



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

Company announcement, Helsinki, 11 May 2021 at 3:15 PM (EEST)

Nexstim Plc (NXTMH:HEX, NXTMS:STO) ("Nexstim" or "Company"), announces that the following resolutions were adopted at its Annual General Meeting of Shareholders held today on 11 May 2021.

1 PRESENTATION OF THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS FOR THE YEAR 2020, LOSS FOR THE FINANCIAL YEAR AND DISCHARGE FROM LIABILITY.

The Annual General Meeting of Shareholders adopted the Company's financial statements, including the consolidated financial statements for the year 2020 and resolved that no dividend is paid for the financial year 1 January – 31 December 2020 and that the loss of the financial year is recorded to the retained losses account. The Annual General Meeting discharged the members of the Board of Directors and the Managing Director from liability for the financial year 1 January – 31 December 2020.

2 REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

In accordance with the proposal of the Nomination Board of Shareholders, the Annual General Meeting resolved that the members of the Board of Directors who are elected in the General Meeting shall be paid as follows for the term ending at the end of the Annual General Meeting in 2022:

- for the Chairman of the Board of Directors: EUR 36,000
- for a Member of the Board of Directors: EUR 25,200
- no Board member acting in the Nomination Board of the Shareholders shall receive any fees based on such membership.

A member of the Board of Directors shall be entitled to remuneration only for the period during which he is a member of the Board. According to the company's policy, the cash remuneration is paid in four instalments.

RESTRICTED SHARE UNIT PLAN

In accordance with the proposal of the Nomination Board, the Annual General Meeting decided that

- the restricted share unit plan implemented first in 2016 shall be continued for one year for the sixth vesting period (2021- 2022) in respect of the elected members of the Board of Directors of Nexstim Plc on the terms and conditions of which can be found from www.nexstim.com.
- The target group of the plan will be those members of the Board of Directors who are independent of the Company. Such member is however not required to be independent from the shareholders of the Company.
- The reward allocations in 2021 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 thereby increasing the value of the Company and to offer the participants a reward plan based on receiving and accumulating the Company's shares.

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ALLOCATION FOR BOARD MEMBERS FOR THE VESTING PERIOD 2021—2022

In accordance with the proposal of the Nomination Board, the Annual General Meeting decided that for a Board member, the gross value of the reward for the vesting period 2021—2022 will be as follows:

- For Chairman of the Board of Directors: 24 000 €
- For a Member of the Board of Directors: 16 800 €

The granted reward will be converted into restricted share units at the beginning of the vesting period in 2021. 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 the 20 trading days following the release date of the Company's Annual Accounts of the year 2020. In the plan, one restricted share unit corresponds to one Company 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 rewards from the plan will be paid to the Board Members in the Company's shares within a month of the Annual General Meeting of Shareholders in 2022. The Company will withhold taxes and employment related expenses from the cash proportion of the reward as per the 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 on that basis.

OWNERSHIP RECOMMENDATION

It is strongly recommended that the participants hold shares paid as reward as long as their mandate as a member of the Board continues.

TRAVEL EXPENSES

Reasonable travel expenses are 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.

3 ELECTION AND NUMBER OF THE MEMBERS, AND ELECTION OF THE CHAIRMAN AND THE VICE CHAIRMAN OF THE BOARD OF DIRECTORS

In accordance with the proposal of the Nomination Board, the Annual General Meeting of Shareholders resolved that:

- The number of members in the Board of Directors is to be four (4);
- Martin Forss and Leena Niemistö shall continue as members of the Board of Directors in accordance with their consents; Tero Weckroth and Timo Hildén were elected as new members of the Board of Directors.
- Leena Niemistö shall, in accordance with her consent, be elected as the Chairman of the Board of Directors.

4 REMUNERATION OF THE AUDITOR

The Annual General Meeting decided that the auditor shall be paid reasonable remuneration in accordance with the invoice approved by the Company.

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5 ELECTION OF AUDITOR

The Annual General Meeting decided that PricewaterhouseCoopers Oy, Authorised Public Accountants, which has appointed APA Enel Sintonen as responsible auditor, is appointed as the auditor to serve for a term ending at the end of the next Annual General Meeting of Shareholders. The auditor proposed herein has given its consent for the election.

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

The Annual 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 100 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 663 639 370.

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 14 May 2021 (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 divisible by the number 100. The maximum quantity of Company's own shares transferred by the Company shall be 100-1 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 1,000,000 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 100/1 based on the ownership of such shareholders on the Transaction Day. In other words, for every 100 shares of the Company 100-1 Company shares shall be redeemed. The 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 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 14 May 2021

Nexstim

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 17 May 2021. Trading with the Company's new total number of shares on Nasdaq Helsinki with new ISIN code will begin approximately on 17 May 2021 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 Annual General Meeting of shareholders resolved on issuance of 350,000 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 100, to the extent required by their shareholding in the Company being divisible by the number 100. 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 100/1 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 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 17 May 2021. Trading with the Company's new total number of shares on Nasdaq Stockholm (and Nasdaq Helsinki) with new ISIN code will begin approximately on 17 May 2021 (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

Nexstim

nominee or directly of the shareholder) 18 May 2021 and b) in respect of nominee registered shares registered in Euroclear Finland Ltd's Bookentry System 14 May 2021. 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 17 May in Finland and 19 May 2021 in Sweden.

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 100 shares.

7 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 Board of Directors was 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 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 130,000,000, when the current number of the Company's registered shares is 663 639 370. As the proposals regarding reverse split are approved, the authorization will be adjusted correspondingly.

Nexstim

Issuance of special rights:

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 130,000,000, which is included in the maximum number mentioned in the "Maximum number of shares" -section above. As the proposals regarding reverse split are approved the authorization shall be adjusted correspondingly.

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 for eighteen (18) months from the decision of the Annual General Meeting. The authorisation does not invalidate prior resolved and registered authorisations made by the General Meeting of Shareholders regarding share issue, issuing of option rights and other special rights entitling to shares.

8 AUTHORISATION INTENDED TO BE USED FOR THE BOARD'S RSU PLAN AND FOR THE LONG-TERM INCENTIVE PLANS FOR THE MANAGEMENT AND THE PERSONNEL OF THE COMPANY

The Board of Directors was 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:

The shares issued under the authorisation are new or those in the Company's possession. Based on and within the limits of this authorisation, the Board of Directors can also decide on issuance(s) of option rights or other special rights set forth in Chapter 10 the Companies Act complementing or replacing issuance(s) of shares.

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.

Under the authorisation, a maximum of 5 500 000 shares may be issued, which corresponds to approximately 0,82% percent of all the shares in the Company after the share issue, provided that new shares are issued, considering all registered shares of the Company. As the proposals regarding the reverse split has been approved, the authorization shall be adjusted correspondingly.

The shares, option rights and/or other special rights entitling to shares can be issued in one or more tranches.

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

The authorisation is valid for five (5) years from the decision of the Annual General Meeting of Shareholders. The authorisation may be used for the implementation of the RSU plan for the members of the Board of Director's and for the long-term incentive plans for the management and the personnel of the Company. The authorisation can also be used for incentive arrangements and payment of the Board fees.

The authorisation does not invalidate prior resolved and registered authorisations made by the General Meeting of Shareholders regarding share issue, issuing of option rights and other special rights entitling to shares.

9 MINUTES OF THE ANNUAL GENERAL MEETING

The minutes of the annual general meeting will be published by May 25, 2021 on Nexstim's website.

Helsinki, 11 May 2021

NEXSTIM PLC

Board of Directors

Further information is available on the website www.nexstim.com or by contacting:

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About Nexstim Plc

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

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

SmartFocus® technology is used in Nexstim's proprietary Navigated Brain Therapy (NBT®) system, which is FDA cleared for marketing and commercial distribution for the treatment of major depressive

Nexstim

disorder (MDD) in the United States. In Europe, the NBT[®] system is CE marked for the treatment of major depression and chronic neuropathic pain.

In addition, Nexstim is commercializing its SmartFocus[®] based Navigated Brain Stimulation (NBS) system for diagnostic applications. 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 Growth Market Finland and Nasdaq First North Growth Market Sweden.

For more information please visit www.nexstim.com