



Nexstim Plc
("Nexstim")

Resolutions of the annual general meeting of shareholders

Company Announcement, Helsinki, 31 March 2016, 14:00 pm

Nexstim Plc (NXTMH:HEX, NXTMS:STO), a medical technology company aiming to improve rehabilitation for stroke patients with the use of non-invasive brain stimulation, announces that the following resolutions were adopted at its annual general meeting of shareholders held today on 31 March:

The annual general meeting of shareholders of Nexstim Plc adopted the Company's financial statements, including the consolidated financial statements for the year 2015, and discharged the members of the Board of Directors and the Chief Executive Officer from liability.

Dividend and handling of loss

The annual general meeting decided that no dividend would be paid for the financial year 1 January 2015 – 31 December 2015 and that the loss of the financial year be added to the loss account.

Composition and remuneration of the Board of Directors

The annual general meeting resolved the number of the members of the Board of Directors at seven. Ken Charhut, Johan Christenson, Rohan J. Hoare, Martin Jamieson, Katya Smirnyagina, Juliet Thompson and Juha Vapaavuori were elected to the Board; Martin Jamieson was elected as the chair and Johan Christenson as the deputy chair.

The new member of the Board Rohan J. Hoare has extensive experience in the neuromodulation industry, including spinal cord, deep brain, vagus nerve and occipital stimulation. Most recently he was the President, Neuromodulation at LivaNova (formed by the merger of Cyberonics and Sorin Group). At Cyberonics, Rohan was the Chief Operating Officer. Prior to this he held numerous leadership positions at St Jude Medical culminating in President, Neuromodulation Division. Early in his career Rohan was a consultant with McKinsey & Co., a premiere management consulting firm. He holds a Ph.D. in Physics from Harvard University where he was a Fulbright Scholar.

The remuneration of the members of the Board of Directors was resolved as follows: €45,000 for the chair of the board, €36,000 for the members of the board domiciled in the USA, €18,000 for the members domiciled in Finland, and €27,000 for the members domiciled in Europe, outside Finland. The annual general meeting recommended that the members of the board invest half of the above-mentioned remuneration in the Company's shares.

Further, the annual general meeting resolved that the members of the board committees domiciled in Finland be paid as follows for each committee meeting at which they are present: €1,000 for the chair of the committee and €500 for the other members of the committee. The members of the board committees domiciled in the USA will be paid as follows for each committee meeting at which they are present: €2,000 for the chair of the committee and €1,000 for the other members of the committee. The members of the board committees domiciled in Europe but outside Finland, will be paid as follows for each committee meeting at which they are present: €1,500 for the chair of the committee and €750 for the other members of the committee.



It was decided that reasonable travel expenses of the ordinary members of the board be compensated against receipts.

The annual General Meeting of Shareholders decided that a restricted share unit plan be implemented to selected members of the Board of Directors of Nexstim Plc, on the terms and conditions attached to the proposals of the Board of Director's and its Committees to the Annual Shareholder's Meeting which is available on the Company's web site www.nexstim.com. The plan includes four vesting periods, corresponding to the terms of office 2016—2017, 2017—2018, 2018—2019 and 2019—2020 of the member of the Board.

The aim of the plan is to commit the participants to the company, to align the objectives of the shareholders and the participants in order to increase the value of the company and to offer the participants a reward plan based on receiving and accumulating the company's shares.

The target group of the plan will be those members of the Board of Director's who are independent of the company. The reward allocations in 2016 will be determined in cash.

Total Allocation for the Chairman of the Board

The annual general meeting of Shareholders resolved on the total gross reward allocation for the Chairman of the Board for all of the four vesting periods in order to commit the Chairman of the Board to the company in the long-term. For the Chairman of the Board, the grant gross value of the reward for the whole plan will be EUR 100,000.

The granted reward will be converted into restricted share units at the beginning of the first vesting period in 2016. 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 20 trading days following the release date of the company's Financial Statements in 2016. In the plan, one restricted share unit corresponds to one company's share. The value of the payable reward will be determined on the basis of the share price on the book-entry registration date of the paid shares.

The annual general meeting decided that the reward from the plan will be paid to the Chairman of the Board in the company's shares so that one fourth of the total reward will be paid within four weeks of the annual general meeting of Shareholders 2017, 2018, 2019 and 2020. The company will withhold taxes and employment related expenses from the cash proportion of the reward according to law in force. Should the Chairman of the Board cease to be a Chairman of the Board before the end of a vesting period, no reward will be paid to him on the basis of such vesting period.

Allocation for Board Members for the Vesting Period 2016—2017

The annual general meeting decided that for each Board member who are independent from the company the grant gross value of the reward for the vesting period 2016—2017 will be EUR 12,500. The aim is to propose equal allocations for the Board Members also to the annual general meetings of Shareholders 2017, 2018 and 2019.

The granted reward will be converted into restricted share units at the beginning of the vesting period, in 2016. 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 20 trading days following the release date of the company's Financial Statements in 2016. In the plan, one



restricted share unit corresponds to one company's share. The value of the payable reward will be determined on the basis of the share price on the book-entry registration date of the paid shares.

The annual general meeting decided that rewards from the plan will be paid to the Board Members in the company's shares within four weeks of the annual general meeting of Shareholders 2017, 2018, 2019 and 2020. The allocated reward for the vesting period 2016—2017 will be paid within four weeks of the annual general Meeting of Shareholders 2017. The company will withhold taxes and employment related expenses from the cash proportion of the reward according to law in force. Should a Board Member cease to be a member of the Board before the end of a vesting period, no reward will be paid to him or her on the basis of such vesting period.

Ownership Recommendation

The annual general meeting proposes that the participants will be strongly recommended to hold shares paid as reward as long as their mandate as a member of the Board continues.

Election of the auditor and auditor's fee

PricewaterhouseCoopers Oy, an authorized Public Accountants was re-elected as the auditor with Martin Grandell acting as the auditor-in-charge. The auditor will be paid a reasonable fee in accordance with an invoice approved by the Company.

Proposal of the Board of Directors for authorising the Board of Directors to decide on the repurchase of the company's own shares

The annual general meeting decided that the Board of Directors be authorised to decide on the repurchase of the Company's own shares. The amount of own shares to be acquired shall not exceed 801,075 shares in total, which corresponds to approximately 10 percent percent of all of the shares in the Company.

The Board of Directors decides how own shares will be acquired. Own shares can be acquired using, inter alia, derivatives. Own shares can be acquired otherwise than in proportion to the shareholdings of the shareholders (directed acquisition). The minimum price of the shares to be acquired is the lowest market price during the validity of the authorization and the maximum price is correspondingly the highest price formed at the market during the validity of the authorization.

Own shares can be acquired to, among other things, limit the dilutive effects of share issues carried out in connection with possible acquisitions, to develop the Company's capital structure, to be transferred in connection with possible acquisitions, to be used in incentive arrangements or to be cancelled, provided that the acquisition is in the interest of the Company and its shareholders.

The authorization is valid for one (1) year from the decision of the annual general meeting of Shareholders and this proposed authorization invalidates prior resolved and registered authorizations made at the annual general meeting of Shareholders regarding the acquiring the Company's own shares.



Authorising the Board of Directors to decide on the issuance of shares as well as the issuance of special rights entitling to shares

The annual general meeting of Shareholders decided to authorize the Board of Directors to decide on share issue as well as issue of option rights and other special rights entitling to shares, pursuant to Chapter 10 of the Companies Act as follows:

The shares issued under the authorization are new or those in the Company's possession. Under the authorization, a maximum of 1,201,613 shares can be issued, which corresponds to approximately 13 percent of all of the shares in the Company after the share issue, provided that all new shares are issued. The shares or other special rights entitling to shares can be issued in one or more tranches.

The Board of Directors is authorized to resolve on all terms for the share issue and granting of the special rights entitling to shares. The Board of Directors is authorized to resolve on a directed share issue and issue of the special rights entitling to shares in deviation from the shareholders' pre-emptive right, provided that there is a weighty financial reason for the Company to do so.

The proposed authorization invalidates prior resolved and registered authorizations made at the annual general meeting of Shareholders regarding share issue, issuing of option rights and other special rights entitling to shares.

The authorization is valid for one (1) year from the decision of the annual general meeting of Shareholders.

The Company intends to use this authorization for the future financing needs and possible mergers and acquisitions.

Authorising the Board of Directors to decide on the issuance of shares as well as the issuance of special rights entitling to shares

The annual general meeting of Shareholders decided to authorize the Board of Directors to decide on share issue as well as issue of option rights and other special rights entitling to shares, pursuant to Chapter 10 of the Finnish Limited Liability Companies Act as follows:

The shares issued under the authorization are new or those in the Company's possession. Under the authorization, a maximum of 950,000 shares can be issued. This number corresponds to approximately 10.60 percent of all of the shares in the Company after the share issue, provided that all new shares are issued. The shares or other special rights entitling to shares can be issued in one or more tranches.

The Board of Directors is authorized to resolve on all terms for the share issue and granting of the special rights entitling to shares. The Board of Directors is authorized to resolve on a directed share issue and issue of the special rights entitling to shares in deviation from the shareholders' pre-emptive right, provided that there is a weighty financial reason for the Company to do so. The authorization can also be used for incentive arrangements and payment of the Board fees.

The proposed authorization invalidates prior resolved and registered authorizations made at the annual general Meeting of Shareholders regarding share issue, issuing of option rights and other special rights entitling to shares.



The authorization is valid for five (5) years from the decision of the annual general meeting of Shareholders.

The company intends to use the authorization to the implementation of the restricted share unit plan or the members of the Board of Director's and for the long term incentive plans for the management and the personnel of the company.

Minutes of the annual general meeting

The minutes of the annual general meeting will be published on, or by, 14 April 2016, on Nexstim's website.

NEXSTIM PLC
Janne Huhtala, CEO

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About Nexstim Plc

Nexstim is a medical technology company aiming to improve rehabilitation for stroke patients. Nexstim has pioneered its technology in brain diagnostics with the Navigated Brain Stimulation (NBS) system as the first and only FDA-cleared and CE-marked navigated Transcranial Magnetic Stimulation (nTMS) device for pre-surgical mapping of the motor and speech cortices. Based on the same technology platform, the company has developed a device for stroke therapy called Navigated Brain Therapy (NBT®). Nexstim's shares are listed on Nasdaq First North Finland and Nasdaq First North Sweden. For more information please visit www.nexstim.com.