

## **SetPoint Medical Announces \$80M Preferred Stock Financing to Advance Company's Novel Treatment for Autoimmune Diseases**

*Provides funding through early commercialization of promising treatment for rheumatoid arthritis*

**Valencia, Calif., Jan. 19, 2023** – [SetPoint Medical](#), a clinical-stage healthcare company dedicated to patients with chronic autoimmune diseases, today announced an \$80 million preferred stock financing co-led by new investors Norwest Venture Partners and Viking Global Investors. The company is developing its novel platform for the treatment of chronic, inflammation-mediated autoimmune diseases and is initially focused on a potentially less immunosuppressive option for the treatment of rheumatoid arthritis (RA).

New investor Gilmartin Capital also participated in the financing, along with returning investors New Enterprise Associates (NEA), Action Potential Venture Capital, Boston Scientific, Topspin Fund, Euclidean Capital, Morgenthaler Ventures, Richard King Mellon Foundation, ShangBay Capital, Ascendum Capital, Catalio Capital Management, Midas Capital, Citta Capital, SVE Capital, and an undisclosed strategic investor.

Proceeds from the financing will be used to complete the company's ongoing RESET-RA trial and subsequent U.S. Food and Drug Administration (FDA) regulatory submissions and early commercialization for the rheumatoid arthritis indication. The RESET-RA study is a multicenter, double-blind, randomized, sham-controlled clinical trial evaluating SetPoint Medical's investigational platform technology for treatment of RA using vagus nerve stimulation. The company [recently announced](#) the first patient enrolled in Stage 2 of the study.

"We are thrilled to secure an equity raise with a group of seasoned investors who possess deep industry knowledge and a passion for improving outcomes for patients with chronic medical conditions," said Murthy V. Simhambhatla, Ph.D., President and CEO of SetPoint Medical. "We look forward to furthering our clinical and regulatory goals toward FDA approval of our novel approach in partnership with our investors."

Zack Scott, M.D., General Partner at Norwest, has joined SetPoint's board of directors in conjunction with this financing. At Norwest, Dr. Scott focuses on investment opportunities in medical devices, diagnostics, life science tools and healthtech.

"Over the past two decades, advancements in biologic therapies have had a significant impact on the treatment of autoimmune diseases. However, they are far from perfect. Biologics don't work for all patients, often lose their efficacy over time, and have significant safety liabilities related to the risk of immunosuppression," said Dr. Scott. "SetPoint is uniquely positioned with a novel approach to treating autoimmune diseases by activating innate neural pathways that work

to reduce inflammation. I am honored to join SetPoint's board of directors as part of this financing, and I look forward to working with the company to bring its innovative therapy to market."

The SetPoint system has been granted FDA Breakthrough Device Designation for patients with RA who have incomplete response to, or are intolerant to, multiple biologic drugs. The system consists of a miniaturized stimulation device that is placed on the vagus nerve through a small incision on the left side of the neck in an outpatient procedure. Once surgically placed, the device is programmed to automatically deliver therapy on a preset schedule.

### **About SetPoint Medical**

SetPoint Medical is a privately held clinical-stage healthcare company dedicated to treating patients with chronic autoimmune diseases. The company is developing a novel platform designed to stimulate the vagus nerve to activate the inflammatory reflex to produce a systemic immune-restorative effect. SetPoint Medical's platform technology is designed to offer patients and providers a treatment alternative for rheumatoid arthritis, inflammatory bowel disease and other chronic autoimmune conditions with potentially less risk and cost than drug therapy. For more information, visit [www.setpointmedical.com](http://www.setpointmedical.com).

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