



Nexstim. Personalised depression treatment.

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Nexstim

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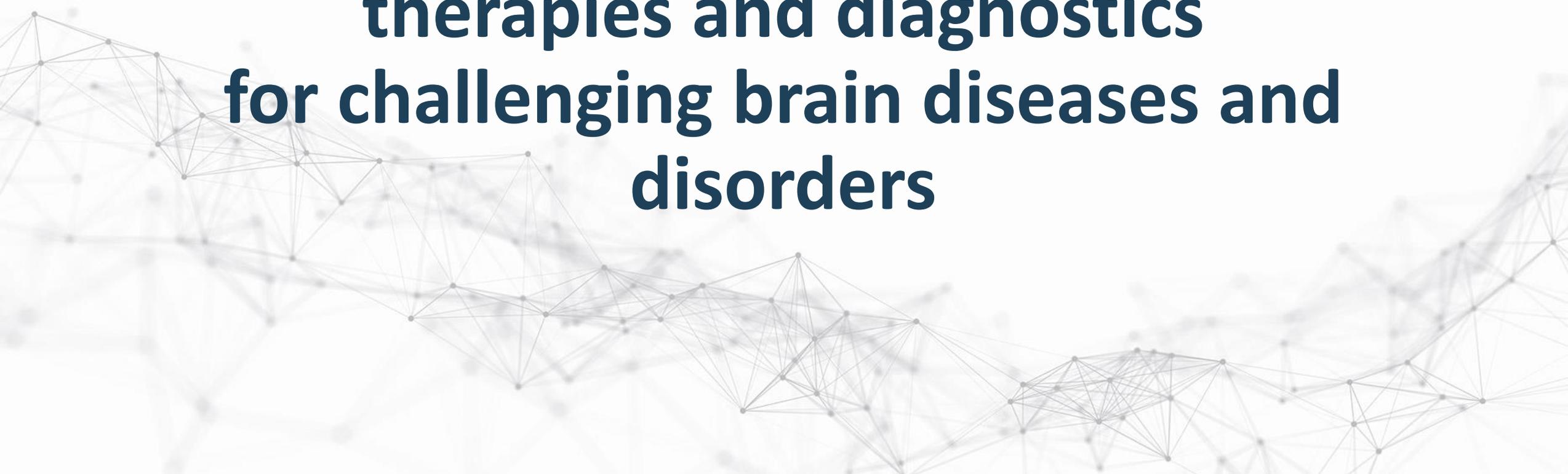
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Nexstim's NBS System is cleared by the FDA for assessment of the motor and speech cortices for pre-procedural planning. Nexstim has launched its NBT[®] system in the US for the treatment of Major Depressive Disorder (MDD) following clearance from the FDA for marketing and commercial distribution for this indication. The NBT[®] system is CE marked in Europe for the treatment of major depression and chronic neuropathic pain.

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**We enable personalised and effective
therapies and diagnostics
for challenging brain diseases and
disorders**



Nexstim – personalised transcranial magnetic stimulation

Nexstim

Unique and Proprietary Technology

- Commercial-stage med tech company with a unique, proprietary navigated neuro-stimulation technology for diagnostic and therapeutic applications

World Leading Centers Rely on Nexstim Device

- Diagnostic application well established with compelling clinical data and global installed base of 160 systems (e.g. Mayo Clinic, MD Anderson, Karolinska, Charite)

Competitive Advantage in an Attractive Market

- TMS treatment of depression is covered by US Medicare and is rapidly gaining traction as treatment modality
- Nexstim's navigation technology promises improved efficacy of TMS depression treatment

Experienced Management Team

- Management team highly experienced in commercialisation of medical devices

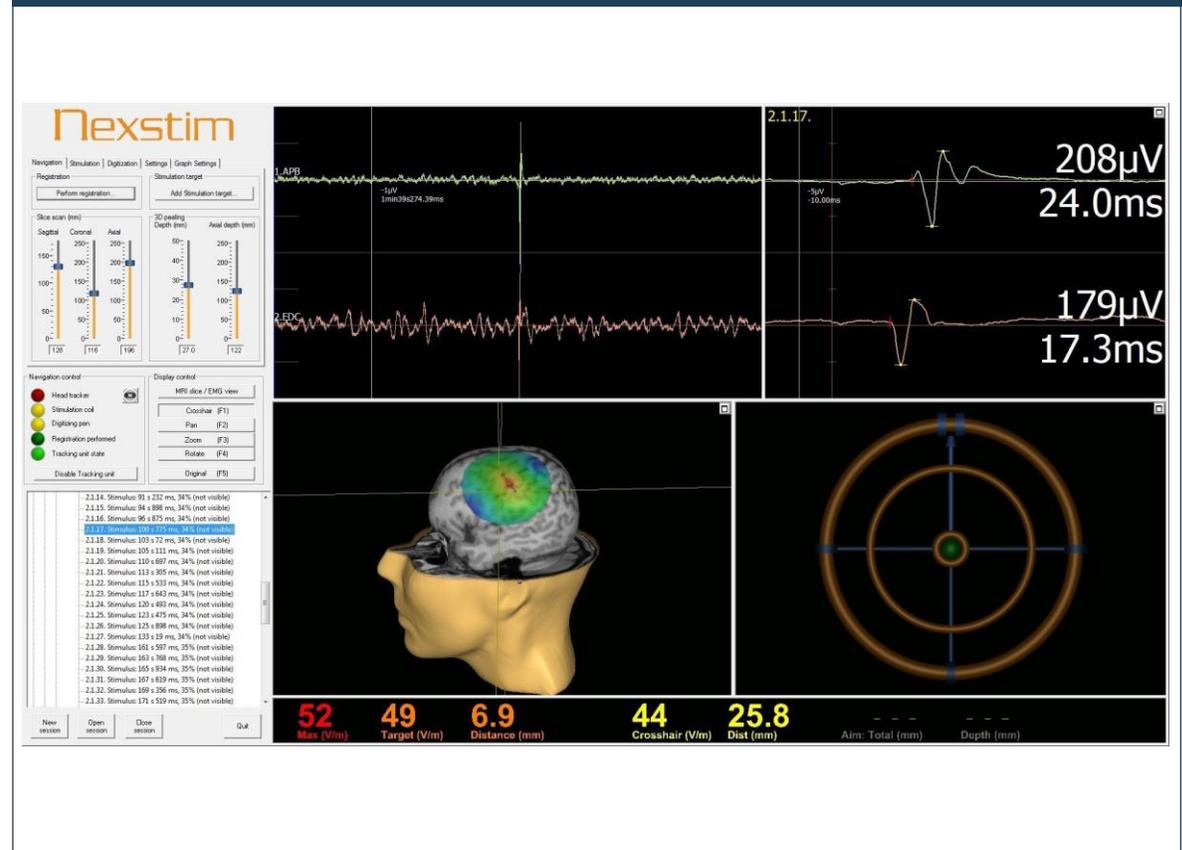


Nexstim's TMS system differentiated by E-Field Navigation

Leading transcranial magnetic stimulation technology

- Nexstim's device facilitates highly accurate pre-surgical mapping
 - Unique e-field induced modelling
 - 3D MRI visualisation and stereotactic navigation
 - Measurement of Electromyography response
- ...and promises improved efficacy in therapeutic applications
 - Highly accurate targeting
 - Precise dosing
 - Repeatable over multiple treatment sessions

User Interface of Nexstim TMS system



Unique navigated TMS system for diagnostic and therapeutic applications

| Use | Application | Europe | US | Commercial Status |
|------------------------------------------------------|----------------------|-----------|---------------------------------------|----------------------------------------------|
| Therapeutic – Navigated Brain Therapy (NBT®) | Depression | CE marked | FDA approved | Multiple systems installed in the EU & US |
| | Chronic pain | CE marked | Phase II clinical trials evaluated | Multiple systems installed in the EU |
| Diagnostic – Navigated Brain Stimulation (NBS) | Pre-surgical mapping | CE marked | FDA approved | Installed base of over 160 systems |

Nexstim SmartFocus® TMS in diagnostics

Proprietary technology enabling substantial increase in progression-free survival in brain cancer surgery, commercially validated

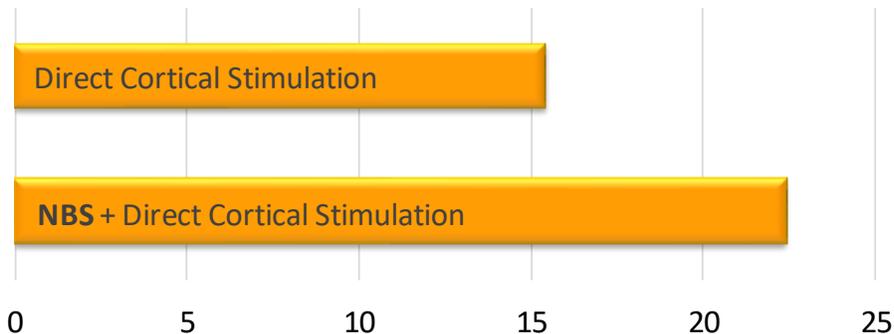


Nexstim's NBS is the only available pre-surgical mapping technology

NBS Significantly Improves Clinical Outcomes

NBS helps surgeons to prepare better and to be more aggressive with the tumor resection:

46% increase in progression-free survival in low grade gliomas¹ (months)



1) Dietmar Frey, Peter Vajkoczy, and Thomas Picht (2014) Navigated transcranial magnetic stimulation improves the treatment outcome in patients with brain tumors in motor eloquent locations ; 2) company website

World-leading Centers Rely on Nexstim's Pre-surgical Mapping Technology NBS

Selected institutions out of the 160 ones currently using Nexstim's technology



“ nTMS makes surgery safer, the resection rates are higher and—in the end—the outcomes are better. ”

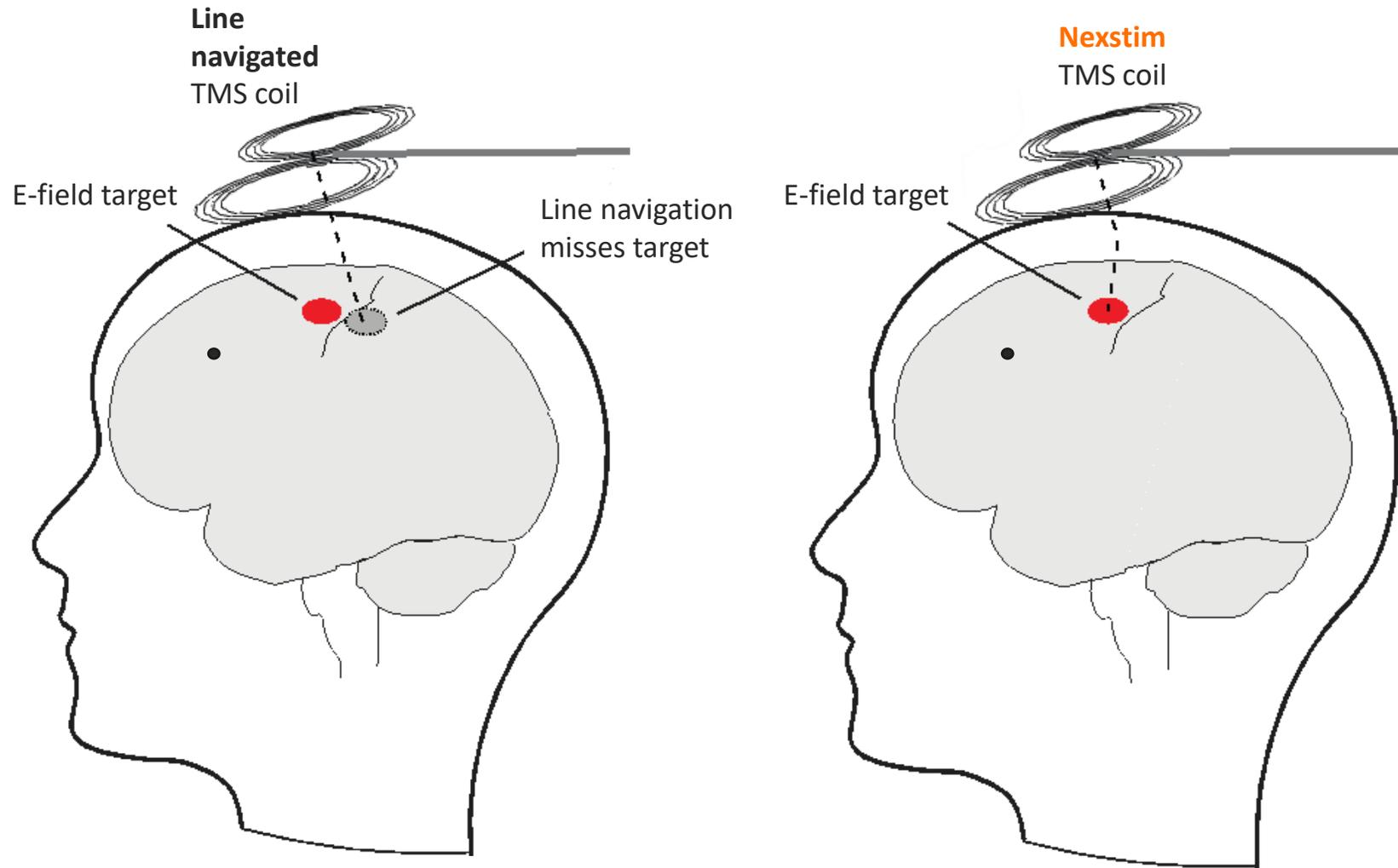
Bernhard Meyer, MD, Professor & Chair, Department of Neurosurgery, Technical University of Munich²

Nexstim SmartFocus® TMS in Therapy

Smart, focused and drug-free



Nexstim E-field navigation vs. line navigation



- Line navigation is inaccurate as it doesn't account for the distortion caused by bone and brain matter
- Nexstim's E-field navigation accounts for that distortion
- Non-navigated TMS hits the Dorso Lateral Pre Frontal Cortex in just 30% of cases vs. 100% for Nexstim NBT®

Nexstim SmartFocus® TMS in Depression

Entering a rapidly growing market with a differentiated product



TMS in Depression Treatment

- In depression, **activity of the left dorsolateral prefrontal cortex (DLPFC) is reduced***
- Stimulation of the DLPFC with rTMS **increases the activity of neurons in this region***
- **2nd or 3rd line therapy** for patients not responding to anti-depressants or psychotherapy
- **Alternative method** for patients who can't take medication

(*e.g. George et al, 1995)

Overview of a patient's treatment options

Depression:



Anti-depressant
drugs



Cognitive behavioural
therapy (CBT)



Transcranial Magnetic
Stimulation (TMS)



Electro-Convulsive
Therapy (ECT)



Ketamine drug
infusions

NBT[®] for Depression

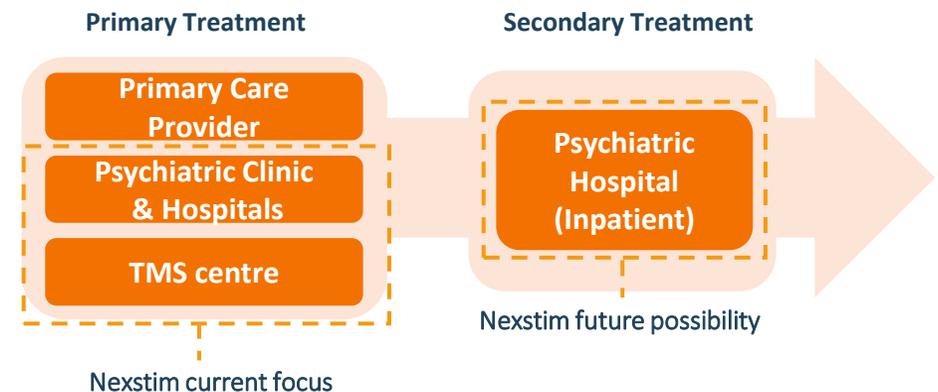
Nexstim depression business opportunity

- Major depressive disorder affects 2-5% of the population in developed countries¹
- Existing psychotherapy and pharmacological treatment options are suboptimal
- Addressable market for NBT treatment of depression of 6 million patients represents a total treatment value of over EUR 40 billion²
- Reimbursement for TMS is already available in US and EU markets
- Successful US commercial launch of NBT in depression in May 2018
- An installed base of 22 NBT therapy systems on 30 September 2019 in clinics and hospitals globally

Market size of estimate²



Patient treatment pathway in the US for MDD



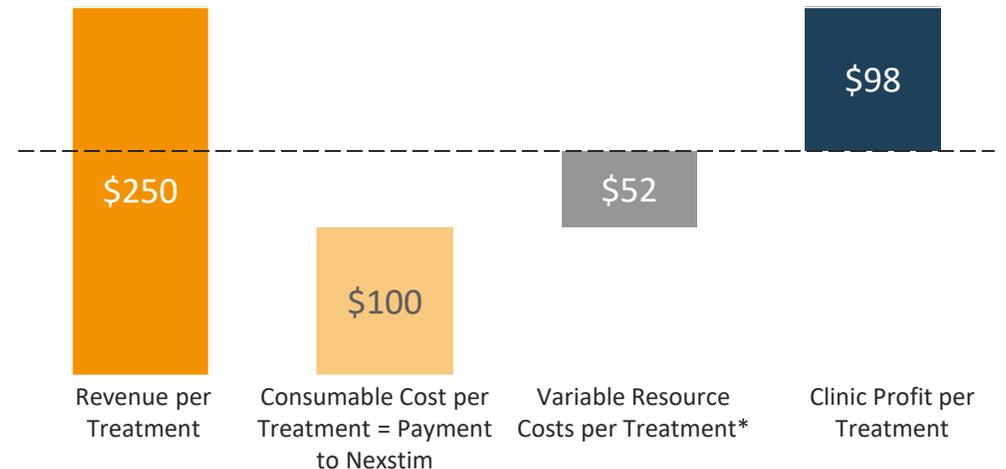
1) Vos, T., et al. (2016) Global, regional, and national incidence, prevalence, and years lived with disability for 310 diseases and injuries, 1990–2015: a systematic analysis for the Global Burden of Disease Study 2015; 2) PMSI Consulting analysis and estimates

Existing reimbursement for depression treatment and private pay represent compelling opportunity in the US

Commercialisation approach

- Most major commercial payers now reimburse TMS treatment for depression in the US and 100% Medicare coverage
 - There are CPT codes available for both therapeutic repetitive TMS treatment and subsequent delivery and management per session
- Key target groups are TMS centres and high-volume psychiatric clinics and hospitals
- Business model targets a high annual recurring revenue stream per system with high utilization rates
- The company offers compelling pricing options and programs for customers
 - Pay-per-use Lease
 - Monthly Unlimited Use Lease
 - Capital Sale + Headtracker Sales + Service Contract

Economic Benefit to US TMS Centre or Psychiatric Clinic (Pay-per-use lease)¹



- In a pay-per-use lease, no initial investment is required for clinics so **clinics make profit from first patient**
- A clinic could achieve annual profit of **\$147,500**, assuming 30 treatments per patient and 50 patients per year
- Nexstim can make a revenue of **\$150,000** for contracted clinic in pay-per-use lease

*includes estimated cost of facilities and technician for 45 minutes per treatment, MD cost (NOTE: 3 times per patient, 45 minutes biweekly) and MRI cost of \$500 per patient divided by amount of treatments. 40% overhead applied

1) Company analysis and estimate

NBT[®] geographic focus for depression in the US



Build a direct sales field organization comprised of sales, clinical support and operations distributed across existing US NBS geography and recruit sophisticated and well connected distributor for Canadian channel

CALIFORNIA²

Population: 39.5 million
Practices using TMS: 129
TMS Groups: 60
TMS Centers: 21
Group Psychiatric: 13
Solo Psychiatric: 28
Other: 7

TEXAS²

Population: 28.3 Million
Practices using TMS: 13
TMS Centers: 2
Solo Psychiatric: 8
Other: 3

SOUTHEAST STATES²

Population: 58 Million
Practices using TMS: 126
TMS Groups: 15
TMS Centers: 32
Group Psychiatric: 25
Solo Psychiatric: 32
Other: 22

NORTHEAST STATES²

Population: 67 Million
Practices using TMS: 196
TMS Groups: 47
TMS Centers: 46
Group Psychiatric: 22
Solo Psychiatric: 46
Other: 35

“Clinically, the patient-reported outcomes obtained in the first 10 completed patients (50% remission, 70% clinical response rate) were higher than what was reported for naturalistic open label clinical use in a well-conducted series (remission 26.5-28.7%, response 41.5-56.4%).”

Island Psychiatry, Long Island, NY, White Paper¹

1) Heyman A, Laine J, and Solomon R (2019) Use of Nexstim Navigated Brain Therapy (NBT[®]) System in Treatment of Major Depressive Disorder – initial experience 2) PMSI Consulting analysis and estimates; Company management estimate

Nexstim Brain Therapy - Commercialization and Go-To Market Approach – Europe & Asia



■ Markets with NBS[®] or NBT[®] systems ■ Markets to be developed

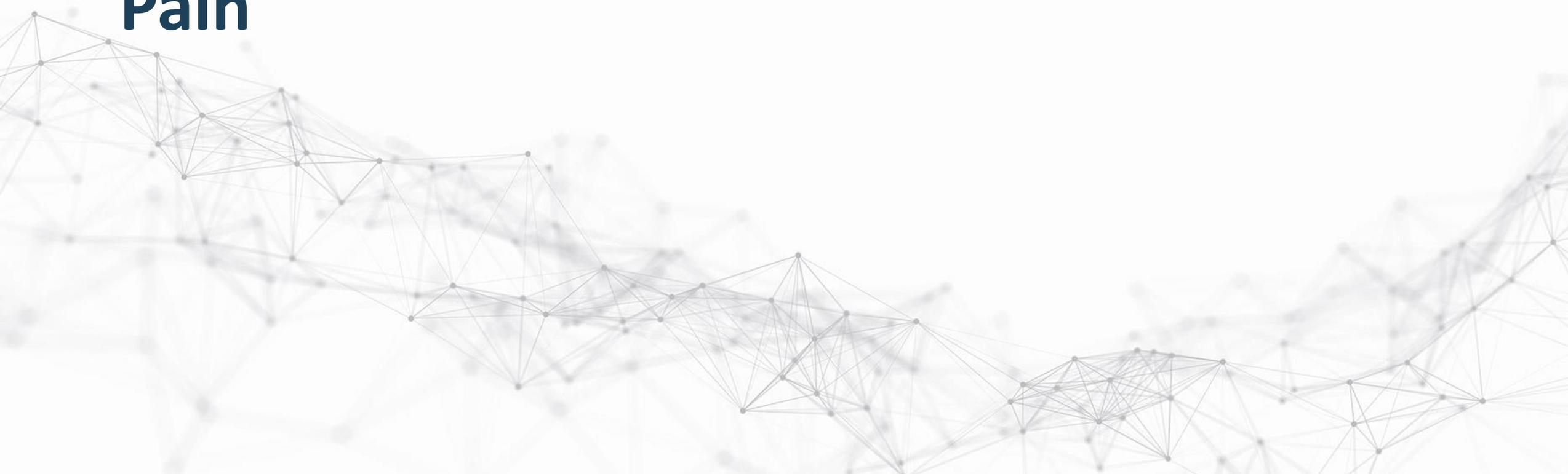
Actions on established markets

- Strong distributor organization
- Cross-selling NBS with NBT[®]
- Five university hospitals in Finland using a Nexstim system for both depression and pain treatments
- Patient registry established
- Strong KOL network

Markets to be developed

- Hong Kong distributor appointed and delivery of the first depression therapy system
- Nexstim NBT[®] system authorized for commercial distribution in Australia
- France, Netherlands, Italy and Spain targeted with distributors

Navigated Brain Therapy[®] in Neuropathic Pain

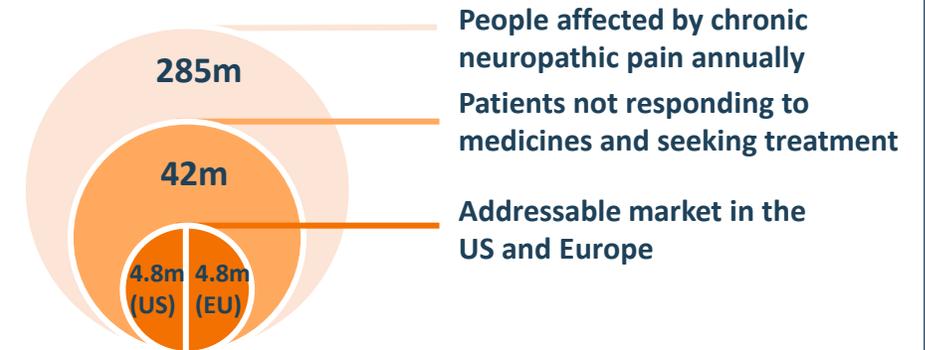


NBT[®] for Chronic Neuropathic Pain

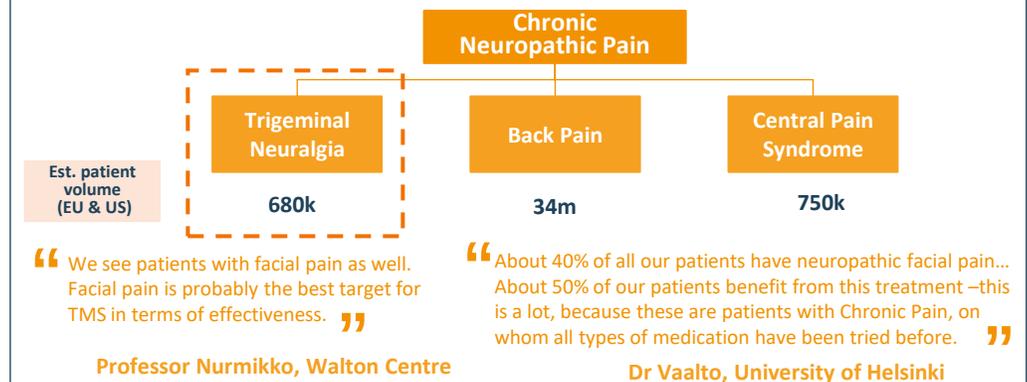
Nexstim neuropathic pain business opportunity

- There are about 10 million addressable neuropathic pain patients in the US and Europe¹
- 40-50% of neuropathic pain patients are without effective pain relief
- Study conducted by The Walton Centre, UK stated that 44% of patients undergoing NBT therapy reported clinically meaningful pain relief of at least 3 weeks' duration
- The Walton Centre is currently conducting a follow up study to measure the long term pain relief
- First TMS entrant into the chronic neuropathic pain with multiple hospitals in Europe using a Nexstim system for pain treatment including three University hospitals in Finland
- Nexstim is evaluating possible clinical trials for chronic neuropathic pain

Market size of estimate²



Selected types of chronic neuropathic pain²



1) Global Industry Analysts; Yawn, Barbara P. et al. (2009) The Prevalence of Neuropathic Pain: Clinical Evaluation Compared with Screening Tools in a Community Population; Fayaz A, Croft P, Langford RM, et al. (2016) Prevalence of chronic pain in the UK: a systematic review and meta-analysis of population studies; 2) PMSI Consulting analysis, expert interview and estimates

Key Performance Indicators

EUR in thousands

| | H1 2019 6 months | H1 2018 6 months | FY 2018 12 months |
|-----------------------------------------------------------|---------------------|---------------------|----------------------|
| Net sales | 1,217.4 | 1,079.3 | 2,672.1 |
| Personnel expenses | -2,079.1 | -1,523.8 | -3,937.5 |
| Depreciation and amortisation | -205.3 | -154.4 | -424.0 |
| Other operating expenses | -1,968.2 | -1,801.3 | -3,985.9 |
| Profit/ -Loss for the period | -3,664.9 | -2,440.6 | -6,154.3 |
| Earnings per share (EUR)* | -0.29 | -0.78 | -1.93 |
| Cash flows from operating activities | -3,679.0 | -3,123.0 | -6,192.5 |
| Cash in hand and at banks | 6,378.6 | 10,305.6 | 7,175.2 |
| Total equity | -495.2 | 3,680.8 | -294.3 |
| Equity ratio (%) | -3.94 | 31.23 | -0.98 |
| Number of shares in the end of the period (pcs)* | 35,400,873 | 3,251,050 | 3,253,751 |
| Average number of shares during the period (pcs)* | 12,835,277 | 3,122,041 | 3,187,487 |
| Diluted number of shares in the end of the period (pcs)* | 52,450,118 | 4,700,817 | 4,431,575 |
| Diluted average number of shares during the period (pcs)* | 17,817,551 | 4,451,572 | 4,577,627 |

Net sales grew by 13%. Therapy business net sales grew strongly (170%) in H1 amounting to EUR 610.0 thousand (2018 H1: EUR 226.3 thousand)

The increase in personnel expenses was mainly due to the recruitment of new personnel to the US commercial team.

Out of the other operating expenses, the spring 2019 share offering expenses amounted to a total of EUR -270.6 thousand.

In April 2019, Nexstim arranged a share offering, which was supported by new major anchor investors, that raised EUR 3.5 million of new capital.

The Company estimates that the current working capital would end during Q1 2020. In the event the preconditions regarding Kreos are not fulfilled, and Kreos calls back its loan in full, with outstanding interests and fees, the Company estimates that the current working capital would then run out during November 2019.

The primary route for seeking additional funding is to secure a large amount of subscriptions of the warrants issued as part of the spring 2019 share offering.

*The number of shares has been adjusted to take account the effect of the reverse share split on 26 November 2018, where the number of shares was decreased 30-fold.

- The company's NBT[®] therapy system installed base grew to a total of 22 systems at end of September 2019
 - The US NBT[®] system installed base was a total of 8 systems and in Europe and rest of the world a total of 14 NBT[®] systems
- During Jan 1 – Sep 30, 2019 therapy revenue grew by 200 percent to EUR 1.1 million (Jan 1-Sep 30, 2018: EUR 0.4 million).
- The total revenue including NBS system sales during Jan 1 – Sep 30, 2019 grew by 37 percent to EUR 2.0 million (Jan 1 – Sep 30, 2018: EUR 1.4 million)
- Recurring revenue was 61 percent of the total therapy revenue during Jan 1 – Sep 30, 2019.
- Nexstim targets an annual revenue of approximately EUR 100 thousand per NBT[®] system a year in active established customer sites. During the running twelve-month period Oct 1, 2018 – Sep 30, 2019 Nexstim reached an average therapy revenue per NBT[®] system of EUR 81 thousand.

- In April 2019, Nexstim arranged a share offering, which was supported by new major anchor investors, that raised EUR 3.5 million of new capital
- Offer Warrants were delivered to the subscribers and the trading of the warrants began on First North Finland and First North Sweden.
- The Offer Warrants entitled to subscribe to a maximum of 15,601,167 shares of the Company
- Offer Warrant may be used for subscription of one (1) share of the Company in accordance with the applicable terms of the Offer Warrants:
 - The share subscription price is EUR 0.115 per share
 - The subscription period for shares subscribed against the Offer Warrants was 22 October - 4 November 2019.
- Nexstim has secured 100 per cent of the Warrant Plan 2019 total of EUR 1.8 million and decided on a directed issue of approximately EUR 1.1 million subject to the approval of the Extraordinary General Meeting to be held on 11 November 2019

Business summary

1 Only TMS system to provide accurate, personalised targeting of key areas of treatment

2 Commercially validated in pre-surgical mapping with systems installed in more than 160 hospitals

3 First installations for depression in multiple sites across three continents

4 Focused strategy for commercial roll out of depression systems in the US

Thank you!

