

Nexstim Plc
(“Nexstim” or the “Company”)

Nexstim Plc: Invitation to the Annual General Meeting

Helsinki, 7 March 2017 at 9:00 AM

Nexstim Plc (NXTMH:HEX, NXTMS:STO), a medical technology company aiming to improve rehabilitation for stroke patients through the use of non-invasive brain stimulation.

Shareholders of Nexstim Plc are invited to attend the Annual General Meeting of the Company on Tuesday, March 28, 2017 commencing at 10.30 (EET) at the auditorium of Hotel Haven, at the address of Unioninkatu 17 Helsinki, Finland. The reception of persons who have registered for the meeting will commence at 10.00.

A. Matters on the agenda of the Annual General Meeting of Shareholders

At the Annual General Meeting of Shareholders, the following matters will be considered:

- 1 OPENING OF THE MEETING
- 2 CALLING THE MEETING TO ORDER
- 3 ELECTION OF PERSONS TO SCRUTINIZE THE MINUTES AND TO SUPERVISE THE COUNTING OF VOTES
- 4 RECORDING THE LEGALITY OF THE MEETING
- 5 RECORDING THE ATTENDANCE AT THE MEETING AND ADOPTION OF THE LIST OF VOTES
- 6 PRESENTATION OF THE ANNUAL ACCOUNTS, INCLUDING CONSOLIDATED ACCOUNTS, THE REPORT OF THE BOARD OF DIRECTORS AND THE AUDITOR’S REPORT FOR THE YEAR 2016

Review by the CEO
- 7 ADOPTION OF THE ANNUAL ACCOUNTS
- 8 LOSS OF THE FINANCIAL YEAR

The Board of Directors proposes to the Annual General Meeting of Shareholders that no dividend be paid for the financial year 1 January – 31 December 2016 and that the loss of the financial year be recorded to the loss account.

9 RESOLUTION ON THE DISCHARGE OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE CEO FROM LIABILITY

10 RESOLUTION ON THE REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND REIMBURSEMENT OF TRAVEL EXPENSES

The Nomination Committee of the Board of Directors, which has the representation from the largest shareholders, proposes that the members of the Board of Directors be paid remuneration as follows:

The members of the Board of Directors who are elected in the Annual General Meeting shall be paid as follows for the term ending in the Annual General Meeting in 2018:

The Nomination Committee proposes that the Board members are remunerated as follows: for a member who is based in the United States EUR 36,000 and for a member who is based in in Europe EUR 27,000. The Nomination Committee proposes that the Board members invest half of their board fees into the company shares. For avoidance of doubt, the Chairman will not receive any board remuneration while he is also the CEO of the company.

The company has three board committees, nomination, audit and remuneration. The members of the board committees shall be paid as follows; EUR 10,000 for the chairman of a committee per year and EUR 5,000 for the members of the Committee.

In addition, the Nomination Committee proposes that reasonable travel expenses are reimbursed for the members of the Board.

Ken Charhut, Juliet Thompson and Rohan J. Hoare are also entitled to a a restricted share unit plan (RSU) as decided in the AGM in 2016. Martin Jamieson will not receive shares based on the RSU in 2016.

The Board members are elected to serve for a term ending at the end of the next Annual General Meeting.

11 RESTRICTED SHARE UNIT PLAN

The Nomination Committee proposed to the Annual General Meeting of Shareholders 2016 that a restricted share unit plan be implemented to selected members of the Board of Directors of Nexstim Plc, on the terms and conditions which can be found from www.nexstim.com. The plan includes four vesting periods, corresponding to the terms of office 2016—2017, 2017—2018, 2018—2019 and 2019—2020 of the member of the Board.

The aim of the plan is to commit the participants to the company, align the objectives of shareholders and participants thereby increasing the value of the company and to offer the participants a reward plan based on receiving and accumulating the company's shares.

The Nomination Committee proposes that the target group of the plan will be those members of the Board of Directors who are independent of the company. The Nomination Committee proposes that the reward allocations in 2017 will be determined in a Euro value.

Allocation for Board Members for the Vesting Period 2017—2018

The Nomination Committee proposes that for each Board member, the grant gross value of the reward for the vesting period 2017—2018 will be EUR 12,500. The aim is to propose equal allocations for the Board Members also to the Annual General Meetings of Shareholders 2018 and 2019.

The granted reward will be converted into restricted share units at the beginning of the vesting period, in 2017. The conversion of the granted reward into restricted share units will be based on the trade volume weighted average quotation of the company's share on Nasdaq Helsinki Ltd during 20 trading days following the release date of the company's Financial Statements in 2017. In the plan, one restricted share unit corresponds to one company's share. The value of the payable reward will be determined on the basis of the share price on the book-entry registration date of the paid shares.

The Nomination Committee proposes that rewards from the plan will be paid to the Board Members in the company's shares within four weeks of the Annual General Meeting of Shareholders 2018, 2019 and 2020. The allocated reward for the vesting period 2017—2018 will be paid within four weeks of the Annual General Meeting of Shareholders 2018. The company will withhold taxes and employment related expenses from the cash proportion of the reward as per the law in force. Should a Board Member cease to be a member of the Board before the end of a vesting period, no reward will be paid to him on that basis.

Ownership Recommendation

The Nomination Committee proposes that the participants will be strongly recommended to hold shares paid as reward as long as their mandate as a member of the Board continues.

12 RESOLUTION ON THE REMUNERATION OF AUDITORS

The Audit Committee of the Board of Directors proposes that the Auditors be paid reasonable remuneration in accordance with the invoice approved by the company.

13 RESOLUTION ON THE NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS

The Nomination Committee of Nexstim Plc, proposes that the number of members of the Board of Directors be confirmed as five (5) members.

14 ELECTION OF THE MEMBERS AND CHAIRMAN AND THE VICE CHAIRMAN OF THE BOARD OF DIRECTORS

The Nomination Committee proposes that the following four (4) Board members, in accordance with their consents Ken Charhut, Rohan J. Hoare, Martin Jamieson and Juliet Thompson, are re-elected as members of the Board of Directors and that the fifth Board member, a candidate currently being interviewed and who will be identified in the Annual Shareholder's Meeting is elected in accordance with his/her consent as the new member of the Board of Director's. The candidate is independent from Nexstim Plc. Martin Jamieson will be elected as the chairman and one of the Board members, to be determined in the Annual General Meeting, as the deputy chairman. Charhut, Hoare, and Thompson are independent from the company. Jamieson is the CEO of the company.

The curricula vitae of the proposed members of the Board of Directors will be available on the Internet at www.nexstim.com.

15 ELECTION OF AUDITOR

The Audit Committee of the Board of Directors proposes that the firm of authorized public accountants PricewaterhouseCoopers Oy, which has appointed Martin Grandell as responsible auditor, to be appointed as Auditor to serve for a term ending at the end of the next Annual General Meeting of Shareholders. The Auditor proposed herein has given his consent for the election.

16 AUTHORIZATION OF THE BOARD OF DIRECTORS TO DECIDE ON SHARE ISSUE, AS WELL AS OPTION RIGHTS AND OTHER SPECIAL RIGHTS ENTITLING TO SHARES

The Board of Directors proposes that the Annual General Meeting of Shareholders authorizes the Board of Directors to decide on share issue as well as issue of option rights and other special rights entitling to shares, pursuant to Chapter 10 of the Companies Act as follows:

The shares issued under the authorization are new or those in the Company's possession. Under the authorization, a maximum of seven million (7,000,000) shares, which corresponds to approximately ten point nine (10,9) percent of all the shares in the Company after the share issue, provided that new shares are issued. The shares or other special rights entitling to shares can be issued in one or more tranches.

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

The proposed authorization does not invalidate prior resolved and registered authorizations made at the General Meeting of Shareholders regarding share issue, issuing of option rights and other special rights entitling to shares.

The authorization is valid for one (1) year from the decision of the Annual General Meeting of Shareholders.

The Company intends to use this authorization for the future financing needs and possible mergers and acquisitions.

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AUTHORIZATION OF THE BOARD OF DIRECTORS TO DECIDE ON THE ISSUE OF SHARES AND OTHER SPECIAL RIGHTS ENTITLING TO SHARES

The Board of Directors proposes that the Annual General Meeting of Shareholders authorizes the Board of Directors to decide on share issue as well as issue of option rights and other special rights entitling to shares, pursuant to Chapter 10 of the Finnish Limited Liability Companies Act as follows:

The shares issued under the authorization are new or those in the Company's possession. Under the authorization, a maximum of seven million (7,000,000) shares can be issued. This number corresponds to approximately ten point nine (10,9) percent of all the shares in the Company after the share issue, provided that new shares are issued. The shares or other special rights entitling to shares can be issued in one or more tranches.

The Board of Directors is authorized to resolve on all terms for the share issue and granting of the special rights entitling to shares. The Board of Directors is authorized to resolve on a directed share issue and issue of the special rights entitling to shares in deviation from the shareholders' pre-emptive right, provided that there is a weighty financial reason for the Company to do so. The authorization can also be used for incentive arrangements and payment of the Board fees.

The proposed authorization does not invalidate prior resolved and registered authorizations made at the General Meeting of Shareholders regarding share issue, issuing of option rights and other special rights entitling to shares.

The authorization is valid for five (5) years from the decision of the Annual General Meeting of Shareholders.

The company intends to use the authorization to the implementation of the RSU plan for the members of the Board of Director's and for the long-term incentive plans for the management and the personnel of the company

18 PROPOSALS OF THE SHAREHOLDERS TO THE ANNUAL GENERAL MEETING OF THE SHAREHOLDERS ON ISSUANCE OF OPTION RIGHTS

The shareholders of Nexstim Plc, Mr Ossi Haapaniemi and Haapaniemi O.Law Oy representing approximately 1.57 % of the company's' shares, propose to the Annual General Meeting of the Shareholders on issuance of option rights as follows:

1. Decision on the issue of warrants to those who have been shareholders in Nexstim Plc on February 21, 2017. The warrants would be given free of charge. One share entitles to receive one warrant and with one warrant one Nexstim Plc share can be subscribed at 0,1411 euros. The warrants should be given to book-entry accounts at the latest by the end of May 2017 and after the issuance they expire at January 17th, 2020. The Board of Directors is authorised to resolve on all other terms and practical matter.

If the shareholders' meeting does not decide to issue warrants as proposed in 1, the following is proposed:

2. Decision on the issue of warrants to old shareholders in Nexstim Plc. The warrants would be given free of charge. One share entitles to receive one warrant and with one warrant one Nexstim Plc share can be subscribed at 0,1411 euros. The warrants should be given to book-entry accounts at the latest by the end of May 2017 and after the issuance they expire at January 17th, 2020. The Board of Directors is authorised to resolve on all other terms and practical matter.

The warrants will be issued to the old shareholders in order to safeguard the equal treatment of old shareholders in relation to the offerings and issuance of warrants proposed to the extraordinary shareholders' meeting February 21, 2017. At the same time Nexstim Plc will received significant amount of additional funding, if the warrants are exercised.

19 CLOSING OF THE MEETING

B. Documents of the General Meeting of Shareholders

The proposals of the Board of Directors and its committees relating to the agenda of the Annual General Meeting of Shareholders as well as this notice are available on Nexstim Plc's website at www.nexstim.com. The annual report of Nexstim Plc, including the Company's Annual Accounts, the report of the Board of Directors and

the Auditor's report, is available on the abovementioned website no later than on March 7, 2017. The proposals for the decisions on the matters on the agenda of the General Meeting of Shareholders and the Annual Accounts are also available at the Meeting. Copies of these documents and of this notice will be sent to shareholders upon request. The minutes of the meeting will be available on the above-mentioned website as from April 11, 2017 at the latest.

C. Instructions for the participants in the Annual General Meeting of Shareholders

1. Shareholders registered in the shareholders' register

Each shareholder, who is registered on March 16, 2017 in the shareholders' register of the Company held by Euroclear Finland Ltd, has the right to participate in the Annual General Meeting of Shareholders. A shareholder, whose shares are registered on his/her personal book-entry account, is registered in the shareholders' register of the Company.

A shareholder, who wants to participate in the Annual General Meeting of Shareholders, shall register for the meeting no later than March 23, 2017 at 10.00 a.m. by giving a prior notice of participation. Such notice can be given:

- (a) on the Company's website: www.nexstim.com; or
- (b) by mail to address Nexstim Plc, "Annual General Meeting" Elimäenkatu 9B, 00510 Helsinki, Finland

In connection with the registration, a shareholder shall notify his/her name, personal identification number or business ID, address, telephone number and the name of a possible assistant or proxy representative. The personal data given to Nexstim Plc is used only in connection with the General Meeting of Shareholders and with the processing of related registrations.

2. Holders of nominee registered shares

A holder of nominee registered shares has the right to participate in the Annual General Meeting by virtue of such shares, based on which he/she on the record date of the Annual General Meeting, i.e. on March 16, 2017, would be entitled to be registered in the shareholders' register of the Company held by Euroclear Finland Ltd. The right to participate in the General Meeting requires, in addition, that the shareholder on the basis of such shares has been registered into the temporary shareholders' register held by Euroclear Finland Ltd at the latest by March 23, 2017 at 10.00 a.m. As regards nominee registered shares this constitutes due registration for the General Meeting.

A holder of nominee registered shares is advised to request without delay necessary instructions regarding the registration in the shareholders' register of the Company, the issuing of proxy documents and registration for the General Meeting of

Shareholders from his/her custodian bank. The account management organization of the custodian bank has to register a holder of nominee registered shares, who wants to participate in the General Meeting, into the temporary shareholders' register of the Company at the latest by the time stated above.

3. Shares registered in Euroclear Sweden AB

A shareholder with shares registered in Euroclear Sweden AB's Securities System who wishes to attend and vote at the General Meeting must:

- be registered in the shareholders' register maintained by Euroclear Sweden AB no later than on 16 March 2017.
- Shareholders, whose shares are registered in the name of a nominee must, in order to be eligible to request a temporary registration in the shareholders' register of Nexstim Plc maintained by Euroclear Finland, request that their shares are re-registered in their own names in the register of shareholders maintained by Euroclear Sweden AB, and procure that the nominee sends the above mentioned request for temporary registration to Euroclear Sweden AB on their behalf. Such registration must be made at the latest by 16 March 2017 and the nominee should therefore be notified well in advance before said date.
- request temporary registration in the shareholders' register of Nexstim Plc maintained by Euroclear Finland Oy. Such request shall be submitted in writing to Euroclear Sweden AB no later than on 17 March 2017 at 10 a.m. Swedish time.

This temporary registration made through written request to Euroclear Sweden AB is considered a notice of attendance at the General Meeting.

4. Proxy representative and powers of attorney

A shareholder may participate in the Annual General Meeting of Shareholders and exercise his/her rights at the Meeting by way of proxy representation. A proxy representative shall produce a dated proxy document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder at the Annual General Meeting of Shareholders.

When a shareholder participates in the Annual General Meeting of Shareholders by means of several proxy representatives representing the shareholder with shares at different securities accounts, the shares by which each proxy representative represents the shareholder shall be identified in connection with the registration for the Annual General Meeting of Shareholders.

Possible proxy documents should be delivered in originals to Nexstim Plc, "Annual General Meeting" Elimäenkatu 9 B, 00510 Helsinki, Finland before the last date for registration.

5. Other instructions and information

Pursuant to chapter 5, section 25 of the Companies Act, a shareholder who is present at the General Meeting has the right to request information with respect to the matters to be considered at the Meeting.

The meeting will be conducted in Finnish language. Part of the material presented at the meeting will be in English language.

On the date of this notice to the Annual General Meeting of Shareholders, dated March 7, 2017, the total number of shares and votes in Nexstim Plc is 57,274,738.

Helsinki, March 7, 2017

NEXSTIM PLC

The Board of Directors

For further information please visit www.nexstim.com or contact:

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About Nexstim Plc

Nexstim is a medical technology company which has pioneered its technology in brain diagnostics with the Navigated Brain Stimulation (NBS) system as the first and only FDA-cleared and CE-marked navigated Transcranial Magnetic Stimulation (nTMS) system for pre-surgical mapping of the motor and speech cortices. Based on the same technology platform, the Company has developed a system called Navigated Brain Therapy (NBT®) which is CE-marked for chronic neuropathic pain, major depression and stroke therapy. Nexstim's shares are listed on Nasdaq First North Finland and Nasdaq First North Sweden. For more information please visit www.nexstim.com