EX-99.2 8 tv522550_ex99-2.htm EXHIBIT 99.2

Exhibit 99.2

Constellation Alpha Capital Corp
merger with
DermTech, Inc.

COWEN

Disclaimer

This presentation (this "Presentation") is for informational purposes only and has been prepared to assist interested parties in making their own evaluation with respect to a potential business combination between DermTech, Inc. ("Target") and Constellation Alpha Capital Corp. ("CNAC") and related transactions (the "Potential Business Combination"). This Presentation and any oral statements made in connection with this Presentation do not constitute an offer to sell, or a solicitation of an offer to buy, or a recommendation to purchase, any securities in any jurisdiction, or the solicitation of any proxy, vote, consent or approval in any jurisdiction in connection with the Potential Business Combination, nor shall there be any sale, issuance or transfer of any securities in any jurisdiction where, or to any person to whom, such offer, solicitation or sale may be unlawful under the laws of such jurisdiction. This Presentation does not constitute either advice or a recommendation regarding any securities. Although the information herein relating to Target has been prepared by Target management and is believed to be accurate, Target, CNAC and Cowen and Company, LLC ("Cowen") (as well as their respective directors, officers and shareholders) each expressly disclaims liability for, and makes no expressed or implied representation or warranty with respect to, any such information contained in or omitted from this Presentation, or any other written or oral communication transmitted to any prospective investor in CNAC. Investors should not construe the contents of this presentation, or any prior or subsequent communications from or with CNAC or its representatives as investment, legal or tax advice. In addition, this Presentation does not purport to be all-inclusive or to contain all of the information that may be required to make a full analysis of Target. Investors should each make their own evaluation of Target and of the relevance and adequacy of the information and should make such other investigations as they deem necessary.

Cautionary Statement Concerning Forward-Looking Statements

Certain statements included in this Presentation are not historical facts but are forward-looking statements for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "should," "would," "plan," "predict," "potential," "seem," "seek," "future," "outlook," and similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding projections, estimates and forecasts of revenue and other financial and performance metrics and projections of market opportunity and expectations regarding Medicare coverage and that Medicare coverage will be obtained at the prices included in this Presentation. These statements are based on various assumptions, whether or not identified in this Presentation, and on the current expectations of Target's management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Nothing in this Presentation should be construed as a profit forecast. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of Target. Some important factors that could cause actual results to differ materially from those in any forward-looking statements could include changes in domestic and foreign business, market, financial, political and legal conditions. These forward-looking statements are subject to a number of risks and uncertainties; the inability of the parties to successfully or timely consummate the Potential Business Combination, including the risk that any required regulatory approvals are not obtained, are delayed or are subject to unanticipated conditions that could adversely affect the combined company or the expected benefits of the Potential Business Combination or that the approval of the shareholders of CNAC and/or the stockholders of Target for the Potential Business Combination is not obtained; failure to realize the anticipated benefits of the Potential Business Combination, including as a result of a delay or difficulty in integrating the businesses of CNAC and Target; the amount of redemption requests made by CNAC's shareholders, including those factors discussed in CNAC's final prospectus dated June 19, 2017 and Annual Report on Form 10-K for the fiscal year ended March 31, 2018, in each case, under the heading "Risk Factors," and other documents of CNAC filed, or to be filed, with the Securities and Exchange Commission ("SEC"). If the risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that neither CNAC nor Target presently know or that CNAC and Target currently believe are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect CNAC's and Target's expectations, plans or forecasts of future events and views as of the date of this Presentation. CNAC and Target anticipate that subsequent events and developments will cause CNAC's and Target's assessments to change. However, while CNAC and Target may elect to update these forward-looking statements at some point in the future, CNAC and Target specifically disclaim any obligation to do so. These forward-looking statements should not be relied upon as representing CNAC's and Target's assessments as of any date subsequent to the date of this Presentation. Accordingly, undue reliance should not be placed upon the forward-looking statements.

Industry Data

Market data and industry data used throughout this Presentation is based on information derived from third party sources, Target management's knowledge of its industry and good faith estimates of Target management. While Target management believes that the third-party sources from which market and industry data has been derived are reputable, none of Target, CNAC or Cowen has independently verified such market and industry data, and you are cautioned not to give undue weight to such market and industry data. This data is subject to change.

Important Information for Investors and Shareholders

In connection with the Potential Business Combination, CNAC and Target expect that a preliminary proxy statement of CNAC, which may include a registration statement, will be filed with the SEC. CNAC will mail a definitive proxy statement to shareholders of CNAC. This Presentation is not a substitute for the proxy statement or registration statement or for any other document that CNAC may file with the SEC and send to CNAC's shareholders in connection with the Potential Business Combination. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE PROXY STATEMENT AND OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors and security holders may obtain free copies of the proxy statement (when available) and other documents filed with the SEC by CNAC through the website maintained by the SEC at http://www.sec.gov. Copies of the documents filed with the SEC by CNAC are available free of charge and archived on www.constellationalpha.com.

Participants in the Solicitation

CNAC and Target and their respective directors and certain of their respective executive officers may be considered participants in the solicitation of proxies with respect to the Potential Business Combination under the rules of the SEC. Information about the directors and executive officers of CNAC is set forth in its Annual Report on Form 10-K for the fiscal year ended March 31, 2018. Additional information regarding the participants in the proxy solicitations and a description of their direct and indirect interests, by security holdings or otherwise, will be included in the proxy statement and other relevant materials to be filed with the SEC when they become available. These documents can be obtained free of charge from the sources indicated above.

Transaction Summary

- Constellation Alpha Capital Corp. ("CNAC") is a NASDAQ listed Special Purpose Acquisition Company
- DermTech Inc. is a San Diego based molecular genomics company, with an initial focus on skin cancer, that develops and markets novel non-invasive diagnostic tests
- DermTech will merge into a wholly-owned subsidiary of CNAC in exchange for shares of CNAC common stock
- It is expected that DermTech shareholders will own a majority of the combined Company's shares following the merger
- The definitive merger agreement will have a minimum cash condition of $15 million at Closing
- Investors will execute PIPE subscription agreements for $20 million
- The transaction is expected to close in H2 2019

Transaction Terms and Structure

- Existing DermTech investors will roll 100% of their equity ownership into the pro forma Company at a price of $3.25 per common share
- Investors will execute PIPE subscription agreements for $20 million at a price of $3.25 per common share

PRO FORMA OWNERSHIP[a]

	Shares (m)	% of Total
DermTech Rollover Shares	16.0	63.7%
PIPE Investors[b]	6.2	24.5%
Public Investors[c]	1.5	5.9%
CNAC Founders[d]	1.5	5.8%
Total	**25.1**	**100.0%**

PRO FORMA CAPITALIZATION

PIPE Offer Price	$3.25
Shares Outstanding (M)	25.1
Pro Forma Equity Value (Post-Money) ($m) [b]	$81.6
Plus: Debt ($m)	$0.0
Less: Cash ($m)	$20.0
Pro Forma Enterprise Value ($m)	**$61.6**

(a): Excludes 7,187,500 public warrants and 280,625 private warrants with strike price of $11.50
(b): Assumes all common shares at $3.25 price including $20 Million PIPE and shares exchanged with DermTech shareholders
(c): Represents 14,936,250 rights to receive 1/10 CNAC common stock at closing of initial business combination on an as-converted basis
(d): Includes 561,250 IPO private placement shares and 898,971 founder shares. Assumes cancellation of 2,699,779 founders shares.

Investment Rationale

Significant Market Opportunity

- ~15M surgical biopsies to diagnose 5.4M cases of skin cancer in the U.S. annually
- Additional opportunities in inflammatory diseases.
- Total available market opportunity: >$5 billion per annum.

Disruptive Change

- DermTech is an adhesive patch instead of a surgical incision
- Likelihood of missed melanoma: 1% for PLA test vs 17% for current standard (surgical biopsy)
- ~6x cost saving per melanoma detected vs surgical biopsy

Reimbursement Approval

- DermTech has received a draft favorable coverage decision from Medicare MolDX
- Final coverage policy is expected in H2 2019
- Peers have experienced significant revenue ramp-up on CMS approval
- Lead product projected revenue of $45M in Year 2 and $100M in Year 3 post Medicare coverage

Sources: DermTech, Inc.; American Academy of Dermatolgoy Skin Cancer Facts www.aad.org; JAMA Dermatology, 2018, doi:10.1001/jamadermatol.2018.0212 ; BMJ 2017; 357:j2813

Management Team

	Name	Title	Background
	**Dr. John Dobak**	Chief Executive Officer	• Founder & Chairman of 10xBio (aesthetic medicine drugs) • Chairman Pantherics (anti-inflammatory drugs) • Former Founder/ CEO of CryoCor/CryoGen and InnerCool Therapies. • MD, UCSD. Bachelors, UCLA.
	**Todd Wood**	Chief Commercial Officer	• Allergan, VP U.S. Sales, Dermatology, Ophthalmology, Aesthetics • Obalon VP Sales
	**Steve Kemper**	Chief Financial Officer	• Former CFO, GenMark Diagnostics, Dexcom, CryoGen Inc. • Adjunct Professor, Finance, UCSD. • MBA, Loyola Marymount University. Masters, Accounting, SDSU.
	**Dr. Zuxu Yao**	Chief Scientific Officer	• Senior roles at Nexogen, Advance, Celula, Nanogen. • Post-doctoral, UCSD. PhD, Memorial University of Newfoundland. Masters, Wageningen Agricultural University. Bachelors, Xiamen University.
	**Dr. Burkhard Jansen**	Chief Medical Officer	• Founder/Senior roles at derma and oncology companies – Novelix, Avienne, Oncogenex. • Worked at the FDA. • Post-doctoral, University of Minnesota. MD, University of Graz.
	**Darryl Garrison**	VP Clinical Laboratory Operations	• Clinical Lab Operations at Pathway Genomics and Clarient

6

Board of Directors

Gary Jacobs, *Chairman of Board*

- Chairman of the Board since June 2006, Senior Executive Qualcomm, active life science investor

Matt Posard, *Board Member*

- Former Head of Global Sales and General Management Illumina, Biosite, Trovagene

Cynthia Collins, *Board Member*

- CEO Editas Medicine, Clariant, Human Longevity, GE Healthcare

Scott Pancoast, *Board Member*

- President and Chief Executive Officer of Zylo, Lpath Inc., Partner Western States Investments

Herm Rosenmann, *Board Member*

- CFO-Natera, Genprobe, BOD-Vivo, Natera

John Dobak, M.D., CEO

Genomic Innovators are Disrupting the Diagnostic Testing Market

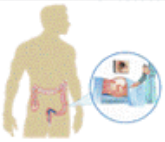
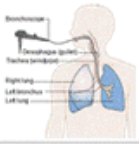
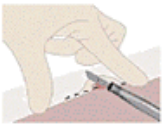
- 44% share of non-hospital dx revenue
- ~$19 billion in revenue
- ~$24 billion in market cap
- ~(20)% 2018 stock return
- ~1.7x implied EV / revenue multiple

- <5% market share
- ~$1 billion in revenue
- ~$15 billion in market cap
- ~75% one year stock return
- ~14x implied EV / revenue multiple

Source: Capital IQ, as of market close, 1/18/2019

8

Next-Gen Dx: More Accurate, Faster, Less Expensive and Less Invasive

CANCER	COMPANY	OLD STANDARD OF CARE	NEW-GEN DIAGNOSTIC
Breast	Genomic Health		
Colorectal	exact sciences		
Prostate	Epic Sciences		oncotypeDX AR-V7 Nucleus Detect powered by Epic Sciences
Lung	GUARDANT HEALTH		GUARDANT360
Skin	DermTech		

9

Pigmented Lesion Assessment for Melanoma (PLA)

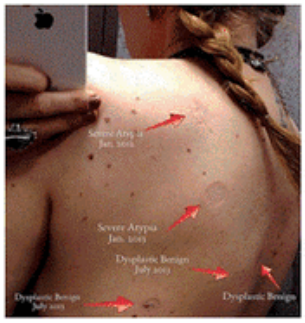
DERMATOLOGISTS CUT TO BE "SAFE"

Melanoma Clinically Difficult to Identify

Not Skin Cancer

Skin Cancer

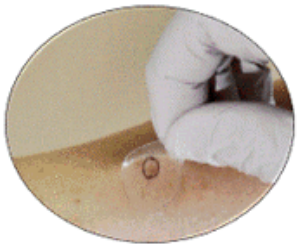
Leads to Unnecessary Surgery



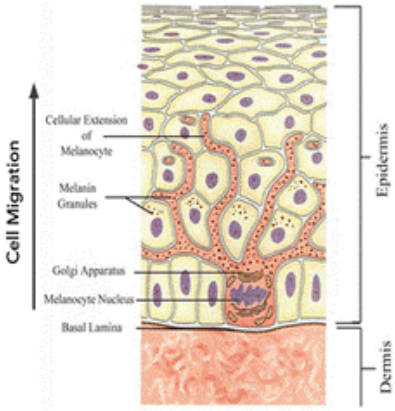
3+ million biopsies to detect ~0.15 million cases of melanoma

Source: American Cancer Society, Cancer Facts & Figures 2018

BREAKTHROUGH NON-INVASIVE TEST



Epidermal Sampling Exploits Natural Skin Physiology



BENEFITS OF NEW TECHNOLOGY

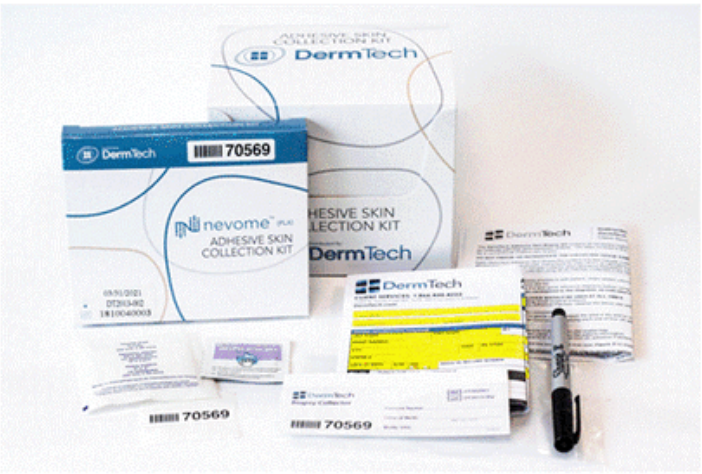
- **Clinicians**
  - Payment for Test
  - Easy to Use
  - Better Accuracy: NPV 99%
  - Integrates into work flow
  - Patient Satisfaction
- **Patients**
  - Avoid unneeded surgery
  - No scarring
  - No time off work
- **Payers**
  - Lower cost ~$500/lesion
  - Early melanoma detection
- **Impact since launch**
  - >27,000 surgeries prevented
  - ~30,000 assays performed

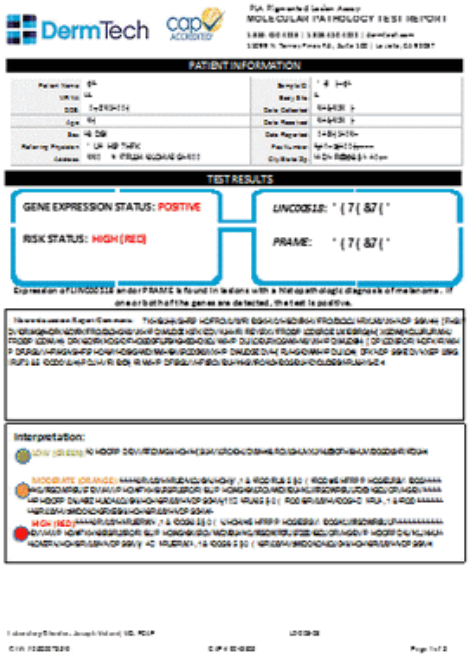
10

DermTech Adhesive Skin Collection Box & Report

DermTech Adhesive Skin Collection Kit contains all necessary materials to non-invasively collect and mail a skin sample to the DermTech Laboratory for molecular pathology gene expression analysis.

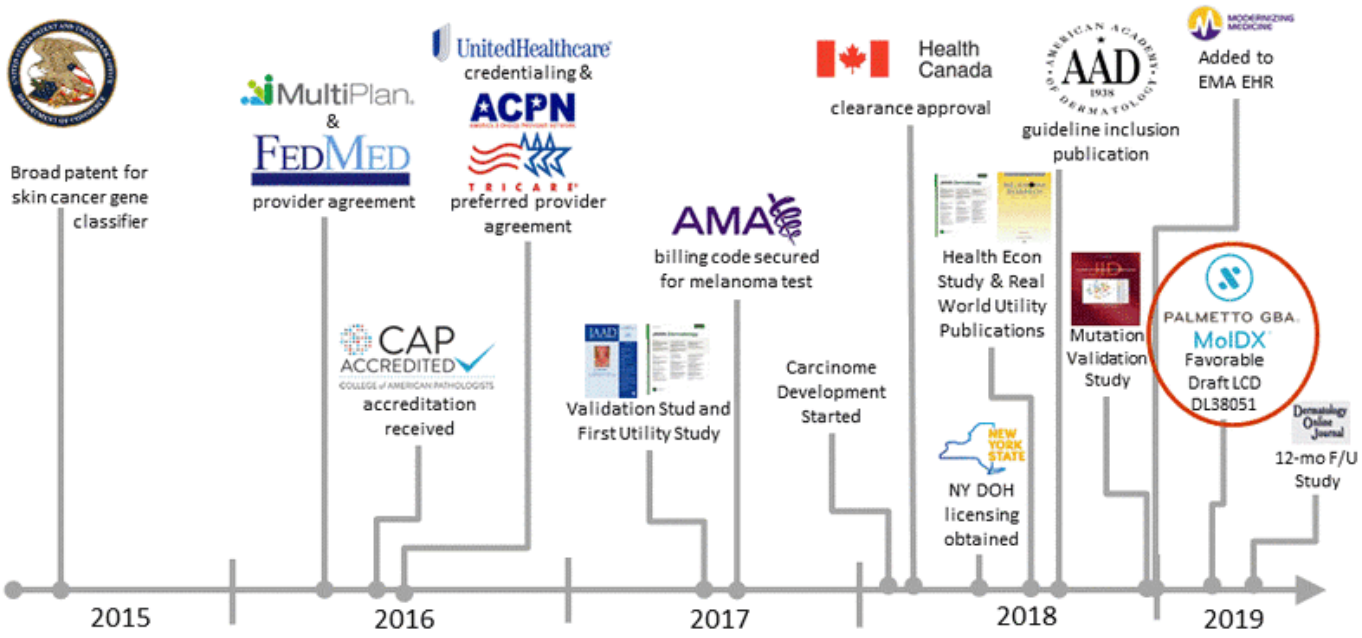
PLA Report provides simple POSITIVE/NEGATIVE read-out





11

Milestones: PLA Test



Issued US Patents provide protection until 2034

- Broad methods for RNA analysis of skin collected by adhesive patch
- Method of detection of biological factors in epidermis
- Broad claims for melanoma gene classifier
- Patents issued in multiple European countries, Canada, Japan, and Australia
- Significant trade secrets and technical know how

Source: DermTech, Inc.

12

PLA Test Outperforms Surgical Biopsy

PERFORMANCE METRIC	SURGICAL BIOPSY	PLA TEST	IMPROVEMENT
Probability of missed melanoma	17%	1%	**17x**
Surgery needed per melanoma detected	25-30	2.7	**10x**
Cost per melanoma detected	$23,675	$3,780	**6x**

Sources: JAMA Dermatology, 2018, doi:10.1001/jamadermatol.2018.0212 ; BMJ 2017; 357:j2813; JAMA Dermatology, 154(9):1-8 (38)

13

PLA Test: Significant Clinical Validation

MILESTONE	STATUS	SAMPLE SIZE
Analytical Validation	✓ Complete	125
Clinical Validation – pathology	✓ Complete	555
Clinical Validation – mutation	✓ Complete	626
Clinical Utility	✓ Complete	45 Derms
Real World Utility	✓ Complete	381
1-Year Follow-Up	✓ Complete	734
Real World Utility Registry	On-going	1575
Adhesive Biopsy Validation	✓ Complete	N/A
Health Economic	✓ Complete	326
CPT Codes	✓ Complete	N/A

14

PLA: MolDX Coverage, Consensus Recommendations, AAD Guidelines, Top KOL's

MOLDX, AAD MELANOMA GUIDELINES & EXPERT PANEL RECOMMENDATIONS

- **MolDX favorable draft LCD DL38051**
- **2018 AAD Guidelines** add non-invasive gene expression as an option in the initial clinical assessment of pigmented lesions
- **Consensus Use Criteria from Expert Panel**
  - Atypical lesions requiring additional assessment beyond visual inspection
  - Lesions in cosmetically sensitive areas
  - Patients with wound healing risk
  - Patients with relative contraindications to surgical biopsy
  - Patients who refuse surgical biopsy or have biopsy fatigue

RESPECTED PHYSICIAN VALIDATION

- Sergio Schwartzman, MD (Cornell, NY)
- James Sligh, MD, PhD (Unv. of Arizona)
- Harold Rabinovitz, MD (Unv. of Miami)
- Bruce Strober, MD (Unv. of Connecticut)
- Darrell Rigel, MD (NYU, Past AAD President)
- Ronald Moy, MD (USC, Past AAD President)
- Dan Siegel, MD (SUNY, Past AAD President)
- Laura Ferris, MD (Unv. of Pittsburgh, AAD Melanoma Guideline Advisory)
- Pedram Gerami, MD (Northwestern University)
- Abby van Voorhees, MD (EVMS, AAD Board, President Psoriasis Foundation)
- Ash Margoob, MD (Memorial Sloan Kettering Cancer Center)

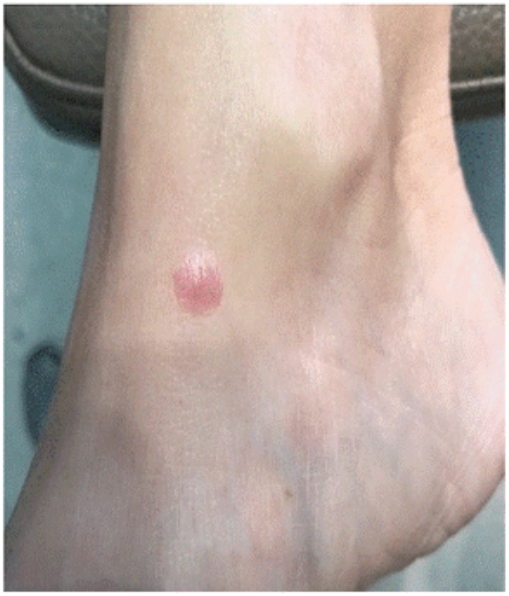
KEY MEDICAL SOCIETY ENDORSEMENTS

- American Academy of Dermatology
- Society of Investigative Dermatology
- American Society for Clinical Pathology
- Molecular Pathology Advisory Group
- American Society of Cytopathology
- College of American Pathologists
- Pathology Coding Caucus
- U.S. and Canadian Academy of Pathology

Source: DermTech, Inc.

15

Cancer Detection Breakthrough- Case Study



- 28 y.o. female
- Family history of melanoma
- Complained of bug bite
- Refused surgical biopsy
- PLA +
- Histopathology 0.5 mm amelanotic melanoma
- Case study published in JAMA Dermatology

16

DermTech Product Pipeline

PRODUCT	TEST PURPOSE	ASSAY TYPE	GENE TARGETS	MARKETED
PLA	Melanoma R/O	PCR	LINC, PRAME	Yes
Nevome	Melanoma R/I	Mut	BRAF, NRAS, TERT	Yes
Carcinome	Basal/Squam R/O	PCR	Not Disclosed	In Progress
TBD	Inflammatory Disease Treatment/Dx	PCR	Th1, Th2, Th17	In Progress
Rejuvome	Skin Health & Rejuvenation	PCR	Not Disclosed	In Progress

STRONG COLLABORATIONS WITH BIG PHARMA

- ~$7.0 million in research programs booked in last 24 months
- Expansion to late stage trials (phase II, III)

MedImmune, Biogen, Incyte, Johnson & Johnson, abbvie

Source: DermTech, Inc.

17

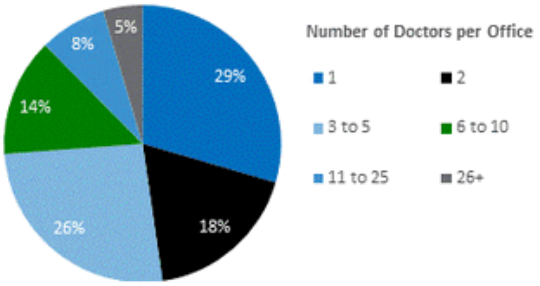
Commercialization Plan

Source: DermTech, Inc.

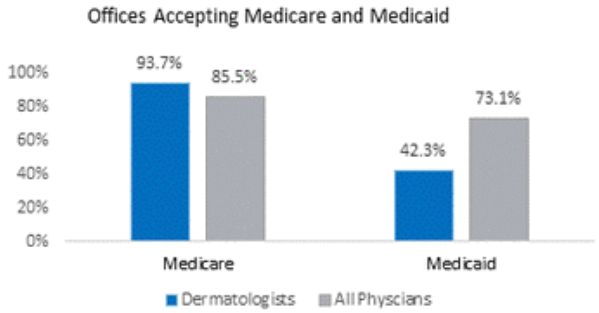
18

The Dermatology Practice Market Favors Rapid Adoption

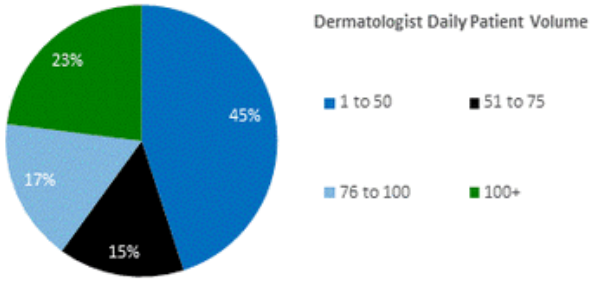
HIGHLY FRAGMENTED



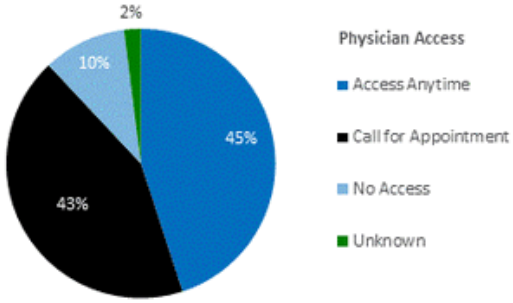
HIGHLY DEPENDENT ON GOVERNMENT PAYERS



EXCEEDINGLY BUSY



AMIABLE TO MEET SALES REPRESENTATIVES



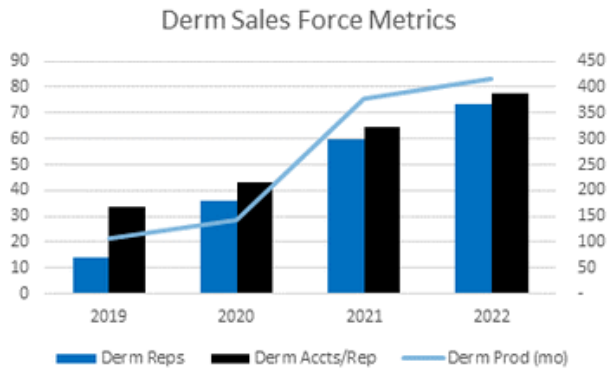
Source: Market Profile of U.S. Dermatologists, Cegedim 2015

19

Commercialization Plan: Dermatology

Biopsy market for pigmented lesions penetrated by ~15% by end of 2022

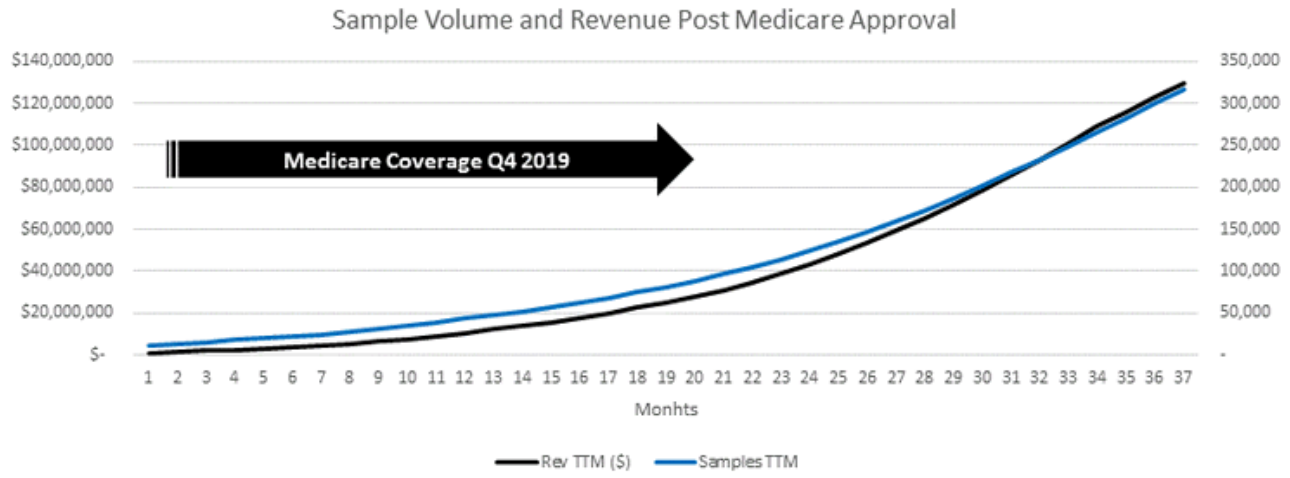
SALES



- **Expand Dermatology Sales Force H2 2019 after CMS Approval**
  - 22 reps end of 2019 growing to 75 rep by end of 2022
  - Targeting 2-3 new physician accounts per rep per month
- **Out 12,000+ Total US Derm Practice Professionals ~50% penetrated by end of 2022**
- **Monthly Usage Grows From 3.0 to 6.0 samples/mo/clinician by end of 2022**
- **Distribution partner for primary care segment**

Source: DermTech, Inc.

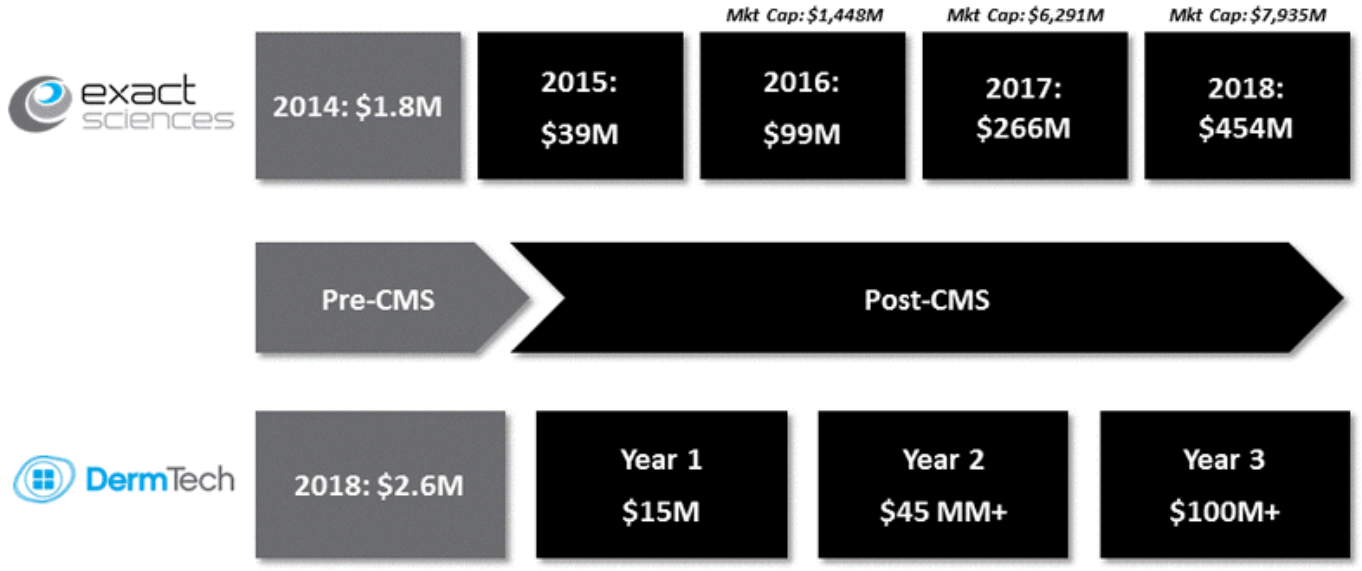
Anticipated Ramp-Up Post CMS Approval: Dermatology PLA Sales



COMPANY	TEST	CMS APPROVAL	PRE-APPROVAL REVENUE	YEAR 1 REVENUE	POST APPROVAL REVENUE MULTIPLE
Exact Sciences	Cologuard	10/9/2014	$1.8	$39.4	21.9x
Veracyte	Afirma	1/9/2012	$2.7	$11.6	4.3x
Genomic Health	OncotypeDX	1/13/2006	$5.2	$29.2	5.6x
BioSite	BNP	1/1/2003	$38.1	$103.2	2.7x

CMS: Centers for Medicare and Medicaid Services
Source: DermTech, Inc., Capital IQ, Bloomberg

Estimated Revenue: Dermatology PLA Sales



Source: Capital IQ for Exact Sciences, market capitalization values as of end of year 2016, 2017 and 2018. Management estimates for DermTech, Inc.

Select Listed Comparables

($USD in millions)

COMPANY	TICKER	MARKET CAP	CASH ON HAND	EV	FY19E SALES	FY20E SALES	FY19E EBITDA	FY20E EBITDA	EV/FY19 SALES[a]	EV/FY20 SALES[a]
Exact Sciences	EXAS	$11,463	$1,758	$11,044	$729	$1,057	($202)	($28)	15.1x	10.5x
Guardant Health	GH	7,839	497	8,427	135	188	(119)	(84)	NM	NM
Genomic Health	GHDX	2,752	210	2,542	444	490	71	90	5.7	5.2
Quidel	QDEL	2,658	44	2,722	533	564	183	198	5.1	4.8
Myriad Genetics	MYGN	2,447	165	2,554	895	934	197	220	2.9	2.7
Invitae	NVTA	2,151	317	1,912	223	326	(117)	(62)	8.6	5.9
NeoGenomics	NEO	1,855	10	1,958	385	426	51	65	5.1	4.6
Natera	NTRA	1,228	203	1,149	286	342	(135)	(75)	4.0	3.4
OncoCyte	OCX	148	49	101	0	2	(14)	(17)	NM	NM
Mean		**$3,616**	**$361**	**$3,601**	**$403**	**$481**	**($9)**	**$34**	**6.6x**	**5.3x**
Median		**2,447**	**203**	**2,542**	**385**	**426**	**(14)**	**(17)**	**5.1**	**4.8**

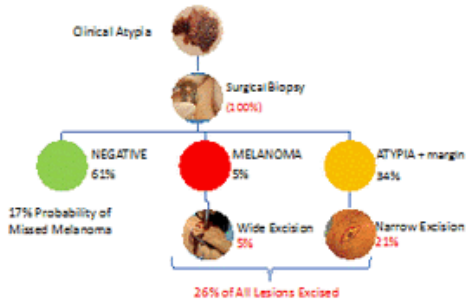
Source: Capital IQ, as of 3/19/2019. All future estimates per Wall Street Research consensus model via Capital IQ.
(a) "NM" denotes multiples less than 0.0x or greater than 30.0x.

BACKUP SLIDES

Superior Performance and Cost Savings for Payers

HISTORICAL DIAGNOSIS PATHWAY

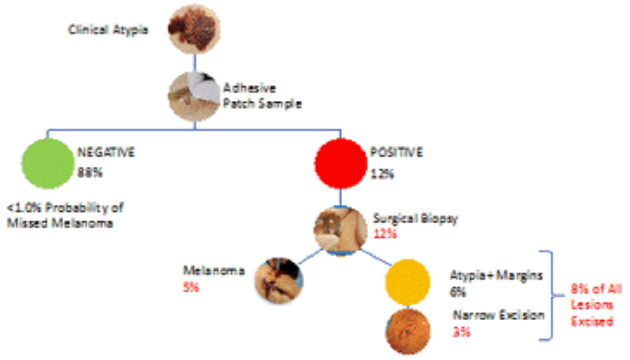
Visual assessment followed by surgical biopsy and histopathology



Test Purpose	Rule-out Melanoma
Type	Surgical biopsy/histopathology
NPV	83%
Probability of Missed Mel	17%
Number Need to Biopsy	25
Number Needed to Excise	5.2
Cost Per Lesion Tested	$947

DERMTECH PLA PATHWAY

Non-invasive genomic testing via four patches placed on lesion



Test Purpose	Rule-out Melanoma
Type	Noninvasive gene expression
NPV	99%
Probability of Missed Mel	1%
Number Need to Biopsy	2.7
Number Needed to Excise	1.6
Cost Per Lesion Tested	$450

$500 Total Cost Savings

24

Benefits Across Value Chain

PHYSICIANS	PAYORS	PATIENTS
• Reduces missed melanoma addressing the greatest concern in dermatology • Opportunity to enhance practice revenue • Improved patient satisfaction by avoiding surgery and scarring • Improve patient flow and throughput • Favorable practice economics	• Fewer surgical costs and surveillance costs • Earlier detection and avoiding missed melanoma avoids costlier later-stage diagnosis • $947 for SoC biopsy and histopathology vs. $400 for PLA	• Less painful and less invasive than surgical biopsy • Feels like removing scotch tape • No risk of scarring • Fewer "inconclusive" results which leads to fewer surgical excisions

25