



# Nexstim

## Targeting a paradigm shift in stroke rehabilitation

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@NexstimOyj

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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. The NBT System is not cleared for commercial distribution in the United States.

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# Nexstim at a glance

- Finnish Medtech in Neuromodulation
- Targeting Unmet Need in Stroke Rehabilitation
- Proprietary e-Field based Navigation as Differentiator
- Clear Execution Strategy and Global Growth Opportunity



**Strongly Positioned with IPR and Clinical Evidence to Non-invasive Neuromodulation in Therapeutic Applications**

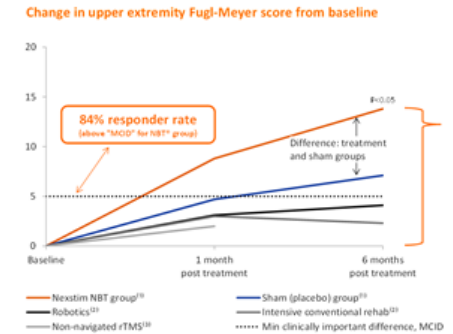
# 2014 Highlights

**IPO** Dual listing of Nexstim Shares in Nasdaq First North in Helsinki and Stockholm



Stroke Rehabilitation **Phase II** Data published in International Stroke Conference

**NBS 5 release**; the latest generation of e-Field based navigation software and hardware



Pivotal Phase III, **NICHE Trial**, Started in 12 US Rehabilitation sites – on track with interim analysis in Q3 2015

Conducted at 12 top US rehab sites

-  Rehabilitation Institute of Chicago (central site)
-  TIRR Memorial Hermann Hospital (Houston)
-  Spaulding Rehabilitation Hospital (Boston)
-  Ohio State University (Columbus, OH)
-  Rancho Los Amigos National Rehabilitation Center
-  Burke Rehabilitation Hospital (White Plains, NY)
-  Duke University Medical Center (Durham, NC)
-  Columbia Cornell New York Presbyterian Hospital
-  Shepherd Center (Atlanta)
-  University of Cincinnati
-  Indiana University Indianapolis
-  Mayo Clinic (Phoenix, AZ)

# Stroke Therapy

Huge Unmet Need and Commercial Opportunity



# Nexstim – Targeting a paradigm shift in stroke rehabilitation

## Nexstim's Navigated Brain Therapy® solution for stroke rehabilitation



## Targeting a blockbuster market...

(market for post-acute stroke treatment)

**2.1 million strokes** each year in US and Europe

**712,000 patients** is Nexstim's target # of patients

**\$1.8 billion** market potential for Nexstim

**Few effective alternatives...**

**...still \$8.5bn currently spent on stroke rehab in the US**



**Huge unmet need and commercial opportunity**



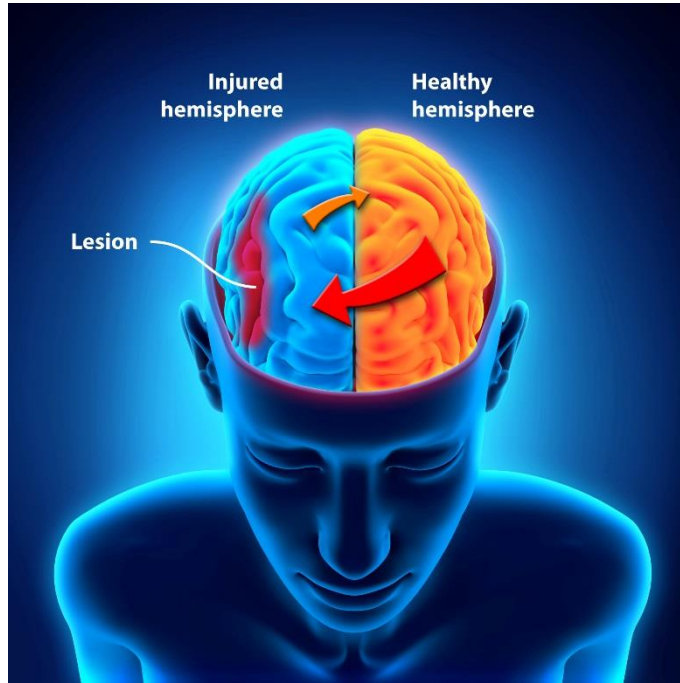
## ...with a potential game-changer technology

**Promising efficacy** demonstrated in completed Phase II clinical trial

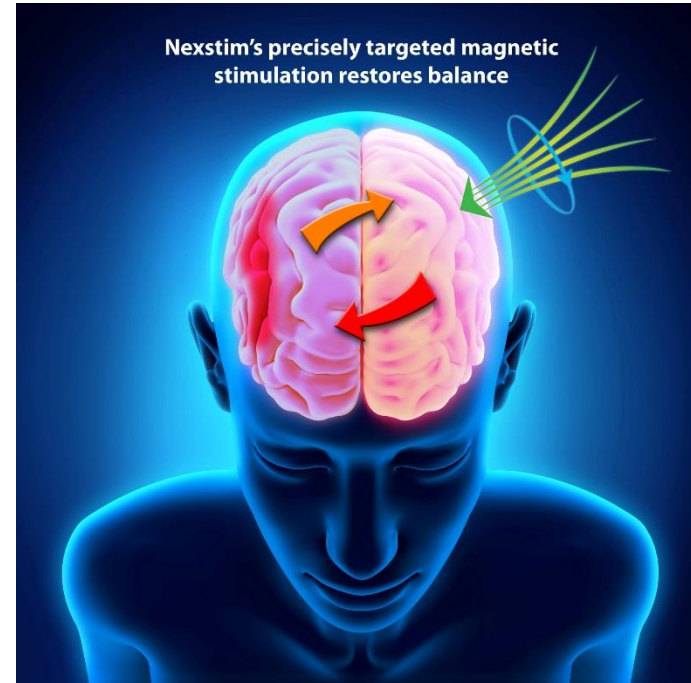
**Technology already validated** – Pioneered the technology to map motor and speech centers, with 120 devices installed worldwide and FDA clearance – same technology now applied in stroke rehabilitation

# NBT<sup>®</sup> for stroke rehabilitation – How it works

## Validated e-Field Navigation gives Competitive Edge



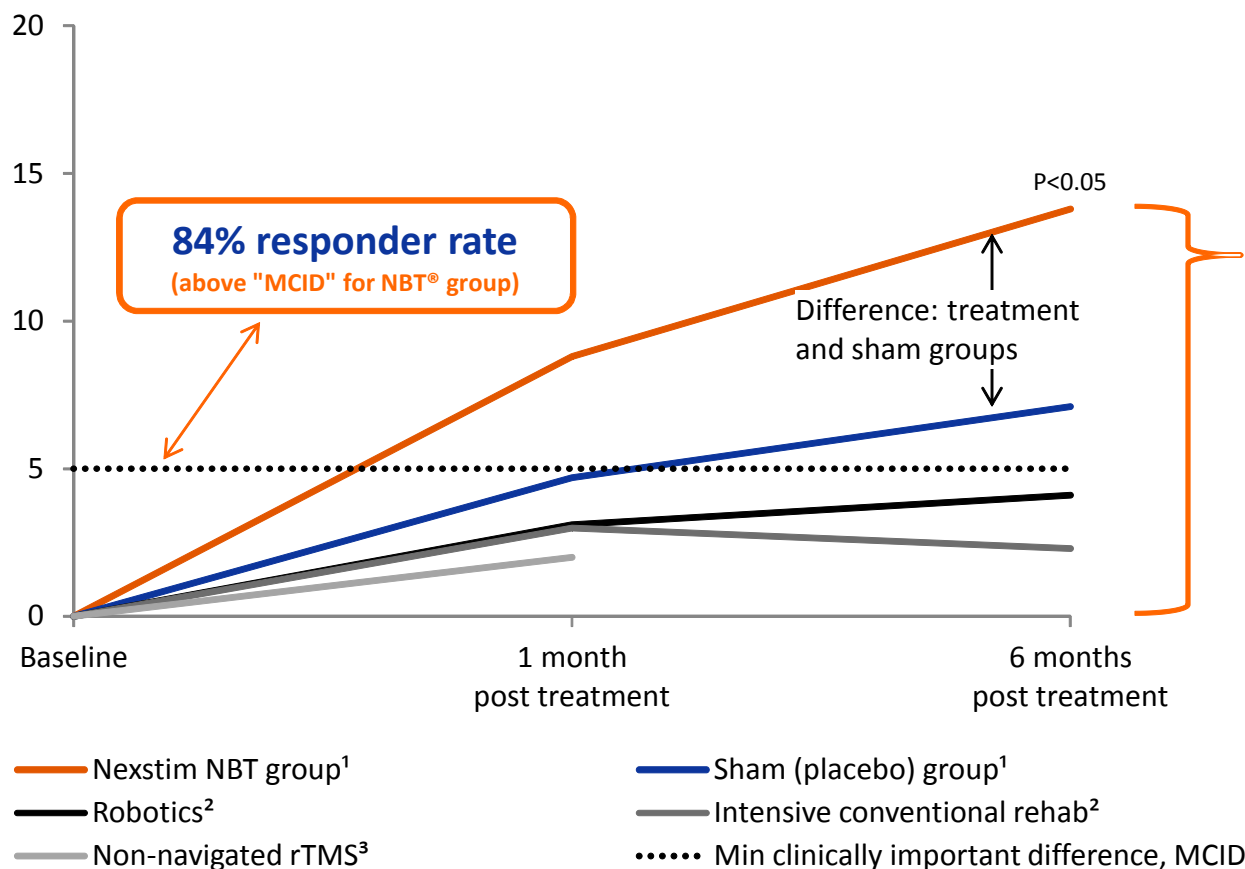
Using a patient's own MRI scan as a guide, Nexstim provides precisely targeted, personalized, magnetic stimulation to temporarily inhibit the healthy side of the brain, normalising the balance between the hemispheres.



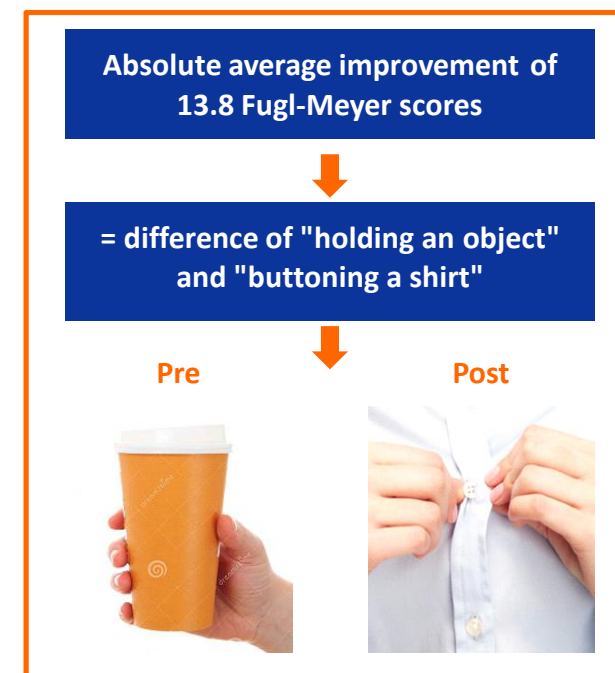
Because the injured side is no longer dominated by the healthy side of the brain, it is more responsive to the physiotherapy. This results in limb movement being potentially restored more quickly to better functionality.

# Efficacy demonstrated in Phase II trial

## Change in upper extremity Fugl-Meyer score from baseline



## Trial outcome:



## The Phase II clinical trial in brief:

- Single centre at Rehabilitation Institute of Chicago (#1 rehabilitation hospital in US for 24 consecutive years)
- 29 patients of which 19 (10) in treatment (sham) group
- End-point = 6 months post treatment

Note: "Robotics", "Intensive conventional rehab" and "Non-navigated rTMS" data come from different studies. While not directly comparable, included in the above chart for illustrative purposes. | (1) Data for "Treatment group" and "Sham group" from Nexstim Phase II clinical trial (Harvey et al, 2013) – per protocol figures. | (2) Data for "Robotics" and "Intensive conventional rehab" from published multi-center trial (Lo et al, NEJM 2010) | (3) Data for "Non-navigated rTMS" from published multi-center trial (Kakuda et al, J Neuroeng Rehab 2012), 6 month follow-up not done. Responder rate = % of group that had improvements above the 5 point minimal clinically important difference threshold.



# Nexstim's unique technology provides distinct benefits

## Integration of TMS and navigation



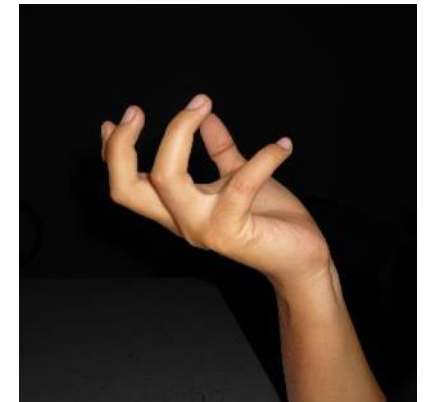
- TMS-navigation integration
- Navigation is the key differentiator

## Several distinct benefits



- Improved accuracy
- Dosing precision
- Repeatability
- Non-invasive procedure

## Enhanced limb move



- Substantially improved hand movement after treatment demonstrated in Nexstim's Phase II trial

# Highlights in Stroke Rehabilitation (NBT<sup>®</sup>)

## Huge unmet need

- 2.1m strokes each year in the US and Europe
- Stroke is the leading cause of long-term disability in Western world

## Few effective alternatives

- While current standard treatment of physical/occupational therapy is not very effective, \$8.5bn is still currently spent on stroke rehab in the US

## Potential blockbuster market

- \$1.8bn is estimated value of Nexstim's target market (US and Europe)

## Promising, validated technology

- Statistically significant efficacy in stroke rehabilitation vs. sham treatment (standard therapy)
- Navigation already validated by NBS

## Clear execution strategy

- Phase III trial on track: Establish efficacy in Phase III to obtain FDA clearance and KOL support
- Commercialisation strategy: Convince users of benefits, providers of economic benefits and obtain reimbursement coverage from payers

# Current Status and Outlook

Progressing as Planned with Milestones



# Phase III trials - Laying the groundwork for commercialisation

## Study in brief

- Establish clinical efficacy of NBT® in upper-limb motor rehabilitation
- Up to 198 patients
- 12 top US rehab sites – RIC is central site (#1 US rehabilitation hospital for 24 years)
- Dr. Richard L. Harvey lead investigator – one of the top experts in the field
- FDA reviewed protocol

## Study goals

### Outcome data

- Document effects/efficacy of NBT on upper-limb motor rehab

### FDA clearance

- Obtain FDA De Novo 510(k) clearance for right to market and sell NBT® in US

### KOL support

- Build support from key opinion leaders (KOLs) to support commercialisation

## Conducted at 12 top US rehab sites



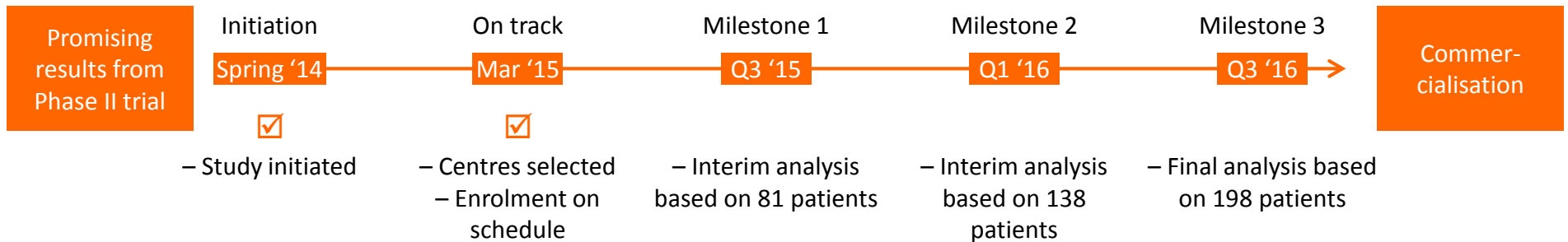
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University of Cincinnati  
Indiana University Indianapolis  
Mayo Clinic (Phoenix, AZ)

# Status of Clinical Development

## Progressing as Planned

- The clinical Phase III multi-center trial is progressing according to plans. The next interim analysis milestones are estimated to be reached Q3 2015 and Q1 2016 and the clinical evidence is assumed to be ready by the end of 2016
- In addition, chronic neuropathic pain trial in co-operation with The Walton Centre is progressing according to plans

### Simplified timeline Phase III multi-centre stroke therapy trial



# IP position

**62 granted patents**

**69 pending patents**

**Right to software:** Nexstim owns rights to its NBT® and NBS Systems' software developed in-house.

**Creating hurdles for competitors:** e.g. by seeking patent protection on different parts of the products and making it more difficult for potential competitors to create competing products

**Core algorithms kept as trade secrets:** Not patenting the core algorithms to avoid publicity and loss of trade secrets



# Financials

EUR in thousands	Revenue Growth from Device Sales with CAPEX Business Model	H2 2014 6 months	H2 2013 6 months	FY 2014 12 months	FY 2013 12 months
Net sales		1,796.5	1,371.7	2,210.4	1,871.0
Personnel expenses		-2,018.3	-1,492.5	-3,660.2	-3,043.4
Depreciation and amortisation		-252.1	-96.0	-377.4	-237.7
Other operating expenses		-3,826.2	-1,403.8	-5,498.5	-2,472.0
Profit/ -Loss for the period		-5,318.1	-1,966.7	-10,445.4	-4,514.9
Earnings per share (EUR)*		-1.02	-0.68	-2.37	-1.63
Diluted earnings per share (EUR)*		-0.92	-0.64	-2.16	-1.51
Cash flows from operating activities		-5,277.1	-2,124.5	-7,785.2	-3,983.7
Cash in hand and at banks		11,483.7	1,010.0	11,483.7	1,010.0
Total equity	Improved Cash Position from IPO	8,589.9	-2,382.1	8,589.9	-2,382.1
Equity ratio (%)		65.29	-30.23	65.29	-30.23
Number of shares in the end of the period (pcs)*		7,130,758	3,189,004	7,130,758	3,189,004
Average number of shares during the period (pcs)*		5,237,468	2,880,550	4,406,572	2,767,995
Diluted number of shares in the end of the period (pcs)*		7,917,698	3,401,454	7,917,698	3,401,454
Diluted average number of shares during the period (pcs)*		5,799,236	3,093,000	4,826,140	2,980,445

\*The number of shares and subscription price have been adjusted to take account the effect of the merging of the share classes and share split on 29 September 2014, where the number of shares was increased 14-fold

# Summary and Outlook

## Targeting a Paradigm Shift in Stroke Rehabilitation

- World-leading medical technology and software with game changing potential in stroke rehabilitation
- Good progress since IPO – business on track
- Based on its business forecast and sensitivity analysis the company expects its net sales from the sale of NBS Systems (Pre-Surgical Mapping, PSM) to grow during financial year 2015 and operating profit to be positive during second half of the financial year 2017 at the earliest







# Nexstim

## Targeting a paradigm shift in stroke rehabilitation

Thank You!