



Investor Presentation

April 2024



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NEUROPACE MISSION

Transform the lives of people suffering from epilepsy by reducing or eliminating the occurrence of debilitating seizures.

NeuroPace Investment Highlights

Large, underpenetrated market	>\$55B annual core U.S. addressable market; \$2B original market within Comprehensive Epilepsy Centers with additional upside from expanding outside Level 4 centers
Unique technology	Closed loop, brain-responsive neuromodulation system
Compelling clinical evidence	Differentiated outcomes that continue to improve over time
Operating execution	Focused on revenue, gross margin and operating expense management
Healthy balance sheet	Sufficient capital to support key operating priorities into 2026
Future growth opportunities	Market expansion outside of Level 4 centers and indication expansion into the generalized epilepsy patient population

Management Team



Joel Becker

Chief Executive Officer



Rebecca Kuhn

Chief Financial Officer



Martha Morrell, MD

Chief Medical Officer



Kelley Nicholas

Vice President, Sales

Previous Experience





Drug-Resistant Epilepsy (DRE) is a Devastating, Highly Undertreated Disease with Significant Unmet Need

**Epilepsy is a disorder in which abnormal electrical
activity in the brain causes seizures**

4th most common neurological disorder in the U.S.¹

~\$28B direct medical costs in the U.S.¹

2-3X higher unemployment among epilepsy patients²

**Drug therapy is unable to control seizures for
1 in 3 patients^{3,4}**

¹Examining the Economic Impact and Implications of Epilepsy, AJMC, February 13, 2020.

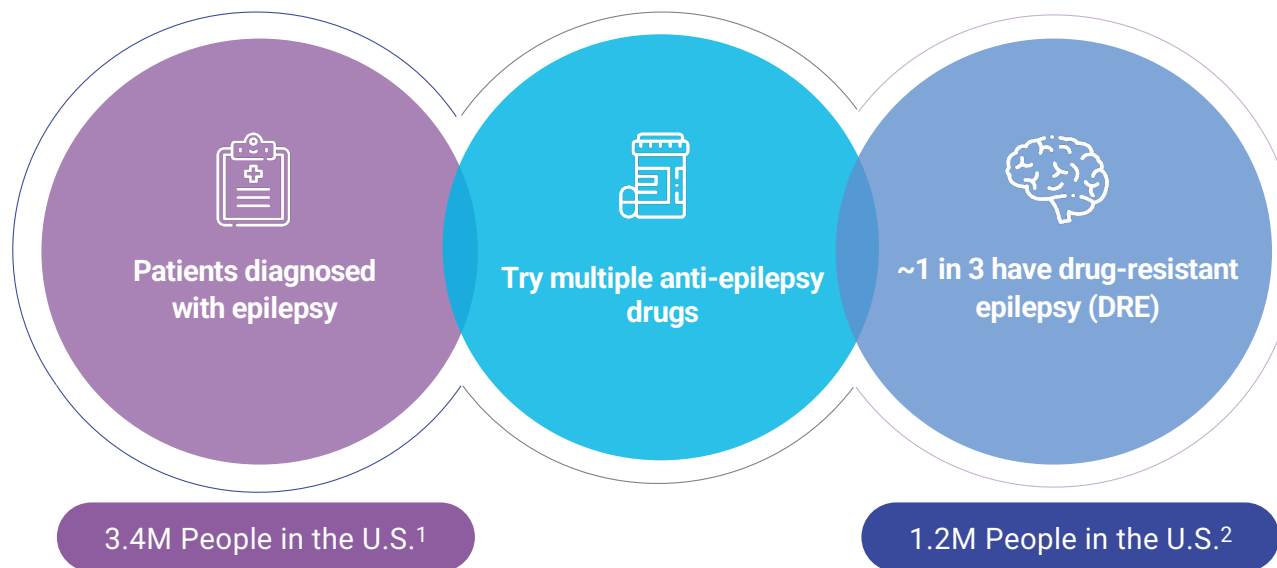
²Epilepsy Across the Spectrum 12.4.26: <https://www.ncbi.nlm.nih.gov/books/NBK100603/>

³U.S. Center for Disease Control, August 10, 2017. ⁴Chen, Z., et al., JAMA Neurology, 2017.

U.S. Prevalence: 1/3 of Epilepsy Patients are Drug Refractory

Drug-resistant epilepsy (DRE) defined as a patient failing to achieve sustained seizure freedom after trying two antiseizure medications³

DIAGNOSIS & FIRST LINE TREATMENT



DRE patients who may not appear to be appropriate candidates for epilepsy surgery should still be referred to a tertiary epilepsy center to evaluate potential other interventions³

7 | ¹ U.S. Center for Disease Control, August 10, 2017. ² Chen, Z., et al., JAMA Neurology, 2018. ³ Jehi L, Jette N, Kwon C-S, Josephson CB, Burneo JG, Cendes F, Timing of referral to evaluate for epilepsy surgery: Expert Consensus Recommendations from the Surgical Therapies Commission of the International League Against Epilepsy. Epilepsia. 2022;00:1–16. <https://doi.org/10.1111/epi.17350>.

RNS System - Novel Therapy to Address Unmet Need

Brain-Responsive Neuromodulation System Provides Unique Window to the Brain



Monitors

Brain activity continuously



Recognizes & Responds

To patient-specific seizure patterns



Records

Ongoing iEEG data for physicians to review

Epilepsy Treatment that is

- Personalized
- Targeted
- Data-driven



Implantable Device with nearly 11-year battery



Physician Programmer



Patient Remote Monitor



Patient Data Management System

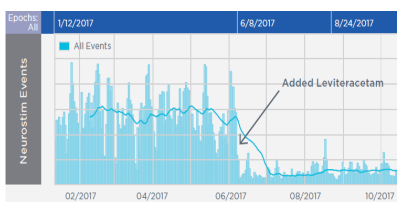
RNS System Data

Allows Physicians to Actively Manage and Customize Ongoing Patient Care

Identify Seizure Triggers

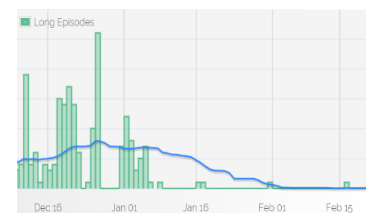
See Effects of Therapy Changes

Therapy change



Inform Future Surgeries

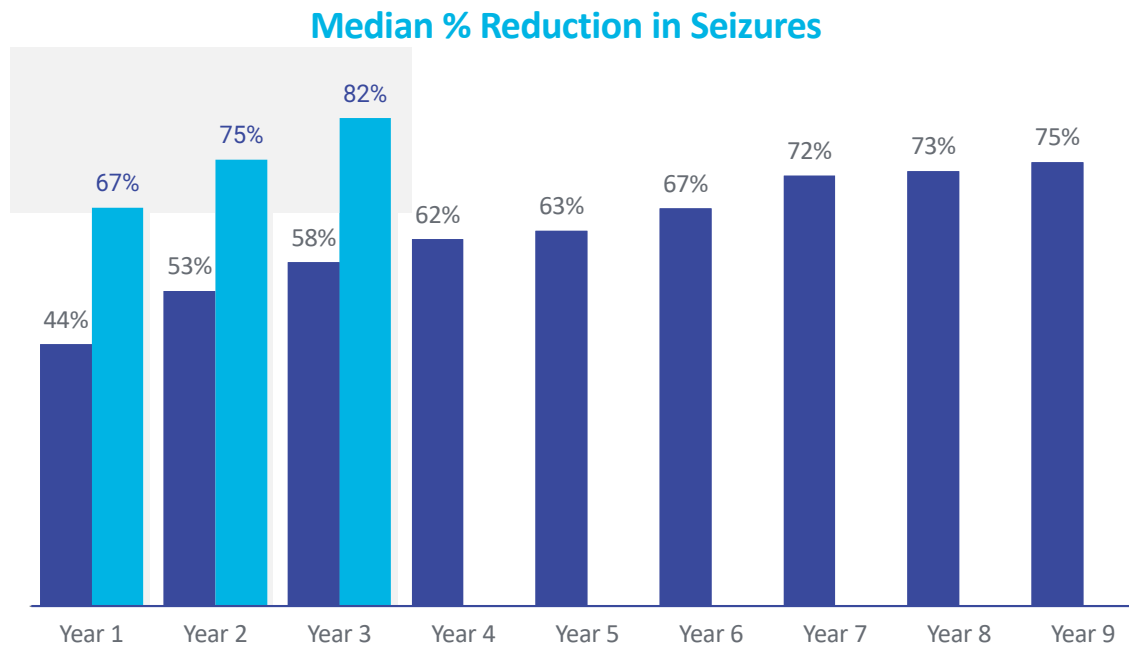
Monitor Patient Progress



Electrographic seizures

Reveal Seizure Cycles

Impressive Seizure Reductions Improve Over Time



Original FDA Study Results:^{1,2}

- Statistically greater seizure reduction than sham therapy at 5 months
- 75% median seizure reduction at 9 years
- 28% of patients achieved ≥ 6 months of seizure freedom

Real World & FDA Post Approval Study Results:

- 67% median seizure reduction at 1 year^{3,4}
- 75% median seizure reduction @ 2 years⁴
- 82% median seizure reduction at 3+ years⁴
- ~1 in 3 patients with > 90% reduction in seizures⁴

Improvements shown in:

Cognitive Function | Quality of Life | Mental Health | SUDEP

Alternative Treatment Options Have Significant Risks and Side Effects

Epilepsy Surgery

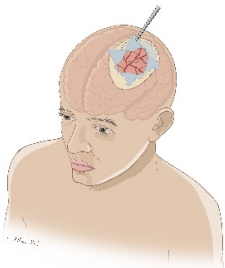
Irreversible destructive procedure

Carries neurocognitive risks: impaired memory, reduced naming ability, and loss of some part of their visual field

~20% of patients are ideal candidates¹

Resection

Laser Ablation



Neuromodulation Competitors

Fixed anatomical target

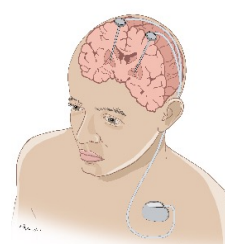
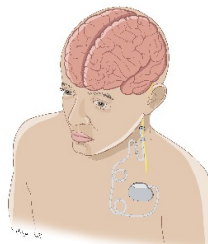
Not responsive to brain activity

Lengthy stimulation cycles result in side effects: depression, memory impairment, and sleep disruption

No detailed iEEG recordings or event trending

VNS

DBS



RNS Therapy

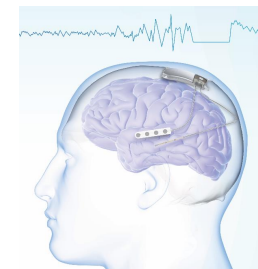
Therapy at seizure source only when needed

Responds to patient specific abnormal events

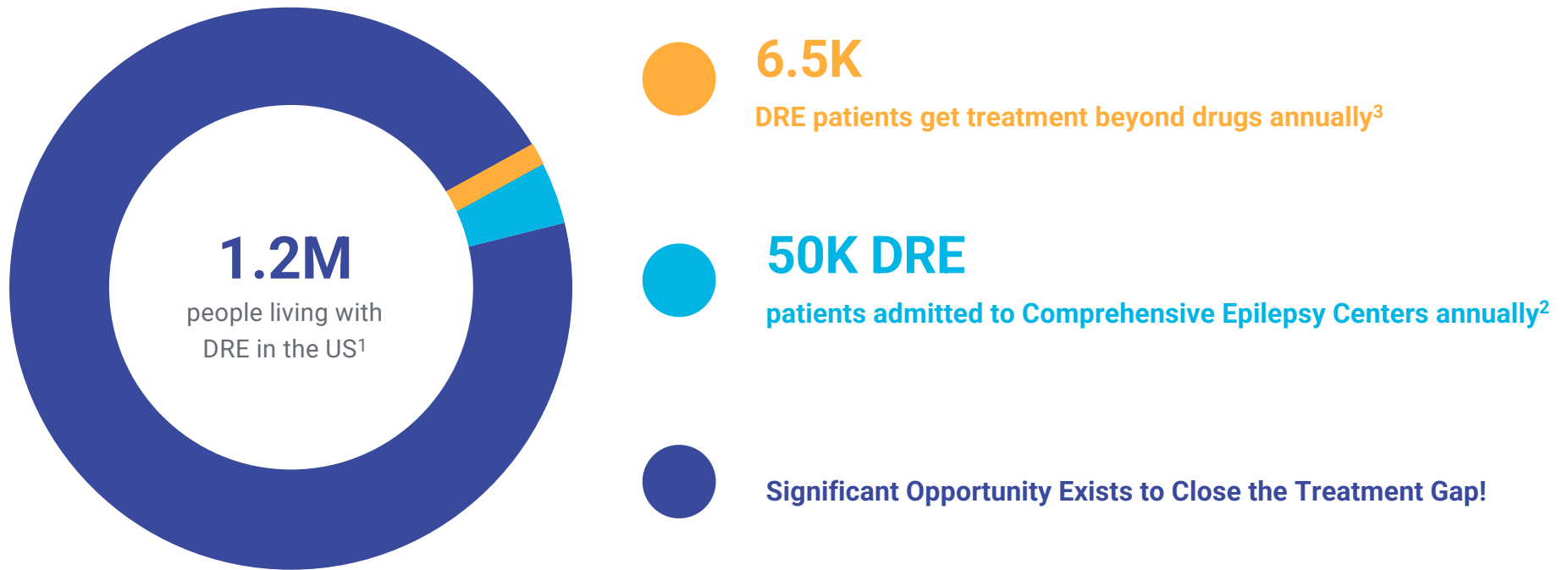
No stimulation related side effects

Reduced risk of SUDEP

Detailed iEEG recordings and event trending

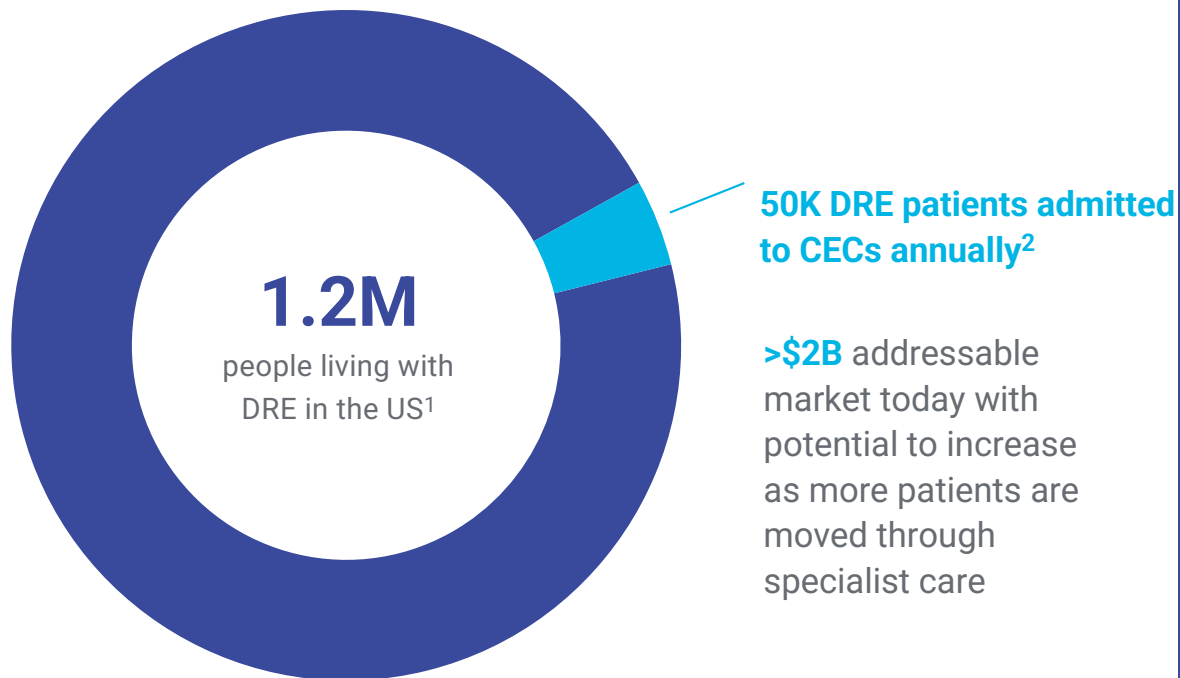


Current Patient Population Focus



Closing the Treatment Gap

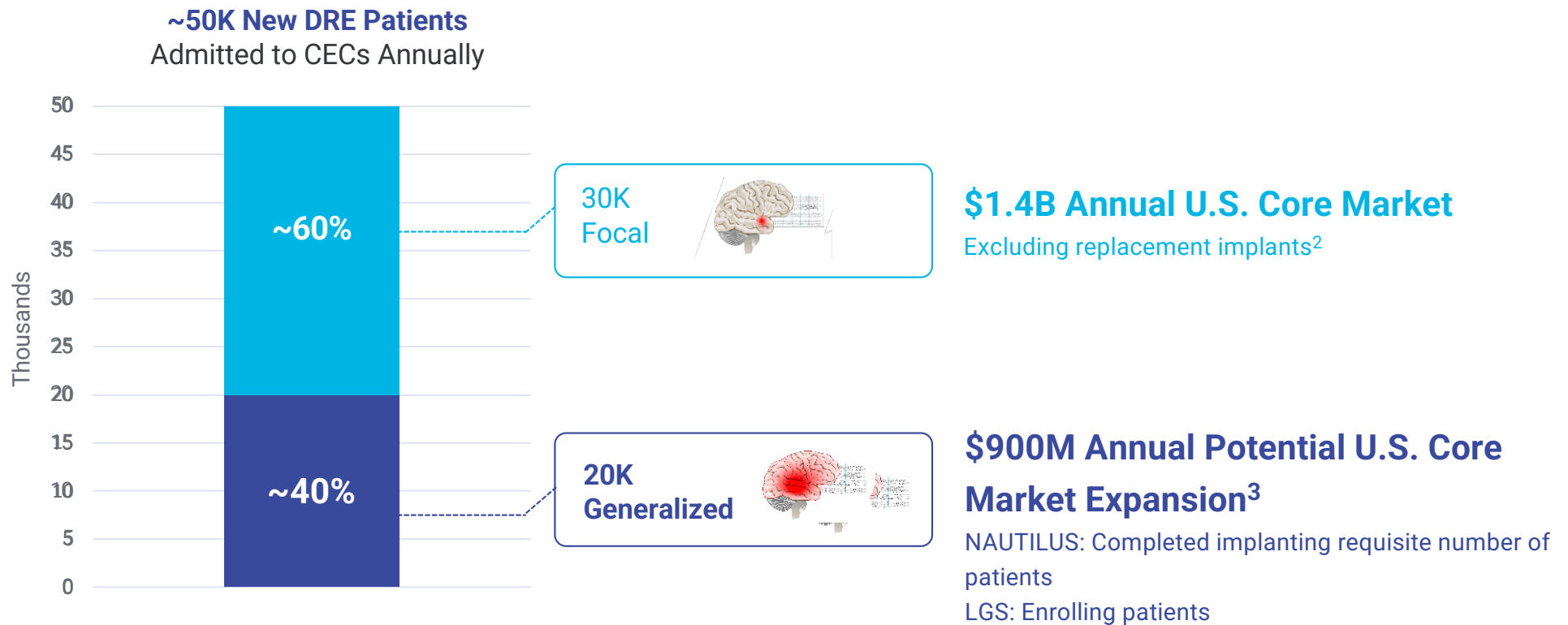
CEC Growth Opportunity



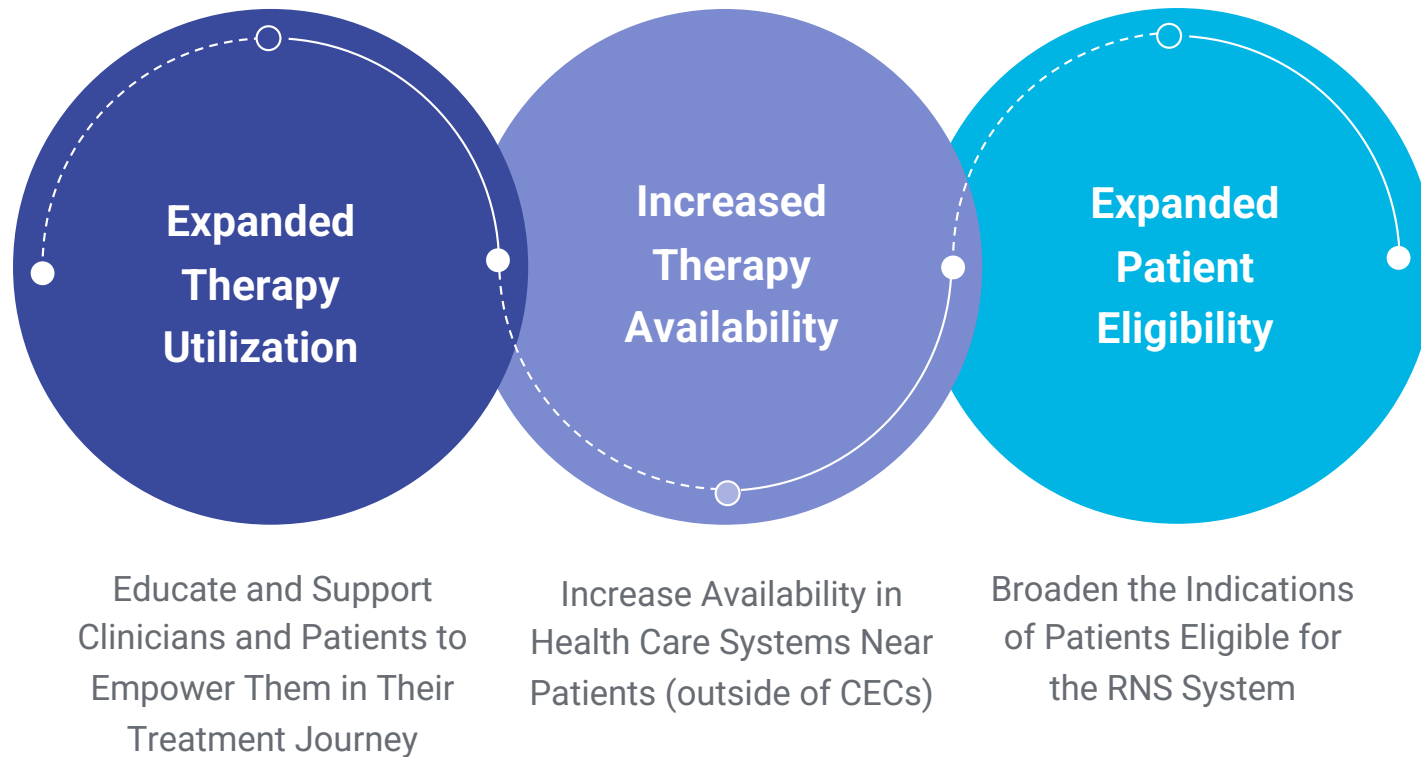
MACRO TRENDS

- Number of CECs increased from 151 in 2012 to 256 in 2019³
- 150% increase in number of epileptologists per capita from 2012 to 2019³
- Epilepsy monitoring unit (EMU) admissions increased 5% per year from 2016 to 2019³
- Patient advocacy groups advocating for increased care
- ILAE treatment recommendations for DRE encourage more/earlier evaluation of interventional treatment⁴
- Improved diagnostics and therapies lowering barriers for patients

Annual Core U.S. Market Opportunity at CECs >\$2 Billion

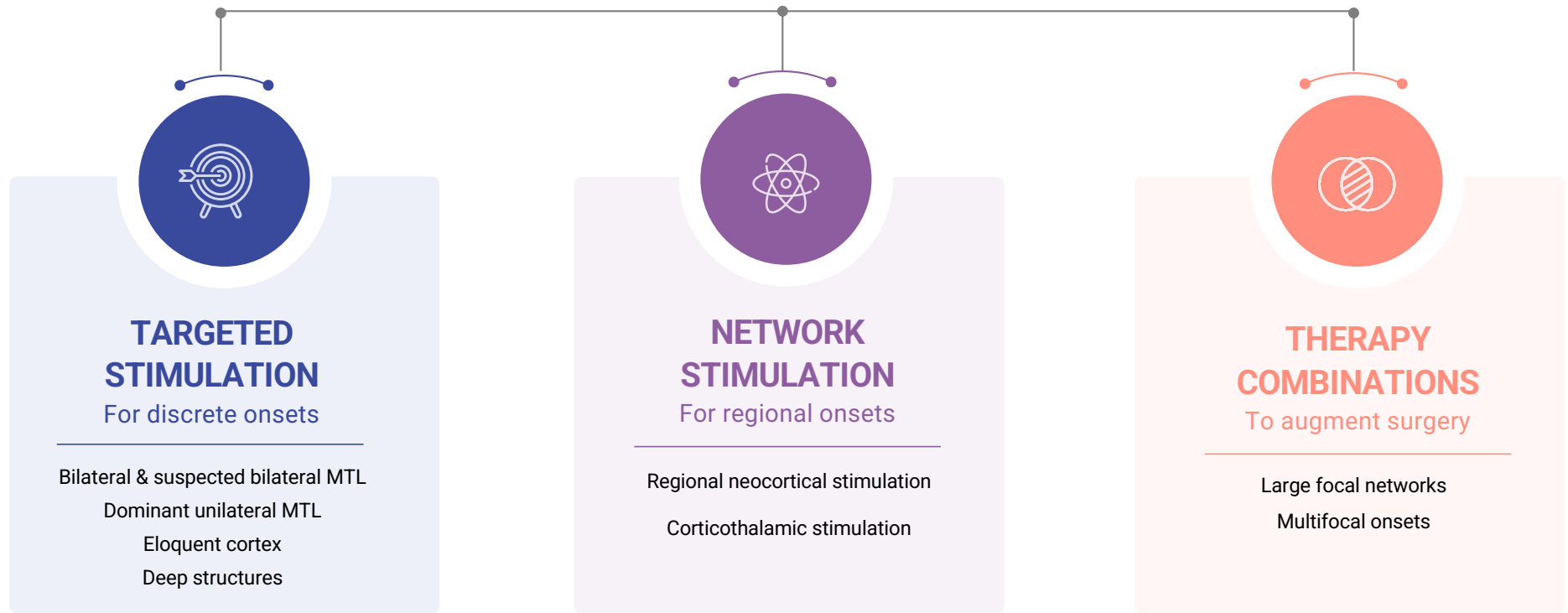


Closing the Epilepsy Treatment Gap Through Expanded Therapy Access



Expanded Therapy Utilization: Strategies for Focal, Refractory Epilepsy

RNS® System Enables Diverse Treatment Approaches

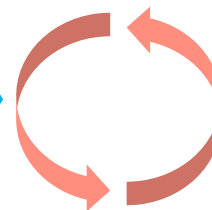


Market Expansion: Project CARE Pilot – Bringing the RNS System into the Community

Community Expansion Pilot – Making the RNS System Accessible to Patients and Clinicians outside of Level 4 CECs

- Expanding to additional 1,800 epileptologists and all functional neurosurgeons practicing outside of Level 4 CECs
- Significant expansion of RNS System TAM
- Palpable interest: patients implanted in community before official pilot launch

Expanding RNS System
Access to Patients
Outside of Level 4 CECs



Facilitating Referrals of
Appropriate Patients to Level
4 CECs

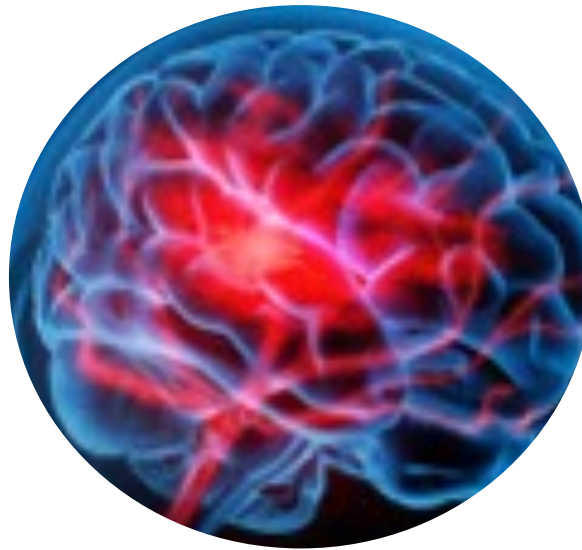
Project CARE Pilot Timeline

- H1 2024: Program Initiation
- H2 2024: Planned Activities Expansion

Indication Expansion: Generalized Epilepsy

Patient Eligibility Indication Expansion – RNS System indication for Generalized Epilepsy

- 40% of DRE market
- Shorter diagnostic process
- Shorter time from patient identification to implant



Generalized Epilepsy Clinical Trials

- **NAUTILUS**
 - Breakthrough Device Designation status
 - Enrollment and implants complete
 - One-year follow-up
- **Lennox-Gastaut Syndrome (LGS)**
 - NIH-funded

2023

2024-2025

2025-2026

Closing the Treatment Gap: Enhanced RNS Therapy Access

CECs: Focus on Adoption Across Clinicians and Expanded Therapy Utilization by current prescribers

- Build on encouraging initial implant growth
- Network stimulation
- Clinical Evidence

2023

2024-2025

2025-2026

Closing the Treatment Gap: Enhanced RNS Therapy Access

Community Expansion: RNS System Access outside of Level 4 CECs / building referral pathways

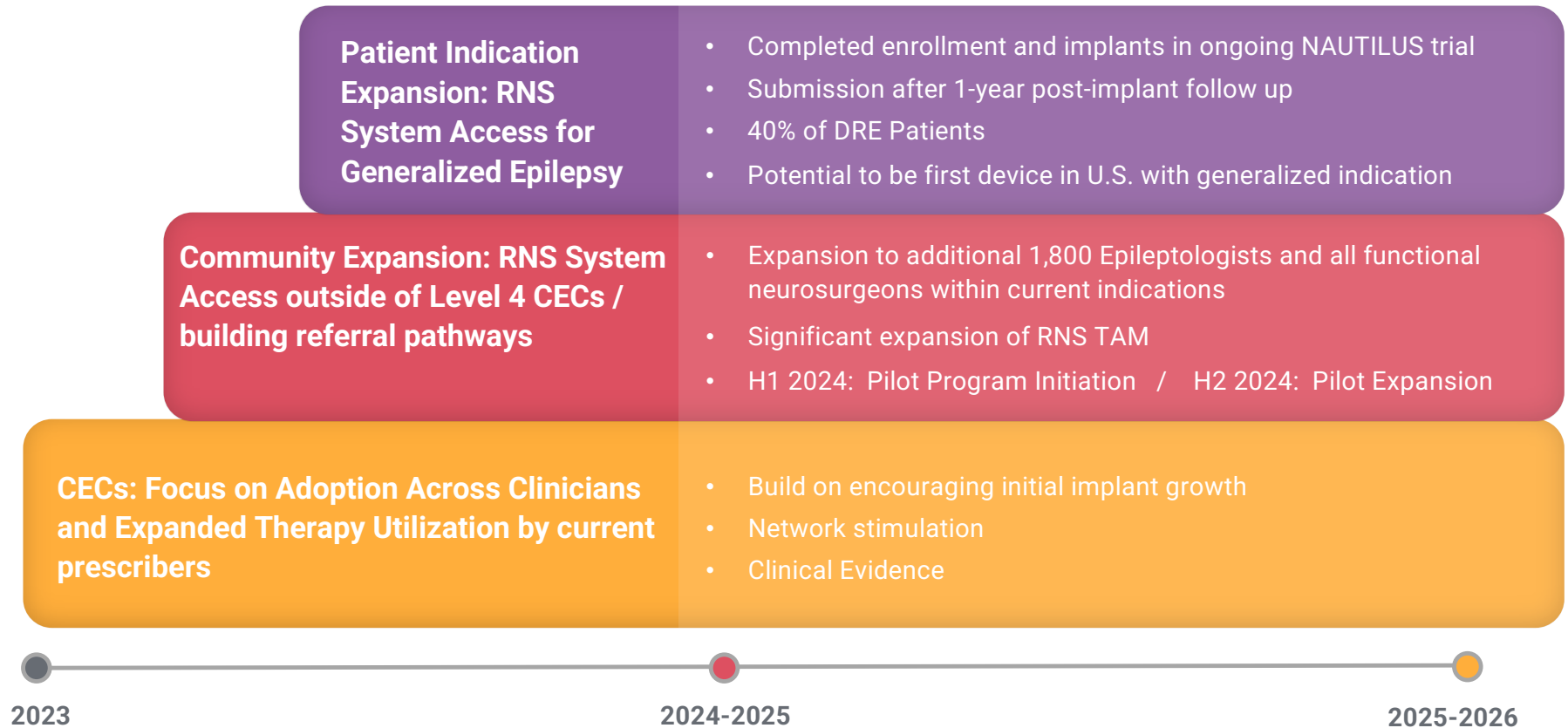
- Expansion to additional 1,800 Epileptologists and all functional neurosurgeons within current indications
- Significant expansion of RNS TAM
- H1 2024: Pilot Program Initiation / H2 2024: Pilot Expansion

CECs: Focus on Adoption Across Clinicians and Expanded Therapy Utilization by current prescribers

- Build on encouraging initial implant growth
- Network stimulation
- Clinical Evidence



Closing the Treatment Gap: Enhanced RNS Therapy Access



Leveraging the Power of the RNS System's Data Collection, Brain Monitoring and Analysis Capabilities

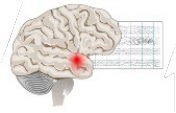
Strategic Collaboration Demonstrates NeuroPace's Data Offers a Window to the Brain® and May Help Inform Treatment Strategies

First of its kind collaboration: initial step into extending the benefits of NeuroPace's unique data monitoring and analysis capabilities to more patients and physicians:

- Collaboration uses data collected from currently implanted RNS System patients who have enrolled in a clinical-stage biotechnology company's proof of concept, Phase 2a, clinical trial.
- NeuroPace will make available information and insights to help evaluate the impact of an investigational product candidate on certain biomarkers associated with focal seizures.

Key objective: Leverage NeuroPace's unique ability to monitor, sense, record brain activity and treat patients to provide value to more patients by offering insights into potential future therapies and helping further refine how patients implanted with the RNS System can be optimally treated.

DIXI Partnership Offers Comprehensive Solution for Seizure Localization



Focal Seizures

Start in specific locations of the brain

Stereo EEG electrodes are used in CECs for seizure localization

- Determine starting location and transmission network of seizures
- Stereo EEG is less invasive, offers faster patient recovery, and has become the predominate approach for intracranial monitoring



ACS-770S-10

Distribution of DIXI Stereo EEG Products Leads to Earlier Patient Engagement



Accelerates core RNS business by helping to inform therapy decisions earlier

- ~2/3 of RNS patients go through intracranial EEG monitoring as part of the diagnostic process
- Most patients that have stereo EEG procedure are not currently getting RNS Therapy – growth potential



Provides visibility into diagnostic evaluation pipeline

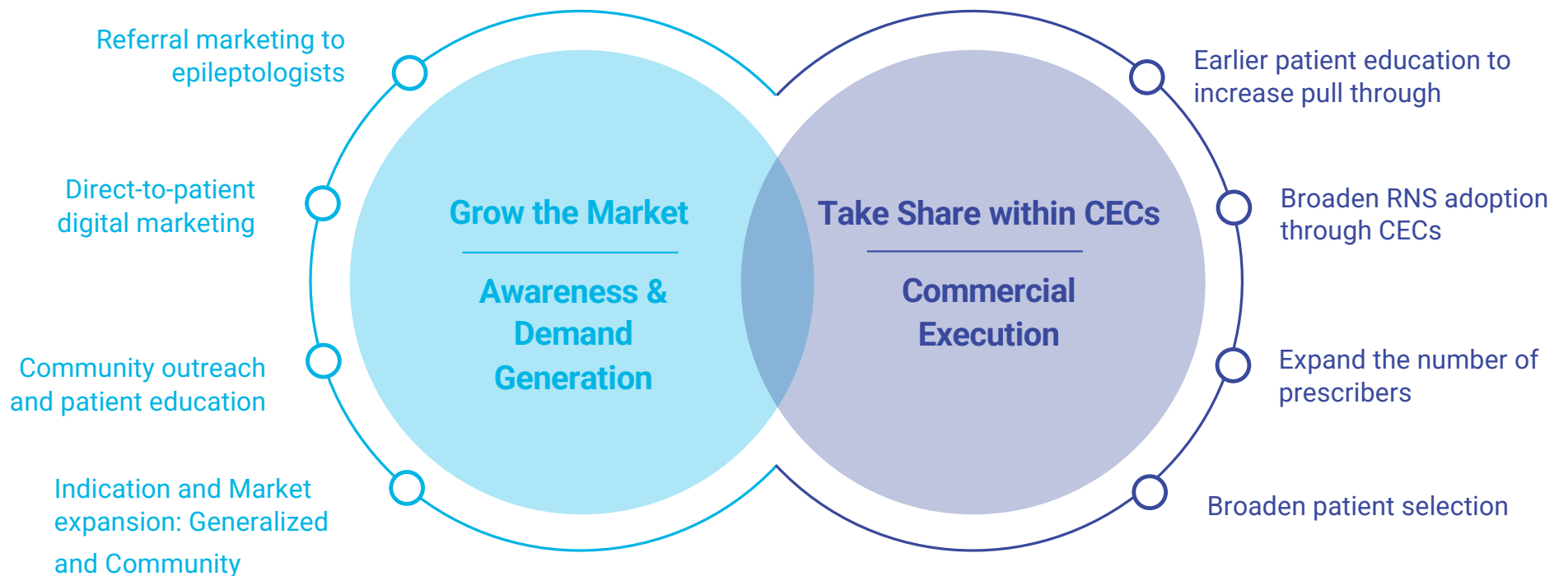
- Typically 2-3 months from stereo EEG procedure to RNS implant



New revenue source leveraging existing field team

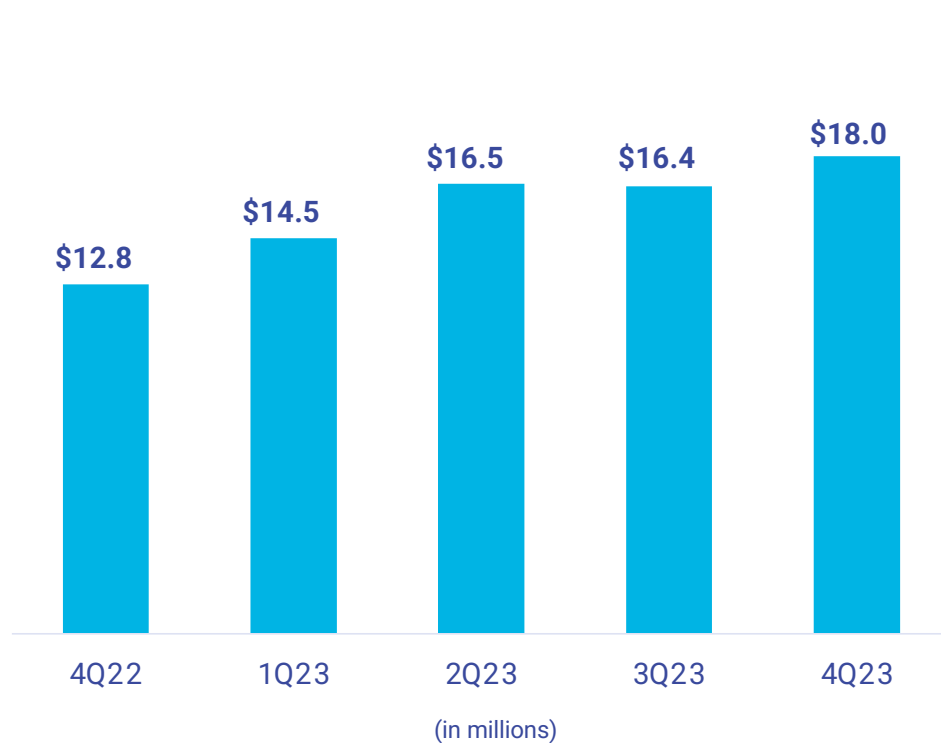
- Same account and physician call point - neurosurgeons and epileptologists at CECs
- Most NeuroPace RNS implanting centers are not currently using DIXI electrodes – growth potential
- Intracranial monitoring market in the United States is estimated to be between \$25 million to \$40 million

Closing the Treatment Gap to Drive Long-Term Growth



Financial Performance

Total Cash Balance of \$66.5M (as of 12/31/2023) provides sufficient capital to support key operating priorities into 2026



	Actual 4Q23	2024 Guidance
Revenue	\$18.0 million	\$73 - \$77 million
Revenue growth (y/y)	41%	12% - 18%
Gross Margin	75.2%	72% - 74%
Operating Expenses	\$18.6 million	\$80 - \$84 million

Summary

Positioned for growth and focused on revenue, operating discipline, and effective cash management

Prioritizing utilization and adoption of the RNS System across existing and new clinicians

Project CARE pilot to expand access to the RNS System outside of Level 4 centers

Indication expansion efforts into IGE on track with NAUTILUS pivotal trial enrollment and implants complete



Transforming the lives of people suffering from epilepsy by reducing or eliminating the occurrence of debilitating seizures