

Nexstim. Personalised depression treatment.

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Nexstim

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Nexstim's NBS System is cleared by the FDA for assessment of the motor and speech cortices for pre-procedural planning. Nexstim has launched its NBT® system in the US for the treatment of Major Depressive Disorder (MDD) following clearance from the FDA for marketing and commercial distribution for this indication. The NBT® system is CE marked in Europe for the treatment of major depression and chronic neuropathic pain.

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Nexstim has a unique proprietary neuronavigated TMS technology that delivers best in class mapping and treatment for patients with brain diseases and disorders.

We are well positioned to a disruptive shift in depression treatment and therapy delivery.

With improving economics, driven by record revenue and increasing operational efficiencies, Nexstim is a unique investment opportunity.

Personalised Transcranial Magnetic Stimulation (TMS)

SmartFocus® Technology with a Highly Sophisticated 3D Navigation

Unique & Proprietary Technology

- Commercial-stage med tech company with a unique, proprietary navigated neuro-stimulation technology for diagnostic and therapeutic applications

World Leading Centers Rely on Nexstim Device

- Diagnostic application well established with compelling clinical data and global installed base of 170 systems (e.g. Mayo Clinic, MD Anderson, Karolinska, Charite)

Competitive Advantage in an Attractive Market

- Nexstim's navigation technology promises improved efficacy of TMS depression treatment
- TMS treatment of depression is covered by US Medicare and is rapidly gaining traction as treatment modality

Well Positioned for Future Development

- Therapy system and IP well support the new current 3 min Theta Burst Protocol (iTBS) and potential accelerated iTBS treatment protocols



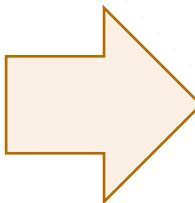
Proprietary Navigated TMS System

Only TMS technology with ability to take the uniqueness of a patient's brain into consideration for diagnostic and therapeutic applications

Use	System	Application	Europe	US	Commercial Status
Diagnostic	Navigated Brain Stimulation (NBS)	Pre-surgical mapping	CE marked	FDA approved	Installed base of over 170 systems globally
Therapeutic	Navigated Brain Therapy (NBT®)	Depression	CE marked	FDA approved with existing reimbursement	Multiple systems installed globally
		Chronic pain	CE marked	Additional clinical trials evaluated	Multiple systems installed in Europe

NBS with SmartFocus® TMS

- Only available and approved technology capable of accurately and safely mapping vital motor and speech cortices prior to surgery
- Enables a substantial increase in progression-free survival in brain tumor surgery
- Other opportunities within intractable epilepsy and for patients undergoing radiotherapy for brain tumour



Nexstim SmartFocus® TMS in Diagnostics

A faint, abstract background graphic consisting of a network of interconnected grey dots and lines, resembling a molecular or neural network.

Proprietary technology enabling substantial increase in progression-free survival in brain cancer surgery, commercially validated

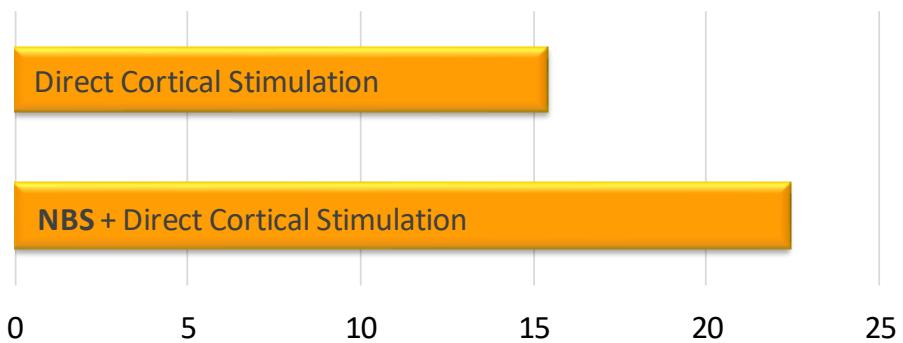
NBS for Pre-surgical Mapping (Diagnostic)

Only available technology on the market today

NBS Significantly Improves Clinical Outcomes in Neurosurgery

NBS helps surgeons to prepare better and to be more aggressive with the tumor resection:

46% increase in progression-free survival in low grade gliomas¹ (months)



World-leading Centers Rely on Nexstim's Pre-surgical Mapping Technology NBS

Selected institutions out of the 170 ones currently using Nexstim's technology



“ nTMS makes surgery safer, the resection rates are higher and—in the end—the outcomes are better. ”

Bernhard Meyer, MD, Professor & Chair,
Department of Neurosurgery, Technical University of Munich²

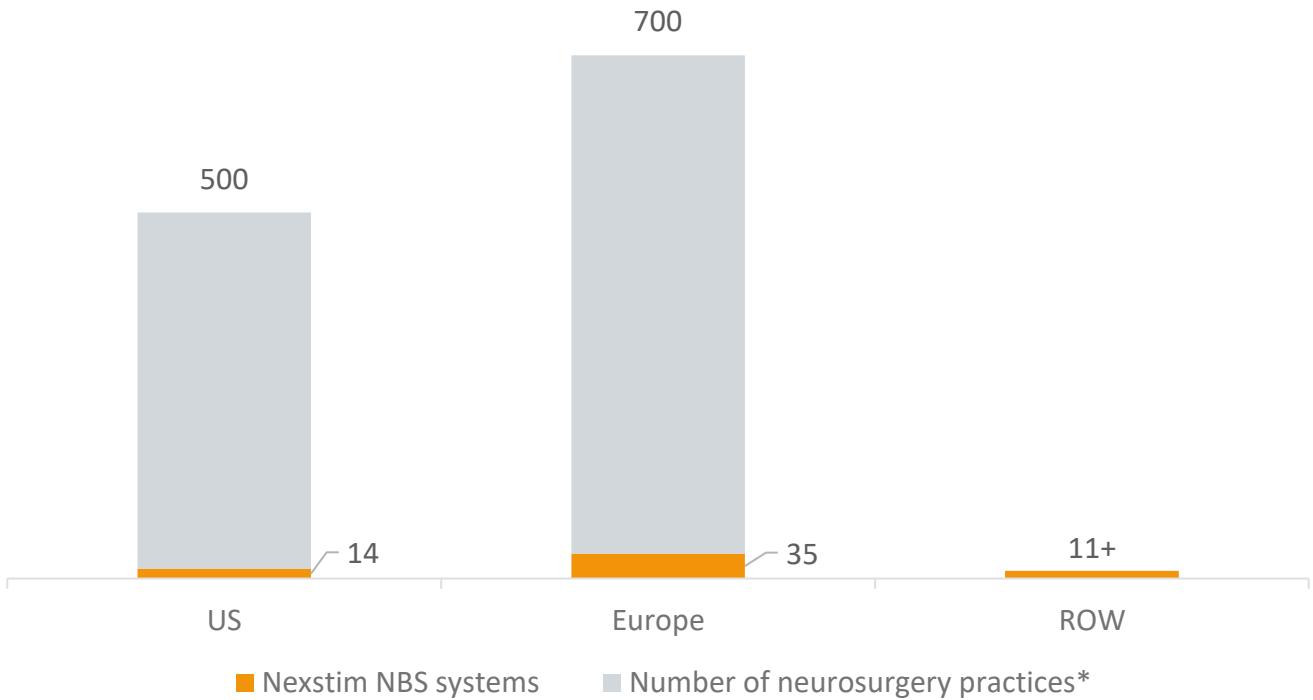
1) Dietmar Frey, Peter Vajkoczy, and Thomas Picht (2014) Navigated transcranial magnetic stimulation improves the treatment outcome in patients with brain tumors in motor eloquent locations

2) Company website

NBS Commercialization

- Focus on increasing recurring revenue of existing significant installed base
- Continue to leverage strong distributor organization in Europe
 - Cross-sell with NBT®
- New sales development targeted through future strategic partnerships
 - US (primary focus)
 - Potential longer-term opportunities in Hong Kong and mainland China
- Secure NBS pre-surgical mapping reimbursement for US
- Develop additional diagnostic indications in selected markets (USA & Europe) with the world's leading hospitals
 - Preprocedural planning for difficult brain tumor and epilepsy patients
 - Planning for patients undergoing radiotherapy for brain tumor

PSM Neurosurgery Addressable Market Volume (2020 H1)



* Statista (2018)

Competitive Landscape

Diagnostic tools used for neurosurgery planning

Type of procedure	Unit price (€M)	Function	Market leaders
Navigated Brain Stimulation System (NBS)	0.2	Nexstim's NBS system can be used as a diagnostic tool for brain surgery planning, as it allows very accurate functional mapping of motor and speech functions before the surgery – thereby minimizing the risk of speech and motor impairment during surgery.	Nexstim 
Magnetoencephalography (MEG)	2.0	MEG is a new and advanced method of recording and evaluating the brain while it is actively functioning. It measures the brain's magnetic fields to map activity, but is very susceptible to surrounding magnetic fields (e.g. magnetic noise of the hospital).	
Functional Magnetic Resonance Imaging (fMRI)	1.8	Currently the most commonly used functional mapping procedure for surgical planning, which indirectly maps neuronal activity through the measurement of changes in blood flow.	
Positron Emission Tomography (PET)	1.3	This uses tracer to show the activity of tissues and organs. Often combined with a CT or MRI scan.	     

Nexstim SmartFocus® TMS in Depression

Entering a rapidly growing market with a differentiated product

NBT® for Depression

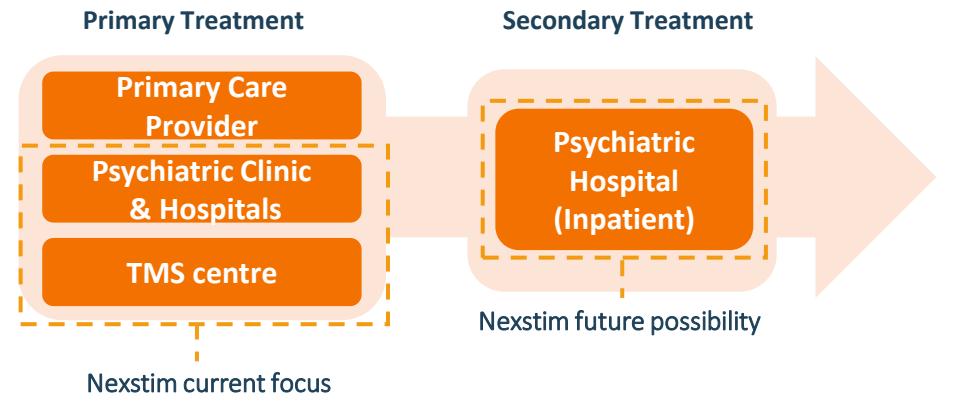
Nexstim depression business opportunity

- Major depressive disorder affects 2-5% of the population in developed countries¹
- Existing psychotherapy and pharmacological treatment options are suboptimal
- Addressable market for NBT treatment of depression of 6 million patients represents a total treatment value of over EUR 40B²
- Reimbursement for TMS is already available in US and some EU markets
- 2020 H1 NBT revenue EUR 0.7M (18% Growth)
- Active installed base of 28 NBT therapy systems at end of June 2020 in clinics and hospitals globally
- Nexstim has started a pilot study in treating severe depression patients with accelerated iTBS therapy treatment protocols, similar to Stanford team showing up to 90% remission rates

Market size estimate² (patients)



Patient treatment pathway in the US for MDD



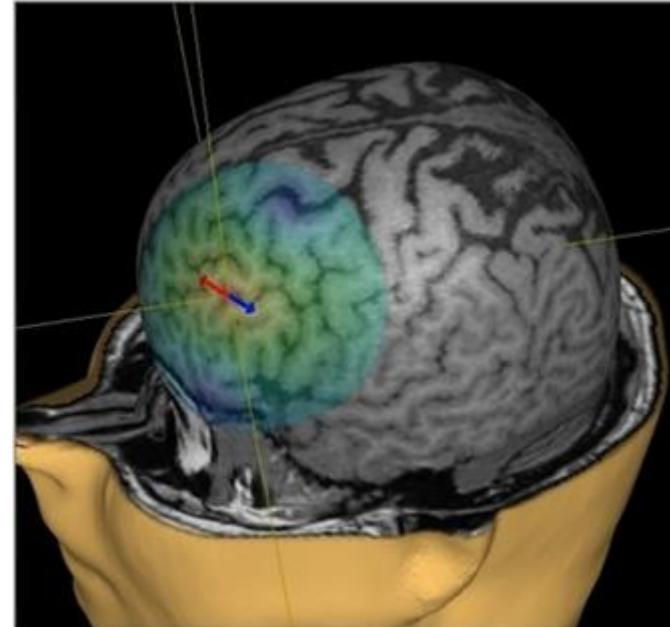
1) Vos, T., et al. (2016) Global, regional, and national incidence, prevalence, and years lived with disability for 310 diseases and injuries, 1990–2015: a systematic analysis for the Global Burden of Disease Study 2015;

2) PMSI Consulting analysis and estimates

Promising Clinical Outcomes

Patients completing SmartFocus® rTMS Treatment of MDD

- First 108 patients in Nexstim's patient registry have completed SmartFocus® rTMS therapy for treatment of MDD at clinical sites in the US
- 42% of the patients completing the treatment achieved clinical remission and 74% obtained a clinical response at the end of treatment
- These outcomes are higher than what is usually reported for MDD: In a well-conducted multisite study, the patient-reported remission rates were 26.5-28.7 % and response rates were 41.5-56.4 %¹



1) Carpenter L. et al. Transcranial magnetic stimulation (TMS) for major depression: a multisite, naturalistic, observational study of acute treatment outcomes in clinical practice. *Depress Anxiety*. 2012 Jul;29(7):587-96. Epub 2012 Jun 11.

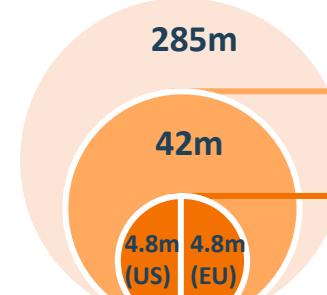
Nexstim SmartFocus[®] TMS in Chronic Neuropathic Pain

NBT® for Chronic Neuropathic Pain

Nexstim neuropathic pain business opportunity

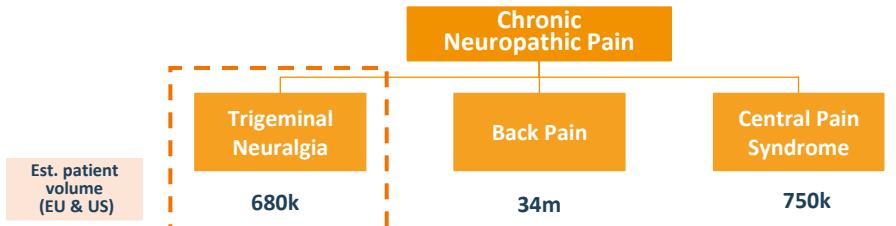
- There are about 10 million addressable neuropathic pain patients in the US and Europe¹
- 40-50% of neuropathic pain patients are without effective pain relief
- Study conducted by The Walton Centre, UK stated that 44% of patients undergoing NBT therapy reported clinically meaningful pain relief of at least 3 weeks' duration
- The Walton Centre is currently conducting a follow up study to measure the long-term pain relief
- First TMS entrant into the chronic neuropathic pain with multiple hospitals in Europe using a Nexstim system for pain treatment including three University hospitals in Finland
- Nexstim has started a pilot study in treating chronic pain patients with accelerated iTBS therapy treatment protocols

Market size of estimate²



People affected by chronic neuropathic pain annually
Patients not responding to medicines and seeking treatment
Addressable market in the US and Europe

Selected types of chronic neuropathic pain²



“ We see patients with facial pain as well. Facial pain is probably the best target for TMS in terms of effectiveness. ”

Professor Nurmikko, Walton Centre

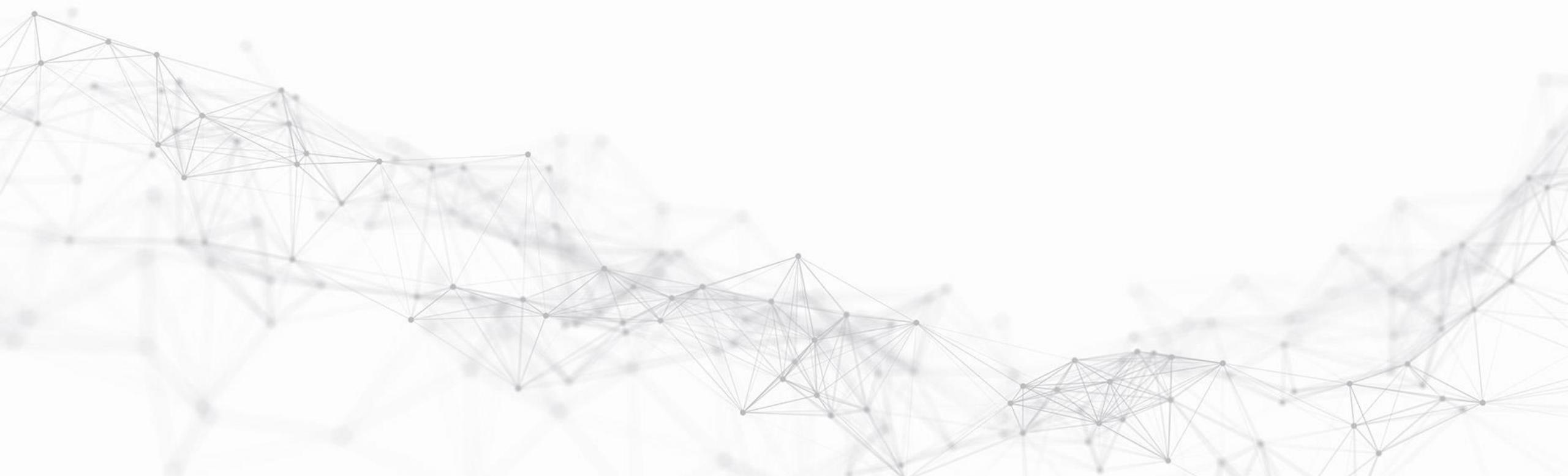
“ About 40% of all our patients have neuropathic facial pain... About 50% of our patients benefit from this treatment –this is a lot, because these are patients with Chronic Pain, on whom all types of medication have been tried before. ”

Dr Vaalto, University of Helsinki

1) Global Industry Analysts; Yawn, Barbara P. et al. (2009) The Prevalence of Neuropathic Pain: Clinical Evaluation Compared with Screening Tools in a Community Population; Fayaz A, Croft P, Langford RM, et al. (2016) Prevalence of chronic pain in the UK: a systematic review and meta-analysis of population studies

2) PMSI Consulting analysis, expert interview and estimates

Nexstim Business Update



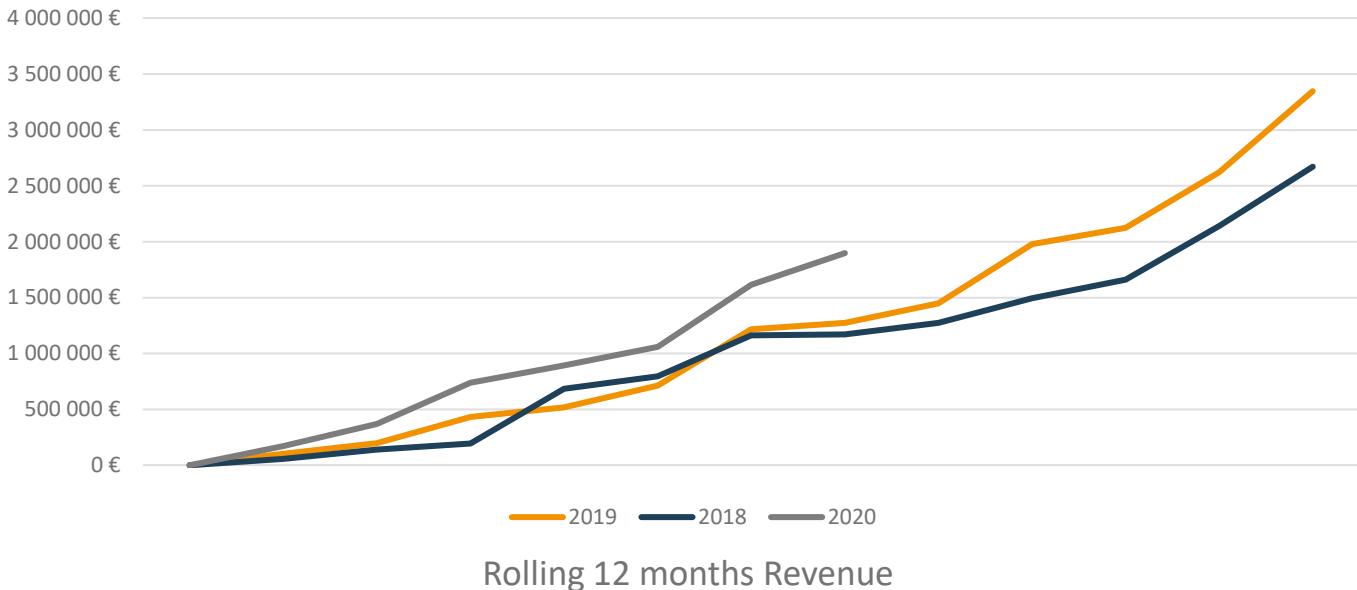
Nexstim Business Update H1 2020

- Focused on minimizing the effect of COVID-19 pandemic as well as updating Company strategy
- Strong progress considering the difficult business environment
 - **Four new NBS systems sold** (three in the US and one in Europe)
 - Total of **five new NBT® systems installed** to clinics in the US and Europe, across multiple sites, for the treatment of MDD
- 2020 H1 was historically the **Company's best first half** to date
 - Total net sales = EUR 1.6M (2019 H1: EUR 1.2M)
 - Operating result = EUR -1.8 million (2019 H1: EUR -3.4M)
 - Result for the period = EUR -1.2M (2019 H1: EUR -3.7M)
- NBS net sales grew by 47% in 2020 H1 to EUR 0.9M (2019 H1: EUR 0.6M) and the NBT® net sales grew by 18% in 2020 H1 amounting to EUR 0.7M (2019 H1: EUR 0.6M)
- The successful rights issue executed in the spring was oversubscribed and raised a total of **EUR 2.2M of new equity**
- Business Finland decided on a partial debt cancellation of three R&D loans granted for stroke rehabilitation including accrued interests (**total of EUR 0.9 million of loan capital will not be collected**)

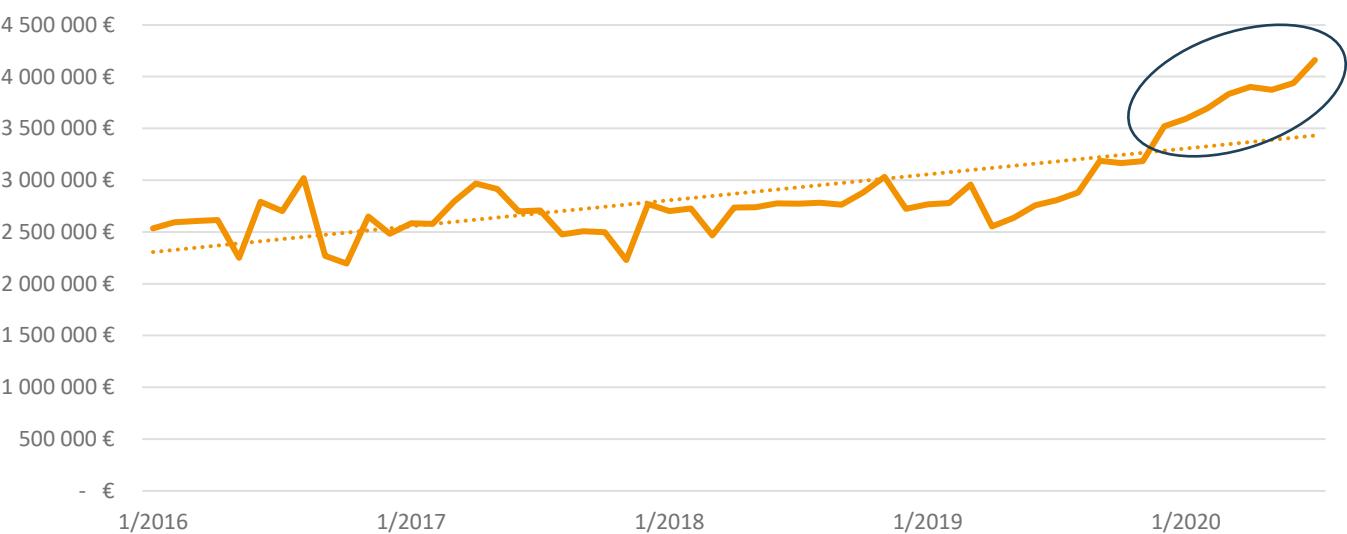
NBT® / NBS Revenue – Existing Business

- Steadily growing business, showing all time high figures in H1 2020
- Rolling 12 months revenue has been staying well above the growing trendline through 2020
- Rolling 12 months average therapy revenue per system was approx. EUR 70k at end of June 2020
- NBT® business provides strong recurring revenue to secure and accelerate growth
- As recurring therapy revenue is representing a larger portion of the sales mix, the gross margin -% is also continuously growing
 - High gross margins at up to 95%
 - 66% of total therapy revenue during 2019
 - 100% of therapy revenue in 2020 H1
- Aiming for profitable growth through increasing recurring revenue driven by high system utilization

Cumulative YTD Total Revenue 2018-2020



Rolling 12 months Revenue



Additional Revenue Opportunities

Accelerated iTBS protocol revenue

- Entry to the large untapped hospital inpatient TMS market in severe depression as well as post-remission outpatient maintenance therapy
- Nexstim E-field navigated TMS system required for best outcomes in general (also protected by IP)
- Clinical outcomes provide superior economic benefits and compelling incentive to hospitals
 - Approx. \$22,000 savings per patient treated
- Product launch expected during current strategy period ending 2024

US Nexstim clinics revenue

- Partnership business model opportunity with path to near-term profitability
- Nexstim outcomes available to more patients sooner (including possible future in accelerated iTBS)
- Moving deeper into the patient treatment value chain to extract more margin and develop profitability
- Significant value proposition to partner
- Ongoing discussions with first clinic

Near-term Objectives / Milestones

1 Decrease the operating loss with focus on achieving profitable revenue growth and strict management of operating expenses

2 Start two new pilot studies in treating severe depression and chronic pain patients with accelerated iTBS therapy treatment protocols

3 Develop and execute a deeper profitable partnership business model in the key therapy markets together with valued partners

4 Patient data registry of over 100 completed treatment sessions of depression patients

5 Continue developing the NBS pre-surgical mapping reimbursement process for the US and strategic partner search for the diagnostic business

6 Obtain funding to achieve the Company's strategic vision from capital markets and/or through strategic partnerships

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Thank you!

