Stimulating growth with surgical accuracy; INITIATE with BUY

RECOMMENDATION	BUY
TARGET	EUR 12.00
UPSIDE	+27.7%
PREVIOUS	EUR 12.00 BUY

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Nexstim is a Finnish MedTech company and a global leader in **navigated transcranial magnetic stimulation (nTMS)** technology. With **nTMS**, Nexstim helps (i) surgeons preserve patients' motor and speech cortices and (ii) clinicians treat neurological and psychiatric disorders. **Here's how**: Nexstim's system sends gentle magnetic pulses through the skull, without any incisions, prompting a specific part of the brain to respond. A live 3D map tracks that response in real time, letting doctors pinpoint the targeted spot with an accuracy no competitor can match. The company is now seen transforming from a niche Finnish MedTech player into a **truly global platform** serving neurosurgery, psychiatry and neuroscience research.

At the centre of the investment case is the **navigated brain stimulation (NBS) System 6**. It allows hospitals and clinics to host pre-surgical brain mapping, depression treatment and other applications on a **single modular platform**. This creates an attractive model, where one platform unlocks cross-selling via software updates. Nexstim markets the NBS 6 system across three segments: **Diagnostics**, **Therapy** and **Research & Neuroscience**.

- **Diagnostics** is one of two main commercial spearheads. Here, Nexstim helps neurosurgeons map essential brain functions before surgery. The global installed base of c. 270 systems create significant clinical references and follow-on opportunities. **But this is just the beginning**. A recently signed distribution partnership with **Brainlab**, whose c. 14.5k systems span c. 6.7k hospitals in 127 countries, could **materially accelerate the global scaling of Nexstim's platforms**.
- **Therapy** is the second, fast-growing segment, having achieved c. 18% organic CAGR between 2020-25. **Yet, this segment is still in its early innings.** Here, Nexstim helps treat major depressive disorders (MDD) and chronic neuropathic pain patients, with c. 145 systems delivered. The Therapy segment is seen to hold **immense potential**: the addressable market for severe depression is large (€ 2.3bn in US & EEA; eNuW) and fragmented.
- **Research & Neuroscience** serves as a laboratory for Nexstim, in which nTMS is tested on new promising indications (i.e. Alzheimer), potentially paving the way for significant commercial openings.

Profitability is set to attain a strong structural margin. After 25 years of R&D, Nexstim achieved its first profitable years in FY22 and FY25. With gross margins oscillating between 75-80%, limited operating-cost growth and a growing installed base, further revenue growth should unlock **meaningful operating leverage**. We expect EBIT margins to expand from c. 6% in FY25 to a structural 24% by FY33e, while sales are set to continue compounding at c. 18% CAGR between 2025-33e (eNuW).

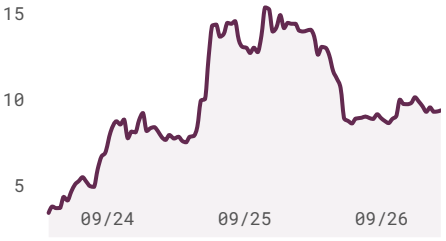
We see Nexstim as an under-the-radar opportunity in the defensive MedTech sector. The combination of a scalable business model, a differentiated technology platform, Brainlab's distribution power and untapped therapeutic opportunities, creates an **attractive setup** for **sustained profitable growth**. We initiate with a **BUY** rating and a **PT of € 12** based on DCF model.

Y/E 31.12 (EUR M)	2023	2024	2025	2026e	2027e	2028e
Sales	7.2	8.7	11.0	12.7	15.0	18.5
Sales growth	-24.0%	20.6%	25.6%	15.5%	18.7%	23.2%
EBITDA	-0.6	0.3	1.7	2.3	2.9	4.3
Net debt (if net cash=0)	3.1	1.6	1.6	-1.8	-2.4	-4.0
FCF	-4.1	0.1	-0.1	-0.1	0.6	1.6
Net Debt/EBITDA	-4.8	5.0	0.9	0.0	0.0	0.0
EPS reported	-0.21	-0.13	0.07	0.06	0.19	0.35
EBITDA margin	-8.9%	3.7%	15.6%	18.2%	19.5%	23.1%
ROCE	-18.2%	-6.4%	7.0%	9.7%	11.2%	17.4%
EV/sales	9.6	8.2	6.6	6.1	5.1	4.1
EV/EBITDA	-107.8	223.0	42.3	33.5	26.2	17.5
PER	-46.3	-99.1	175.4	215.3	62.0	33.7
Adjusted FCF yield	-1.9%	-0.7%	0.9%	1.4%	2.0%	3.7%

Source: Company Data, NuWays AG | e = estimate, p = preliminary

Close Price as of 01.09.2026

Share Performance



52W H/L (EUR)	16.3 / 8.0
3M rel.	5.62%
6M rel.	1.51%
12M rel.	-28.52%

Market Data

Share Price (in €)	9.40
Market Cap (in € m)	75.90
Number of Shares (in m pcs)	8.07
Enterprise Value (in € m)	74.10
Ø Volume (6 Months)	8,317

Ticker

Bloomberg	NXTMH FH
WKN	A3CMUG
ISIN	FI4000506811

Key Shareholders

Free Float	56.70%
Major and strategic sharehold...	26.30%
Board and management	17.00%

Guidance

FY26: Net sales to grow & operating result to improve

Forecast Changes

	2026e	2027e	2028e
Sales	-	-	-
EBITDA	-	-	-
EPS	-	-	-

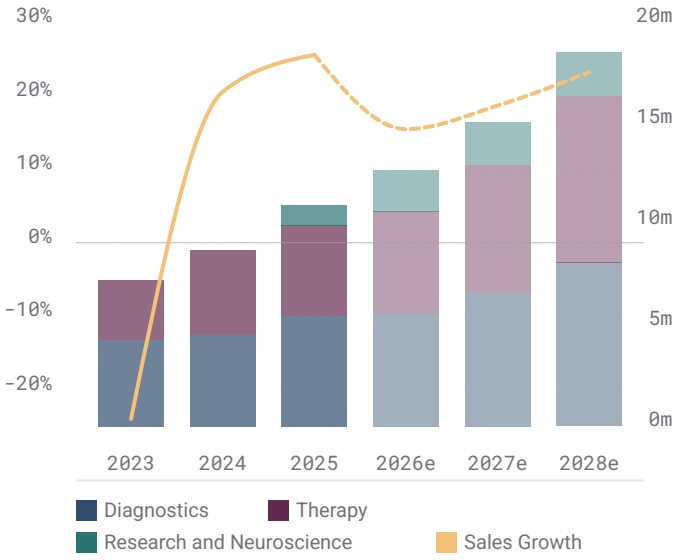
Issuer-Sponsored Research

Prepared in accordance with the EU Code of Conduct on Issuer-Sponsored Research.

Company Profile

Nexstim Plc, a Finnish medical technology company, engages in the development of non-invasive brain stimulation technologies in Europe, North America, and internationally. The company offers non-invasive brain stimulation technology for navigated transcranial magnetic stimulation (nTMS), incl. Navigated Brain Stimulation (NBS) system 6 for presurgical mapping of the speech and motor cortices of the brain, for the treatment of major depression and chronic unilateral neuropathic pain, and post-operative rehabilitation of motor deficits of the upper limb. The company also markets and sells its diagnostics systems to universities and teaching hospitals. It has an exclusive collaboration with Sinaptica Therapeutics, Inc. for precision neuromodulation systems for the treatment of Alzheimer's disease and mild cognitive impairment; and a development and distribution collaboration with Brainlab AG for motor and speech mapping systems.

SEGMENTS CHART



Catalysts

- The Brainlab distribution partnership could materially accelerate system volume sales and scale the business.
- Clinical evidence and reimbursement favouring precise targeting would drive wider adoption of navigated TMS in therapeutic indications such as major depressive disorder, where Nexstim holds a technological lead
- Signature of the Sinaptica definitive agreements and positive clinical read-outs from the Alzheimer's and MCI programme would cater the share price

Investment Case

- In pre-surgical brain mapping, accuracy determines whether a patient keeps speech and movement. Nexstim's E-field navigated TMS ranks among the most precise systems available.
- Nexstim holds the only FDA-cleared and CE-marked navigated TMS system for pre-surgical mapping of the motor and speech cortices, plus clearances in major depression and other indications.
- Diagnostics, depression and further indications all run on one modular platform, simplifying cross-selling.
- The Brainlab partnership should materially lift diagnostics volumes, while the therapeutic market is seen increasingly shifting towards precise systems.
- Management targets sales growth above 20% and an operating margin above 20%, and the execution record supports both.

Upcoming Events

Sep 16	Investor Conference
Sep 30	Investor Conference

Strengths

+ Nexstim was spun out of Helsinki University of Technology, where navigated TMS (nTMS) was invented, and has developed the technology in-house for 25 years since
+ The company has the most advanced nTMS system, FDA-cleared and CE-marked for pre-surgical brain mapping, amongst others
+ Nexstim has grown a Therapy business from zero in 2018 to a thriving business, on the back of its edge in precise systems
+ Relatively capital-light business model with outsourced manufacturing, that implies strong operating leverage potential

Weaknesses

– Micro-cap with thin liquidity (Nasdaq First North, outside of main market)
– Ongoing royalty dispute with Magnus Medical; Nexstim assumes zero income from a deal once valued at ~€ 13m

Opportunities

Brainlab partnership opens access to a much wider distribution network of hospitals

Sinaptica collaboration (Alzheimer's/MCI) could offer a new, unmonetized growth avenue

Therapy markets, incl. major depressive disorders, are large fragmented markets with big potential

The nTMS has the potential to carry over many indications, expanding the adressable markets

Threats

! New indications require fresh regulatory clearances, with no guarantee of success
! Small scale leaves Nexstim vulnerable to larger, better-capitalized competitors entering the TMS market

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Introducing Nexstim

Nexstim's mission is (i) to support surgeons with **pre-surgical mapping of the brain**, which helps preserve a patient's motor and speech cortices (Diagnostics segment) and (ii) to advance the **treatment of neurological and psychiatric disorders** (Therapy segment). **Here is how**:

Magnetic pulses are sent painlessly through the scalp and skull of the patient, which activates accurate brain regions. At the same time, the clinician is shown a live 3D map of the brain, and sees exactly where each pulse lands and how the brain responds. This is the essence of **navigated transcranial magnetic stimulation (nTMS)** technology.

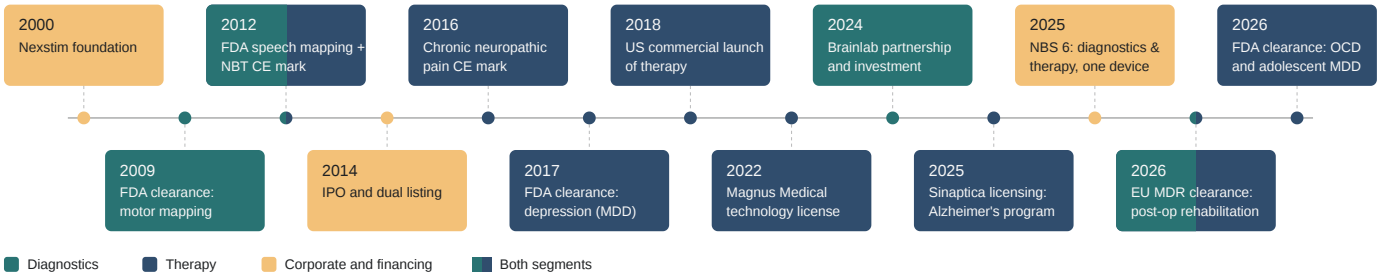
Nexstim's founders pioneered the nTMS technology, which is widely used today. The company's history is deeply rooted in Finnish academia and innovation, establishing Nexstim as a technological leader in the field of navigated systems.

Origins rooted in academia and innovation

In the 1980s, **Risto Ilmoniemi**, one of the founders of Nexstim, joined the Low Temperature Laboratory of the Helsinki University of Technology (today Aalto University) as a Senior Assistant. The lab developed, amongst others, multichannel magnetoencephalography (MEG) instruments, a technology that measures the extremely faint magnetic fields generated by neuronal activity in the brain. Ilmoniemi and his team achieved international recognition in biomagnetism research, and are credited with co-inventing the minimum-norm estimate and signal-space projection methods, both still in use today. In 1994, he was appointed Director of the BioMag Laboratory at Helsinki University Hospital, a joint laboratory spanning Helsinki University of Technology, the University of Helsinki, and Helsinki University Hospital. **This setup brought engineering, medical science, and a working hospital all under one roof, paving the way for the creation of Nexstim.**

At BioMag, Ilmoniemi's team drove major advances in transcranial magnetic stimulation (TMS), the non-invasive method of stimulating specific areas of the brain using coil-generated magnetic fields. **Their key insight** was that the coil-induced electric field in the brain could be calculated, making the stimulation process visible in real-time rather than a black box. From this innovative background, emerged **Nexstim** in 2000, which sought to commercialise navigated brain stimulation (NBS) systems.

Nexstim milestones

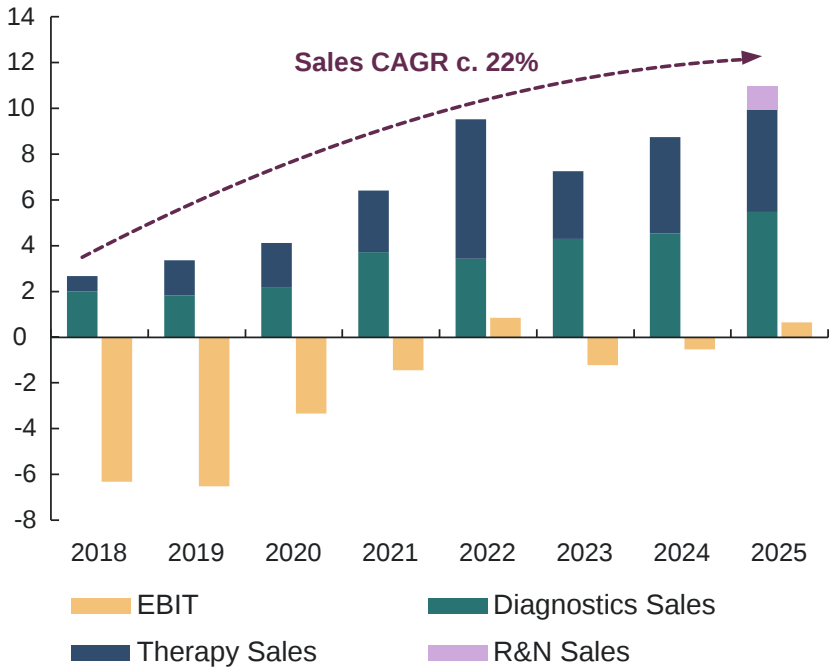


Source: Company data

Until 2017, Nexstim's revenues came solely from **pre-surgical mapping of the brain** (Diagnostics segment), though the **dual-use potential** of navigated brain stimulation was already apparent: In parallel to commercialising diagnostics systems, the company was running clinical trials for therapeutic indications. The therapeutic business originally targeted stroke rehabilitation, nevertheless the Phase III trial was halted in 2016 after a futility analysis showed no clear treatment effect.

Chronic neuropathic pain reached the first standalone commercial milestone with its CE mark in June 2016. **Major depressive disorder (MDD)** emerged as the first genuine commercial driver on the therapeutic side, which took off following FDA clearance in November 2017 and the US commercial launch in May 2018, making the **Therapy segment** a revenue-generating segment from 2018 onwards.

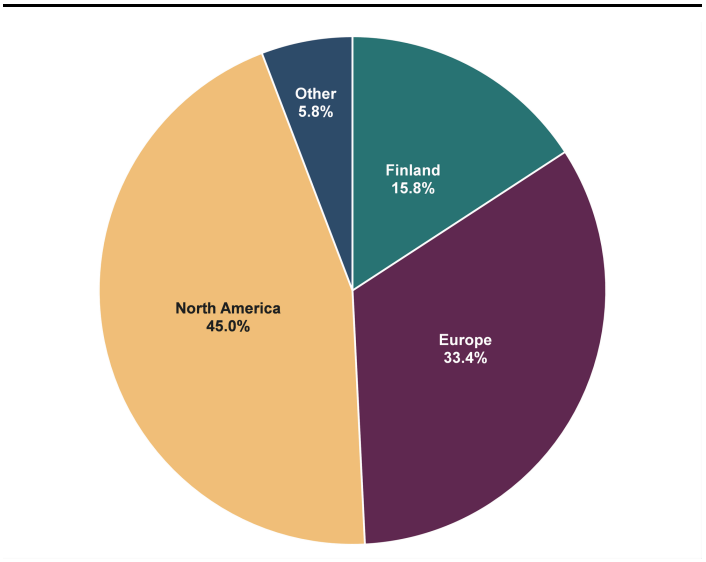
Nexstim sales and profitability (€ m) between 2018-25



Source: Company data

Nexstim is a profitable growth story in the defensive MedTech sector. It grew organically at a ~22% CAGR between 2018-25 and reached net profit of € 0.6m in FY25, demonstrating the scalability of the business. **Therapy** has grown from virtually zero in 2017 and now approaches the scale of **Diagnostics**, with €4.5m in sales in FY25 (€5.5m; Diagnostics). **Mind you**, FY22 net sales was positively impacted by a € 3.5m signing fee from the Magnus Medical licensing agreement, booked within Therapy.

Geographical sales split in 2025



Source: Company data

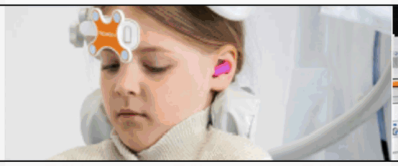
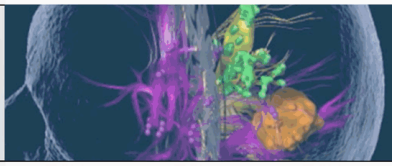
Nexstim's commercial focus sits in the **US** and the **EEA**, which together accounted for the large majority of FY25 net sales (€ 11m): North America € 4.9m, Europe € 3.7m and Finland € 1.7m. **Beyond these core markets**, Nexstim serves customers through a network of local distributors, supported by recent regulatory approvals in Australia, Malaysia and Canada, amongst many others. Nexstim has flagged Asia as a priority region for further geographic expansion through new partnerships.

Segments and indications in detail

In FY25, Nexstim generated € 11m in sales. It reports three segments:

1. **Diagnostics (50% of sales)**; covering pre-surgical mapping of the motor and speech cortices;
2. **Therapy (41% of sales)**; covering major depressive disorder (MDD) and chronic neuropathic pain; and
3. **Research and Neuroscience (9% of sales)**; covering academia and research, as well as licensing and systems sales to development partners.

Company overview

Segments	Diagnostics			Therapy			Research & Neuroscience		
Description	Navigated Transcranial Magnetic Stimulation (nTMS) for pre-surgical brain mapping of speech and motor cortices			nTMS for non-invasive treatment of treatment resistant depression as well as chronic neuropathic pain			Systems and services for research hospitals and KOLs in TMS-EEG neuroscience. In addition, Alzheimer collaboration with Sincaptica		
Products & Services									
	FY'26e	FY'27e	FY'28e	FY'26e	FY'27e	FY'28e	FY'26e	FY'27e	FY'28e
Revenue (€ m)	**5.6**	**6.7**	**8.1**	**5.0**	**6.3**	**8.2**	**2.0**	**2.1**	**2.2**
Group share	*44%*	*44%*	*44%*	*40%*	*42%*	*44%*	*16%*	*14%*	*12%*
Recurring net sales (€ m)	**1.8**	**1.5**	**1.8**	**2.7**	**2.9**	**3.3**	**0.2**	**0.2**	**0.2**
Recurring share of segment revenue	*33%*	*23%*	*22%*	*54%*	*46%*	*39%*	*9%*	*9%*	*9%*
Group share (recurring)	*39%*	*33%*	*34%*	*58%*	*63%*	*62%*	*4%*	*4%*	*4%*
Exemplary Customers	CHARITÉ; MD Anderson Cancer Network; TUM Technische Universität München; UCSF			BRAINSTIM CENTERS; HUS Helsinki University Hospital; Hôpital Henri-Mondor AP-HP			Aalto University; BioMag Laboratory; HUS Helsinki University Hospital		
Peers	magstim; MagVenture			Neuronetics; Brainsway; Inspire; NEUROPACE			Brainsight TMS; ant neuro inspiring technology; LOCALITE		

Source: Company data, NuWays Research

Diagnostics (50% of sales)

Pre-surgical mapping of the motor and speech cortices is Nexstim's core segment, where its nTMS systems hold a market-leading position on the back of system accuracy. Nexstim's moat rests on E-field navigated stimulation, developed internally over 25 years. It is the **only nTMS** provider holding approvals in both the US and the EEA for this indication. **Accuracy** carries particular weight in pre-surgical planning, where the **tolerance for error is virtually zero**. If the brain map understated the area governing movement or speech, the surgeon runs the risk of removing healthy tissue, leaving the patient with lasting motor or language deficits.

Therapy (41% of sales)

Major depressive disorder (MDD) accounts for the bulk of Therapy revenue, although the exact split is not disclosed. **MDD** is FDA-cleared for both adolescents and adults in the US and CE-marked for adults in the EEA. **Chronic neuropathic pain**, CE-marked for the EEA, accounts for the remainder of revenue. **Obsessive compulsive disorder** (**OCD)** received FDA clearance in March 2026 as an adjunct treatment for adults, extending the US label, but does not yet contribute meaningfully to revenue. **Post-operative motor rehabilitation** is the newest indication, MDR-

certified in the EU in February 2026, but does not generate revenue yet.

Regulatory clearances open the door for commercialisation, but well-established reimbursement schemes ultimately provide the runway for commercial success. For this reason, therapeutic markets have been more attractive for Nexstim in the United States, where reimbursement coverage for TMS in major depressive disorders is comparatively broad and good. The picture is more mixed in Europe, as reimbursement schemes are decided on a national level.

Research & Neuroscience (9% of sales)

While Diagnostics and Therapy are Nexstim's growth engines, **Research & Neuroscience** acts as a laboratory where new indications can be tested and validated for commercial use, as Nexstim's NBS technology has dual-use applications that go beyond pre-surgical mapping and depression. Introduced as a separate reporting segment in FY25, it also captures systems sold to universities and research institutions as well as to development partners.

An important development partner is **Sinaptica Therapeutics**, a US neurotech company developing an AI-guided TMS therapy for Alzheimer's disease. Its SinaptiStim proto system is built on Nexstim's NBS 6 platform. Nexstim supplies the systems while Sinaptica runs the clinical programme and, subject to results, is set to commercialise the technology. Alzheimer is a Therapy indication, but because the work remains pre-commercial, the systems and licensing revenues are booked under Research & Neuroscience.

Nexstim's regulatory portfolio

Application	Business line	FDA status	CE / MDR status	Commercialisation stage
Neuronal mapping motor and speech cortices	Diagnostics	**Cleared**	**CE-marked**	**Fully commercialised** Core diagnostic offering, sold to hospitals and universities globally; over 270 systems sold to date.
Major depressive disorder (MDD)	Therapy	**Cleared**	**CE-marked**	**Fully commercialised** Core US and European therapy business; 145 installed systems as of end-2023.
Chronic neuropathic pain	Therapy	Not cleared	**CE-marked** (unilateral neuropathic pain)	Partial, EU only Commercialised in Europe only. Not available in the US; FDA clearance for this indication has not been granted.
Post-operative motor rehabilitation	Diagnostics / Therapy crossover	Not cleared	**MDR certified** (Feb 2026, EU only)	Early stage Just launched in Europe (Feb 2026), for motor deficits after brain tumour surgery; no US clearance disclosed yet.
Alzheimer's disease and MCI	Research & Neuroscience (via Sinaptica)	Not cleared	Not CE-marked	Pre-commercial Letter of intent and prototype phase; Sinaptica is Nexstim's exclusive partner, definitive agreements targeted before end-2026, clinical trials still ahead.

Fully commercialised Partial or pre-commercial

Source: Company data

Technology

Nexstim's systems are based on **E-field navigated Transcranial Magnetic Stimulation (nTMS)** technology. **Here is how it works:**

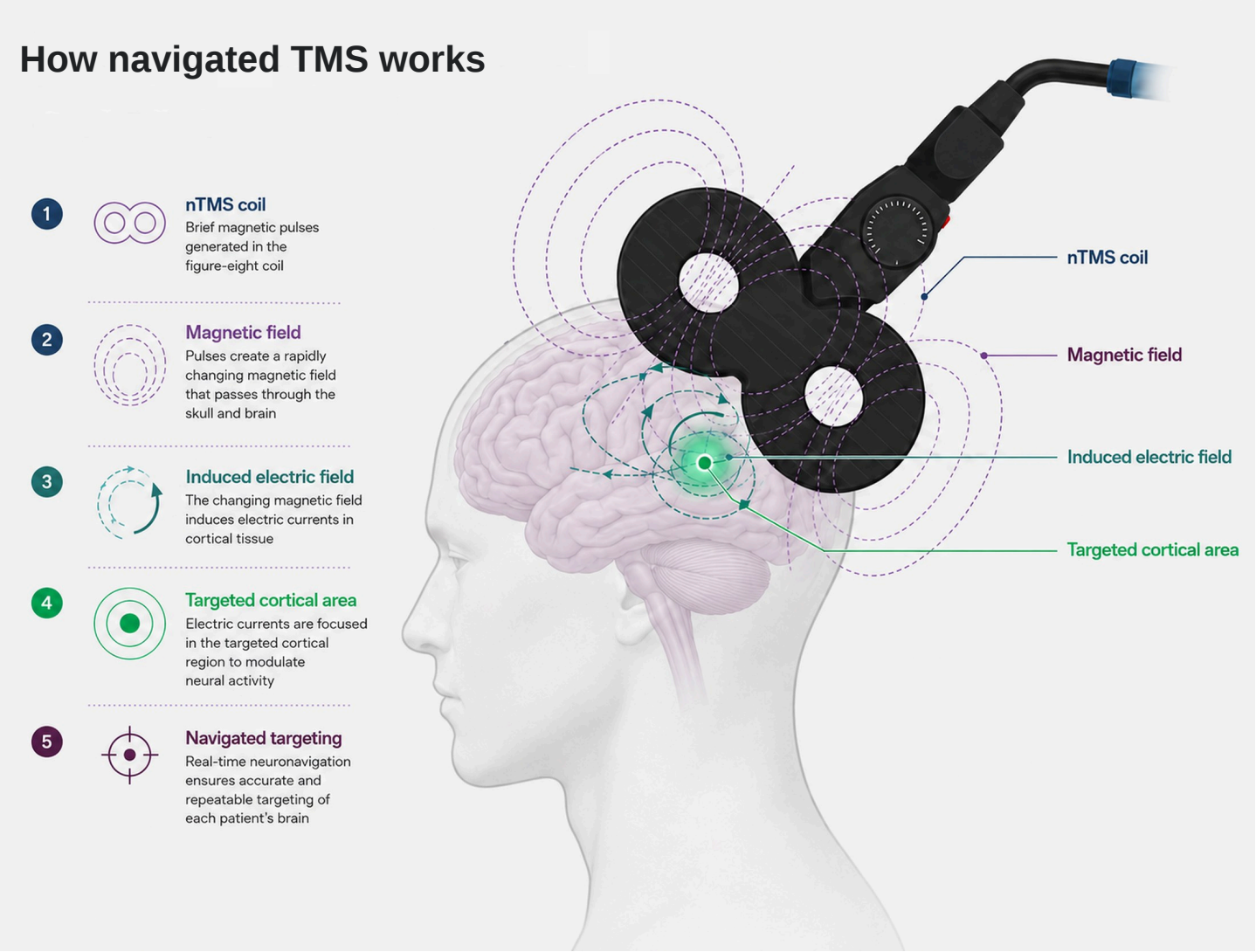
A coil, typically figure-of-eight shaped, is held close to the scalp. A brief, intense current pulse (on the order of thousands of amperes over a few hundred microseconds) is discharged through a coil, generating a rapidly changing magnetic field. Under Faraday's law of electromagnetic induction, that field induces a secondary electrical current in the underlying brain tissue. **The method is non-invasive**: no electrodes, no surgery, no direct electrical contact with the patient.

Nexstim builds a patient-specific 3D model from MRI data, tracks the stimulation coil in real time, and accurately determines where the induced electric field reaches the cortex. Drawing on a dynamic head model of each patient's unique anatomy, the system gives the operator a real-time, patient-specific view of where the stimulation actually lands.

This is where Nexstim separates itself from competitors: Many peers' systems are based on so-called line navigation (inaccurate), which use external landmarks when stimulating the brain. Nexstim's technology uses E-field navigation, which shows exactly where the stimulation actually lands in the brain. The operator sees the target rather than estimating it, with maximum accuracy.

TMS should not be confused with electroconvulsive therapy (ECT), which passes current through the scalp to induce a seizure and carries side effects.

Navigated Transcranial Magnetic Stimulation technology explained

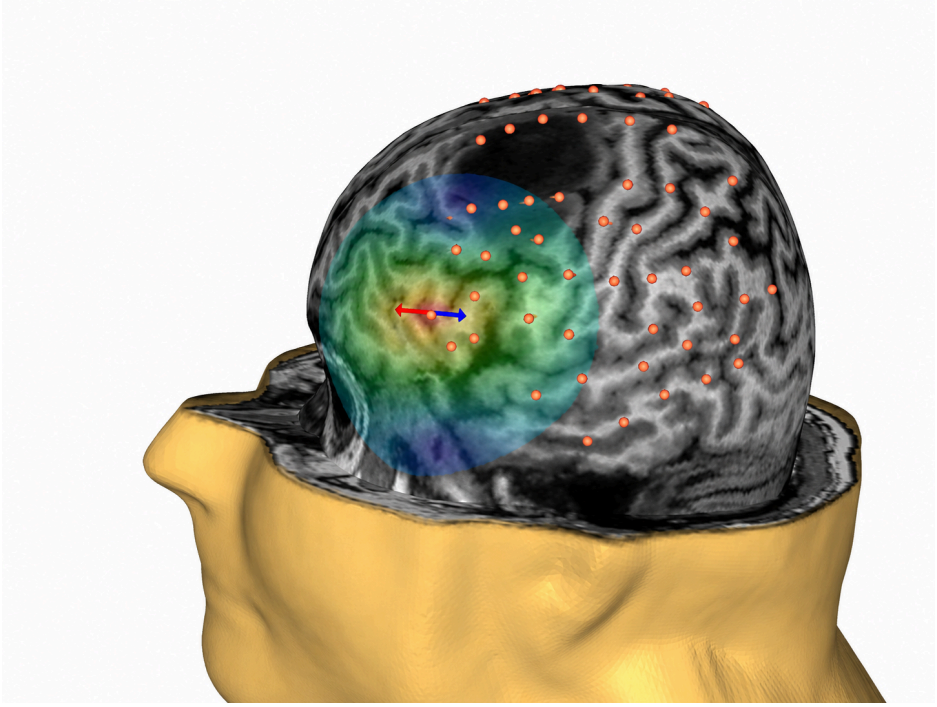


Source: NuWays Research

Nexstim's E-field navigation is marketed as **SmartFocus.** The clinical data supporting its accuracy is compelling. In a head-to-head comparison, conducted at TU München in 12 brain tumour patients, E-field navigation identified 128 motor-positive stimulation points against 41 for line navigation, and placed the motor hotspot a mean 8.3mm from the line-navigated location, a gap wide enough to land in a neighbouring gyrus (Sollmann et al., 2016).

Motor and speech areas vary materially between individuals, so the gain is concrete. In pre-surgical planning, accuracy matters, since the cost of a mis-mapped target could lead to permanent loss of movement or speech.

Nexstim language mapping with E-field targeting



The image shows Nexstim's navigated brain stimulation performing preoperative language mapping on a patient's MRI. The nTMS operator charts the functional borders a neurosurgeon must respect, non-invasively. Every dot marks a pulse delivered while the patient names objects aloud. If speech is disrupted, that spot is flagged as functionally critical. The translucent overlay is the induced electric field at the coil's current position: blue marks the weak periphery, green the mid-range, yellow and orange the peak. The arrows give the orientation of the induced current. This contrasts with conventional TMS, that aims blind from external scalp landmarks, causing inaccuracies. Source: Company data

Diagnostic use

A single pulse over the motor cortex triggers a measurable twitch in the corresponding muscle, recorded via EMG electrodes. Mapping which coil position produces which response gives the surgeon a patient-specific map of the motor cortex before operating near it. Speech mapping works in reverse: pulses briefly disrupt language while the patient performs a task, identifying the areas to preserve.

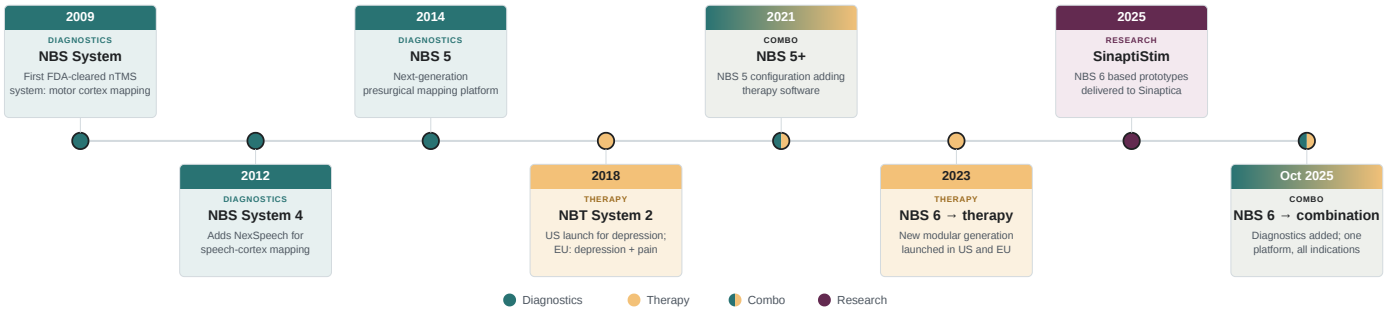
Therapeutic use

Therapy uses repeated pulses in conventional rTMS or in newer theta-burst protocols. It is believed that sustained stimulation of the left dorsolateral prefrontal cortex raises activity in circuits that are underactive in depression, though the mechanism is not fully established. Sessions run daily for four to six weeks, at roughly 20 to 37 minutes for conventional protocols against three minutes for theta burst. For chronic neuropathic pain, stimulation targets the motor cortex instead.

Products

Nexstim historically sold two separate product lines: **NBS (Navigated Brain Stimulation)** for pre-surgical mapping and **NBT** for therapy. Both diagnostics and therapeutic applications now run on **NBS 6**, a single modular platform spanning Nexstim's full approved indication set. Incremental applications ship as software licences, replacing the previous model of one platform per indication.

Nexstim's platforms have converged to a single modular platform



Source: Company data

Diagnostics was Nexstim's first commercial success. Nexstim started commercialising the Navigated Brain Stimulation (NBS) system from 2010, following FDA clearance for motor mapping in 2009 and speech mapping in 2012, and has delivered over 270 diagnostic systems ever since. Therapy arrived as a separate product, with the Navigated Brain Therapy (NBT) system, cleared by the FDA for major depressive disorder (MDD) in 2017, with commercialisation starting in 2018. NBS 5+ began the convergence between indications, by letting diagnostics customers activate therapy indications on the NBS 5+.

NBS 6 fully completed the transition. Nexstim launched it for therapy in the EU and the US in 2023, extended it to diagnostics in October 2025, and secured EU MDR clearance for post-operative rehabilitation in February 2026. The result is a **single modular platform**, configured for diagnostics and therapy, with applications sold as software licences. NBS 5+ remains in the installed base but is at the end of its life cycle. The life cycle of a system is typically 6 to 8 years.

Navigated Brain Stimulation 6 (NBS 6)

Source: Company data

The commercial logic for a modular platform is compelling. Hospitals that invest in neurosurgical planning often require therapeutic applications, and vice versa. For Nexstim, this modularity creates a software-driven revenue stream: each new indication is an incremental software sale with minimal additional manufacturing, shipping, or installation costs. As the installed base grows, this shifts the revenue mix toward software and licensing, **improving the company's margin profile**.

Competitive Quality

Competitive edge

Nexstim's strong competitive quality carries well across both Diagnostics and Therapy segments. Nevertheless, the market dynamics for each indication differ sharply and thus warrant a separate examination.

Nexstim positions itself as a **premium provider**, and its systems are priced accordingly. The competitive edge can be reduced to one proposition: **market-leading accuracy, achieved by owning the full stack (stimulator, navigation and software), with no third-party integration.** That proposition supports a **price premium**, especially where **accuracy** is essential and scientifically proven. Pre-surgical mapping is the clearest case, because wrong estimations could lead to life-changing consequences (e.g. loss of certain motor or speech abilities).

Accuracy is a strong predictor of pricing power

Segment	Indication	Precision matters	Evidence	Pricing power
Diagnostics	**Pre-surgical motor and language mapping**	**Decisive**	**Strong**	**Strong**
Therapy	**Major depressive disorder**	Plausible, unproven	Moderate	Weak
Therapy	**Chronic neuropathic pain**	Plausible, unproven	Moderate	Weak
Therapy	**Post-operative motor rehabilitation**	Plausible, unproven	Moderate	Weak
R&N	**Alzheimer's, via Sinaptica**	**Likely decisive**	Emerging, third-party	Strong if pivotal reads out

Source: NuWays Research

Diagnostics has therefore delivered genuine **pricing power**, in a somewhat smaller annual addressable market of € ~80m for US and EEA (see Growth chapter for more granularity on addressable markets). The customer base is narrow by design: management defines the addressable universe as 1.2k elite hospitals and clinics across Europe and the US, which are the likeliest to pay a premium for accuracy.

In **major depressive disorder (MDD)**, market dynamics differ markedly from neurosurgical mapping. Accuracy should improve treatment efficacy, but the clinical evidence base, while expanding, remains short of definitive.

Reimbursement frameworks further shape behaviour: coverage is tied to the number of sessions rather than targeting accuracy, enabling competitors to offer lower-priced, less accurate systems. That said, MDD and Alzheimer's represent far larger and more fragmented markets than pre-surgical brain mapping (treatment-resistant depression with TMS TAM ≈ €2.3bn; eNuW). Although reimbursement schedules do not explicitly reward navigation, clinicians increasingly view E-field navigation as a marker of treatment quality, an area where Nexstim excels. In essence, we identify **several competitive strengths** that support our view that Nexstim can sustain double-digit, above-market growth rate:

- **nTMS pioneer with a technology lead.** Nexstim pioneered navigated TMS and retains the lead in navigation sophistication. Its E-field navigation is the only implementation cleared and delivered as part of a single, fully integrated system.
- **Single-OEM integration.** Nexstim designs and sells the coil, stimulator, and E-field navigation software as one system. By contrast, competing nTMS offerings typically assemble a multi-vendor stack of hardware and software components.
- **Platform modularity as a sales lever.** Hospitals often require both, diagnostic and therapeutic capabilities. The modular NBS 6 platform allows customers to add indications via software on the same hardware, simplifying procurement and positioning Nexstim as a high-quality, one-stop solution.
- **A global growing installed base.** Over 270 diagnostic systems and 145 systems with therapy applications are in use worldwide. Switching costs are high: staff are trained on the most accurate system available, and few departments are seen to downgrade to a technologically inferior platform. The installed base also compounds over time, serving as the foundation for module licence sales and recurring revenue, which accounted for c. 55% of Therapy net sales in 2025.

- **Brainlab investment and distribution can materially scale NBS 6.** Brainlab has effectively taken over distribution of the Diagnostics business and brings access to a customer base of leading hospitals, which could lift delivered volumes significantly. Brainlab's distribution network spans across an installed base of c. 6.7k hospitals in 127 countries, with c. 14.5k systems delivered. Brainlab's decision to select Nexstim for pre-surgical brain mapping and to invest in the company underscores Nexstim's technology lead in nTMS systems.
- **Regulatory moat.** FDA clearance for pre-surgical mapping and major depressive disorder, together with CE marking across a broader indication set, is lengthy and costly to replicate, reinforcing the structurally high entry barriers in this industry. Nexstim also holds further approvals in various countries across APAC, the Middle East, Oceania, and Latin America.
- **Sinaptica chose NBS 6 for its Alzheimer's programme.** Sinaptica selected NBS 6 as the platform for its Alzheimer's programme and largely assumes the clinical risk itself, funding and running the trials. Nexstim gains exposure to a new therapeutic area without bearing major development costs. A partner staking its own programme on Nexstim's hardware is a strong endorsement of the underlying technology.

TMS competitive landscape

Company	Device(s)	Dx*	MDD	OCD	Chronic pain	Other indications	Navigation	Listed
Nexstim	NBS5+, NBS6	CE+FDA	CE+FDA	FDA	CE	Post-operative motor rehabilitation, adolescent MDD 15-21, Alzheimer's in pipeline with Sinaptica	MRI + E-field	Yes
Neuronetics	NeuroStar Advanced Therapy	—	CE+FDA	FDA	—	MDD-linked anxiety (FDA), adolescent MDD 15-21	Scalp based MT	Yes
Brainsway	Deep TMS System	—	CE+FDA	CE+FDA	CE	Smoking cessation, MDD-anxiety (FDA); bipolar, PTSD, schizophrenia, Alzheimer's, autism (CE), FDA adolescent MDD15-21	Scalp based	Yes
ant neuro	visor2	—	—	—	—	Navigation only, cleared to position third-party coils for motor and language mapping. Indication follows the stimulator.	fMRI guided targeting and neuronavigation	No
Magnus Medical	SAINT System	—	FDA	—	—	Accelerated (SAINT) protocol	fMRI individualized targeting + neuronavigation	No
MagVenture	MagPro	—	CE+FDA	CE+FDA	—	Anxious Depression; Adolescent MDD 15-21	MRI (motor mapping)	No
Magstim	Horizon 3.0	—	CE+FDA	CE+FDA	—	Anxious Depression, FDA adolescent MDD 15-21	Optional integrated optical neuronavigation	No
Yingchi	M-series	—	FDA	FDA	—	—	scalp based mapping	No
Axilum Robotics	Robot-TMS / Cobot-TMS	—	—	—	—	TMS-Cobot: CE (SGS 1639) + FDA (K182768)	Positioning robot, navigation-agnostic	No
CloudTMS	CloudTMS Machine	—	FDA	FDA	—	—	MRI-based	No
Mag & More	Apollo TMS, PowerMag	—	FDA	—	—	iTBS for MDD, Adolescent MDD 15-21, comorbid anxiety symptoms	MRI-based	No
Soterix Medical	SPRY TMS; MEGA TMS	—	FDA	—	—	—	MRI-free / MRI-guided	No
Neurosoft	Neura-MSD	—	FDA	—	—	—	MRI/fMRI neuronavigation	No
REMED	ALTMS	—	CE+FDA	FDA	—	Anxiety (CE)	3D neuronavigation	Yes
Medical Revolution (MagRex-T)	MagRex	—	CE	—	—	—	no	No
eNeura	sTMS Mini	—	—	—	—	Migraine (FDA) prevention and acute treatment of migraine	no	No
Deymed	DuoMAG XT	—	CE	CE	CE	CE (MDR): PTSD; nicotine craving; methamphetamine craving, drug addiction, auditory hallucinations and schizophrenia	3rd party neuronavigation	No

Pre-surgical brain mapping

Source: NuWays Research

Competitive landscape

Competition mirrors the pricing-power dynamic: in **Diagnostics**, the competitive field is thin. Nexstim is the **only vendor** whose system is both **CE-marked and FDA-cleared** for pre-surgical mapping, delivering E-field navigation, stimulator, and coil as a single system. ANT Neuro's Visor 2 is a navigation module designed to work with other manufacturers' coils, and Axilum Robotics supplies a robotic coil-positioning accessory rather than a stimulator.

In **major depressive disorder (MDD)**, Nexstim competes against cheaper, less accurate systems. Nevertheless, the market is gradually shifting towards navigated solutions, which plays to Nexstim's advantage.

The **two listed peers**, Neuronetics and BrainsWay, both hold FDA clearance for MDD and OCD and operate at a significantly larger scale than Nexstim. Behind them sits a long tail of stimulator manufacturers, including MagVenture, Magstim, Soterix, and SEBERS, most of which offer no native navigation capability. We would not treat that tail as Nexstim's direct competitive set. Nexstim targets premium hospitals and clinics that are willing to pay for accuracy, while non-navigated systems compete primarily on price in a segment, outside of Nexstim's core market. The more relevant comparison is with Neuronetics and BrainsWay, both of which are considerably larger vendors. If future clinical trials substantiate the thesis that accuracy materially improves outcomes in treating severe depression, this would help Nexstim expedite therapeutic sales.

Financial Quality

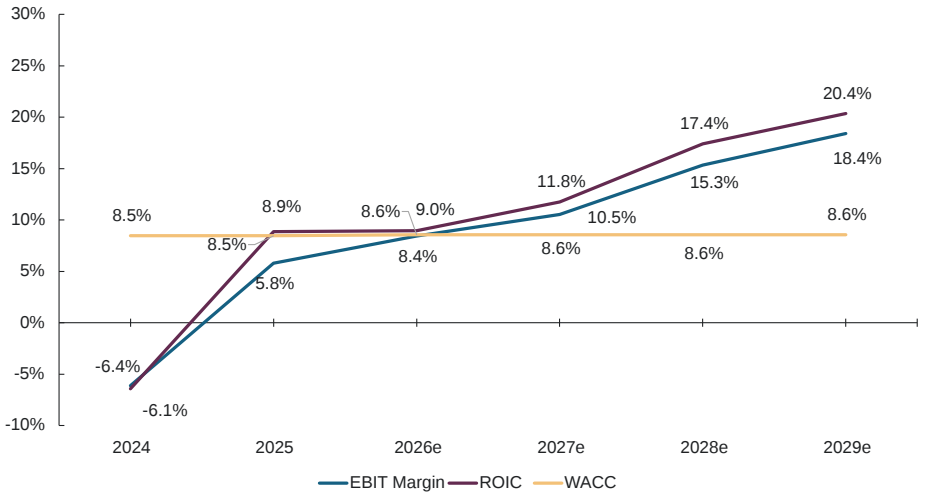
Value creation

Nexstim's ability to **convert its strong competitive advantage in nTMS technology into prosperous business quality**, is best reflected by an improving FCF generation and value creation (i.e. ROIC clearly exceeding WACC).

We expect **ROIC** (NOPAT/average invested capital) to **reach a strong ~20% by 2029e** and thereafter remain at these levels, reflecting Nexstim's gradually improving profitability. **ROIC** is seen to clearly exceed the company's cost of capital at 8.6% (eNuW).

- **EBIT margin** is seen expanding materially to 18.4% (+12.6pp, 2025–29e; eNuW), driven by: (1) higher Diagnostics volumes through the Brainlab partnership; (2) software-like cross-selling enabled by the modular NBS 6 platform; (3) a growing Therapy installed base supporting an increasing share of recurring revenue; and (4) the introduction of annual software licensing fees. In the longer term, EBIT margins should comfortably exceed 20%, supported by a higher mix of software, licensing, and recurring revenue (eNuW).
- **Capital turn should increase from ~2.0x to 3.0x** thanks to the scalable, capital light set-up of operations. **Mind you**, Nexstim operates a contract manufacturing model, common among peer MedTech OEMs at this scale, keeping production outsourced while directing capital toward R&D and commercial activities.

Returns 2024-29e (eNuW)



Source: NuWays Research

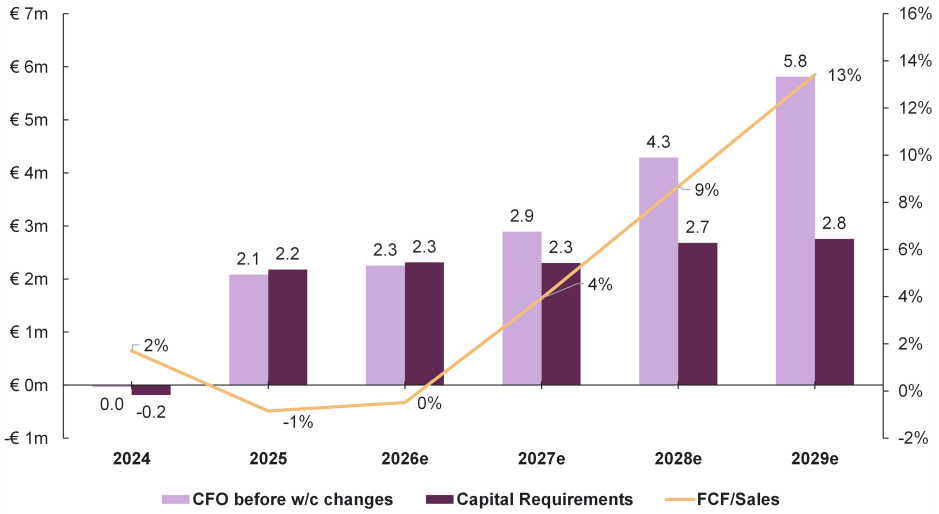
Free cash flow generation

Free cash flow generation has reached an inflection point. By 2029e, FCF is forecasted to grow to € 3.1m (eNuW), implying an FCF margin (FCF/sales) of 13.4%, with FCF breaking even this year. Here is why:

- **Fast growing EBIT**. Supported by an increasing software mix, scaling NBS 6 systems volumes for both Diagnostics and Therapy indications, a rising share of recurring revenue, as the installed base expands. This should create operating leverage, with the cost base growing well below sales (eNuW).
- **Limited capex requirements**. Manufacturing remains outsourced, eliminating the need for significant investment in production facilities. Almost all of the company's capex consists of capitalised development expenditure for future product generations, while investments in PPE are not expected to exceed €0.2m p.a. on average (eNuW). Overall, normalised aggregate capex is expected to remain broadly stable at €1.8–2.0m, while sales is set to continue growing at a double digit rate.
- **Working capital is a modest headwind in our current model.** Nexstim's business is highly seasonal, with a large share of orders typically received late in the year. This pushes year-end

receivables to artificially high levels, which then unwind during H1 as payments are collected. The pattern has been visible in each of the last four H1 periods (2023-26) and reflects cash timing rather than collection issues. **Noteworthy**, Brainlab will likely smooth the seasonality of the business, with pull-forward orders to build inventory around its regional hubs.

Cashflow Generation and Capital Requirements for 2024-29e (eNuW)



Source: Company data, NuWays Research

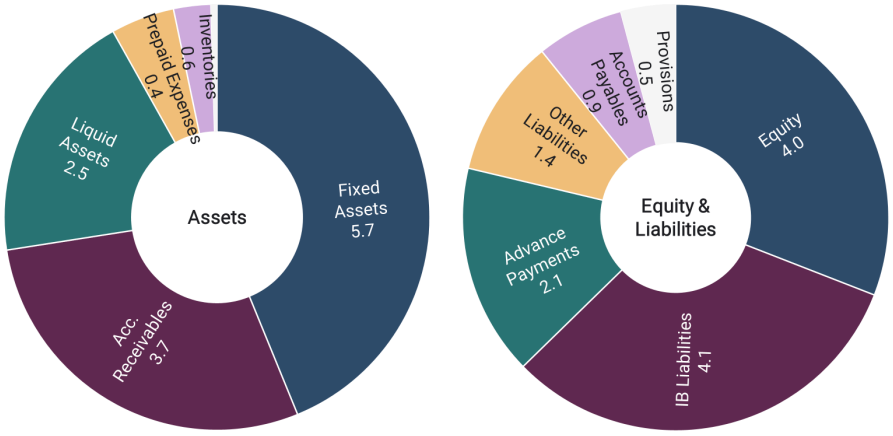
Strengthened balance-sheet

The May 2026 financing round strengthened the balance sheet. Nexstim raised € 5.0m in total, comprising € 3.4m from Eiffel Investment Group and € 0.4m from Brainlab SE (both at € 7.51 per share), with a further c. € 1.2m implied from option exercises by Eiffel and existing shareholders. Together, these lifted equity from € 4.2m at FY25 year-end to € 8.4m at H1'26, raising the equity ratio from 39.7% to 61.3% over the same period.

Cash stood at € 5.6m at H1'26 against € 3.4m of interest-bearing debt, leaving net cash of € 2.2m. The cost of debt is undemanding: product development loans from Business Finland alongside facilities from Nordea and Finnvera, none carrying covenants, where we estimate a blended rate of ~3-4%.

Brainlab holds additional 790k warrants at € 5.00 maturing 31 March 2027, which would bring in a further € 4m upon exercise. Neither holding is subject to a lock-up, but the depth of the commercial partnership somewhat hedges the overhang, in our view. With FCF at an inflection point and management guiding to net sales growth and an improving operating result, Nexstim is well capitalised to grow and attain financial independence (eNuW).

Balance sheet structure as of FY25 (in € m)



Source: Company data

Other notable balance sheet items

Tax losses. The FY25 parent note shows € 3.34m of unrecognised deferred tax assets from confirmed losses, implying roughly € 16.7m of usable carry-forwards.

Patent portfolio. Nexstim holds 15 patent families comprising 141 patents, centred on E-field navigation and TMS-EEG. Mind you, the company disputes Magnus Medical's use of its licensed technology and expects no royalty income in 2026.

Minority stakes in partner clinics. Nexstim holds minority positions in the management services organisations of three US TMS clinics. Each stake has come paired with a system sale. Nevertheless, these investments are modest at € ~0.5m and relatively immaterial to valuation.

Sinaptica convertible notes. Nexstim holds € 1.0m in convertible loan notes taken in part settlement of the € 1.5m exclusivity consideration. Exclusivity beyond 2026 requires a definitive agreement targeted for signature before year-end.

Growth

Diagnostics and therapeutic markets

The **pre-surgical brain mapping** market is reasonably sized and estimated. Its clinical use case is narrow, with the patient population currently bounded by tumour surgery volumes, though epilepsy surgery and radiotherapy planning represent additional potential use cases. Brain mapping itself is based on a relatively established clinical approach.

The **major depressive disorder (MDD)** therapy opportunity is more complex to accurately estimate. MDD is treated through a broad range of competing therapeutic modalities, making the market fragmented and harder to define. Nevertheless, the addressable population and commercial potential are substantially larger.

On the therapeutic markets, we focus on **major depressive disorder**, which accounts for the bulk of Therapy segment revenue and underpins our growth estimates. We view **Alzheimer's disease** and **post-operative motor rehabilitation** as promising opportunities with large addressable populations, but their timing and likelihood of commercial success remain too uncertain for inclusion in our base case. We therefore treat them as **incremental catalysts**.

Chronic neuropathic pain also remains outside our base case. Although Nexstim holds a CE mark for the indication, it lacks FDA clearance and an established reimbursement pathway in the US. TMS also remains a marginal treatment modality for chronic pain despite supportive clinical evidence, reflecting limited adoption in clinical practice and referral pathways. We therefore view pain as longer term optionality, with US regulatory clearance, reimbursement progress and broader clinical uptake as the key indicators to monitor.

Diagnostics and therapeutic addressable markets for TMS

	Diagnostics Pre-surgical brain mapping		Therapy Treatment-resistant depression
1 · DEMAND ANCHOR			
	Addressable centres	1,200	
			TRD patients - US 2.8m
+			TRD patients - Europe 2.5m
=			**Total TRD patients 5.3m**
2 · CAPACITY CONVERSION			
×	Systems per centre *Not throughput-constrained*	1.0	
			Sessions per week 80
×			Weeks per year 50
=			Sessions per machine p.a. 4,000
÷			Sessions per course 36
=			Patients per machine p.a. 111
÷			**Machines required 47,700** *5.3m patients ÷ 111*
=	**Machines required**	**1,200**	
3 · VALUE			
×	ASP per system	€ 0.25m	
=	Installed stock value	€ 300m	
÷	Useful life	6-8 yrs	
=	**Equipment market p.a.**	**€ 38-50m**	
×	Recurring per system p.a. *×1,200 machines*	€ 0.03m	
=	**Recurring market p.a.**	**€ 34m**	
			ASP per system € 0.20m
=			Installed stock value € 9,540m
÷			Useful life 7 yrs
=			**Equipment market p.a. € 1,363m**
×			Recurring per system p.a. *×47,700 machines* € 0.02-0.03m
=			**Recurring market p.a. € 954-1,431m**
4 · RESULT			
	Annual TAM **€ 71-84m**		**Annual TAM** **€ 2.3-2.8bn**
	Market CAGR*	9% to 2034e	Market CAGR* 9-10% to 2034e
	Nexstim FY25 sales	€ 5.5m	Nexstim FY25 sales € 4.5m
÷	**Implied market share**	**6.6-7.7%**	**Implied market share 0.16-0.19%**
	*CAGR: Precedence Research		*CAGR: Biospace · TRD share: 30.9% US, 18.8-20% EU

Source: Precedence Research, Biospace, Company data, NuWays Research

Diagnostics growth: pre-surgical brain mapping of speech and motor cortices

Our addressable market estimates for **pre-surgical brain mapping** are **conservative**. Here is why:

- We **only include the US and the EEA markets**, although Nexstim holds regulatory approvals across various countries in APAC, the Middle East, Oceania and Latin America, serving these markets through partners and distributors.
- We also **restrict the universe of potential clients to Tier-1 hospitals and clinics** (~1.2k), on the basis that Nexstim sells premium systems to premium clients.

The resulting **€ 72-84m annual addressable market** should therefore be read as a **floor**. Against an underlying TMS market growing at c. 9% (Precedence Research est.), Nexstim's Diagnostics sales compounded at 20% organically between 2020-25, implying steady share gains. Against our market sizing, our estimates puts Nexstim's current market share at c. 7% (eNuW).

Therapy growth: major depressive disorder

The market for treating **severe depression** is more complex to size. Major depression has no single curative treatment, and the available modalities are neither pure complements nor pure substitutes. The correct mental model is a **treatment ladder** rather than a set of interchangeable options. Here, reimbursement sets the order: in the US, a patient typically qualifies for TMS after two or more antidepressant trials have failed, at which point they said to suffer from **treatment-resistant depression (TRD)**. We therefore size the TRD population as a proxy, which constitutes c. 30% of medication-treated MDD patients in the US. This sets the **addressable market** for Nexstim at **€ 2.3-2.8bn (eNuW)**.

Scientific literature on the effectiveness of different modalities in treating depression

Main modalities used in major depressive disorder treatments

Modality	Response OR vs placebo	Evidence quality	Practical burden	Position relative to TMS
rTMS	4.01	Strongest in the network: n=1,810, significant across response, remission and endpoint score, robust to every sensitivity analysis	Daily sessions over 4-6 weeks, no anaesthesia or monitoring	The reference case
TBS (iTBS)	4.80	n=683, ranked first for remission, non-inferior to rTMS	Roughly 3 minutes per session vs 37 for standard rTMS	Same technology, better economics. Raises throughput per machine
ECT	12.86	Highest headline number but only n=208, and loses significance once high-risk-of-bias, unblinded or non-placebo studies are excluded. No sham-controlled trial since 1985	Anaesthesia, cognitive side effects, inpatient infrastructure	More effective at the severe end, but not a clinic-level substitute
Ketamine / esketamine	3.40	n=1,109, effective and fast-acting, but trials too short to establish durability. IV racemic outperformed intranasal esketamine	Twice weekly, plus two hours of post-dose monitoring; misuse potential and hepatobiliary risk	Direct competitor for same referral. Loses on cost-effectiveness
Aripiprazole (augmentation)	1.90	n=1,933, but every trial industry-funded and no non-commercial evidence exists. Antipsychotics were the least tolerated class	Oral, low delivery burden	The incumbent below TMS on the ladder

Magnetic stimulation, Nexstim's category Competing modalities

Source: Saelens et al., 2025; NuWays Research

Alongside esketamine, **TMS** is one of the two best-evidenced treatments for patients who have failed antidepressant therapy, and the more cost-effective of the two. Its rival modalities are either supported by thin data, unproven over time, or more expensive for the outcome they deliver.

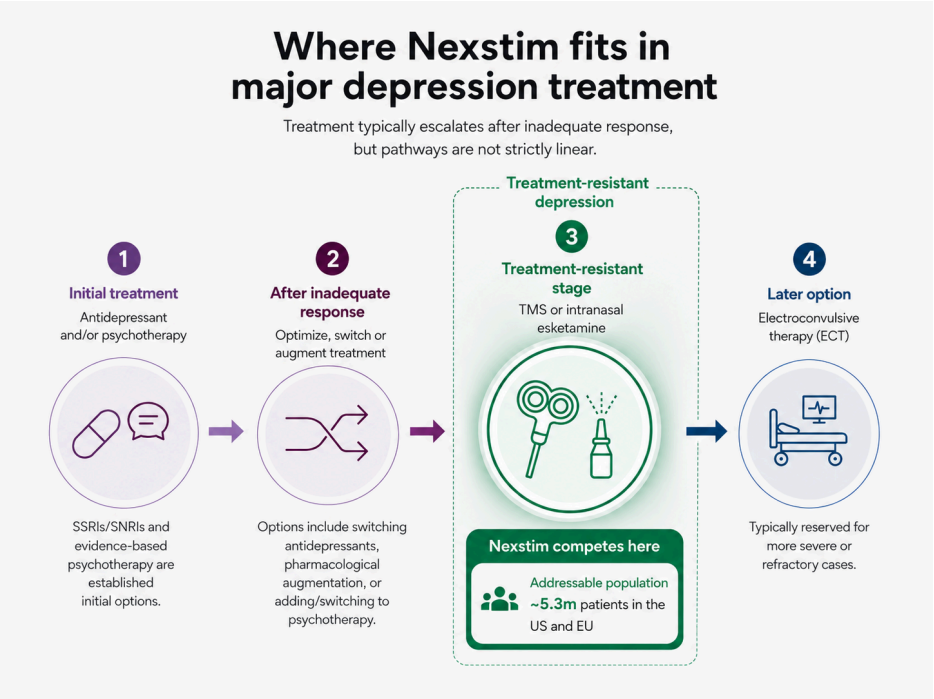
The **largest recent review** pooled 69 trials covering more than 10k patients and 25 treatments for depression that has already failed at least two rounds of medication. Only six treatments beat a dummy treatment, and **TMS** ranked highest as a category. **ECT** posted the largest single effect, but on only 208 patients, and the result disappears once the weakest studies are removed.

TMS was the most robust: patients were four to five times more likely to respond relative to a dummy treatment, the benefit held on every measure and survived every re-test, and tolerability was good. **Ketamine** worked quickly, though no trial ran long enough to show if the benefit lasted. **Aripiprazole** produced only a modest effect, every trial was manufacturer-funded, and its drug

class was the worst tolerated in the review. (Saelens et al., Neuropsychopharmacology, 2025)

A **second study** compared **TMS** directly against **esketamine**, its closest commercial rival. Both beat switching to a new antidepressant, and **TMS** reduced symptoms further and produced more responders. The gap falls short of conclusive, but the data rules out esketamine being meaningfully better than TMS. **On cost the picture is clearer**: studies across several health systems consistently find magnetic stimulation good value relative to esketamine, which is among the reasons the UK's National Institute for Health and Care Excellence (NICE) declined to fund esketamine. (Kaster et al., eClinicalMedicine, 2025)

Treatment ladder in major depressive disorders



Source: NuWays Research

Treatment for major depression broadly follows a sequence, with each stage reserved for patients who have failed the one before. Nexstim competes at a stage when patients are deemed **treatment-resistant**, which determines its addressable population (~5.3m patients in US and EU). **Here is the treatment sequence**:

- **First line: antidepressant monotherapy and/or psychotherapy.** SSRIs or SNRIs, prescribed in primary care or by a psychiatrist.
- **Second line: switch antidepressant, augment with a second drug, or add psychotherapy.** Augmentation typically uses a second-generation antipsychotic such as aripiprazole.
- **Third line: TMS or intranasal esketamine.** Both are procedural, both are reimbursed only after documented antidepressant failure, and clinicians frequently choose between them rather than sequencing them. **This is where Nexstim competes.**
- **Last line: electroconvulsive therapy (ECT).** Posts the largest response rate in scientific literature, though on thin data. Patient reluctance is high, driven by the general anaesthesia each session requires and by cognitive side effects, principally memory loss. Usually seen as a treatment of last resort.

Market share dynamics between different modalities

Recent evidence points to TMS and esketamine gaining market share, while ECT has lost ground, though the latter retains a place as a treatment of last resort. TMS and esketamine compete directly at the same rung of the ladder, but both are likely to retain a place in the sequence, since TMS suits some patients and esketamine others. Evidence pending, esketamine may settle into a rapid-relief role while TMS may deliver more durable benefits.

Top-line growth

Nexstim compounded net sales 22% organically between 2020-25, reaching € 11m in FY25. We model group net sales rising to € 18.5m by FY28e and € 46.9m by FY34e, a 19% CAGR over FY25-28e and 18% over FY28-33e (eNuW). This sits marginally below the company's stated long-term objective of >20% annual net sales growth.

The modular NBS 6 platform is set to support growth across all three segments. Diagnostic and Therapy applications now run on the same hardware (NBS 6), meaning cross-selling is simplified via software updates. This was the rationale for the modular design: hospitals typically need both diagnostic and therapy capabilities, and thus a single platform offers a compelling proposition. It helps customers save costs, while Nexstim can scale the volume of software deliveries at a higher margin. Most diagnostic systems delivered in FY25 and in H1'26 already included therapy applications, indicating Brainlab's Diagnostics reach helps cross-sell without significant incremental costs, unlocking operating leverage (eNuW).

Nexstim top-line growth per segment

Nexstim P&L, in € m		2024 FY	2025 FY	2026e FY	2027e FY	2028e FY	2029e FY	2024-29e CAGR
Segment sales								
Diagnostics		4.5	5.5	5.6	6.7	8.1	10.0	
	yoy	*6%*	*21%*	*2%*	*20%*	*22%*	*23%*	*17%*
Therapy		4.2	4.5	5.0	6.3	8.2	10.5	
	yoy	*42%*	*7%*	*13%*	*24%*	*32%*	*28%*	*20%*
Research & Neuroscience		0.0	1.0	2.0	2.1	2.2	2.2	
	yoy	*N/A*	*N/A*	*100%*	*3%*	*3%*	*3%*	*N/A*
Total net sales		**8.7**	**11.0**	**12.7**	**15.0**	**18.5**	**22.8**	
	yoy	*21%*	*26%*	*15%*	*19%*	*23%*	*23%*	*21%*

Source: Company data, NuWays Research

Diagnostics top-line growth

Diagnostics grew 20% organically between 2020-25 against an underlying market compounding at c. 9%, taking the segment to € 5.5m in FY25. **Diagnostics** is set to compound at a c. 15% growth rate over FY25-33e, reaching € 17m by FY33e. We see the segment **sustaining double-digit growth** for the following reasons:

1. **The Brainlab partnership is set to significantly scale distribution.** Brainlab has effectively become the global distributor for Nexstim's Diagnostics products within agreed regions (EU and USA). Brainlab has an installed base of c. 6.7k hospitals in 127 countries, with c. 14.5k systems delivered. This new distribution model will compress ASPs, but Brainlab's reach should drive volumes to a completely new level. Absolute gross profit is thus set to expand despite the narrower unit economics, while sales and marketing expenses can be further reduced. Brainlab guarantees Nexstim minimum annual gross profit from Diagnostics equal to the annual target, set at € 4m. Under this guarantee, Brainlab paid Nexstim € 0.7m in H1'26. **Mind you**, the TMS business is seasonal, thus H1 order intake may not be the most valuable indicator to infer H2 sales.
2. **The installed base creates a renewal cycle.** More than 270 diagnostic systems have been delivered to date. With a useful life of six to eight years, the base itself generates a replacement stream independent of new-account wins.
3. **Regulatory exclusivity protects the position.** Nexstim markets the only navigated TMS system carrying both FDA clearance and CE marking for pre-surgical mapping of the speech and motor cortices.
4. **Regulatory expansion widens the geographic reach.** The NBS 6 gained diagnostic approvals in Australia (June 2026), Malaysia (July 2026) and Canada (July 2026), adding to existing clearances across North America, Europe and Asia (Nexstim does not publish a consolidated approval list). Markets outside the Brainlab territories are served through local distributors, where Nexstim retains betters ASPs.

Therapy - top-line growth

Therapy grew 18% between 2020-25 to € 4.5m, with 145 systems carrying therapy applications installed at H1'26. The segment started from zero in FY18 and is now closing on **Diagnostics** in scale. Therapy is set to grow at a c. 23% CAGR over FY25-33e, reaching € 23m by FY33e (eNuW). **Here is how**:

1. **Recurring revenue makes each system win compound.** Recurring net sales accounted for € 2.5m of the € 4.5m segment in FY25, or 55% (+16pp yoy). **The driver for recurring is usage intensity**: a depression course runs ~36 sessions per patient, against a single session before pre-surgical mapping. Every system placed therefore adds an annuity on top of the initial hardware sale. **Mind you**, the recurring stream is currently facing a headwind: Nexstim replaced disposable head-trackers (which provided recurring) with a reusable, multi-purpose head-tracker. In fact, Therapy recurring revenue decreased 14.8% yoy in H1'26. Over time, this will be somewhat compensated by a new recurring stream, software licensing fees (pure margin accretive).
2. **A mixed channel protects pricing.** Unlike Diagnostics, Therapy is not covered by the Brainlab exclusivity. Nexstim sells directly in its core markets which preserves higher realised ASPs in direct sales. For the other markets, Nexstim reaches them through local distributors elsewhere, but should retain relatively good ASPs.
3. **Label expansion widens the addressable patient pool.** The NBS 6 gained FDA clearance for adolescent MDD and as an adjunct for obsessive compulsive disorder in 2026, alongside the existing adult MDD indication. In Europe, the CE mark covers major depression, chronic neuropathic pain and post-operative rehabilitation of upper-limb motor deficits.
4. **Better reimbursement sets the runway for growth.** In the US, health coverage for therapeutic treatments with TMS is typically better established than in Europe. Medicare reimburses TMS after a single failed antidepressant trial, and the major commercial insurers cover it once treatment-resistance is documented. In Europe the situation is fragmented, as reimbursement schemes are decided on a national level, with several markets still lacking a clear pathway. We see improved European reimbursement for TMS as a structural tailwind.
5. **Accuracy remains underpriced in major depressive disorders (MDD).** While there is surging evidence that E-field navigation improves outcomes in MDD, this is still not fully understood and clear. Should further positive read-outs and evidence emerge, Nexstim would hold a differentiated position in a market where competitors compete on price, session length and label breadth. Mind you, reimbursements are guided by session length and volume, but not on outcomes. This is the central reason MDD remains competitive, even with so-called inferior systems.
6. **Navigated TMS is gaining share as a modality, in the treatment of major depression.** As mentioned in our Growth chapter, navigated TMS is seen to grab market from other modalities, in the treatment of major depressive disorders.

Research & Neuroscience - top-line growth

Research & Neuroscience was reported as a separate business area for the first time in FY25, more than trippling € 1.0m on four research system sales and a € 0.3m licensing payment from Sinaptica. We model the segment reaching a modest € 2.5m by FY34e, an undemanding path that reflects the lumpiness of research system sales rather than our view of the opportunity.

The conservatism should not be interpreted for a lack of potential (eNuW). The segment functions as Nexstim's development laboratory for new indications. In our view, the real value of this segment is not system sales, but the horizontal growth for therapeutic modalities. For example, the treatment of major depressive disorders with nTMS is a commercial success today, although this was not an indication Nexstim originally targeted.

The cooperation with **Sinaptica** in **Alzheimer's disease** also illustrates the opportunity. Nexstim is supporting Sinaptica's validation work in clinical studies, which are assessing nTMS' effectiveness in treating Alzheimer's disease and mild cognitive impairment. The planned structure is a global, 10-year exclusive partnership comprising an exclusivity fee, milestone-based development payments and sales of clinical and commercial systems. We do not model such opportunity, due to uncertainty and timing of a positive outcome. Nevertheless, positive read-outs from this partnership would undoubtedly cater the share price.

Bottom-line growth

Gross margins are seen to compress to a structural ~65% from current ~77% (H1'26), but absolute gross profit is set to expand significantly. The Brainlab channel will reduce Diagnostics ASPs. This will be compensated by significantly higher volumes, driving Diagnostics systems sold from a FY25 run-rate of 14 systems, to 70 by FY34e. Therapy gross margins should expand on the back of good ASPs and licensing fees, the latter which come at pure gross profit margin. The software licensing fees are seen to partially compensate the loss of revenue from disposable head-trackers.

Across all segments, the software mix is set to increase, supporting margins. We take a conservative view, assuming Nexstim cannot hold near 80% gross margins indefinitely, and set a long-term floor around 65%, but see absolute gross profit expand from € 8.5m to € 27m in FY33e (eNuW).

Nexstim P&L for 2024-29e

Nexstim P&L, in € m		2024 FY	2025 FY	2026e FY	2027e FY	2028e FY	2029e FY	2024-29e CAGR
Segment sales								
Diagnostics		*4.5*	*5.5*	*5.6*	*6.7*	*8.1*	*10.0*	
	yoy	*6%*	*21%*	*2%*	*20%*	*22%*	*23%*	*17%*
Therapy		*4.2*	*4.5*	*5.0*	*6.3*	*8.2*	*10.5*	
	yoy	*42%*	*7%*	*13%*	*24%*	*32%*	*28%*	*20%*
Research & Neuroscience		*0.0*	*1.0*	*2.0*	*2.1*	*2.2*	*2.2*	
	yoy	*N/A*	*N/A*	*100%*	*3%*	*3%*	*3%*	*N/A*
Total net sales		8.7	11.0	12.7	15.0	18.5	22.8	
	yoy	*21%*	*26%*	*15%*	*19%*	*23%*	*23%*	*21%*
Material expenses		1.8	2.5	3.2	4.2	5.5	7.5	
	yoy	*15%*	*37%*	*26%*	*33%*	*32%*	*35%*	
	% of sales	*21%*	*23%*	*25%*	*28%*	*30%*	*33%*	
Gross profit		6.9	8.5	9.5	10.8	13.0	15.3	
	yoy	*22%*	*23%*	*12%*	*14%*	*20%*	*18%*	*17%*
	margin	*79%*	*77%*	*75%*	*72%*	*70%*	*67%*	
Increase/decrease in finished goods and WIP		1.5	1.4	1.5	1.5	1.6	1.6	
Other operating income		0.1	0.0	0.0	0.0	0.0	0.0	
Personnel expenses		4.8	5.0	5.2	5.6	5.9	6.3	
	yoy	*8%*	*4%*	*5%*	*7%*	*7%*	*7%*	
	% of sales	*55%*	*45%*	*41%*	*37%*	*32%*	*28%*	
Other operating expenses		3.3	3.2	3.5	3.9	4.3	4.9	
	yoy	*8%*	*-4%*	*8%*	*11%*	*12%*	*12%*	
	% of sales	*38%*	*29%*	*28%*	*26%*	*23%*	*21%*	
EBITDA		0.3	1.7	2.3	2.9	4.3	5.7	
	yoy	*N/A*	*431%*	*35%*	*27%*	*46%*	*34%*	*N/A*
	margin	*4%*	*16%*	*18%*	*20%*	*23%*	*25%*	
Depreciation		0.1	0.1	0.1	0.1	0.1	0.1	
	yoy	*-20%*	*1%*	*8%*	*6%*	*4%*	*3%*	
	% of sales	*1%*	*1%*	*1%*	*1%*	*1%*	*1%*	
EBITA		0.2	1.6	2.2	2.8	4.1	5.6	
	yoy	*N/A*	*684%*	*37%*	*28%*	*48%*	*35%*	*N/A*
	margin	*2%*	*14%*	*17%*	*19%*	*22%*	*24%*	
Amortisation of intangible assets		0.7	1.0	1.1	1.2	1.3	1.4	
	yoy	*34%*	*29%*	*16%*	*9%*	*7%*	*6%*	
	% of sales	*8%*	*9%*	*9%*	*8%*	*7%*	*6%*	
EBIT		-0.5	0.6	1.1	1.6	2.8	4.2	
	yoy	*N/A*	*N/A*	*68%*	*48%*	*79%*	*48%*	*N/A*
	margin	*-6%*	*6%*	*8%*	*11%*	*15%*	*18%*	
Net financial result		-0.4	-0.1	-0.1	-0.0	0.0	0.1	
	% of sales	*-4%*	*-1%*	*-0%*	*-0%*	*0%*	*0%*	

Source: Company data, NuWays Research

Personnel expenses to grow at mid-single-digit rate. At € 5.0m in FY25 (c. 45% of sales), personnel costs are set to fall to 18% of sales by FY34e, on operating leverage. The Brainlab arrangement will trim Diagnostics sales & marketing, though scaling Therapy will require internal efforts.

Other operating expenses to grow above personnel rate but below sales. These will remain moderate at high single digit, but run above personnel expense growth. Regulatory processes carry a permanent cost base, and each new geography will thus require incremental spending. R&D, IT and administrative costs should remain broadly stable in absolute terms. We model other opex falling from 29% of sales in FY25 to 21% by FY34e.

Operating leverage to deliver mid-20s EBIT margins. EBITDA margin should expand from 16% in FY25 to 29% by FY34e, with structural EBIT margin at 24% (eNuW). This sits above Nexstim's stated long-term objective of 20%, which we regard as achievable given the pricing power of navigated systems, high gross profit margins, software mix shift, licensing fees and good cost discipline.

Financing costs to stay relatively immaterial. Gross interest-bearing debt was € 3.43m at end-

June 2026, down from € 4.13m at FY25, following € 0.7m of scheduled repayments. Business Finland product development loans make up the majority of debt at 1.0-3.0%, with the balance split between Nordea at 4.5-6.0% and Finnvera at 3.5-5.0%, for a blended rate of 2.3-4.2%

No tax expenses until 2030. Nexstim is not likely to pay taxes for several years, supported by € 3.34m of unrecognised deferred tax assets from confirmed losses at parent level. We apply zero tax through FY29e and 18% thereafter, reflecting the Finnish corporate rate.

Net margin to reach 21% by FY34e. Net profit rises from € 0.5m in FY25 to € 9.7m in FY34e, with the margin expanding 16pp. With no tax through FY29e, net profit tracks pretax income and reaches € 4.3m. The 18% rate from FY30e trims roughly 4pp off the margin in that year, after which it resumes widening on operating leverage.

Valuation

We value Nexstim using a DCF model. The resulting fair value per share is complemented by a peer group analysis.

DCF Valuation

Our DCF valuation derives a **price target of € 12** per share for Nexstim. The key assumptions for our model are:

- **Terminal growth of 2.8%** and **a ~18% CAGR for 2025-33e** are based on (i) the Brainlab distribution agreement scaling Diagnostics delivery volumes and (ii) expanding the Therapy business, notably for the treatment of major depressive disorders.
- **Terminal EBIT margin of 24%** is seen on the back of significantly higher system delivery volumes that scale on partly fixed costs, an increasing share of software in the revenue mix, and a growing recurring revenue base, notably in Therapy.
- **WACC of 8.6%** is derived from a beta of 1.1x, a 5.5% risk premium and a 2.5% risk-free rate.

Discounted Cash Flow Analysis

DCF (EUR m) (except per share data and beta)	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	Terminal value
NOPAT	1.1	1.6	2.8	4.2	4.8	6.1	7.3	8.7	8.4
Depreciation	1.2	1.3	1.4	1.5	1.6	1.7	1.7	1.8	1.8
Increase/decrease in working capital	-0.6	-0.5	-0.8	-0.8	-0.9	-1.0	-1.1	-0.8	0.0
Increase/decrease in long-term provisions and accruals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capex	2.8	1.8	1.9	1.9	1.9	2.0	1.9	1.9	1.8
Acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital increase	5.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow	**4.0**	**0.6**	**1.6**	**3.0**	**3.6**	**4.8**	**6.1**	**7.7**	**8.4**
Present value	3.9	0.6	1.3	2.3	2.5	3.1	3.6	4.2	75.8
WACC	8.6%	8.6%	8.6%	8.6%	8.6%	8.6%	8.6%	8.6%	8.6%

DCF per share derived from	
Total present value	97
thereof terminal value	78%
Net debt (net cash) at start of year	1.6
Financial assets	2.0
Provisions and off balance sheet debt	0.5
Equity value	97
No. of shares outstanding	8.1
Discounted cash flow per share	**12.0**
upside/(downside)	**28%**
Share price	**9.43**

DCF avg. growth and earnings assumptions	
Short term growth (2025-2028)	19.1%
Medium term growth (2028 - 2033)	18.0%
Long term growth (2033 - infinity)	2.8%
Terminal year EBIT margin	24.0%

WACC derived from	
Cost of borrowings before taxes	5.0%
Tax rate	18.0%
Cost of borrowings after taxes	4.1%
Required return on invested capital	8.6%
Risk premium	5.5%
Risk-free rate	2.5%
Beta	1.1

Sensitivity analysis DCF

WACC \ Long term growth	1.8%	2.3%	2.8%	3.3%	3.8%
10.6%	8.0	8.3	8.6	9.0	9.5
9.6%	9.1	9.5	10.0	10.6	11.3
8.6%	10.7	11.3	12.0	12.9	14.0
7.6%	12.8	13.8	14.9	16.4	18.2
6.6%	16.0	17.5	19.5	22.1	25.6

Sensitivity analysis DCF

WACC \ EBIT margin terminal year	20%	22%	24%	26%	28%
10.6%	7.4	8.0	8.6	9.2	9.9
9.6%	8.5	9.3	10.0	10.8	11.6
8.6%	10.1	11.1	12.0	13.0	14.0
8.0%	11.3	12.4	13.5	14.6	15.8
7.0%	14.2	15.7	17.2	18.7	20.2

Source: Company data, NuWays Research

Peer group analysis

The peer group includes the following companies:

- **Neuronetics Inc.** develops and markets the NeuroStar transcranial magnetic stimulation system for mental health disorders. The Company also operates Greenbrook treatment centers in the U.S., offering NeuroStar therapy and, at select sites, SPRAVATO.
- **BrainsWay Ltd.** develops and commercializes non-invasive neurostimulation treatments based on its proprietary Deep TMS technology. The Company's FDA-cleared indications are major depressive disorder (including reduction of anxiety symptoms in adults), obsessive-compulsive disorder and smoking addiction.
- **NeuroPace Inc.** develops implantable neuromodulation technology for epilepsy. The Company's RNS System monitors brain activity and delivers personalized, real-time stimulation at the seizure source for adults with drug-resistant focal epilepsy.
- **LivaNova PLC** develops medical technologies across cardiopulmonary and neuromodulation. The Company offers heart-lung and perfusion systems and VNS Therapy for epilepsy and depression, while its FDA-approved aura6000 system targets obstructive sleep apnea.
- **CellaVision AB** develops digital microscopy solutions for hematology laboratories. The Company offers analyzers, staining systems, reagents and software for the automated and standardized morphological examination of blood and body-fluid samples.
- **Surgical Science** Sweden AB develops medical simulation and training solutions. The Company offers virtual-reality simulators for healthcare professionals and licenses simulation software embedded in medical-device companies' own products, including robotic-surgery systems.
- **RaySearch Laboratories AB** develops software for cancer treatment. The Company offers treatment-planning, oncology information, analytics and treatment-control solutions through its RayStation, RayCare, RayIntelligence and RayCommand platforms.
- **C-RAD AB** develops surface-guided imaging solutions for radiation therapy. The Company's Catalyst systems provide optical surface scanning for patient positioning and intra-fraction motion monitoring, while its Sentinel system is a laser-based optical surface scanning system for 4DCT and gated imaging.
- **Medistim ASA** develops intraoperative quality-assurance systems for surgery. The Company's MiraQ platform combines transit-time flow measurement and high-frequency ultrasound imaging for cardiac, vascular and transplant procedures.
- **BONESUPPORT Holding AB** develops injectable bioceramic bone graft substitutes based on its CERAMENT technology. The Company's products support bone healing, with CERAMENT G and CERAMENT V enabling local delivery of gentamicin and vancomycin respectively.
- **Medtronic plc** develops and supplies medical devices across cardiovascular, neuroscience and medical-surgical markets. The Company's neuromodulation portfolio includes spinal cord stimulation for chronic pain and brain modulation for Parkinson's disease, essential tremor and refractory epilepsy; its diabetes business, MiniMed, was separately listed in 2026.
- **Abbott Laboratories** develops and supplies healthcare products across established pharmaceuticals, diagnostics, nutrition and medical devices. The Company's medical-device portfolio includes cardiovascular, diabetes-care and neuromodulation technologies for chronic pain and movement disorders.
- **Boston Scientific Corp.** develops and supplies minimally invasive medical devices across cardiovascular and MedSurg markets. The Company's portfolio includes cardiovascular, endoscopy, urology and neuromodulation technologies, including spinal-cord and deep-brain stimulation systems.

Nexstim Peer Group and Key Metrics

Peers and key metrics	Sales CAGR 2025-28e	Profit CAGR 2025-28e	Gross margin 2025	Gross margin 2026e	EBITDA margin 2025	EBITDA margin 2026e	Net profit margin 2025	Net profit margin 2026e
TMS / neuromodulation peers								
Neuronetics Inc	9%	n.a.	48%	50%	(12%)	(5%)	(26%)	(14%)
Brainsway Ltd	n.a.	n.a.	75%	n.a.	11%	23%	15%	n.a.
Neuropace Inc	19%	n.a.	77%	82%	(16%)	(4%)	(22%)	(12%)
LivaNova PLC	8%	30%	68%	69%	19%	24%	(17%)	16%
Nordic small-cap MedTech								
CellaVision AB	11%	n.a.	68%	68%	31%	32%	20%	19%
Surgical Science Sweden	10%	12%	66%	68%	15%	23%	7%	12%
RaySearch Laboratories	n.a.	n.a.	92%	92%	46%	48%	17%	20%
C-Rad AB	11%	n.a.	69%	73%	13%	21%	2%	16%
Medistim ASA	9%	16%	82%	80%	30%	32%	23%	22%
Bonesupport Holding AB	30%	52%	93%	92%	25%	32%	12%	24%
Large-cap MedTech								
Medtronic plc	6%	11%	65%	65%	27%	29%	14%	20%
Abbott Laboratories	10%	15%	56%	58%	26%	26%	15%	19%
Boston Scientific Corp	6%	12%	69%	70%	25%	31%	14%	23%
Nexstim Oyj	19%	77%	77%	75%	16%	18%	5%	8%
Average (all peers)	12%	21%	72%	72%	18%	24%	6%	14%
Median (all peers)	10%	15%	69%	69%	25%	26%	14%	19%

Source: NuWays Research

The table above shows the key metrics of the peer group. Nexstim generated **very strong gross margins** in FY25, with 77% against a peer median of 69%. Nexstim is further set to **grow considerably faster** than the vast majority of its peers, in both sales and profit. This warrants a **premium** on Nexstim's value, in our view.

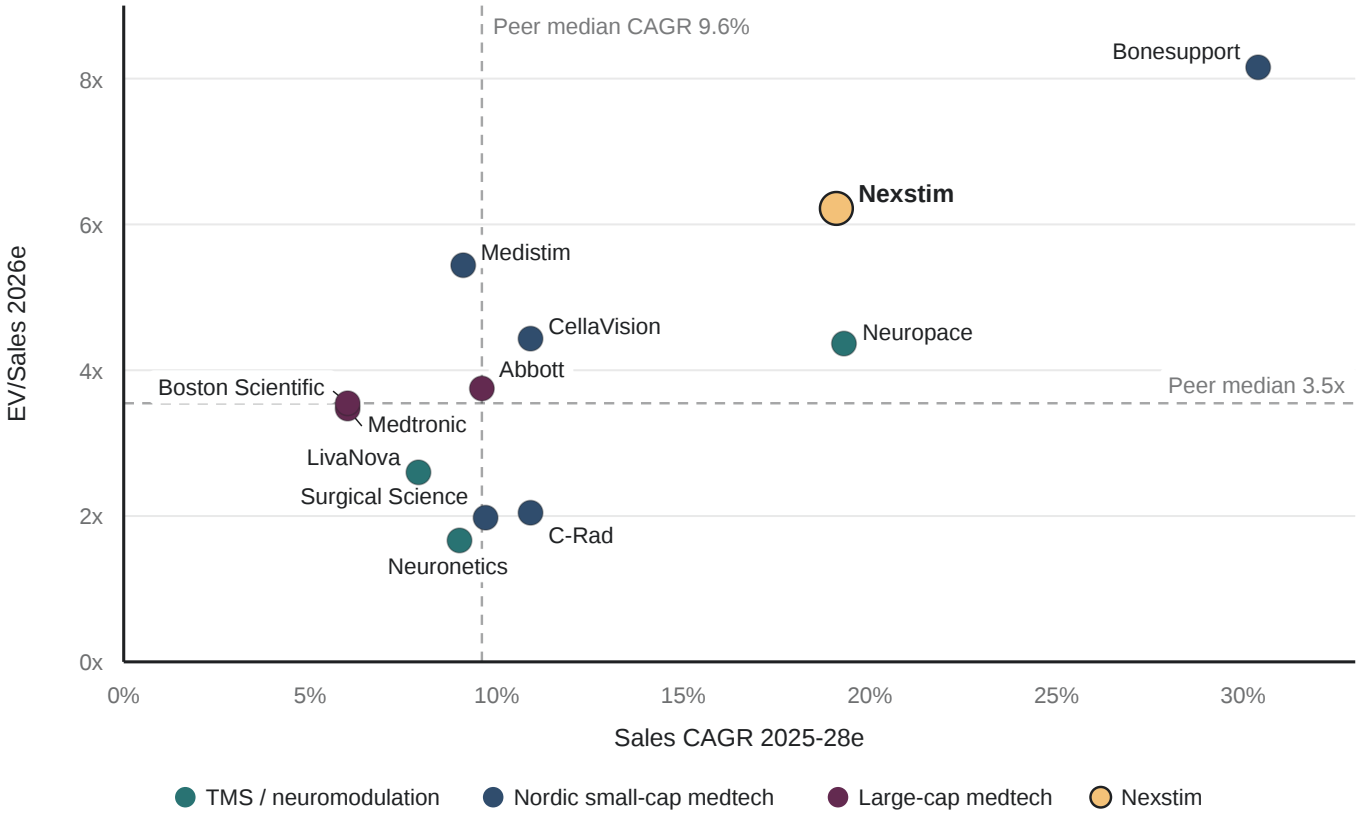
Nexstim Peer Group and Key Multiples

Trading multiples	Price	Currency	EV/Sales 26e (x)	EV/Sales 27e (x)	EV/Sales 28e (x)	EV/EBITDA 26e (x)	EV/EBITDA 27e (x)	EV/EBITDA 28e (x)	EV/EBIT 26e (x)	EV/EBIT 27e (x)	EV/EBIT 28e (x)
TMS / neuromodulation peers											
Neuronetics Inc	2.9	USD	1.7x	1.5x	1.4x	n.m.	n.m.	n.a.	n.m.	n.m.	n.m.
Brainsway Ltd	14.3	USD	6.4x	5.3x	n.a.	27.4x	18.6x	n.a.	30.9x	21.7x	n.a.
Neuropace Inc	14.4	USD	4.4x	3.6x	3.0x	n.m.	n.m.	39.8x	n.m.	n.m.	54.2x
LivaNova PLC	80.3	USD	2.6x	2.4x	2.2x	10.7x	9.7x	7.9x	12.2x	11.0x	9.1x
Nordic small-cap medtech											
CellaVision AB	164.0	SEK	4.4x	4.0x	3.7x	13.9x	12.3x	n.a.	17.2x	15.1x	n.a.
Surgical Science Sweden	53.1	SEK	2.0x	1.8x	1.6x	8.6x	7.0x	7.3x	13.0x	10.0x	8.4x
RaySearch Laboratories	183.4	SEK	4.2x	3.7x	n.a.	8.7x	7.4x	n.a.	16.2x	12.8x	n.a.
C-Rad AB	35.4	SEK	2.0x	1.9x	1.7x	9.7x	8.2x	n.a.	11.2x	9.2x	n.a.
Medistim ASA	259.0	NOK	5.4x	5.0x	4.7x	17.0x	15.3x	13.1x	18.8x	16.8x	14.3x
Bonesupport Holding AB	226.6	SEK	8.2x	6.4x	5.2x	25.5x	18.0x	13.3x	26.5x	18.2x	13.9x
Large-cap MedTech											
Medtronic plc	91.2	USD	3.5x	3.3x	3.2x	11.9x	11.1x	10.3x	13.8x	12.9x	12.0x
Abbott Laboratories	112.5	USD	3.7x	3.5x	3.3x	14.3x	13.0x	12.1x	16.0x	14.5x	13.3x
Boston Scientific Corp	46.8	USD	3.5x	3.3x	3.1x	11.6x	10.8x	9.9x	12.8x	12.0x	11.1x
Nexstim Oyj	**9.6**	**EUR**	**6.2x**	**5.2x**	**4.3x**	**34.2x**	**27.1x**	**18.3x**	**71.6x**	**49.2x**	**28.1x**
Average (all peers)			4.0x	3.5x	3.0x	14.5x	11.9x	14.2x	17.1x	14.0x	17.0x
Premium +/ discount - in (%)			55%	49%	41%	136%	127%	29%	318%	251%	65%
Median (all peers)			3.7x	3.5x	3.1x	11.9x	11.1x	11.2x	16.0x	12.9x	12.6x
Premium +/ discount - in (%)			66%	51%	36%	189%	145%	63%	349%	282%	122%

Source: NuWays Research

In our view, **EV/Sales** is the appropriate multiple for Nexstim. The company reached pro-forma profitability only in 2025 and should be assessed on the merits of a MedTech growth story rather than on a normalised earnings basis.

Sales CAGR 2025-28e vs EV/Sales 2026e, Nexstim and peer group



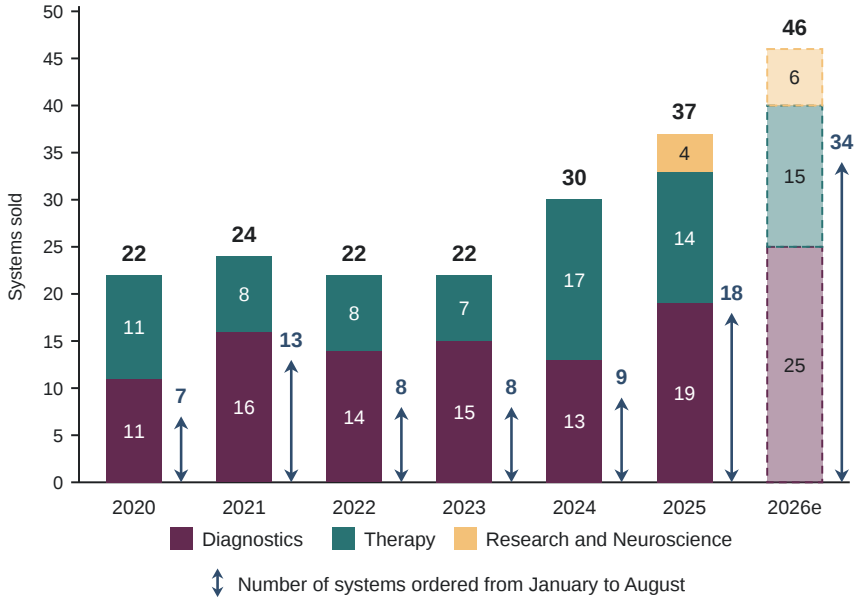
Source: NuWays Research

Nexstim's steeper growth angle justifies its premium on EV/Sales, at 6.2x for 2026e against 4.0x for the peer group. **Several near-term catalysts** could accelerate growth further, as set out below.

Theme

- **FY26 promises first indications of Brainlab volume ramp-up potential.** Brainlab brings an installed base of c. 14.5k systems across c. 6.7k hospitals in 127 countries, which can materially scale NBS 6 volumes and steepen Nexstim's growth angle. Mid-year order flow already strongly points in a positive direction. Nexstim announced 25 system orders in June and July alone, lifting system orders year-to-date (Jan-Aug) to 34, from 18 for the same period in FY25. Under the new distribution model in Diagnostics, systems are partly stocked to Brainlab's inventory across its regional hubs, which should pull Diagnostics demand forward in the year. This could explain the mid-year step-up for a business whose intake has historically clustered in the final months.

Systems sold (full year) vs systems order intake (Jan-Aug)



Source: Company data, NuWays Research

Announced system orders from January to August have historically ranged between 30-54% of full-year systems sold. For FY26e, the figure stands at c. 74% against our estimate of 46 systems (eNuW).

- **Clinical evidence that accuracy matters in treating severe depression.** Nexstim's technological advantage is currently under-priced in depression, where competitors compete on price, session length and label breadth. Further evidence that E-field navigated targeting improves response or remission rates would convert a cost disadvantage into a defensible premium, in a market an order of magnitude larger than pre-surgical mapping. Read-outs favouring navigated systems would meaningfully push volume and prices upwards, in our view.
- **Sinaptica definitive agreements and clinical read-outs.** The 10-year exclusive partnership is contingent on final agreements being signed before YE26. Beyond a definitive agreement, positive results from Sinaptica's Alzheimer's and MCI programme would open a new commercial indication for Nexstim, in which the addressable population is large. This is not reflected in our estimates and would thus cater the share price.
- **European reimbursement scheme expansion.** European reimbursement schemes are decided on a national level, and several markets still lack a clear pathway. Nexstim's success in the US has been on the back of a clear runway provided by coverage of TMS treatments. As Nexstim is CE-marked for many indications in Europe, improved coverage in Europe is set to support further growth.
- **US clearance in chronic neuropathic pain and post-operative rehabilitation.** Both indications are CE-marked in Europe but not FDA-cleared, and Nexstim's own risk disclosure names the pain clearance as outstanding. Each would unlock the US market for these indications and further leverage the proven commercial case in Europe.
- **Asian market entry.** Nexstim has no disclosed approvals in Japan, China or South Korea, and

management has signalled intent to expand into Asian markets through partnerships. Revenue outside Finland, Europe and North America was € 0.6m in FY25, so the base is negligible and any material entry is incremental.

- **Brainlab strategic interest and potential conversion of warrants.** Brainlab holds 3.8% of capital, alongside warrants for 790k shares at € 5.00 strike, maturing March 2027. A distribution partner with an equity stake, warrants and exclusive rights is a potential acquirer of a company Nexstim's size.
- **Resolution of the Magnus Medical royalty dispute.** Nexstim expects no royalty income from Magnus Medical pending ongoing discussions. We've written off any future income from Magnus Medical. Nevertheless, any positive settlement would provide some upside.

Company Background

Nexstim Oyj is a Finnish MedTech company that commercialises navigated transcranial magnetic stimulation (nTMS) technology, the latter which was developed from Finnish academic research. Founded in Helsinki in 2000, the company combines TMS with MRI-based 3D neuronavigation and patient-specific electric-field modelling, which allows the operator to target a defined cortical site and quantify the dose delivered. The modular NBS 6 platform now serves all three reporting segments: Diagnostics, Therapy, and Research & Neuroscience.

The model is capital-light. Nexstim subcontracts system manufacturing in Finland and retains product development, regulatory affairs, clinical support and commercialisation in-house. Sales run through its own organisation, a distributor network and strategic partners, with Brainlab handling Diagnostics. FY25 net sales reached € 11.0m and operating profit € 0.6m. Nexstim operates from Helsinki with subsidiaries in the US and Germany, plus a US investment vehicle supporting the partner-clinic model.

History

2000: Nexstim was founded, and began commercialising navigated brain stimulation (NBS) systems.

2009 / 2012: FDA clearance for motor-cortex mapping, then speech mapping.

2014: Initial public offering and dual listing.

2016: Stroke Phase III halted after a futility analysis showed no clear treatment effect; chronic neuropathic pain CE-marked (June).

2017: FDA clearance for major depressive disorder (November).

2018: US therapy launch (May); Therapy becomes a revenue-generating segment with major depressive disorders.

2022: Magnus Medical licensing agreement signed, carrying a € 3.5m signing fee booked within Therapy; US financing subsidiary established.

2023: NBS 6 launched for Therapy in the EU and the US.

2024: Brainlab development and distributorship agreement signed (November), with Brainlab exclusive distributor in neurosurgery and an equity investment of up to € 5.1m.

2025: Research & Neuroscience introduced as a separate reporting segment; NBS 6 cleared for diagnostics under EU MDR and released for diagnostic use in the US (both October), completing the combination-system rollout; Sinaptica co-development and exclusivity arrangements advance the planned Alzheimer's and mild-cognitive-impairment collaboration.

2026: Post-operative rehabilitation added to NBS 6 (February); US indications expanded to adolescent MDD and adjunct OCD treatment (March); Australian authorisation obtained (May); two separate ten-system distributor orders announced in June and July

Management

Mikko Karvinen – CEO

Karvinen has served as CEO since 2020, having joined Nexstim as CFO in 2014. He previously held CFO and deputy CEO positions at Nasdaq Helsinki-listed Innofactor and SSH Communications Security and worked in international finance roles at Vaisala in Finland and the US.

Henri Hannula – Chief Commercial Officer

Hannula joined Nexstim in 2001 to develop its first-generation navigated TMS systems, contributing to production, clinical protocol development and regulatory approvals. After holding several international sales and marketing leadership positions, he was appointed CCO in January 2025, with responsibility including the Brainlab partnership.

Joonas Juokslahti – Chief Financial Officer

Juokslahti joined Nexstim as Business Controller in 2014 and progressed through Finance Manager to CFO in 2020. He is responsible for the company's finance and administration functions and plays a role in developing financial management, reporting and processes as well as supporting strategic decision-making.

Gustaf Järnefelt – Vice President, R&D

Järnefelt has served as VP, R&D since joining Nexstim in 2008. He previously spent 18 years at Instrumentarium and GE Healthcare in management roles spanning design, R&D, engineering and business integration, including more than five years in the US leading Instrumentarium's Configured Patient Monitoring business. He is an inventor in 18 patent families, several assigned to Nexstim and covering the multi-channel TMS coil, cognitive mapping and head tracking.

Jarmo Laine, M.D. – Vice President, Medical Affairs

Laine joined Nexstim in 2008 after holding several leadership positions at the Finnish Red Cross Blood Service. A licensed physician specialising in pediatrics, he holds an M.D. and PhD from the University of Helsinki and an MBA from Helsinki University of Technology, and completed a postdoctoral research fellowship at Harvard Medical School.

Long-term incentive plans

Option plans. Nexstim runs nine parallel option plans (2020A-C, 2023A-C, 2023H, 2024H, 2025H) for management, staff and the board. Outstanding options stand at 896,972 following the May 2026 exercises, against 8,074,859 shares issued. With strikes topping out at € 8.28, every remaining tranche sits in the money at current share price (€ 9.55; 21/08 close). Adding the 790k Brainlab warrants at € 5.00 strike, exercisable on 31 March 2027, potential new shares total 1,686,972, an overhang of 20.9% against the issued base, taking the fully diluted count to 9,761,831.

RSU programme. A restricted share unit programme runs alongside for the extended management team over 2026-2029, covering nine participants and an estimated 88,000 shares net of tax, or ~1.2% of capital, delivered through a directed share issue.

Bord of Directors

Dr Leena Niemistö – Chair

Niemistö has chaired Nexstim since 2019 and brings more than 30 years of healthcare experience. A physician specialised in physical and rehabilitation medicine, she previously served as CEO of Dextra and deputy CEO of Pihlajalinna. She and Kaikarhenni Oy, in which she holds a controlling majority, jointly held approximately 15.04% of registered shares and votes as of 28 January 2026, making her Nexstim's largest shareholder.

Tero Weckroth – Member

Weckroth has served on the Board since 2021 and has a background spanning finance and pharmaceuticals. He currently runs investment and consultancy company WRCC Invest and has experience managing international teams in both industries, with particular expertise in regulatory, legal and management matters.The Nomination Committee classifies him as independent of both the company and its major shareholders.

Timo Hildén – Member

Hildén joined the Board in 2021 following a career in international medical technology. He previously served as CEO of Revenio Group and spent more than 20 years in leadership positions at Thermo Fisher Scientific, with experience spanning international sales, product management and profitable growth. He is classified as independent of the company and its major shareholders.

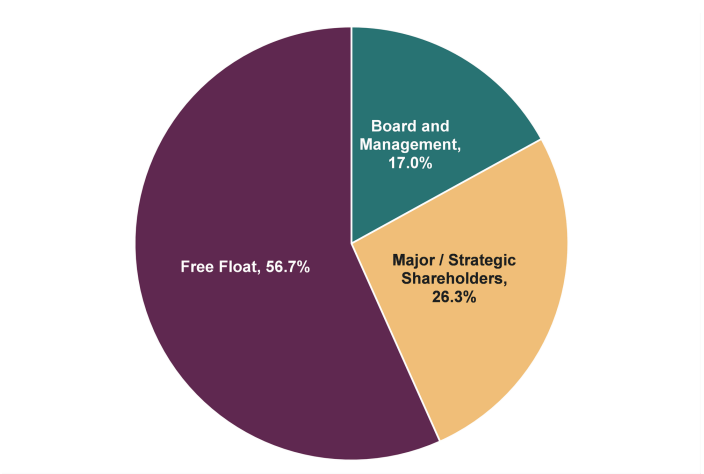
Martin Forss – Member

Forss has served on the Board since 2019 and is an entrepreneur, investor and board professional. His most recent operating role was CEO of private dentistry company Oral Hammaslääkärit, while his wider experience includes listed companies, private-equity-owned businesses and investments across healthtech. He is classified as independent of the company and its major shareholders

Shareholder Structure

Nexstim's shareholder base combines meaningful insider ownership with strategic and institutional investors. Board and management members hold roughly 17% of the company, providing strong alignment with shareholders, while Eiffel Investment Group and strategic partner Brainlab together account for around 13%. Other major private investors represent a further c. 14%, with the remaining c. 57% held by a broad shareholder base.

Shareholder structure



Source: Company data

Investment Risks

- **Market adoption and reimbursement risk**
  Nexstim's growth depends on broader adoption of nTMS by hospitals, clinics and payors. While its core applications are established, newer therapy indications remain early in commercialisation and reimbursement coverage may vary by market. Slower physician adoption or reimbursement for new indications could delay system and recurring revenue growth.
- **Regulatory and clinical development risk**
  Nexstim operates in a highly regulated medical-device market and must obtain and maintain approvals for its products and indications. Further expansion depends partly on new regulatory clearances and supporting clinical evidence. Delays, unsuccessful applications or loss of existing certifications could restrict addressable markets and slow commercial growth.
- **Competition and technological change risk**
  Nexstim's differentiation relies on its navigated, electric-field-based TMS technology and continued product development. The company itself identifies the risk that its markets may not develop as expected or its technology may not remain competitive. Alternative targeting methods, competing systems or slower innovation could weaken adoption and pricing power.
- **Partnership and licensing execution risk**
  Strategic partnerships are increasingly important to Nexstim's growth. Brainlab supports Diagnostics distribution, while the planned Sinaptica collaboration remains dependent on definitive agreements before end-2026. Nexstim also has an ongoing licensing disagreement with Magnus Medical and currently expects no Magnus royalties in 2026. Partner underperformance or disputes could therefore reduce expected system and licensing revenues.
- **Sales volatility and limited scale risk**
  At € 11.0m of FY25 sales, Nexstim remains small and individual system orders can materially influence reported periods. Hospital purchasing is also weighted towards year-end. The two separate ten-system orders received from the same distributor in June and July 2026 illustrate the potential significance of individual customers and order timing at Nexstim's current scale.
- **Product and supply-chain concentration risk**
  Nexstim's growth strategy is centred on the modular NBS 6 platform, while system manufacturing is outsourced to a Finnish subcontractor. Supplier disruption, component shortages or product-quality issues could therefore affect deliveries across several business areas simultaneously and potentially disrupt the commercialisation of Nexstim's core technology.
- **Financing and dilution risk**
  The May 2026 financing strengthened Nexstim's balance sheet, reducing near-term funding risk. Nevertheless, continued R&D, geographic expansion and clinic investments could require additional capital if cash generation falls short. The latest financing itself diluted non-participating shareholders by c. 10%.

PROFIT AND LOSS (EUR M)	2023	2024	2025	2026e	2027e	2028e
Net sales	**7.2**	**8.7**	**11.0**	**12.7**	**15.0**	**18.5**
Sales growth	-24.0%	20.6%	25.6%	15.5%	18.7%	23.2%
Increase/decrease in finished goods and work-in-process	1.2	1.5	1.4	1.5	1.5	1.6
Total sales	8.5	10.2	12.4	14.1	16.6	20.1
Other operating income	0.0	0.1	0.0	0.0	0.0	0.0
Material expenses	1.6	1.8	2.5	3.2	4.2	5.5
Personnel expenses	4.4	4.8	5.0	5.2	5.6	5.9
Other operating expenses	3.1	3.3	3.2	3.5	3.9	4.3
Total operating expenses	**9.1**	**9.9**	**10.7**	**11.8**	**13.6**	**15.8**
EBITDA	**-0.6**	**0.3**	**1.7**	**2.3**	**2.9**	**4.3**
Depreciation	0.2	0.1	0.1	0.1	0.1	0.1
EBITA	**-0.8**	**0.2**	**1.6**	**2.2**	**2.8**	**4.1**
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.6	0.7	1.0	1.1	1.2	1.3
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	**-1.3**	**-0.5**	**0.6**	**1.1**	**1.6**	**2.8**
Interest income	0.0	0.0	0.0	0.0	0.1	0.1
Interest expenses	0.0	0.0	0.0	0.7	0.1	0.1
Investment income	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-0.1	-0.4	-0.1	-0.6	-0.0	0.0
Recurring pretax income from continuing operations	**-1.4**	**-0.9**	**0.5**	**0.4**	**1.5**	**2.8**
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	**-1.4**	**-0.9**	**0.5**	**0.4**	**1.5**	**2.8**
Income tax expense	0.0	0.0	0.0	0.0	0.0	0.0
Net income from continuing operations	-1.4	-0.9	0.5	0.4	1.5	2.8
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	**-1.4**	**-0.9**	**0.5**	**0.4**	**1.5**	**2.8**
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	**-1.4**	**-0.9**	**0.5**	**0.4**	**1.5**	**2.8**
Average number of shares	6.8	7.2	7.2	8.1	8.1	8.1
EPS reported	**-0.21**	**-0.13**	**0.07**	**0.06**	**0.19**	**0.35**

Source: Company Data, NuWays AG

PROFIT AND LOSS (COMMON SIZE)	2023	2024	2025	2026e	2027e	2028e
Net sales	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Sales growth	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Increase/decrease in finished goods and work-in-process	16.9%	16.9%	13.2%	11.7%	10.1%	8.5%
Total sales	116.9%	116.9%	113.2%	111.7%	110.1%	108.5%
Other operating income	0.1%	0.8%	0.1%	0.0%	0.0%	0.0%
Material expenses	22.1%	21.0%	22.9%	24.9%	27.9%	29.9%
Personnel expenses	61.1%	54.8%	45.3%	41.0%	37.0%	32.1%
Other operating expenses	42.7%	38.3%	29.4%	27.5%	25.8%	23.4%
Total operating expenses	**125.7%**	**113.2%**	**97.6%**	**93.5%**	**90.6%**	**85.3%**
EBITDA	**-8.9%**	**3.7%**	**15.6%**	**18.2%**	**19.5%**	**23.1%**
Depreciation	2.1%	1.4%	1.1%	1.0%	0.9%	0.8%
EBITA	**-11.0%**	**2.3%**	**14.5%**	**17.2%**	**18.6%**	**22.3%**
Amortisation of goodwill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amortisation of intangible assets	7.6%	8.4%	8.7%	8.7%	8.0%	7.0%
Impairment charges	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBIT (inc revaluation net)	**-18.6%**	**-6.1%**	**5.8%**	**8.4%**	**10.5%**	**15.3%**
Interest income	0.0%	0.0%	0.0%	0.3%	0.4%	0.5%
Interest expenses	0.0%	0.0%	0.0%	5.3%	0.7%	0.5%
Investment income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Financial result	-1.1%	-4.3%	-1.0%	-4.9%	-0.3%	0.0%
Recurring pretax income from continuing operations	**-19.7%**	**-10.5%**	**4.8%**	**3.5%**	**10.3%**	**15.4%**
Extraordinary income/loss	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Earnings before taxes	**-19.7%**	**-10.5%**	**4.8%**	**3.5%**	**10.3%**	**15.4%**
Tax rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income from continuing operations	**-19.8%**	**-10.5%**	**4.7%**	**3.5%**	**10.3%**	**15.4%**
Income from discontinued operations (net of tax)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income	**-19.8%**	**-10.5%**	**4.7%**	**3.5%**	**10.3%**	**15.4%**
Minority interest	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net profit (reported)	**-19.8%**	**-10.5%**	**4.7%**	**3.5%**	**10.3%**	**15.4%**

Source: Company Data, NuWays AG

BALANCE SHEET (EUR M)	2023	2024	2025	2026e	2027e	2028e
Intangible assets	2.9	3.8	4.4	4.9	5.3	5.7
Property, plant and equipment	0.3	0.4	0.4	0.4	0.4	0.4
Financial assets	0.7	1.0	1.0	2.0	2.0	2.0
Fixed Assets	**3.9**	**5.2**	**5.7**	**7.2**	**7.7**	**8.1**
Inventories	1.0	0.8	0.6	1.0	1.2	1.6
Accounts receivable	2.8	3.9	3.7	4.5	5.7	7.3
Other assets and short-term financial assets	0.3	0.1	0.1	0.2	0.2	0.2
Liquid assets	1.4	3.8	2.5	5.1	5.7	7.3
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.4	0.4	0.4	0.4	0.5	0.6
Current Assets	**5.9**	**8.9**	**7.3**	**11.3**	**13.3**	**17.0**
Total Assets	**9.8**	**14.1**	**13.0**	**18.5**	**21.0**	**25.1**
Shareholders Equity	**2.7**	**3.6**	**4.0**	**9.5**	**11.1**	**13.9**
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Long-term liabilities to banks	0.0	0.0	0.0	0.0	0.0	0.0
Bonds (long-term)	0.0	0.0	0.0	0.0	0.0	0.0
Other interest-bearing liabilities	3.6	4.2	2.6	1.9	1.9	1.9
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions and accrued liabilities	0.0	0.5	0.5	0.5	0.5	0.5
NON-CURRENT LIABILITIES	**3.6**	**4.8**	**3.1**	**2.4**	**2.4**	**2.4**
Short-term liabilities to banks	0.8	1.1	1.6	1.4	1.4	1.4
Accounts payable	0.7	1.2	0.9	1.3	1.7	2.1
Advance payments received on orders	0.9	1.8	2.1	2.4	2.9	3.5
Accrued taxes	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	1.1	1.6	1.4	1.5	1.6	1.7
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
Current Liabilities	**3.4**	**5.7**	**5.9**	**6.6**	**7.5**	**8.8**
Total Liabilities and Shareholders Equity	**9.8**	**14.1**	**13.0**	**18.5**	**21.0**	**25.1**

Source: Company Data, NuWays AG

BALANCE SHEET (COMMON SIZE)	2023	2024	2025	2026e	2027e	2028e
Intangible assets	29.8%	26.8%	33.7%	26.3%	25.3%	22.7%
Property, plant and equipment	3.5%	2.5%	2.8%	2.1%	2.0%	1.7%
Financial assets	6.9%	7.4%	7.4%	10.7%	9.5%	7.9%
Fixed Assets	**40.3%**	**36.7%**	**43.8%**	**39.1%**	**36.7%**	**32.4%**
Inventories	10.7%	5.8%	4.8%	5.6%	5.8%	6.4%
Accounts receivable	28.6%	27.7%	28.7%	24.4%	27.3%	28.9%
Other assets and short-term financial assets	2.8%	0.7%	0.5%	1.2%	0.8%	0.9%
Liquid assets	0.0%	0.0%	0.0%	0.0%	0.0%	29.0%
Deferred taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Deferred charges and prepaid expenses	3.6%	2.5%	2.8%	2.3%	2.4%	2.4%
Current Assets	**59.7%**	**63.3%**	**56.2%**	**60.9%**	**63.3%**	**67.6%**
Total Assets	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Shareholders Equity	**27.9%**	**25.5%**	**30.9%**	**51.5%**	**52.8%**	**55.5%**
Minority interest	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Long-term liabilities to banks	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Bonds (long-term)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
other interest-bearing liabilities	36.9%	30.1%	19.7%	10.0%	8.8%	7.4%
Provisions for pensions and similar obligations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other provisions and accrued liabilities	0.0%	3.8%	4.2%	2.9%	2.6%	2.2%
NON-CURRENT LIABILITIES	**36.9%**	**33.9%**	**23.8%**	**12.9%**	**11.4%**	**9.5%**
Short-term liabilities to banks	8.5%	8.0%	12.1%	7.7%	6.8%	5.7%
Accounts payable	6.7%	8.9%	6.6%	7.0%	7.9%	8.5%
Advance payments received on orders	9.0%	12.7%	16.0%	13.0%	13.6%	14.0%
Accrued taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other liabilities (incl. from lease and rental contracts)	11.1%	11.0%	10.5%	7.9%	7.5%	6.8%
Deferred taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Deferred income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Liabilities	**35.2%**	**40.6%**	**45.3%**	**35.6%**	**35.8%**	**34.9%**
Total Liabilities and Shareholders Equity	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: Company Data, NuWays AG

CASH FLOW (EUR M)	2023	2024	2025	2026e	2027e	2028e
Net profit/loss	-1.4	-0.9	0.5	0.4	1.5	2.8
Depreciation of fixed assets (incl. leases)	0.2	0.1	0.1	0.1	0.1	0.1
Amortisation of goodwill & intangible assets	0.6	0.7	1.0	1.1	1.2	1.3
Other costs affecting income / expenses	0.1	0.0	0.5	0.6	0.0	0.0
Cash flow from operating activities	-3.1	1.0	0.5	0.5	1.1	2.0
Increase/decrease in inventory	-0.2	0.3	0.1	-0.4	-0.2	-0.4
Increase/decrease in accounts receivable	-1.5	-0.8	-0.0	-0.8	-1.2	-1.5
Increase/decrease in accounts payable	-0.0	2.5	-0.6	0.4	0.4	0.5
Increase/decrease in other working capital positions	0.0	0.0	0.0	0.2	0.5	0.6
Increase/decrease in working capital	-1.7	1.9	-0.5	-0.6	-0.5	-0.8
Cash flow from operating activities	**-2.4**	**1.9**	**1.6**	**1.7**	**2.4**	**3.5**
CAPEX	1.7	1.7	1.7	1.8	1.8	1.9
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.3	-0.0	1.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from investing activities	**-1.7**	**-2.0**	**-1.7**	**-2.8**	**-1.8**	**-1.9**
Cash flow before financing	-4.1	-0.1	-0.1	-1.1	0.6	1.6
Increase/decrease in debt position	0.9	0.9	-1.2	-0.9	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.1	1.8	0.2	5.1	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	-0.3	0.0	-0.6	0.0	0.0
Effects of exchange rate changes on cash	-0.0	0.0	-0.1	0.0	0.0	0.0
Cash flow from financing activities	**1.0**	**2.5**	**-1.1**	**3.7**	**0.0**	**0.0**
Increase/decrease in liquid assets	-3.1	2.4	-1.2	2.6	0.6	1.6
Liquid assets at end of period	**1.4**	**3.8**	**2.5**	**5.1**	**5.7**	**7.3**

Source: Company Data, NuWays AG

KEY RATIOS	2023	2024	2025	2026e	2027e	2028e
P&L growth analysis						
Sales growth	-24.0%	20.6%	25.6%	15.5%	18.7%	23.2%
EBITDA growth	-36.2%	-150.0%	430.8%	35.1%	27.0%	46.1%
EBIT growth	-7.4%	-60.2%	-218.9%	67.9%	48.3%	79.3%
EPS growth	70.1%	-39.4%	-155.9%	-23.2%	247.5%	84.1%
Efficiency						
Sales per employee	190.7	226.9	274.2	308.9	349.5	411.5
EBITDA per employee	-16.9	8.4	42.7	56.3	68.2	95.2
No. employees (average)	38	39	40	41	43	45
Balance sheet analysis						
Avg. working capital / sales	31.0%	13.7%	17.0%	10.1%	15.8%	13.2%
Inventory turnover (sales/inventory)	6.9	10.7	17.4	12.2	12.4	11.6
Accounts receivable turnover	141.4	163.3	124.2	130.0	139.2	143.1
Accounts payable turnover	148.2	248.8	125.5	150.0	145.0	140.2
Cash flow analysis						
Free cash flow	-4.1	0.1	-0.1	-0.1	0.6	1.6
Free cash flow/sales	-56.7%	1.7%	-0.9%	-0.5%	3.9%	8.7%
Capex / sales	23.9%	22.7%	15.4%	22.0%	12.0%	10.0%
Solvency						
Net debt	3.1	1.6	1.6	-1.8	-2.4	-4.0
Net Debt/EBITDA	-4.8	5.0	0.9	0.0	0.0	0.0
Dividend payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest paid / avg. debt	0.0%	0.0%	0.0%	19.7%	2.5%	2.3%
Returns						
ROCE	-18.2%	-6.4%	7.0%	9.7%	11.2%	17.4%
ROE	-52.4%	-25.6%	12.9%	4.7%	13.9%	20.4%
Adjusted FCF yield	-1.9%	-0.7%	0.9%	1.4%	2.0%	3.7%
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
DPS	0.0	0.0	0.0	0.0	0.0	0.0
EPS reported	-0.21	-0.13	0.07	0.06	0.19	0.35
Average number of shares	6.8	7.2	7.2	8.1	8.1	8.1
Valuation ratios						
P/BV	24.3	25.3	22.6	10.0	8.6	6.9
EV/sales	9.6	8.2	6.6	6.1	5.1	4.1
EV/EBITDA	-107.8	223.0	42.3	33.5	26.2	17.5
EV/EBIT	-51.6	-134.1	113.6	72.4	48.4	26.4

Source: Company Data, NuWays AG

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HISTORICAL TARGET PRICE AND RATING CHANGES FOR NEXSTIM

DATE	ANALYST	RATING	TARGET PRICE	CLOSE
02.09.2026	Julius Neittamo	Buy	EUR 12.00	0

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The adj. FCF method is based on the assumption that investors purchase assets only at a price (enterprise value) at which the operating cash flow return after taxes on this investment exceeds their opportunity costs in the form of a hurdle rate of 7.5%. The operating cash flow is calculated as EBITDA less maintenance capex and taxes.

Within the framework of the DCF approach, the future free cash flows are calculated initially on the basis of a fictitious capital structure of 100% equity, i.e. interest and repayments on debt capital are not factored in initially. The adjustment towards the actual capital structure is done by discounting the calculated free cash flows with the weighted average cost of capital (WACC), which takes into account both the cost of equity capital and the cost of debt. After discounting, the calculated total enterprise value is reduced by the interest-bearing debt capital in order to arrive at the equity value.

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8. Miscellaneous

According to Article 4(1) No. i of the delegated regulation 2016/958 supplementing regulation 596/2014 of the European Parliament, further information regarding investment recommendations of the last 12 months are published under: www.nuways-ag.com

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