

TERMS AND CONDITIONS OF THE OFFERING

Authorisations for the Offering

On 29 September 2014, the shareholders of the Company authorised by way of unanimous shareholders' decision the board of directors of the Company to resolve on issuing up to 10,000,000 new or treasury shares ("**Shares**") in the Company. Under the unanimous decision by the shareholders, the board of directors is authorised to resolve on all the terms on which Shares are issued. The authorisation covers the issuance of both new Shares and existing own Shares held by the Company, and allows the board of directors to resolve on issuing Shares in a targeted issue. The authorisation is in force until 30 June 2015, unless cancelled before that date by the general meeting of the Company.

On 9 October 2014, the board of directors of the Company resolved on issuing the Offer Shares by adopting the terms set out below.

General terms of the Offering

Offer Shares

The Company offers up to 2,873,563 new Shares in the Company ("**Offer Shares**") for subscription ("**Offering**"). The Offering consists of:

- a) An institutional offering ("**Institutional Offering**"), in which Offer Shares are offered to investors in both Finland and in Sweden as well as internationally provided fulfilment of local law requirements.
- b) A retail offering in Finland ("**Finnish Retail Offering**"), in which Offer Shares are offered to the public in Finland.
- c) A retail offering in Sweden ("**Swedish Retail Offering**"), in which Offer Shares are offered to the public in Sweden.

Number of Offer Shares and Additional Share Allotment

The number of Offer Shares to be issued in the Offering will be determined on the basis of a book-building process in the Institutional Offering, as well as the subscriptions received in the Finnish Retail Offering and the Swedish Retail Offering.

Assuming that 2,873,563 Offer Shares are issued in the Offering, the Offer Shares will upon consummation of the Offering constitute approximately 37.83% of the outstanding Shares in the Company.

If the Offering is oversubscribed, the board of directors of the Company may increase the number of Offer Shares by an additional share allotment of up to 431,034 additional new Shares in the Company ("**Additional Share Allotment**"). Assuming that the Additional Share Allotment is exercised in full, in aggregate up to 3,304,597 Offer Shares may be issued in the Offering and in such case the Offer Shares will upon consummation of the Offering constitute approximately 41.17% of the outstanding Shares in the Company.

Pricing and book-building

The Company has, together with the Joint Arrangers, set an indicative price range of EUR 8.70 to EUR 9.80 per Offer Share ("**Indicative Price Range**"). To achieve a market-based pricing of the Shares offered for sale, institutional investors will be afforded the opportunity to participate in a form of book-building process by submitting an application to subscribe. The book-building process will take place during the Subscription Period (as defined below). The final subscription price per Offer Share ("**Offer Price**") will be determined on the basis of the book-building process for institutions and the subscriptions placed in the Finnish Retail Offering and the Swedish Retail Offering, and may be set within or below the Indicative Price Range. However, the Offer Price may not exceed EUR 9.80.

The Indicative Price Range may be amended during the Subscription Period. Any amendment to the Indicative Price Range will be announced by the Company by way of a company release.

The Company expects to announce the final Offer Price by way of a company release, on or about 27 October 2014.

Payment of the Offer Shares

The subscriptions shall be paid in cash as further described in "*Terms specific to the Institutional Offering*", "*Terms specific to the Finnish Retail Offering*", and "*Terms specific to the Swedish Retail Offering*" to bank accounts designated by the Joint Arrangers in immediately available funds.

Investors who hold a capital loan from the Company may, however, pay their subscriptions by setting off the subscription price receivable against the principal amount of the capital loan. The capital loan lenders who are current shareholders of the Company have undertaken to subscribe in the Offering at the Offer Price for such number of Offer Shares that allows for the entire capital loan principal to be used towards the payment of such Offer Shares. Such undertakings cover capital loans with an aggregate principal amount of EUR 1,350 thousand.

The subscription price for the Offer Shares will be recorded in the reserve for invested unrestricted equity (in Swedish: *fonden för inbetalt fritt eget kapital*). Accordingly, the share capital of the Company will not be increased in connection to the Offering.

Offer Shares delivered through Euroclear Finland to investors in the Institutional Offering and the Finnish Retail Offering will be payable in euro.

Offer Shares in the Swedish Retail Offering will be payable in Swedish krona. Offer Shares delivered through Euroclear Sweden to investors in the Institutional Offering will be payable in Swedish krona or euro at the request of the investor.

The Swedish krona denomination of the final Offer Price will be determined through through the EURSEK forward rate for an amount corresponding to the aggregate allocated euro amount of Shares payable in Swedish krona. The Swedish krona denomination of the final Offer Price will be announced by the Company by way of a company release together with the publication of the outcome of the Offering.

Subscription period

The subscription period (the "**Subscription Period**") for the Offer Shares will commence on 15 October 2014 at 09:30 Finnish time (08:30 Swedish time), and is expected to end on 24 October 2014 at 16:30 Finnish time (15:30 Swedish time).

The Company may, at its sole discretion, end, shorten, or extend the Subscription Period. Changes to the Subscription Period may be made one or several times, provided, however, that the Subscription Period can end at earliest on 22 October 2014 at 16:30 Finnish time (15:30 Swedish time) and it will not be extended beyond 31 October 2014 at 16:30 Finnish time (15:30 Swedish time). Any changes to the Subscription Period will be announced by way of a company release. The Subscription Period may not be changed or ended by the Company between 9:30 and 16:30 Finnish time (between 08:30 and 15:30 Swedish time), or changed after the ending of the Subscription Period.

In the event the Subscription Period is changed, the allocation date, the payment due dates and the dates of delivery of Offer Shares will be changed accordingly, but the date of the listing and commencement of trading on First North Finland and Firth North Sweden may not necessarily be changed.

Allocation of the Offer Shares

The Company will, in its sole discretion, resolve on the allocation of the Offer Shares between the Institutional Offering, the Finnish Retail Offering and the Swedish Retail Offering, as well as between investors within the Institutional Offering, Finnish Retail Offering and Swedish Retail Offering. If the Offering is oversubscribed, investors may be allocated fewer Offer Shares than subscribed for, or no Offer Shares at all.

If the Offering is fully subscribed or oversubscribed, for subscriptions placed in the Finnish Retail Offering and the Swedish Retail Offering comprising up to an aggregate of 20% of the Offer Shares to be issued, the Company will allocate in aggregate at least 50% of the subscriptions so placed to investors in the Finnish Retail Offering and the Swedish Retail Offering. In case of oversubscription, the Company will use its best efforts to fulfil the subscriptions placed by investors in the Finnish Retail Offering and the Swedish Retail Offering up to allocations of 1,000 Offer Shares.

Publication of the outcome of the Offering

Provided that no changes are made to the Subscription Period, the Company will announce the outcome of the Offering on or about 27 October 2014 by way of a company release.

Deviation from the pre-emptive right of the shareholders

The Offering is a targeted share issue, i.e., Offer Shares will be offered in deviation of the pre-emptive subscription right of the existing shareholders of the Company. The grounds for deviating from the pre-emptive subscription right are the funding of the Company's business and the broadening of the Company's shareholder base necessary for a planned listing of the Shares in the Company on the First North Finland and First North Sweden. On these grounds, the Company's board of directors considers that in accordance with the Finnish Companies Act, Chapter 9, Section 4(1), weighty financial reasons exist for deviating from the pre-emptive subscription right of the shareholders.

Registration and delivery of the Offer Shares

The Company will apply for the registration of the Offer Shares with the Trade Register as soon as practicably possible after the allocation of the Offer Shares. Provided that no changes are made to the Subscription Period, the Company expects the issued Offer Shares to be registered with the Trade Register on or about 5 November 2014. The Offer Shares will be issued and registered in the book-entry system of Euroclear Finland as soon as possible after having been registered with the Trade Register.

As soon as possible after registration with Euroclear Finland, the Offer Shares will be delivered to investors through the book-entry systems of Euroclear Finland and Euroclear Sweden. Provided that no changes are made to the Subscription Period, the Company expects the delivery of the Offer Shares to the investors to take place on or about 6 November 2014.

Listing

The Company intends to make an application to the Helsinki Stock Exchange to be processed at the Helsinki Stock Exchange and the Stockholm Stock Exchange to list:

- a) on First North Finland (i) the Offer Shares issued and allotted in the Finnish Retail Offering, (ii) the Offer Shares issued and allotted in the Institutional Offering and delivered through Euroclear Finland, and (iii) all other Shares of the Company that are not applied for listing on First North Sweden; and
- b) on First North Sweden (i) the Offer Shares issued and allotted for in the Swedish Retail Offering and (ii) the Offer Shares issued and allotted in the Institutional Offering and delivered through Euroclear Sweden.

The trading symbol on First North Finland is expected to be NXTMH, and on First North Sweden, NXTMS. The Company expects trading to commence on First North Finland and First North Sweden on or about 6 November 2014. The Company will apply for the primary listing to be on First North Finland and for the secondary listing to be on First North Sweden.

Shareholder rights

The Offer Shares will confer all shareholder rights from their registration with the Trade Register and delivery to the investors. Each Share in the Company confers one vote at the Company's general meetings. All the Shares in the Company confer equal rights to distributions.

Supplements to the Prospectus and cancellation of subscriptions

Subscriptions placed in the Finnish Retail Offering and the Swedish Retail Offering are binding and irrevocable, and may only be cancelled where the Finnish Securities Market Act provides for a cancellation right.

In accordance with the Finnish Securities Market Act, the Company will be obliged to issue a supplement to the Prospectus in case a mistake or inaccuracy in the Prospectus is discovered, or a significant new factor arises, prior to the end of the Subscription Period, if such mistake, inaccuracy or new factor may bear material significance to the investors. Such supplement will be published in the same manner as the Prospectus.

Investors who have subscribed for Offer Shares before the publication of a supplement to the Prospectus may choose to cancel their subscriptions. The cancellation right must be exercised within a cancellation period which may not be shorter than two Finnish banking days from the publication of the supplement to the Prospectus. An investor's cancellation of a subscription will be deemed to be made in respect of all the subscriptions of that investor. A precondition for the right to cancel is that the mistake, omission or material new information arose or was noted before the delivery of the Offer Shares. Cancellations must be filed with the office with which the subscription was placed.

However, subscriptions placed on the website of UB Securities cannot be cancelled on the website but should be cancelled by contacting UB Securities at dealing@unitedbankers.fi or telephone +358 (0)9 253 80220. Information on the right to withdraw shall be issued in the supplement to the Prospectus.

Where an investor has cancelled its subscription, any subscription price already paid by that investor will be returned to the bank account of the investor given by the investor in connection with the subscription. The funds will be repaid within three local banking days of the cancellation of the subscription. No interest will be paid on the amounts returned. The Company will announce cancellation instructions by way of a company release, in connection with publishing the supplement to the Prospectus.

Company's right to withdraw the Offering

The Company's may, at its sole discretion (and for any reason), withdraw the Offering. If the Offering is withdrawn, any subscriptions given by investors will be automatically cancelled. In such case, the subscription price paid by investors will be returned to the bank accounts of the investors given by the investors in connection with the subscriptions. The funds will be repaid within three local banking days of the Offering being withdrawn. A withdrawal of the Offering will be announced by the Company by way of a company release.

The Company intends to apply for the listing of the Offer Shares as set out in "*Offer terms – General terms – Listing*". If the Company's application to list the issued Offer Shares is not approved in respect of either First North Finland or First North Sweden, the Company will withdraw the Offering.

The Company may not withdraw the Offering after the board of directors of the Company has resolved on the allocation of the Offer Shares.

Conditional Offering

The Offering is conditional upon the subscriptions placed in the Offering (including the subscriptions payable by way of setting off capital loans described in "*Payment of the Offer Shares*" above) covering in aggregate an amount of at least EUR 15,000,000. If the aggregate amount of such subscriptions is less than EUR 15,000,000, the Offering shall lapse.

Terms specific to the Institutional Offering

Persons entitled to subscribe in the Institutional Offering

In the Institutional Offering, Offer Shares are offered to investors in both Finland and in Sweden as well as internationally provided fulfilment of local law requirements.

The Company may, at its sole discretion, decline an investor's subscription in the Institutional Offering for instance if it reasonably believes that it would be required to implement any other measures than the publication of the Prospectus to be allowed to issue Offer Shares to that investor.

Minimum subscription

The minimum subscription per investor in the Institutional Offering is 12,000 Offer Shares.

Investors in the Institutional Offering may place several subscriptions at different prices per Offer Share during the book-building period.

Investors wishing to subscribe for a smaller number of Offer Shares shall subscribe to Offer Shares in the Finnish Retail Offering or the Swedish Retail Offering, as the case may be.

Subscription instructions

Subscriptions for Offer Shares in the Institutional Offering must be made during the Subscription Period by advising one of the Joint Arrangers of the number of Offer Shares that the subscriber wishes to subscribe for and the price that such subscriber is offering to pay for the Offer Shares.

The investors in the Institutional Offering will not be treated differently based on which Joint Arranger the investor chooses to place the subscription with. However, the Company may, in its sole discretion, resolve on the allocation of the Offer Shares.

Any orally placed subscription in the Institutional Offering will be binding upon the subscriber and subject to the same terms and conditions as a written subscription. The Joint Arrangers may, at any time and in their sole discretion, require

the subscriber to confirm any orally placed subscription in writing.

Investors in the Institutional Offering may withdraw or amend their subscriptions at any time until the end of the Subscription Period. After the end of the Subscription Period, all subscriptions that have not been withdrawn are irrevocable and binding upon the investor. The Company may change or end the Subscription Period as described above in the section "*Offer terms – General terms – Subscription period*". If the Company changes the Subscription Period, the subscriptions become binding when the changed Subscription Period ends. If the Company ends the Subscription Period, the subscriptions become binding at 16:30 on the day when the Company has resolved on ending the Subscription Period. If the Company ends the Subscription Period after 16:30, the subscriptions placed and not cancelled prior to such time will become binding.

Allocation of the Offer Shares

The Company will, in its sole discretion, resolve on the allocation of Offer Shares between investors in the Institutional Offering.

Institutional investors are expected to receive information regarding allotment on or about 27 October 2014, whereupon notices of allotment are dispatched in accordance with prevailing market practice.

Payment

Provided that no changes are made to the Subscription Period, the subscription price for the Offer Shares shall be paid no later than 30 October 2014 in accordance with instructions set out in the notice of allotment sent to the investor.

Should payment not be made when due, the Company may in its sole discretion decline the subscription and re-allot the Offer Shares.

Where the Company has not declined a defaulted investor's subscription, the Joint Arrangers may, in their sole discretion, pay the subscription price for the Offer Shares on behalf of the investor. In such case, the investor remains liable to pay the original subscription price to the Joint Arrangers for the Offer Shares allocated to the investor, together with any interest, costs, charges and expenses accrued, and the Joint Arrangers may enforce payment of any such amount outstanding. Default interest calculated in accordance with the Finnish Interest Act (633/1982, as amended), Section 4, will accrue from the due date on an unpaid subscription price. The Joint Arrangers may, at any time, sell any Offer Shares paid for by the Joint Arrangers on behalf of the investor. Upon such sale, the Joint Arrangers will set off any sale proceeds against the amounts owed by the investor. Where the sale proceeds exceed the amounts owed, the Joint Arrangers will be entitled to keep the excess. Where the sales proceeds fall short of the amounts owed, the investor will remain liable to pay the Joint Arrangers the outstanding amount.

Delivery of the Offer Shares

Investors in the Institutional Offering may elect for the Offer Shares to be delivered through the book-entry system of Euroclear Finland or through the book-entry system Euroclear Sweden. Investors may also elect for a part of their Offer Shares to be delivered through the book-entry system of Euroclear Finland and a part through the book-entry system of Euroclear Sweden.

However, due to restrictions placed by Finnish law on the nominee registration of shares by Finnish investors, the Offer Shares issued and allotted in the Institutional Offering by investors incorporated in Finland or with Finnish citizenship will always be delivered through Euroclear Finland.

Terms specific to the Finnish Retail Offering

Persons entitled to subscribe in the Finnish Retail Offering

In the Finnish Retail Offering, Offer Shares are offered to the public in Finland. To be authorised to subscribe for Offer Shares in the Finnish Retail Offering, the investor shall, in case it is a natural person, be resident in Finland, and in case it is a legal entity, be incorporated under Finnish law and have its corporate seat in Finland.

The Joint Arrangers may require the investors to evidence or confirm their right to participate in the Finnish Retail Offering.

Minimum and maximum subscription

The minimum subscription per investor in the Finnish Retail Offering is 70 Offer Shares. The maximum subscription per investor in the Finnish Retail Offering is 11,999 Offer Shares. Investors wishing to subscribe for a larger number of Offer Shares shall do so in the Institutional Offering.

Subscription instructions

Subscriptions in the Finnish Retail Offering must be made during the Subscription Period on the website of UB Securities at www.unitedbankers.fi or at the offices of UB Securities Ltd at Aleksanterinkatu 21 A 3rd floor, 00100 Helsinki, Finland.

Investors in the Finnish Retail Offering must comply with the practical instructions given by the Joint Arrangers from time to time. Practical instructions to investors are contained in the Prospectus under "*Instructions to investors*".

Payment of the subscription price

Investors in the Finnish Retail Offering shall pay the subscription price when placing the subscription on UB Securities' website.

The investors subscribing for Offer Shares in the Finnish Retail Offering must pay, when placing the subscription, an initial subscription price per Offer Share of EUR 9.80, i.e., the high point of the Indicative Price Range. If the final Offer Price is lower than the price paid by the investor at the time of placing the subscription, the excess amount paid by the investor will be repaid to the investor within seven Finnish banking days of the date when the board of directors resolved on the allocation of the Offer Shares. No interest will be paid on the amounts returned. If an investor is allocated fewer Offer Shares than subscribed for by the investor, the excess subscription price paid by the investor will be repaid to the investor within seven Finnish banking days of the date when the board of directors resolved on the allocation of the Offer Shares.

Allocation of the Offer Shares

The Company will, in its sole discretion, resolve on the allocation of Offer Shares between investors in the Finnish Retail Offering. Information on the allocation is not separately announced to the investors, but the investors receive the information in connection with confirmation of the transaction and the possible repayment of the subscription price.

Delivery of the Offer Shares

Offer Shares will be delivered to investors in the Finnish Retail Offering through the book-entry system of Euroclear Finland.

Terms specific to the Swedish Retail Offering

Persons entitled to subscribe in the Swedish Retail Offering

In the Swedish Retail Offering, Offer Shares are offered to the public in Sweden. To be authorised to subscribe for Offer Shares in the Swedish Retail Offering, the investor shall, in case it is a natural person, be resident in Sweden, and in case it is a legal entity, be incorporated under Swedish law and have its corporate seat in Sweden.

The Joint Arrangers may require the investors to evidence or confirm their right to participate in the Swedish Retail Offering.

Minimum and maximum subscription

The minimum subscription per investor in the Swedish Retail Offering is 70 Offer Shares. The maximum subscription per investor in the Swedish Retail Offering is 11,999 Offer Shares. Investors wishing to subscribe for a larger number of Offer Shares shall do so in the Institutional Offering.

Subscription instructions

Subscriptions in the Swedish Retail Offering must be made during the Subscription Period by submitting a completed subscription form to:

Pareto Securities AB (Sweden)
Issuer Service/Nexstim
Box 7415, Berzelii Park 9
SE-103 91 Stockholm
Tel: +46 8 402 51 32
Fax: +46 8 402 50 30
Email: issueservice.se@paretosec.com

Subscriptions should be made using a special subscription form which can be obtained from Pareto Securities AB or from the Company. Subscription forms are also available on the Company's website (www.nexstim.com/IPO) or on Pareto Securities AB's website (www.paretosec.com/corp/nexstim).

The subscription form must be received by Pareto Securities AB prior to the end of the Subscription Period. Subscription forms received late, as well as incompletely or incorrectly completed subscription forms, may be disregarded. No additions or amendments may be made to the pre-printed text on the subscription forms. Only one subscription per investor may be made. If multiple subscriptions from the same investor are submitted, the Joint Arrangers will consider only the subscription form filed first. All the subscriptions will be considered to have been made at the price determined in the book-building. Subscriptions placed in the Swedish Retail Offering are binding and irrevocable, and may only be cancelled where the Finnish Securities Market Act provides for a cancellation right.

Allocation of the Offer Shares

The Company will, in its sole discretion, resolve on the allocation of Offer Shares between investors in the Swedish Retail Offering. Contract notes are expected to be sent out by ordinary mail on or about 27 October 2014. Those who have not been allotted Offer Shares will not be notified.

Payment of the subscription price

Provided that no changes are made to the Subscription Period, the subscription price shall be paid no later than on 30 October 2014, provided that the subscription period remains unchanged, in accordance with instructions set out in the contract notes sent to the investor.

The Offer Price (including the price payable in Swedish krona) will be announced by way of a company release on or about 27 October 2014 together with the outcome of the Offering.

Should payment not be made when due, the Company may in its sole discretion decline the subscription and re-allot the Offer Shares.

Where the Company has not declined a defaulted investor's subscription, the Joint Arrangers may, in their sole discretion, pay the subscription price for the Offer Shares on behalf of the investor. In such case, the investor remains liable to pay the original subscription price to the Joint Arrangers for the Offer Shares allocated to the investor, together with any interest, costs, charges and expenses accrued, and the Joint Arrangers may enforce payment of any such amount outstanding. Default interest calculated in accordance with the Finnish Interest Act (633/1982, as amended), Section 4, will accrue from the due date on an unpaid subscription price. The Joint Arrangers may, at any time, sell any Offer Shares paid for by the Joint Arrangers on behalf of the investor. Upon such sale, the Joint Arrangers will set off any sale proceeds against the amounts owed by the investor. Where the sale proceeds exceed the amounts owed, the Joint Arrangers will be entitled to keep the excess. Where the sales proceeds fall short of the amounts owed, the investor will remain liable to pay the Joint Arrangers the outstanding amount.

Delivery of the Offer Shares

Offer Shares will be delivered to investors in the Swedish Retail Offering through the book-entry system of Euroclear Sweden.

Governing law

The terms and conditions of the Offering shall be governed by, and construed in accordance with, Finnish law. The courts of Finland have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Offering.

Other matters

The board of directors of the Company may resolve on other matters relating to the Offering.