



## **Nexstim Plc: Invitation to the Annual General Meeting**

*Company announcement, Helsinki, 1 March 2022 at 9:30 AM (EET)*

The Annual General Meeting of Nexstim Corporation (NXTMH: HEX, NXTMS: STO) (“Nexstim” or the “Company”) will be held on 31 March 2022 at 9:00 AM (EEST). The meeting will be held exceptionally without the presence of shareholders or their representatives at Nexstim’s head office, Elimäenkatu 9 B (courtyard), 4th floor, 00510 Helsinki.

The Board of Directors of the Company has decided on an exceptional general meeting procedure pursuant to the provisional act approved by the parliament (375/2021, the “Provisional Act”). In order to limit the spread of the COVID-19 pandemic, the Annual General Meeting will be held without the presence of shareholders or their representatives at the venue. This is necessary so that the Annual General Meeting can be held in a predictable manner, taking into account the health and safety of shareholders, company personnel and other stakeholders.

Shareholders and their representatives may attend the meeting and exercise their rights only by voting in advance and by submitting counterproposals and questions in advance in accordance with this invitation and other instructions of the company.

It is not possible to attend the meeting on the premises. Instructions for shareholders can be found in Part C “Instructions for Meeting Participants” of this invitation.

### ***A. Matters on the agenda of the Annual General Meeting of Shareholders***

At the Annual General Meeting of Shareholders, the following matters will be considered:

#### **1 OPENING THE MEETING**

#### **2 CALLING THE MEETING TO ORDER**

Attorney-at-law Jan Lindberg will act as the chairman. If Jan Lindberg is prevented from acting as chairman for a weighty reason, the Board of Directors will appoint as the chair the person it deems most suitable. The chairman may appoint a secretary for the meeting.

#### **3 ELECTION OF PERSONS TO SCRUTINISE THE MINUTES AND TO SUPERVISE THE COUNTING OF VOTES**

Hanna Kotola, the General Counsel of the Company, acts as the scrutiniser of minutes and as the supervisor of counting of votes. If Hanna Kotola is prevented from acting as scrutiniser of minutes and as supervisor of counting of votes, the Board of Directors will appoint the person it deems most suitable to scrutinise the minutes and to supervise the counting of votes.

#### **4 ESTABLISHING THE LEGALITY OF THE MEETING**

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## **5 RECORDING THE ATTENDANCE AT THE MEETING AND THE VOTING LIST**

Shareholders who have voted in advance during the advance voting period and who have the right to participate in the Annual General Meeting pursuant to Chapter 5, Sections 6 and 6a of the Finnish Companies Act are considered to be shareholders participating in the meeting.

The voting list will be confirmed on the basis of information provided by Euroclear Finland Oy and Euroclear Sweden Ab.

## **6 PRESENTATION OF THE ANNUAL ACCOUNTS INCLUDING CONSOLIDATED ACCOUNTS, THE REPORT OF THE BOARD OF DIRECTORS AND THE AUDITOR'S REPORT FOR THE YEAR 2021**

The company's annual report, which includes the company's financial statements and the report of the Board of Directors and the auditor's report and which is available on the company's website no later than three weeks before the Annual General Meeting, will be deemed to be presented to the Annual General Meeting here.

## **7 ADOPTION OF THE ANNUAL ACCOUNTS**

## **8 LOSS OF THE FINANCIAL YEAR**

The Board of Directors proposes to the Annual General Meeting that no dividend be paid for the financial period 1 Jan – 31 Dec 2021 and that the loss for the financial year be recorded in the loss account.

## **9 DISCHARGING THE MEMBERS OF THE BOARD OF DIRECTORS AND THE CEO FROM LIABILITY**

## **10 RESOLUTION ON THE NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS**

The Nomination Board of Shareholders representing the largest shareholders proposes to the Annual General Meeting that the Board shall have four members.

## **11 ELECTION OF THE CHAIR AND THE MEMBERS OF THE BOARD OF DIRECTORS**

The Nomination Board proposes to the Annual General Meeting that:

- in accordance with their consents to serving on the Board, Tero Weckroth, Timo Hildén, Mr. Martin Forss and Ms. Leena Niemistö shall be re-elected as members of the Board
- Leena Niemistö is elected as Chair of the Board.

Leena Niemistö is independent of the Company but not independent of Company's major shareholders due to the fact that she together with Kaikarhenni Oy, a company

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controlled by Ms. Niemistö, together hold approximately 15,5% (on 24 February 2022) of all registered shares and voting rights of the Company. Other proposed members of the Board are independent of the Company and its major shareholders.

The Nomination Board agrees that proposed the entire Board are suitable for the proposed roles individually and collectively, and Leena Niemistö is suitable to act as the Chairman of the Board.

## **12 RESOLUTION ON THE REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND REIMBURSEMENT OF TRAVEL EXPENSES**

The Nomination Board of Shareholders proposes to the Annual General Meeting that the members of the Board of Directors chosen in the Annual General Meeting be remunerated for the period ending at the end of the 2022 Annual General Meeting as follows:

- €36,000 for the Chair of the Board;
- €25,200 for other members of the Board; and
- No member of the Board of Directors serving in the Nomination Board of Shareholders will be remunerated for their duties on the Nomination Board of Shareholders. a member of the Board of Directors be entitled to remuneration only for the period during which they are a member of the Board of Directors.

According to the company's policy, the cash remuneration is paid in four instalments.

### Restricted Share Unit Plan and Allocation for Board Members

The Nomination proposes to the Annual General Meeting that

- the restricted share unit plan implemented first in 2016 be continued for one year for the seventh vesting period (2022–2023) with respect to the elected members of the Board of Directors of Nexstim Plc on the terms and conditions, which can be found at [www.nexstim.com](http://www.nexstim.com)
- the target group of the plan be those members of the Board of Directors who are independent of the company. Such a member is, however, not required to be independent of the major shareholders of the company
- the rewards allocations in 2022 will be determined as a Euro value

The aim of the plan is to commit the participants to the company, align the objectives of shareholders and participants and thereby increase the value of the company and

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to offer the participants a reward plan based on receiving and accumulating the company's shares.

## Allocation for Board Members for the Vesting Period 2022–2023

The Nomination Board proposes to the Annual General Meeting that:

- for a Board member, the gross value of the compensation for the vesting period 2022–2023 will be as follows:
  - for the chairman of the Board of Directors: €24,000
  - for a member: €16,800

The granted compensation will be converted into restricted share units at the beginning of the vesting period in 2022. The conversion of the granted reward into restricted share units will be based on the trade-volume-weighted average quotation of the company's share on Nasdaq Helsinki Ltd during twenty (20) trading days following the release date of the company's Annual Accounts of the year 2021. In the plan, one restricted share unit corresponds to one company share. The value of the payable compensation will be determined on the basis of the share price on the book-entry registration date of the paid shares.

- The Nomination Board proposes that the compensations pursuant to the plan be paid to the Board Members in the company's shares within one month of the Annual General Meeting of Shareholders in 2023. Should a Board Member cease to be a member of the Board before the end of a vesting period, no compensation will be paid on that basis.

The company will withhold taxes and employment-related expenses from the cash proportion of the compensation as per applicable law.

## Ownership recommendation

The Nomination Board of Shareholders proposes that the Annual General Meeting advise the members of the Board to hold the shares paid as compensation as long as their mandate as a member of the Board continues.

## Travel expenses

In addition, the Nomination Board proposes that reasonable travel expenses be reimbursed against receipts to the members of the Board, following the principles of the company's Travel Policy. This applies both to members of the Board of Directors and, to the extent applicable, Board members acting as members of the Nomination Board of Shareholders.

## **13 ELECTION OF AUDITOR**

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The Board of Directors proposes that PricewaterhouseCoopers Oy, Authorised Public Accountants, which has appointed Authorised Public Accountant Enel Sintonen as the principal auditor, be elected as the Company's auditor for the period ending at the end of the next Annual General Meeting. The proposed auditor has given their consent to the election.

## **14 RESOLUTION ON THE REMUNERATION OF THE AUDITOR**

The Board of Directors proposes that the auditor be paid reasonable remuneration in accordance with the invoice approved by the Company.

## **15 EXTENSION OF THE AUTHORISATION GIVEN TO BOARD OF DIRECTORS AT THE ANNUAL GENERAL MEETING OF 2021 TO DECIDE ON ISSUANCE OF SHARES AS WELL AS ISSUANCE OF OPTION RIGHTS AND OTHER SPECIAL RIGHTS ENTITLING TO SHARES**

The Board of Directors proposes to the Annual General Meeting that the current authorisation of the Board of Directors decided at last year's Annual General Meeting be extended and that the Board of Directors be authorised to decide on (i) the issuance of new shares and/or (ii) the transfer of the Company's own shares and/or (iii) the issuance of special rights referred to in Chapter 10, Section 1 of the Companies Act with the following terms:

Right to shares:

New shares may be issued and the Company's own shares transferred

- to the Company's shareholders in proportion to their current shareholdings in the Company; or
- deviating from the shareholders' pre-emptive right through one or more directed share issue, if the Company has a weighty financial reason to do so, such as the use of shares as consideration for possible acquisitions or other arrangements related to the company's business (including the arrangement described in section 15 above regarding the reducing of the quantity of the Company's shares), financing of investments.

The new shares can also be issued to the Company itself free of charge. Share issue against payment and without payment: New shares may be issued and treasury shares held by the Company may be transferred either against payment (Share issue against payment) or free of charge (Share issue without payment). A directed share issue can only be without payment if there is a particularly weighty financial reason for it from the Company's point of view and taking into account the interests of all its shareholders.

The maximum number of shares:

Pursuant to the authorisation, the Board of Directors is entitled to decide on the issuance of new shares and/or the transfer of the Company's own shares so that the total number of issued and/or transferred shares does not exceed 1.300.000 shares, which corresponds to the number of remaining authorisations of the authorisation decided at the Annual General Meeting of 2021.

Issuance of special rights:

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The Board of Directors may issue special rights referred to in Chapter 10, Section 1 of the Companies Act, which entitle the holder to receive new shares or the Company's own shares in against payment. The right may also be granted to the Company's creditor in such a way that the right is subject to the condition that the creditor's claim be used to set off the share subscription price (convertible bond).

The number of new shares to be subscribed to under the special rights granted by the Company and the number of treasury shares to be transferred held by the Company may not exceed a total of 1.300.000, which is included in the maximum number mentioned in the "Maximum number of shares" -section above.

Recording of the subscription price in the balance sheet:

The subscription price of the new shares and the amount to be paid for the Company's own shares must be entered in the invested unrestricted equity fund.

Other terms and validity:

The Board of Directors decides on all other matters related to the authorisations.

The authorisations are valid until the next Annual General Meeting from the decision of this Annual General Meeting. The proposed authorisation does not invalidate the authorisation resolved at the Annual General Meeting of 2021 in the amount corresponding to this resolution regarding share issue, issuing of option rights and other special rights entitling to shares but no other authorisations.

## 16 CLOSING OF THE MEETING

### *B. Documents of the Annual General Meeting of Shareholders*

This invitation to the Annual General Meeting, which includes the proposals made to the Annual General Meeting and the Remuneration Report, is available on Nexstim Plc's website at <https://nexstim.com/investors/shareholder-meetings/> as well as at the Company's head office. The Remuneration Report of the Company is attached to this invitation to the Annual General Meeting. The Annual accounts, Consolidated accounts, report of the Board of Directors and Auditor's report are available on the

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abovementioned website no later than 10 March 2022. The minutes of the Annual General Meeting are available in the abovementioned website no later than 14 April 2022.

## ***C. Instructions for the participants of the Annual General Meeting of Shareholders***

In order to limit the spread of the COVID-19 pandemic, the Annual General Meeting will be held in such a way that shareholders or their representatives will not be able to attend the meeting physically. The Company's shareholders and their representatives may attend the meeting and exercise their rights only by voting in advance and by submitting counterproposals and questions in advance, taking into account the limitations of the Provisional Act.

A shareholder or proxy cannot participate in the meeting via a real-time data connection either.

### **1. Shareholders registered in the shareholders' register**

Each shareholder registered on 21 March 2022 in the shareholders' register of Nexstim maintained by Euroclear Finland Ltd has the right to participate in the Annual General Meeting of Shareholders. A shareholder whose shares are registered on their personal book-entry account is registered in the shareholders' register of Nexstim.

### **2. Registration and voting in advance of a shareholder entered in the shareholder register**

Registration and advance voting will begin on 20 March 2022. A shareholder entered in the Company's shareholder register who wishes to participate in the Annual General Meeting must register for the Annual General Meeting and vote in advance no later than 28 March 2022 at 10:00 am (EEST), by which time the registration and votes must be received.

Shareholders may register and vote in the following ways:

- a) Via the Company's website <https://nexstim.com/investors/shareholder-meetings/>; For registration and advance voting, strong electronic authentication (online banking ID or Mobile Certificate) is required for natural persons, as well as a business ID and book-entry account number for legal entities.
- b) By mail or e-mail: a shareholder voting in advance by mail or e-mail must mail the advance voting form available on the Company's website to Euroclear Finland Oy following address, Euroclear Finland Oy, Annual General Meeting/Nexstim Oyj, P.O. Box 1110, 00101 Helsinki, or by e-mail to [yhtiokokous@euroclear.eu](mailto:yhtiokokous@euroclear.eu).

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If a shareholder participates in the Annual General Meeting by mailing advance votes to Euroclear Finland Oy, submitting votes before the deadline for registration and advance voting is considered registration to the Annual General Meeting, provided that the shareholder's message contains the information required for registration, the requested information, such as the shareholder's identification and contact information, must be provided. Personal data provided by shareholders in connection with the registration will only be used in connection with the Annual General Meeting and the processing of the necessary registrations related thereto. Voting instructions for all shareholders are available on the Company's website at <https://nexstim.com/investors/shareholder-meetings/>.

Further information is also available during registration time by telephone at +35892727170 from Monday to Friday from 9:00 a.m. to 4:00 p.m. (EET or EEST)

### 3. Proxy representative and powers of attorney

A shareholder may participate in the Annual General Meeting of Shareholders and exercise their rights at the Meeting by way of proxy representation.

A proxy representative shall produce a proxy document with a date or otherwise in a reliable manner demonstrate their right to represent the shareholder at the Annual General Meeting of Shareholders.

When a shareholder participates in the Annual General Meeting of Shareholders by means of several proxy representatives representing the shareholder with shares at different securities accounts, the shares by which each proxy representative represents the shareholder shall be identified in connection with the registration for the Annual General Meeting of Shareholders.

The template for the power of attorney and voting instructions will be available on the Company's website <https://nexstim.com/investors/shareholder-meetings/> no later than 10 March 2022, when the deadline for submitting counter-proposals for voting has expired and the Company has published any counter-proposals for voting on the Company's website.

A shareholder who does not vote in advance may use the power of attorney service provided by the Company free of charge and authorises Leena-Maija Marsio from Attorneys at Law Trust Ltd or another lawyer independent of the Company appointed by them to represent the shareholder and to exercise their voting right at the meeting in accordance with the voting instructions given by the shareholder.

A signed power of attorney including the advance voting form must be submitted to counsel Leena-Maija Marsio by mail or e-mail (contact information below) before the end of registration period and voting time, by which time the said documents must be received. A presentation of the agent appointed by the Company, Leena-Maija Marsio, can be found on the website <https://www.thetrust.fi/staff/leena-maija-marsio/> and their contact details are: mailing address: Asianajotoimisto Trust Oy, Fredrikinkatu 39 B 15, 00120 Helsinki e-mail: [leenamaija.marsio@thetrust.fi](mailto:leenamaija.marsio@thetrust.fi).

A shareholder may also participate in the Annual General Meeting and exercise their rights there through another proxy of their choice. The proxy chosen by the shareholder must also vote in advance by mail or e-mail as described in this invitation (the proxy cannot vote through the electronic advance voting system).

The proxy must mail the received power of attorney including the advance voting form or similar information to Euroclear Finland Oy, Annual General Meeting/Nexstim Oyj, P.O. Box 1110, 00101 Helsinki or by e-mail to [yhtiokokous@euroclear.eu](mailto:yhtiokokous@euroclear.eu), to be received before the end of the registration period and voting time.



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Receipt of a power of attorney by Euroclear Finland Oy before the end of the registration period is considered registration for the Annual General Meeting.

#### **4. Holders of nominee-registered shares**

A holder of nominee-registered shares has the right to participate in the Annual General Meeting by virtue of such shares, based on which they, on the record date of the Annual General Meeting, i.e., on 21 March 2022, would be entitled to be registered in the shareholders' register of Nexstim held by Euroclear Finland Ltd. The right to participate in the Annual General Meeting also requires that the shareholder, on the basis of such shares, has been registered into the temporary shareholders' register maintained by Euroclear Finland Ltd at the latest by 28 March 2022 at 10:00 a.m. (EEST). As regards nominee registered shares this constitutes due registration for the Annual General Meeting.

A holder of nominee-registered shares is advised to request without delay, from their custodian bank, the necessary instructions regarding the registration in the shareholders' register of Nexstim, the issuing of proxy documents and registration for the Annual General Meeting of Shareholders. The account management organization of the custodian bank has to register a holder of nominee-registered shares who wants to participate in the Annual General Meeting into the temporary shareholders' register of Nexstim at the latest by the time stated above.

#### **5. Shares registered with Euroclear Sweden AB**

A shareholder with shares registered with Euroclear Sweden AB's Securities System who wishes to attend and vote at the Annual General Meeting must:

- be registered in the shareholders' register maintained by Euroclear Sweden AB no later than on 21 March 2022.
- Shareholders, whose shares are registered in the name of a nominee must, in order to be eligible to request a temporary registration in the shareholders' register of Nexstim Plc maintained by Euroclear Finland, request that their shares are re-registered in their own names in the register of shareholders maintained by Euroclear Sweden AB, and procure that the nominee sends the above request for temporary registration to Euroclear Sweden AB (via email to: [ISS@euroclear.com](mailto:ISS@euroclear.com)) on their behalf. Such registration must be made at the latest by 23 March 2022 and the nominee should therefore be notified well in advance before said date.
- request temporary registration in the shareholders' register of Nexstim Plc maintained by Euroclear Finland Oy. Such request shall be submitted in writing to Euroclear Sweden AB no later than on 23 March 2022 at 5:00 p.m. Swedish time.

#### **6. Making counterproposals to resolution proposals**

Shareholders holding at least one hundredth of all the Company's shares within the meaning of the Provisional Act have the right to make a counterproposal to the resolution proposals on the agenda of the Annual General Meeting.

Such counterproposals must be submitted to the Company by e-mail to [agm@nexstim.com](mailto:agm@nexstim.com) no later than 10:00 a.m. (EET) on 9 March 2022.

Shareholders who make a counterproposal must submit a statement of their shareholding in connection with the submission of the counterproposal.

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The counterproposal will be considered by the Annual General Meeting on the condition that the shareholder has the right to participate in the Annual General Meeting, the shareholder has registered for the Annual General Meeting and the shareholder still owns at least one hundredth of all shares on the record date.

If the counterproposal is not considered by the General Meeting, the votes cast in favour of the counterproposal shall be disregarded. The Company will publish any counterproposals to be put to the vote on the Company's website <https://nexstim.com/investors/shareholder-meetings/> no later than 10 March 2022.

## **7. Other instructions/information and advance questions**

Until 9 March 2022, a shareholder may ask questions referred to in Chapter 5, Section 25 of the Companies Act by e-mail addressed to [agm@nexstim.com](mailto:agm@nexstim.com).

Such shareholder questions, the Company's answers to them and any non-voted counterproposals will be available on the Company's website <https://nexstim.com/investors/shareholder-meetings/> no later than 25 March 2022. A prerequisite for asking questions is that the shareholder submits a statement of their shareholding upon request.

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On the date of this invitation to the meeting, 1 March 2022, Nexstim Plc has a total of 6 686 673 shares and votes.

1 March 2022  
NEXSTIM PLC  
Board of Directors

**Further information is available on the website [www.nexstim.com](http://www.nexstim.com) or by contacting:**

**Leena Niemistö**, Chair of the Board  
+358 9 2727 170  
[leena.niemisto@nexstim.com](mailto:leena.niemisto@nexstim.com)

**Erik Penser Bank AB** (Certified Adviser)  
+46 8 463 83 00  
[certifiedadviser@penser.se](mailto:certifiedadviser@penser.se)

## **About Nexstim Plc**

Nexstim is a Finnish, globally operating growth-oriented medical technology company. Our mission is to enable personalized and effective diagnostics and therapies for challenging brain diseases and disorders.

Nexstim has developed a world-leading non-invasive brain stimulation technology for navigated transcranial magnetic stimulation (nTMS) with highly sophisticated 3D navigation providing accurate and personalized targeting of the TMS to the specific area of the brain.

Nexstim's Diagnostics Business focuses on commercialization of the Navigated Brain Stimulation (NBS) system. The NBS system is the only FDA cleared and CE marked navigated TMS system for pre-surgical mapping of the speech and motor cortices of the brain.

Nexstim's Therapy Business markets and sells the Navigated Brain Therapy (NBT®) system, which is FDA cleared for marketing and commercial distribution for the treatment of major depressive disorder (MDD) in the United States. In Europe, the NBT® system is CE marked for the treatment of major depression and chronic neuropathic pain.

Nexstim shares are listed on the Nasdaq First North Growth Market Finland and Nasdaq First North Growth Market Sweden.

For more information, please visit [www.nexstim.com](http://www.nexstim.com)

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