

Nexstim

Company announcement, Helsinki, 21 November 2018 at 2:00 PM

Nexstim Plc's resolutions of the Extraordinary General Meeting of Shareholders

Nexstim Plc (NXTMH:HEX, NXTMS:STO), the targeted neuromodulation company developing and marketing pioneering navigated personalised, non-invasive brain stimulation systems for the treatment of Major Depression Disorder (MDD), announces that the following resolutions were adopted at its Extraordinary General Meeting of Shareholders held today on 21 November 2018.

REDUCING THE QUANTITY OF COMPANY'S SHARES BY WAY OF ISSUING NEW COMPANY SHARES AND BY THE REDEMPTION OF COMPANY'S OWN SHARES

The Extraordinary General Meeting resolved on the reduction of the quantity of Company's shares without reducing share capital by way of issuing new shares and by redemption of Company's own shares, in such a way that each current 30 shares of the Company shall correspond to one share of the Company after the arrangements related to the reduction of the quantity of Company's shares are completed. Prior to the reduction of the quantity of Company's shares, the total number of shares in the Company is 97,531,529.

The purpose of the reduction of the quantity of Company's shares is to increase the value of a single share and thus to improve the trade conditions of the shares and the reliability of the price formation of the shares. Thus, there is a particularly weighty financial reason for the Company to reduce the quantity of Company's shares. This arrangement shall not affect the equity of the Company.

In respect of shareholders registered on the Transaction Day (as defined below) in the shareholders' register of Nexstim held by Euroclear Finland Ltd, the reduction of the quantity of shares shall be carried out as follows:

The reduction of the quantity of Company's shares shall be carried out so that the Company shall, on 23 November 2018 (the "**Transaction Day**"), issue new Company shares to each such shareholder of the Company without consideration so that the number of all shares per book-entry accounts owned by the shareholders of the Company are dividible by the number 30. The maximum quantity of Company's own shares transferred by the Company shall be 29 shares multiplied by the number of such book-entry accounts on the Transaction Day, on which the Company's shares are held, and which are owned by the shareholders of the Company. Based on the Board of Director's estimate on the number of Company's shareholders of Nexstim on the date of the Board's proposal, the maximum amount of new shares issued by the Company in the share issue to such shareholders is 188,500 new shares of the Company. The Board of Directors of the Company is entitled to resolve on all other matters related to the issuance of shares without consideration.

On the Transaction Day, at the same time with the aforementioned issue of Company's new shares, the Company shall redeem without consideration a number of shares from each such shareholder of the Company. The number of shares to be redeemed by the Company will be determined according to the redemption ratio of 30/1 based on the ownership of such shareholders on the Transaction Day. In other words, for every 30 shares of the Company 29 Company shares shall be redeemed. The Board

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of Directors of the Company shall be entitled to resolve on all other matters related to the redemptions of shares.

The Company's shares, which are redeemed in connection with the reduction of the quantity of Company's shares, shall be annulled immediately following the redemption by a resolution of the Board of Directors of the Company. The reduction of the quantity of Company's shares shall be carried out in the book-entry system at the end of trading day on Nasdaq Helsinki on 23 November 2018 i.e. on the Transaction Day (i.e. on the record day). The annulment of the shares and the Company's new total number of shares are entered in the trade register by 26 November 2018. Trading with the Company's new total number of shares on Nasdaq Helsinki with new ISIN code will begin approximately on 26 November 2018 on which date the reduced number of shares shall also appear on each book entry account of the shareholders registered in the shareholders' register of Nexstim held by Euroclear Finland Ltd.

In respect of shareholders with shares registered in a) Euroclear Sweden AB's Securities System (whether registered in the name of or a nominee or directly of the shareholder) and b) holders of nominee registered shares registered in Euroclear Finland Ltd's Bookentry System, the reduction of the quantity of shares shall be carried out as follows:

For the purposes of execution of the reduction of the number of shares, the Extraordinary General Meeting of shareholders resolved on issuance of 9,000 new shares to the Company itself without payment. The directed share issue is connected to the completion of the reduction of the number of shares and justified by the reasons set forth above in this section. For the sake of clarity, the number of shares to be issued to the Company itself is calculated based on the reduced number of shares in the Company, and not the number of the shares prior to the reduction.

The shares issued to the Company itself are to be re-issued i.e. transferred from the Company without consideration to such shareholders (the **"Receiving Shareholders"**) holding on the Record Day (as defined below) a) shares registered in Euroclear Sweden AB's Securities System whether registered in the name of or a nominee or directly of the Shareholder or b) nominee registered shares registered in Euroclear Finland Ltd's Bookentry System, the amount of which (a or b) is not divisible by 30, to the extent required by their shareholding in the Company being divisible by the number 30. The Board of Directors is hereby authorized to pass a resolution on transfer of such shares from the Company to the Receiving Shareholders as well as decide upon terms related to such share issue(s)/ transfers.

In connection with the redemption of the Company's shares held by shareholders registered in the shareholders' register of Nexstim held by Euroclear Finland Ltd, the Company shall also redeem without consideration a number of shares from each Receiving Shareholder. The number of shares to be redeemed by the Company will be determined according to the redemption ratio of 30/1 based on ownership of the Company's shares by the Receiving Shareholders on the Transaction Day (according to share and shareholder information available with Euroclear Finland Oy) to execute the reduction of the number of shares, and such number(s) of reduced shares (per each Receiving Shareholder) are then adjusted, if needed, by the above-mentioned transfer of shares to the Receiving Shareholders based on their actual ownership of the Company's shares on the Record Day (as defined below). The

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Board of Directors of the Company shall be entitled to resolve on all other matters related to the redemptions of shares.

The Company's shares, which are redeemed in connection with the reduction of the quantity of Company's shares, shall be annulled immediately following the redemption by a resolution of the Board of Directors of the Company.

The shares issued to the Company itself will be registered in the trade register by 26 November 2018. Trading with the Company's new total number of shares on Nasdaq Stockholm (and Nasdaq Helsinki) with new ISIN code will begin approximately on 26 November 2018 (Trading Day). The record day (the **"Record Day"**) for the reduction of the quantity of Company's shares shall be a) in respect of shares registered in Euroclear Sweden AB's Securities System (whether registered in the name of or a nominee or directly of the shareholder) 27 November 2018 and b) in respect of nominee registered shares registered in Euroclear Finland Ltd's Bookentry System 23 November 2018. The transfers of shares from the Company to the Receiving Shareholders required for the final adjustments of their number of shares (after reduction) are expected to take place and be recorded in book-entry accounts at the latest on 3 December 2018.

Any own shares in the possession of the Company after transactions with the Receiving Shareholders will be annulled. The arrangement, if it is realized, will not require the shareholders to take any action. No part of the arrangement shall be carried out unless all the other parts of the arrangement are carried out as well.

If necessary, the trading with the Company's share on Nasdaq Helsinki or Nasdaq Stockholm shall be temporarily interrupted in order to perform necessary technical measures in the trading facility after the Transaction Day.

It was noted that the authorized maximum amount of shares which may be issued under all outstanding authorizations (whether as new or existing shares or option rights or other rights to shares) is also divided with the above-mentioned principle that one share will after the reverse split be equal to 30 shares.

AUTHORISING THE BOARD OF DIRECTORS TO DECIDE ON THE ISSUANCE OF SHARES AS WELL AS THE ISSUANCE OF OTHER SPECIAL RIGHTS ENTITLING TO SHARES

The Extraordinary General Meeting authorised the Board of Directors to decide to issue 7,000,000 new shares either against payment or without consideration.

The new shares may be issued 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 developing the Company's equity structure, implementing mergers and acquisitions or other restructuring measures aimed at developing the Company's business, financing of investments and operations or

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using the shares as a part of the Company's remuneration and compensation system. The Board of Directors would decide upon terms and scope related to share issues.

Based on the authorisation, the Board of Directors can pursuant to chapter 10, section 1, of the Companies Act also decide on issuing option rights or other special rights entitling to new shares of the Company.

The subscription price of the new shares can be recorded partly or fully to the invested unrestricted equity reserve or to share capital according to the decision of the Board of Directors.

The Board of Directors is entitled to decide on conditions regarding the issuance of shares as well as the issuance of option rights or other special rights entitling to shares.

The authorisation is valid for one year from the Extraordinary General Meeting.

MINUTES OF THE EXTRAORDINARY GENERAL MEETING

The minutes of the extraordinary general meeting will be published by 2 December 2018 on Nexstim's website.

Helsinki, 21 November 2018

NEXSTIM PLC

The Board of Directors

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Martin Jamieson, CEO

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About Nexstim Plc

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Nexstim is a medical technology company focused on the development and commercialization of its world-leading SmartFocus™ TMS technology, a non-invasive brain stimulation system for the treatment of Major Depressive Disorder (MDD). The Company's proprietary Navigated Brain Therapy (NBT®) system, a highly sophisticated 3D navigation, is the only personalised, navigated transcranial magnetic stimulation (TMS) approach providing accurate targeting of the TMS to the specific area of the brain associated with MDD.

Nexstim's NBT® system has been launched in the US for the treatment of 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.

In addition, Nexstim is commercialising its Navigated Brain Stimulation (NBS) system for diagnostic applications, based on the same technology. 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 shares are listed on the Nasdaq First North Finland and Nasdaq First North Sweden.

For more information please visit www.nexstim.com.