx-SCC is Validated to Predict Metastatic Risk for Individual SCC Patients with One or More Risk Factors



**Class 1 – Low Biological Risk**

<7% risk of metastasis;  
Less than half the general study population risk

**Class 2A – Moderate Biological Risk**

20% risk of metastasis;  
Similar to the strongest traditional factors

**Class 2B – High Biological Risk**

≥50% risk of metastasis

**Cohort  
Distribution:**

Class 1  
Class 2A  
Class 2B



# Class 2A And Class 2B are Strong, Independent Predictors of Metastasis

## Univariate Analysis

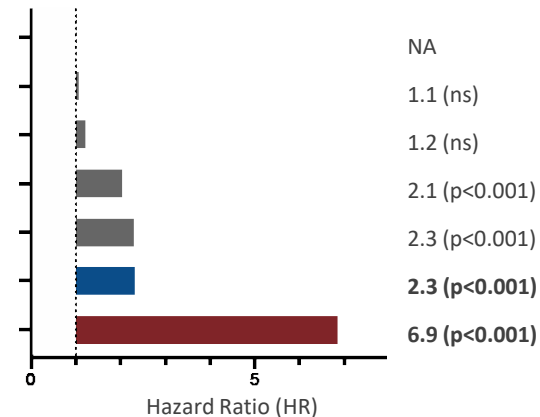
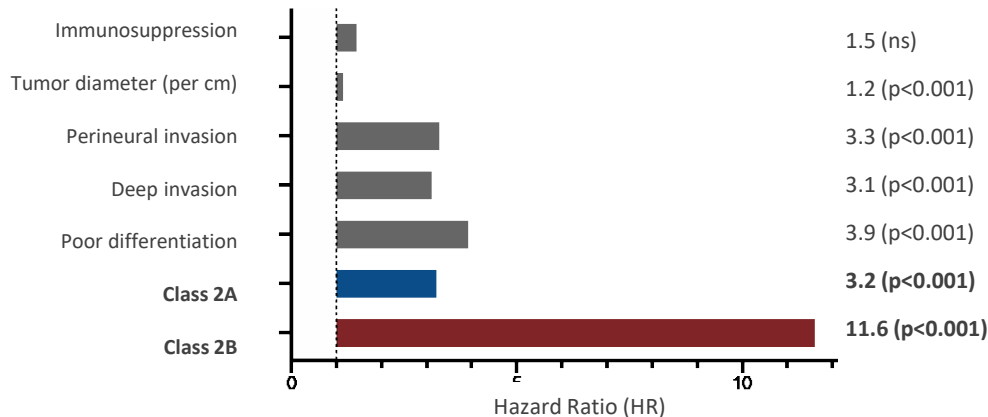
Class 2A univariate HR of 3.2 is similar to deep invasion, poor differentiation or PNI

Class 2B univariate HR of 11.6 is ~3x that of the strongest prognostic risk factors

## Multivariate Analysis

Class 2A multivariate HR of 2.3 is independent and similar to deep invasion and poor differentiation

Class 2B multivariate HR of 6.9 is 3x that of the strongest prognostic risk factors



Class 2A and 2B result are independent of and have stronger Hazard Ratios compared to PNI in this multivariate analysis

# Who is eligible for Adjuvant Radiation Therapy (ART)?

ART is a recommended treatment plan option for high-risk SCC patients by all relevant guideline groups



ART recommended for cSCC with:

- Concern for perineural invasion (PNI)
- High risk for regional or distant metastasis



ART recommended for primary cSCC if:

- Extensive PNI
- Large caliber nerve invasion (LCNI)
- Positive margins following surgery



ART recommended/considered for primary cSCC if:

- Extensive PNI
- Large caliber nerve invasion (LCNI)
- Positive margins following surgery
- Presence of other poor prognostic features
- High risk for regional or distant metastasis

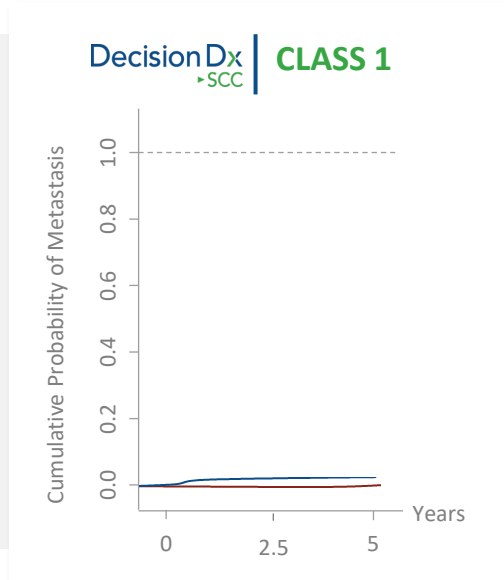


ART recommended for SCC if:

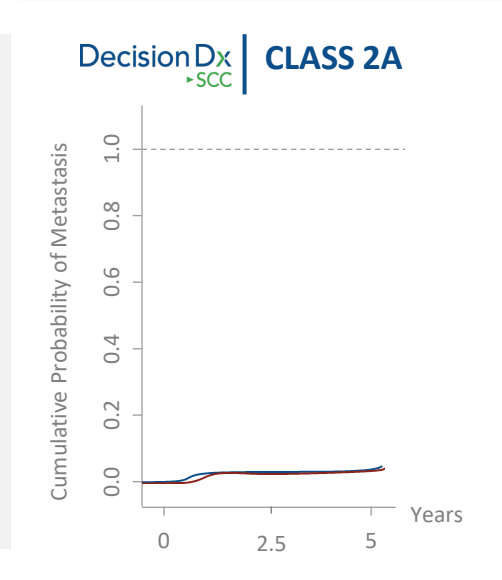
- Gross clinical or radiologic PNI
- Close surgical margins where further surgery cannot be performed
- Recurrent tumors
- AJCC8 T3 and T4 tumors
- Desmoplastic or infiltrative tumors in chronically immunosuppressed patients

Of 7,317 patients tested, 99% could be considered for ART under NCCN criteria

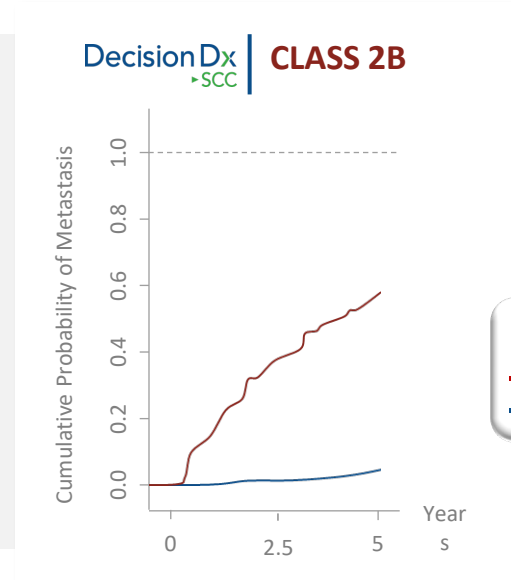
# Matched Control Analysis Supports Use Of DecisionDx-SCC To Inform Adjuvant Radiation Therapy (ART) Treatment Decisions (n=920)



No significant impact of ART in cohort as a whole or within Class 1



No significant impact of ART in cohort as a whole or within Class 2A



ART treated Class 2B patients see significant reduction in metastasis\*

LEGEND:

— No ART  
— ART

# MyPath

## ► Melanoma

### Clinical Validity and Utility

Demonstrated validity, utility and impact, backed by 16 peer-reviewed publications demonstrating the performance and utility of the test in providing objective information to aid in diagnosis in ambiguous melanocytic lesions

### ADLT Status

Classified as an Advanced Diagnostic Laboratory Test (ADLT) by the Centers for Medicare & Medicaid Services (CMS), meaning it provides new clinical diagnostic information that cannot be obtained from any other test or combination of tests<sup>1</sup>

### Guideline Support

1. National Comprehensive Cancer Network guidelines for cutaneous melanoma in the principles for molecular testing
2. American Society of Dermatopathology in the Appropriate Use Criteria for ancillary diagnostic testing
3. American Academy of Dermatology guidelines of care for the management of primary cutaneous melanoma

<sup>1</sup>Centers for Medicare & Medicaid Services: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ClinicalLabFeeSched/Downloads/Guidance-for-Laboratories-on-ADLTs.pdf>

# Unmet Need In Patients With A Difficult-To-Diagnose Pigmented Lesion

## The Clinical Problem

A clinical hurdle for dermatopathology is the accurate diagnosis of difficult-to-diagnose melanocytic neoplasms

Of the estimated two million suspicious pigmented lesions biopsied annually in the U.S., approximately 300,000 of those cannot be classified with confidence as either benign tissue or melanoma through traditional histopathology methods

These difficult-to-diagnose lesions are commonly sent for second opinions to expert dermatopathologists who have more experience with challenging cases; however, the nature of many lesions remains ambiguous with discordant rates of lesions in this category of 25-43% (Elmore et al. 2017)

Diagnostic ambiguity can lead to clinical management uncertainty and overtreatment, leading to unnecessary excisions and increased patient morbidity, and undertreatment, with the potential for missing diagnoses of malignant melanoma

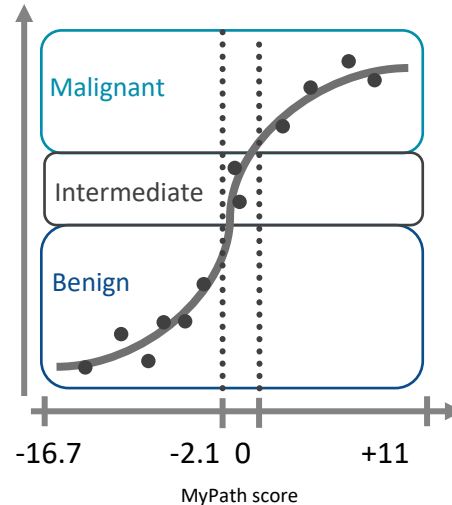
# MyPath Melanoma For Use In Ambiguous Melanocytic Lesions



Expression of each gene group is calculated and normalized to the control genes. The aggregated score for each gene group is input into a trained logistic regression algorithm which weights each input and calculates a single score and classification of benign, intermediate or malignant.



**LOGISTIC REGRESSION ALGORITHM**



# TissueCypher

► Barrett's Esophagus

## Clinical Validity and Utility

Demonstrated validity, utility and impact, backed by 15 peer-reviewed publications demonstrating the ability and performance of the test in risk-stratifying patients with Barrett's esophagus to guide risk-appropriate treatment decisions

## ADLT Status

Classified as an Advanced Diagnostic Laboratory Test (ADLT) by the Centers for Medicare & Medicaid Services (CMS), meaning it provides new clinical diagnostic information that cannot be obtained from any other test or combination of tests<sup>1</sup>

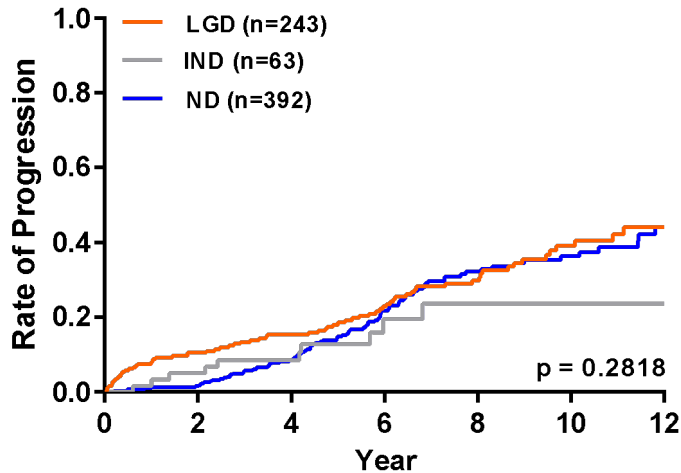
## AGA Clinical Practice Update

Recognized by the American Gastroenterological Association in the 2022 Clinical Practice Update on New Technology and Innovation for Surveillance and Screening in Barrett's Esophagus as a tool that may be used by physicians to risk stratify non-dysplastic patients

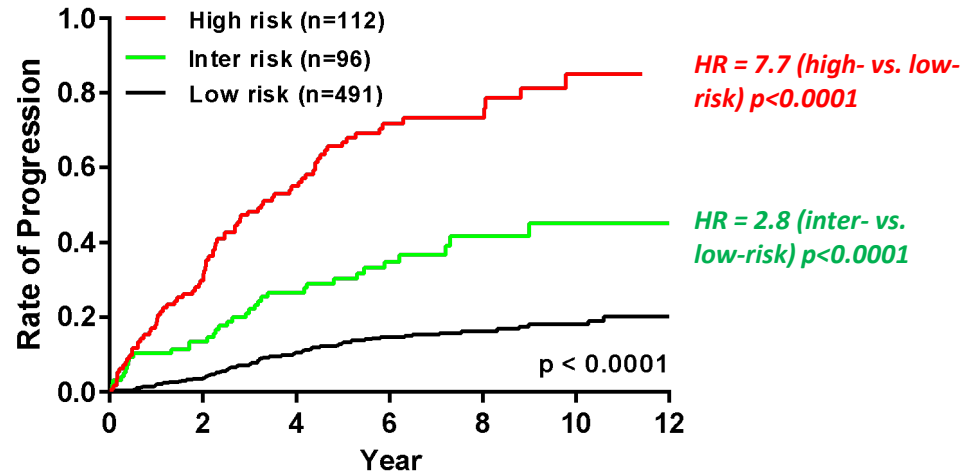
<sup>1</sup>Centers for Medicare & Medicaid Services: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ClinicalLabFeeSched/Downloads/Guidance-for-Laboratories-on-ADLTs.pdf>

# TissueCypher Is The Strongest Independent Predictor Of Progression

Original Pathologic Diagnosis



TissueCypher



n=699 patients<sup>1-5</sup> (ND n=567, IND n=50, LGD n=82)  
 152 incident progressors, 38 prevalent cases, 509 non-progressors

# IDgenetix

► PGxTesting

## Advanced PGx

- Demonstrated clinical validity, utility and impact, backed by 19 peer-reviewed publications
- Eliminate trial and error prescribing
- 3 in 1 test:
  - ✓ Drug-gene interactions
  - ✓ Drug-drug interactions
  - ✓ Lifestyle factors

## Unrivaled Efficacy

- 2x improved chance of medication response vs. control
- >2.5x improved chance of remission of depression symptoms vs. control

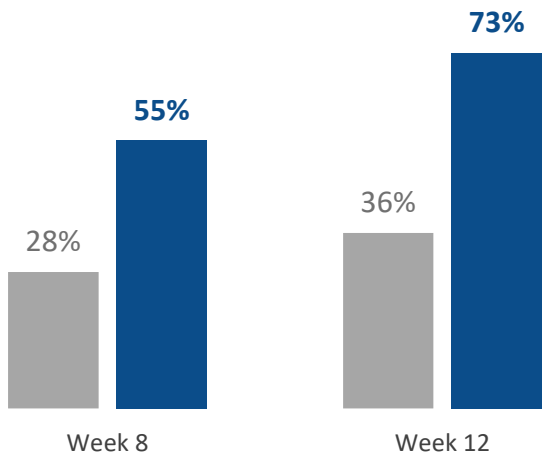
## Easy to Use

- 10 mental health and pain conditions in one report
- <1 minute to collect DNA sample via simple cheek swab
- 3-5 days to receive test report
- Specialized sales and medical science liaison support

# 2.5x Increase In Remission Rates For Severe Depression Demonstrated Enhanced Clinical Outcomes vs. Standard Of Care

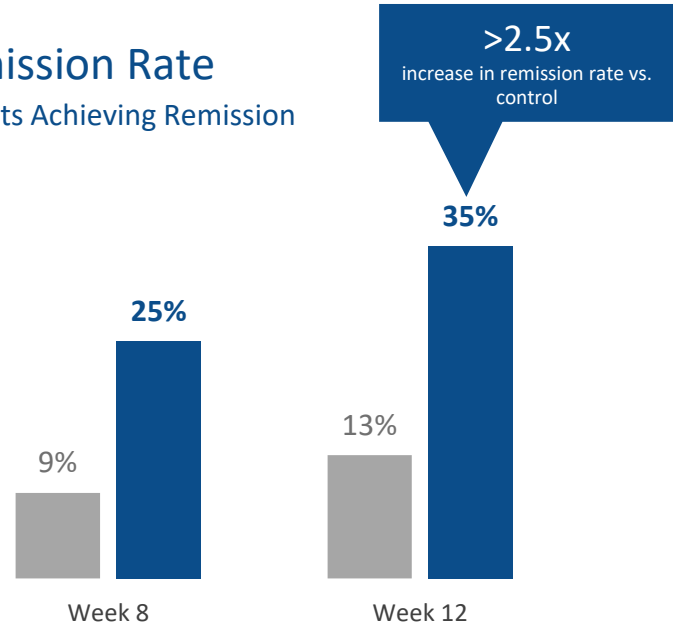
## Response Rate

≥ 50% Reduction from Baseline



## Remission Rate

Patients Achieving Remission



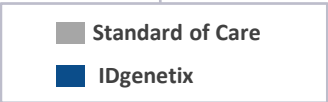
2x  
 increase in response rate  
 vs. control

>2.5x  
 increase in remission rate vs.  
 control



p-value 0.01 0.001

p-value 0.05 0.02



# Decision Dx ▶UM

## Clinical Validity and Utility

Demonstrated validity, utility and impact, backed by 25 peer-reviewed publications demonstrating the performance and utility of the test in predicting individual risk of metastasis in patients with uveal melanoma

## ADLT Status

Classified as an Advanced Diagnostic Laboratory Test (ADLT) by the Centers for Medicare & Medicaid Services (CMS), meaning it provides new clinical diagnostic information that cannot be obtained from any other test or combination of tests<sup>1</sup>

## Guideline Inclusion

Included in the National Comprehensive Cancer Network guidelines as a prognostic method for determining risk of metastasis and in the American Joint Committee on Cancer Eighth Edition (AJCC8) staging manual as part of the clinical care of uveal melanoma because the results are “clinically significant.”

<sup>1</sup>Centers for Medicare & Medicaid Services: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ClinicalLabFeeSched/Downloads/Guidance-for-Laboratories-on-ADLTs.pdf>

# DecisionDx-UM: The Standard Of Care In The Management Of Newly Diagnosed Uveal Melanoma

## Strong Evidence Base

- 25 peer-reviewed publications with **3,600+ patients**

## Widespread Adoption

- Nearly **8 in 10 patients** diagnosed with uveal melanoma in the U.S. receive the DecisionDx-UM test as part of their diagnostic workup
- **1,711 reports** issued in 2022

## Broad Reimbursement

- In 2022, more than 100 commercial insurers covered DecisionDx-UM
- Medicare LCD **covers patients** with a confirmed diagnosis and no evidence of metastatic disease
- 2023 Medicare rate of \$7,776

## Facts About Uveal Melanoma

- **~2,000** patients diagnosed in the U.S. annually
- **~97%** of patients – no evidence of metastatic disease at the time of diagnosis
- **~30%** will develop metastases within 5 years

## DecisionDx -UM

15-Gene Expression Profile (GEP) Test

Low-risk: **~67%**  
Low Intensity Management

High-risk: **~33%**  
High Intensity Management

# Inflammatory Skin Disease

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*Pipeline program to develop a genomic test aimed at guiding systemic therapy selection for patients with moderate-to-severe atopic dermatitis (AD), psoriasis (PSO) and related conditions*

## Early Discovery Data for Inflammatory Skin Disease Pipeline Program

Goal is to develop a genomic test aimed at guiding systemic therapy selection for patients with moderate-to-severe atopic dermatitis (AD), psoriasis (PSO) and related conditions.

New data showing the ability of pipeline program to distinguish between responders and non-responders to AD therapy; and to distinguish between AD, PSO and mycosis fungoides (MF) skin lesions presented at the 2023 Fall Clinical Dermatology Conference®

Test results could empower clinicians to tailor therapy choices for patients by considering their molecular profiles, potentially sparing patients from undergoing numerous ineffective and costly medication trials before discovering an effective treatment to manage their symptoms.

Additional updates are expected in 2024, with the test targeted for launch by the end of 2025

# IDENTITY Study

Study for Castle's inflammatory skin disease pipeline program to develop a genomic test aimed at guiding systemic therapy selection

**57**

Committed Sites

**866**

Patients Enrolled<sup>1</sup>

2021

2022

2023

2024

2025

Q2-Q3

Steering committee formed with top KOLs

Q3

First patient enrolled

Q2

Proof of RNA extraction method concept

Q4

Early discovery data presented

By end of 2024

Development data expected

By end of 2025

Target launch

## Program Milestones

C/STLE  
BIOSCIENCES

Thank you



## Use Of Non-GAAP Financial Measures (Unaudited)

In this presentation, we use the metrics of Adjusted Revenues, Adjusted Gross Margin and Adjusted EBITDA, which are non-GAAP financial measures and are not calculated in accordance with generally accepted accounting principles in the United States (GAAP). Adjusted Revenues and Adjusted Gross Margin reflect adjustments to net revenues to exclude changes in variable consideration related to test reports delivered in previous periods. Adjusted Gross Margin further excludes acquisition-related intangible asset amortization. Adjusted EBITDA excludes from net loss interest income, interest expense, income tax expense (benefit), depreciation and amortization expense, stock-based compensation expense, change in fair value of contingent consideration, and acquisition-related transaction costs.

We use Adjusted Revenues, Adjusted Gross Margin and Adjusted EBITDA internally because we believe these metrics provide useful supplemental information in assessing our revenue and operating performance reported in accordance with GAAP, respectively. We believe that Adjusted Revenues, when used in conjunction with our test report volume information, facilitates investors' analysis of our current-period revenue performance and average selling price performance by excluding the effects of revenue adjustments related to test reports delivered in prior periods, since these adjustments may not be indicative of the current or future performance of our business. We believe that providing Adjusted Revenues may also help facilitate comparisons to our historical periods. Adjusted Gross Margin is calculated using Adjusted Revenues and therefore excludes the impact of revenue adjustments related to test reports delivered in prior periods, which we believe is useful to investors as described above. We further exclude acquisition-related intangible asset amortization in the calculation of Adjusted Gross Margin. We believe that excluding acquisition-related intangible asset amortization may facilitate gross margin comparisons to historical periods and may be useful in assessing current-period performance without regard to the historical accounting valuations of intangible assets, which are applicable only to tests we acquired rather than internally developed. We believe Adjusted EBITDA may enhance an evaluation of our operating performance because it excludes the impact of prior decisions made about capital investment, financing, investing and certain expenses we believe are not indicative of our ongoing performance, such as acquisition-related transaction costs. However, these non-GAAP financial measures may be different from non-GAAP financial measures used by other companies, even when the same or similarly titled terms are used to identify such measures, limiting their usefulness for comparative purposes.

## Reconciliation of Non-GAAP Financial Measures (Unaudited)

The table below presents the reconciliation of adjusted revenues and adjusted gross margin, which are non-GAAP financial measures. See previous slide for further information regarding the Company's use of non-GAAP financial measures.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
<i>(in thousands)</i>				
<b>Adjusted revenues</b>				
Net revenues (GAAP)	\$ 61,493	\$ 37,011	\$153,668	\$ 98,701
Revenue associated with test reports delivered in prior periods	(883)	277	3,085	1,850
Adjusted revenues (Non-GAAP)	<u>\$ 60,610</u>	<u>\$ 37,288</u>	<u>\$156,753</u>	<u>\$100,551</u>
<b>Adjusted gross margin</b>				
Gross margin (GAAP) <sup>1</sup>	\$ 47,902	\$ 25,846	\$114,367	\$ 70,161
Amortization of acquired intangible assets	2,272	2,306	6,742	6,051
Revenue associated with test reports delivered in prior periods	(883)	277	3,085	1,850
Adjusted gross margin (Non-GAAP)	<u>\$ 49,291</u>	<u>\$ 28,429</u>	<u>\$124,194</u>	<u>\$ 78,062</u>
Gross margin percentage (GAAP) <sup>2</sup>	77.9 %	69.8 %	74.4 %	71.1 %
Adjusted gross margin percentage (Non-GAAP) <sup>3</sup>	81.3 %	76.2 %	79.2 %	77.6 %

1. Calculated as net revenues (GAAP) less the sum of cost of sales (exclusive of amortization of acquired intangible assets) and amortization of acquired intangible assets.
2. Calculated as gross margin (GAAP) divided by net revenues (GAAP).
3. Calculated as adjusted gross margin (Non-GAAP) divided by adjusted revenues (Non-GAAP).

## Reconciliation of Non-GAAP Financial Measures (Unaudited)

The table below presents the reconciliation of adjusted EBITDA, which is a non-GAAP financial measure. See slide 39 for further information regarding the Company's use of non-GAAP financial measures.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
<i>(in thousands)</i>				
<b>Adjusted EBITDA</b>				
Net loss	\$ (6,905)	\$ (20,249)	\$ (54,886)	\$ (46,520)
Interest income <sup>1</sup>	(2,769)	(1,293)	(7,504)	(1,693)
Interest expense	2	6	9	13
Income tax expense (benefit)	32	—	62	(1,823)
Depreciation and amortization expense	3,174	2,923	9,106	7,702
Stock-based compensation expense	13,043	9,196	39,417	26,398
Change in fair value of contingent consideration	—	(151)	—	(17,987)
Acquisition related transaction costs	—	—	—	1,711
Adjusted EBITDA (Non-GAAP)	<u>\$ 6,577</u>	<u>\$ (9,568)</u>	<u>\$ (13,796)</u>	<u>\$ (32,199)</u>

1. Beginning in the fourth quarter of 2022, we began excluding interest income from the calculation of Adjusted EBITDA. The prior-year period presented herein has been recast to conform to the current period presentation.

# Leadership Team Overview

## MANAGEMENT TEAM

Derek Maetzold

Founder, Director, President and CEO



Frank Stokes

Chief Financial Officer



Toby Juvenal

Chief Commercial Officer



Stuart  
Pharmaceuticals

Kristen Oelschlager, RN, CHC

Chief Operating Officer



Robert Cook, PhD

Senior Vice President, Research & Development



Northwestern



Matthew Goldberg, MD

Medical Director



Alice Izzo

Senior Vice President, Marketing



## BOARD OF DIRECTORS

Dan Bradbury



Derek Maetzold



Mara Aspinall



Brad Cole



Tiffany Olson



Miles D. Harrison



Kimberlee Caple



Ellen Goldberg

CHORD Consulting