

# Nexstim

## Nexstim - Personalized Brain Diagnostics and Therapy

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Nexstim’s Diagnostics Business focuses on commercialization of the Navigated Brain Stimulation (NBS) system. The NBS System 5 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 NBS System 6 which is FDA cleared for marketing and commercial distribution for the treatment of major depressive disorder (MDD) in the United States. In Europe, the NBS 6 system is CE marked for the treatment of major depression and chronic neuropathic pain.

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Nexstim is a Finnish, globally operating growth-oriented medical technology company.



## MISSION

- We enable personalized and effective therapies and diagnostics for challenging brain diseases and disorders.
- Our innovations create a possibility for a better life.



## VISION

- With our technological know-how and superior services,
- we ensure the best treatments for our patients,
- deliver the greatest value for our customer hospitals, clinics and business partners,
- and long-term growth in shareholder value for our investors.



## VALUES

- Science and clinical evidence
- Financial success
- Passion and commitment
- Ethics and responsibility

# Megatrends that Support our Growth

Nexstim's unique proprietary neuronavigated TMS-technology for both diagnostic and therapy applications.

1

## Aging population

- Population aging and a significant decline in the working-age and able population in Western countries
- Brain diseases increase with aging

2

## Technological development in healthcare

- Technological developments and active research enable wider and new applications in the treatment of challenging brain diseases and disorders

3

## Healthcare cost pressures

- The need for more effective and faster rehabilitation





# Our Business and Products

Business	System	Commercial Status	Application	Europe	United States
<b>Diagnostics Business</b>	<b>NBS 5 (Navigated Brain Stimulation)</b>	Over 230 systems sold	Pre-surgical mapping	CE marked	FDA approved
<b>Therapy Business</b>	<b>NBT® &amp; NBS 6 (Navigated Brain Therapy)</b>	Over 90 systems incl. therapy software	Depression	CE marked	FDA approved with existing reimbursement
			Chronic pain	CE marked	Additional clinical trials evaluated



- Nexstim continued to grow and improved its profitability
  - In line with our main strategic objective, we have continued to focus on profitable net sales growth. The sales forecast looks promising also for the full year 2024.
  - Our current growth is supported by our strong distributor partner network which we benefited from in the first half of the year particularly in European system sales
  - We also made effective use of our global team structure to ensure positive development in profitable growth
- All diagnostics systems delivered had both diagnostic and therapeutic applications
  - We see the combination platform as a clear competitive advantage and we want to enable the launch of the NBS 6 combination system, the latest product generation, in key markets in late 2024
- The Company does not currently expect to receive royalty income from Magnus Medical during 2024
- We are also continuing discussions on new strategic partnerships to further scale the use of our technology in care
- System sales were EUR 1.2M (2023 H1: EUR 1.1M), with an increase of 11.4%. Recurring net sales were EUR 1.9M (2023 H1: EUR 1.4M), with an increase of 39.1%.
  - Net sales = EUR 3.2M (2023 H1: EUR 2.5M), increase of 26.9%
  - Comparable net sales = EUR 3.2M (2023 H1: EUR 2.5M)
  - EBITDA = EUR -0.5M (2023 H1: EUR -1.1M)
  - Operating result = EUR -0.9M (2023 H1: EUR -1.4M)
  - Profit for the period = EUR -0.9M (2023 H1: EUR -1.4M)
- Diagnostics Business net sales were EUR 1.6M (2023 H1: EUR 1.3M), increase of 16.3%
- Therapeutics Business net sales were EUR 1.6M (2023 H1: EUR 1.2M), increase of 39.0%

# H1 2024 Key Financials

EUR in thousands	1-6/2024 6 months	1-6/2023 6 months	Change-%	1-12/2023 12 months
<b>Net Sales</b>	<b>3,176.9</b>	<b>2,503.7</b>	<b>26.9%</b>	<b>7,426.3</b>
Gross margin	2,603.0	1,992.7	30.6%	5,645.3
Gross margin-%	81.9%	79.6%		77.9%
Personnel expenses	-2,282.1	-2,265.6	0.7%	-4,429.4
Other operating expenses	-1,562.6	-1,483.8	5.3%	-3,091.9
<b>Operating profit</b>	<b>-864.2</b>	<b>-1,387.2</b>	<b>-37.7%</b>	<b>-1,227.9</b>
Result for the review period	-948.1	-1,442.5	-34.3%	-1,327.5
Cash flows from operating activities	699.6	-1,355.0		-2,269.0
Cash in hand and at banks	3,032.1	2,128.1	42.5%	1,454.6
Total equity	1,867.7	2,711.3	-31.1%	2,836.3
Equity ratio (%)	28.7%	39.0%		31.5%

<b>Net Sales</b>	<b>3.2M€ +27%</b>
• Diagnostic	1.6M€ +16%
• Therapy	1.6M€ +39%
• System sales	1.2M€ +11%
• Recurring	1.9M€ +39%
• Gross Margin-%	81.9% (79.6%)

<b>Focus on cost efficiency</b>	
• Personnel expenses	-2.3M€ +1%
• Other OPEX	-1.6M€ +5%
• <b>Total OPEX</b>	<b>-3.8M€ +3%</b>
• <b>EBIT</b>	<b>-0.9M€ -38%</b>

• Cash flow from operating activities	0.7M€
• Cash position	3.0M€ +43%

<b>New debt funding:</b>	
• Finnvera	1.5M€
• Convertible bond	0.7M€

**Future Outlook:** Based on business forecasts, the company expects its comparable net sales to grow and operating result to improve in 2024.

# Nexstim Key Strategic Objectives 2024

1

## Profitable Growth

To increase comparable net sales and improve operating result for the financial year, while minimizing future capital needs

2

## Technology Leadership

Launch of the new NBS 6 diagnostics product, enabling easy-to-use systems and future add-on modules in the same hardware

3

## Strategic Partnerships

Expanding Nexstim's network of partners and clinics, primarily in the US and Europe

**Future outlook:** Based on business forecasts, the company expects its comparable net sales to grow and operating result to improve in 2024.





# NBS 6 – future of the Nexstim system

Developing and launching a new product generation is an essential part of Nexstim's work during the 2020-2024 strategy period



- The NBS 6 is a new combined system that has been built on Nexstim's unique, clinically established technology.
- The modular product design allows for an expansion of system capabilities over time.
- The new solution creates long-term value for Nexstim's customers and investors.

## Responding to customer demand

The NBS 6 software has been developed in collaboration with Nexstim's customers, ensuring the best possible level of usability. The new combined system responds to the great customer demand for systems that allow the delivery of both diagnostic and therapeutic applications.

# Thank you!

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