



## **Nexstim Plc: Invitation to the Annual General Meeting**

*Company announcement, Helsinki, 10 March 2023 at 9:30 AM (EET)*

Nexstim Plc (NXTMH: HEX, NXTMS: STO) (“Nexstim” or the “Company”) is pleased to invite shareholders to the Annual General Meeting of the Company on March 31, 2023 commencing at 10:00 (EEST) at the Nexstim’s head office, Elimäenkatu 9 B (courtyard), 4<sup>th</sup> floor, 00510 Helsinki. The reception of persons who have registered for the meeting will commence at 9:30. There will be no coffee service.

### **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 THE MEETING**
- 2 CALLING THE MEETING TO ORDER**
- 3 ELECTION OF PERSONS TO SCRUTINISE THE MINUTES AND TO SUPERVISE THE COUNTING OF VOTES**
- 4 ESTABLISHING THE LEGALITY OF THE MEETING**
- 5 RECORDING THE ATTENDANCE AT THE MEETING AND THE VOTING LIST**
- 6 PRESENTATION OF THE ANNUAL ACCOUNTS INCLUDING CONSOLIDATED ACCOUNTS, THE REPORT OF THE BOARD OF DIRECTORS AND THE AUDITOR’S REPORT FOR YEAR 2022**  
  
Review by the CEO
- 7 ADOPTION OF THE ANNUAL ACCOUNTS**
- 8 RESULT OF THE FINANCIAL YEAR**

The Board of Directors proposes to the Annual General Meeting that no dividend be paid for the financial period 1 Jan – 31 Dec 2022 and that the result for the financial year be recorded in the retained earnings account.

- 9 DISCHARGING THE MEMBERS OF THE BOARD OF DIRECTORS AND THE CEO FROM LIABILITY**
- 10 RESOLUTION ON THE NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS**

The Nomination Board of Shareholders (“Nomination Board”) representing the largest shareholders proposes to the Annual General Meeting that the Board shall have four (4) members.

- 11 ELECTION OF THE CHAIR AND THE MEMBERS OF THE BOARD OF DIRECTORS**

The Nomination Board proposes to the Annual General Meeting that:

- in accordance with their consents to serving on the Board, Tero Weckroth, Timo Hildén, Martin

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Forss and Leena Niemistö shall be re-elected as members of the Board

- Leena Niemistö is elected as Chair of the Board.

Leena Niemistö is independent of the Company but not independent of Company's major shareholders due to the fact that she together with Kaikarhenni Oy, a company controlled by Ms. Niemistö, together hold approximately 15,45% (on 26 January 2023) of all registered shares and voting rights of the Company. Other proposed members of the Board are independent of the Company and its major shareholders.

The Nomination Board agrees that proposed the entire Board are suitable for the proposed roles individually and collectively, and Leena Niemistö is suitable to act as the Chair of the Board.

## **12 RESOLUTION ON THE REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND REIMBURSEMENT OF TRAVEL EXPENSES**

The Nomination Board proposes to the Annual General Meeting that the members of the Board of Directors chosen in the Annual General Meeting be remunerated for the period ending at Annual General Meeting 2024 as follows:

- €24,000 and 12 000 option rights for the Chair of the Board of Directors;
- €12,000 and 8 500 option rights for other members; and
- that no member of the Board of Directors acting in the Nomination Board of the Shareholders shall receive any fees based on such membership, and
- that a member of the Board of Directors will be entitled to remuneration only for the period during which he is working as a member of the Board of Directors.
- that the company establish an option program for the members of the Board of Directors, priced 20 trading days after the date of the Annual General Meeting for trading on the VWAP Helsinki list, with a subscription period of 1.7.2024-15.12.2029
- that the target group of the binding stock option plan is the members of the Board of Directors who are independent of the company. However, the target group member does not have to be independent of the company's shareholders
- that the amount of the remunerations for 2023 will be determined in euro.

According to the company's policy, the cash remuneration is paid in four instalments.

The purpose of the option plan to be established is to commit the participants to the company, to combine the objectives of the shareholders and participants and thus to increase the value of the company.

### Ownership Recommendation

The Shareholders Nomination Board resolved to propose to the General Meeting of Shareholders that it be strongly recommended that the participants hold options given as reward as long as their mandate as a member of the Board of Directors continues.

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## Travelling expenses

The Nomination Board resolved to propose to the General Meeting of Shareholders that

- reasonable travel expenses are reimbursed against receipts to the members of the Board of Directors, following the principles of the company's travel policy. This applies both to members of the Board of Directors and, to the extent applicable, members of the Board of Directors acting as members of the Nomination Board of the Shareholders.

## **13 ELECTION OF AUDITOR**

The Board of Directors proposes that PricewaterhouseCoopers Oy, Authorized Public, Accountant, which has appointed Authorized Public Accountant -Tiina Puukkoniemi as the principal auditor, be elected as the Company's auditor for the period ending at the end of the next Annual General Meeting. The proposed auditor has given their consent to the election.

## **14 RESOLUTION ON THE REMUNERATION OF THE AUDITOR**

The Board of Directors proposes that the auditor be paid reasonable remuneration in accordance with the invoice approved by the Company.

## **15 EXTENSION OF THE AUTHORISATION GIVEN TO BOARD OF DIRECTORS AT THE ANNUAL GENERAL MEETING OF 2021, AS EXTENDED IN THE ANNUAL GENERAL MEETING 2022 TO DECIDE ON ISSUANCE OF SHARES AS WELL AS ISSUANCE OF OPTION RIGHTS AND OTHER SPECIAL RIGHTS ENTITLING TO SHARES**

The Board of Directors proposes to the Annual General Meeting that the current authorization as granted in the annual general meeting 2021 and as extended in the annual general meeting 2022 be extended and that the Board of Directors be authorized to decide on (i) the issuance of new shares and/or (ii) the transfer of the Company's own shares and/or (iii) the issuance of special rights referred to in Chapter 10, Section 1 of the Companies Act with the following terms:

Right to shares:

New shares may be issued and the Company's own shares transferred

- to the Company's shareholders in proportion to their current shareholdings in the Company; or
- deviating from the shareholders' pre-emptive right through one or more directed share issue, if the Company has a weighty financial reason to do so, such as the use of shares as consideration for possible acquisitions or other arrangements related to the company's business (including the arrangement described in section 15 above regarding the reducing of the quantity of the Company's shares), financing of investments.

The new shares can also be issued to the Company itself free of charge. Share issue against payment and without payment: New shares may be issued and treasury shares held by the Company may be transferred either against payment (Share issue against payment) or free of charge (Share issue without payment). A directed share issue can only be without payment if there is a particularly weighty financial reason for it from the Company's point of view and taking into account the interests of all its

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shareholders.

The maximum number of shares:

Pursuant to the authorisation, the Board of Directors is entitled to decide on the issuance of new shares and/or the transfer of the Company's own shares so that the total number of issued and/or transferred shares does not exceed 1.300.000 shares, which corresponds to the number of remaining authorisations of the authorisation decided at the Annual General Meeting of 2022.

Issuance of special rights:

The Board of Directors may issue special rights referred to in Chapter 10, Section 1 of the Companies Act, which entitle the holder to receive new shares or the Company's own shares in against payment. The right may also be granted to the Company's creditor in such a way that the right is subject to the condition that the creditor's claim be used to set off the share subscription price (convertible bond).

The number of new shares to be subscribed to under the special rights granted by the Company and the number of treasury shares to be transferred held by the Company may not exceed a total of 1.300.000, which is included in the maximum number mentioned in the "Maximum number of shares" -section above.

Recording of the subscription price in the balance sheet:

The subscription price of the new shares and the amount to be paid for the Company's own shares must be entered in the invested unrestricted equity fund.

Other terms and validity:

The Board of Directors decides on all other matters related to the authorizations.

The authorizations are valid until the next Annual General Meeting from the decision of this Annual General Meeting. The proposed authorization does not invalidate the authorization resolved at the Annual General Meeting of 2022 in the amount corresponding to this resolution regarding share issue, issuing of option rights and other special rights entitling to shares but no other authorizations.

## **16 AUTHORIZATION INTENDED TO BE USED FOR THE LONG-TERM INCENTIVE PLANS FOR THE MEMBERS OF THE BOARD OF DIRECTORS, MANAGEMENT AND THE PERSONNEL OF THE COMPANY**

The Board of Directors proposes that the Annual General Meeting of Shareholders authorizes the Board of Directors to decide on share issues as well as issues 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. Based and within the limits of this authorization, the Board of Directors can also decide on issuance(s) of option rights or other special rights set forth in Chapter 10 of the Limited Liability Companies Act complementing or replacing issuance(s) of shares. New shares can also be issued as a free share issue to the company itself.

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Paid and free share issue: New shares can be issued and the company's own shares can be transferred either for a fee (paid share issue) or free of charge (free share issue). A directed share issue can only be free of charge if there is a particularly compelling financial reason for it from the company's point of view and taking into account the interests of all its shareholders.

Under the authorization, a maximum of 787 500 shares may be issued, which corresponds to approximately 10,50 percent of all the shares in the Company after the share issue, provided that new shares are issued, considering all registered shares of the Company.

The shares, option rights and/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 issues and the terms for the granting of the option rights and other 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 five (5) years from the decision of the Annual General Meeting of Shareholders. The authorization may be used for the implementation of long-term incentive plans for the members of the Board of Directors, management and the personnel of the Company. The authorization can also be used for incentive arrangements and payment of the Board fees.

Authorizations do not revoke previously granted authorizations on the issuance of shares and the issuance of special rights entitling to shares.

## **17 AMENDING THE ARTICLES OF ASSOCIATION**

The Board of Directors proposes that an addition be made to the Articles of Association regarding participation in the general meeting via remote connection or completely without a physical meeting place in accordance with Chapter 5 § 16 of the Companies Act (21 July 2006/624). The Board also proposes that in the future only Helsinki could serve as the physical meeting place of the general meeting.

The current wording of § 7 of the Articles of Association:

*“7 § Notice to convene a general meeting of shareholders*

*The notice to convene a general meeting of shareholders must be delivered to the shareholders by publishing the notice on the website of the company or otherwise in a verifiable manner no more than three (3) months and no less than three (3) weeks prior to the general meeting of shareholders, however, in any case, at least nine (9) days prior to the record date of the general meeting of shareholders pursuant to the Finnish Companies Act.*

*Where the board of directors so decides, a shareholder must register with the company in order to*

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*participate in the general meeting of shareholders. In such case, shareholders must register no later than on the date referred to in the notice convening the meeting, which date may be at the earliest ten (10) days prior to the general meeting of shareholders.*

*General meetings may held in the City of Helsinki, Finland or the City of Stockholm, Sweden."*

Proposed new wording in § 7 of the Articles of Association:

"§ 7 Meeting invitation, meeting place and method of participation

The invitation to the general meeting must be delivered to the shareholders by publishing the invitation on the company's website or in another verifiable way no earlier than three (3) months and no later than three (3) weeks before the general meeting, but at least nine (9) days before the record date of the general meeting referred to in the Companies Act.

If the board so decides, the shareholder must register with the company in order to participate in the general meeting. The shareholder must register no later than on the day mentioned in the meeting invitation, which can be no earlier than ten (10) days before the general meeting.

*The general meeting can be held in the city of Helsinki, Finland.*

*The board can decide that the general meeting may also be attended in such a way that the shareholder exercises his decision-making power with the help of a data communication connection and a technical aid before or during the general meeting. The board can also decide that the general meeting is organized entirely without a meeting place, so that the shareholders fully exercise their decision-making power in an up-to-date manner with the help of a data communication connection and a technical aid during the meeting."*

## **18 CLOSING OF THE MEETING**

### ***A. Documents of the Annual General Meeting of Shareholders***

This invitation to the Annual General Meeting, which includes the proposals made to the Annual General Meeting, is available on Nexstim Plc's website at <https://nexstim.com/investors/shareholder-meetings/> as well as at the Company's head office. The Annual accounts, Consolidated accounts, report of the Board of Directors and Auditor's report are available on the abovementioned website no later than 10 March 2023. The minutes of the Annual General Meeting are available in the abovementioned website no later than 14 April 2023.

### ***B. Instructions for the participants of the Annual General Meeting of Shareholders***

#### **1. Shareholders registered in the shareholders' register**

Each shareholder registered on 21 March 2023 in the shareholders' register of Nexstim maintained by Euroclear Finland Ltd has the right to participate in the Annual General Meeting of Shareholders. A shareholder whose shares are registered on their personal book-entry account is registered in the shareholders' register of Nexstim.

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A shareholder, who wants to participate in the Annual General Meeting of Shareholders, shall register for the meeting no later than March 27, 2023 at 10:00 a.m. by giving a prior notice of participation. Such notice can be given:

- (a) on the Company's website: <https://nexstim.com/investors/shareholder-meetings/>; 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 21, 2023, 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 28, 2023 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 21 March 2023.
- 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 in good time prior 23 March 2023, 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.
- 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 23 March 2023 at 5 p.m. Swedish time (by email [ISS@euroclear.com](mailto:ISS@euroclear.com)).

This temporary registration made through written request to Euroclear Sweden AB is considered a

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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 10, 2023, the total number of shares and votes in Nexstim Plc is 6 715 019.

Helsinki on March 10, 2023

NEXSTIM PLC  
Board of Directors

**Further information is available on the website [www.nexstim.com](http://www.nexstim.com) or by contacting:**

**Leena Niemistö**, Chair of the Board  
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**Certified Adviser of the Company is Erik Penser Bank AB (Certified Adviser)**

#### **About Nexstim Plc**

Nexstim is a Finnish, globally operating growth-oriented medical technology company. Our mission is to enable personalized and effective diagnostics and therapies for challenging brain diseases and disorders.

Nexstim has developed a world-leading non-invasive brain stimulation technology for navigated transcranial magnetic stimulation (nTMS) with highly sophisticated 3D navigation providing accurate and personalized targeting of the TMS to the specific area of the brain.

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Nexstim's Diagnostics Business focuses on commercialization of the Navigated Brain Stimulation (NBS) system. The NBS system is the only FDA cleared and CE marked navigated TMS system for pre-surgical mapping of the speech and motor cortices of the brain.

Nexstim's Therapy Business markets and sells the Navigated Brain Therapy (NBT®) system, which is FDA cleared for marketing and commercial distribution for the treatment of major depressive disorder (MDD) in the United States. In Europe, the NBT® system is CE marked for the treatment of major depression and chronic neuropathic pain.

Nexstim shares are listed on the Nasdaq First North Growth Market Finland and Nasdaq First North Growth Market Sweden.

For more information, please visit [www.nexstim.com](http://www.nexstim.com)