



**Nexstim Plc**  
**("Nexstim")**

**Nexstim Plc: Invitation to the Extraordinary General Meeting**

***Helsinki, 21 July 2016 at 9:05 am***

Nexstim Plc (NXTMH:HEX, NXTMS:STO), a medical technology company with a pioneering navigated non-invasive brain stimulation system.

Shareholders of Nexstim Plc are invited to attend the Extraordinary General Meeting of Nexstim on 18 August 2016, commencing at 14.00 (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 13.30.

***A. Matters on the agenda of the Extraordinary General Meeting of Shareholders***

At the Extraordinary 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 RESOLUTIONS RELATING TO THE TRANSACTION (AS DEFINED BELOW)

***6.1 Transaction description***

Nexstim announced on 21 July 2016 (the "**Company Announcement**") its plans to strengthen its working and growth capital through a directed share issue of EUR 500,000, a convertible bond facility of EUR 5 million, stand-by equity facilities of EUR 6.5 million and special rights entitling to shares (the "**Warrants**") to the Bracknor Investment ("**Bracknor**") and to Nexstim's current shareholder, the Finnish Innovation Fund Sitra ("**Sitra**", together with Bracknor the "**Investors**").

The shares to be issued through the convertible bond facility and the stand-by equity facilities will be subscribed for and the proceeds thereof will be paid to Nexstim over the period of the next 24 months until August 2018 in accordance with the terms and conditions agreed upon by Nexstim separately with both Investors.

In addition to the directed share issue, the convertible bond facility and the stand-by equity facilities, the Warrants entitle the Investors to subscribe for new shares in



Nexstim or existing shares in the possession of Nexstim as described in the Company Announcement.

The transaction, including the directed share issue, the convertible bond facility, the stand-by equity facilities and the Warrants (hereinafter the "**Transaction**"), is conditional on, inter alia, the granting of necessary authorisations by the Extraordinary General Meeting of Nexstim. The Transaction and the agreements, made separately between Nexstim and both Investors, have been described in more detail in the Company Announcement.

The Board of Directors, having considered various strategies and alternatives for ensuring sufficient level of financing of Nexstim, has concluded that the Transaction is the most favourable alternative for Nexstim to raise capital in the amount required to ensure going concern operations and future growth. There are, therefore, especially weighty financial reasons for issuing special rights entitling to shares and deviating from shareholders' pre-emptive subscription rights in the directed share issues in connection with the Transaction.

In order to implement the Transaction, the Board of Directors proposes that the Extraordinary General Meeting would resolve on (i) authorising the Board of Directors to resolve on issues of shares to Nexstim itself without payment; (ii) authorising the Board of Directors to resolve on directed share issues including directed share issues without payment; and (iii) authorising the Board of Directors to resolve on issues of special rights entitling to shares.

The proposed authorisations, as presented in items 6.2–6.4 below, will not, if approved by the Extraordinary General Meeting, revoke each other or replace previous authorisations granted to the Board of Directors.

The following proposals of the Board of Directors in sections 6.2–6.4 form an entirety that requires the adoption of all its individual items by a single resolution.

**6.2** *Authorising the Board of Directors to resolve on issues of shares to Nexstim itself without payment*

The Board of Directors proposes that the Extraordinary General Meeting would authorise the Board of Directors to resolve by one or several resolutions on directed issues of new shares to Nexstim itself without payment for the purpose of the Transaction. Any disposal of existing shares in the possession of Nexstim issued under this section 6.2 would occur under the authorisation referred to below in section 6.3.

The authorisation would consist of up to 15,000,000 shares in the aggregate. The Board of Directors would be authorised to resolve on all other terms and conditions of the issues of shares hereunder. The authorisation would be effective for five (5) years from the date of the resolution of the Extraordinary General Meeting.

## 6.3 *Authorising the Board of Directors to resolve on directed share issues*

The Board of Directors proposes that the Extraordinary General Meeting would authorise the Board of Directors to resolve on issues of new shares or dispose of existing shares in the possession of Nexstim for the purpose of the Transaction, by one or several resolutions as set out above and as follows.

The aggregate number of new shares to be issued or existing shares in the possession of Nexstim to be disposed of in the directed shares issues under this section 6.3 would not exceed 15,000,000 shares, which corresponds to approximately 184.80% of the existing shares and votes in Nexstim. Of the maximum number of 15,000,000 shares, a maximum number of 750,000 shares could be issued without payment to Bracknor and Sitra for covering the fees relating to the Transaction and payable by Nexstim.

The Board of Directors would be authorised to resolve on all other terms and conditions of the directed share issues. The issues of new shares or the disposals of existing shares in the possession of Nexstim would be carried out in deviation from the shareholders' pre-emptive rights by way of directed issues. As mentioned above in section 6.1, there are especially weighty financial reasons for deviating from shareholders' pre-emptive subscription rights.

The authorisation would be effective for five (5) years from the date of the resolution of the Extraordinary General Meeting. This authorisation would not replace previous authorisations granted to the Board of Directors.

## 6.4 *Authorising the Board of Directors to resolve on issues of special rights entitling to shares*

The Board of Directors proposes that the Extraordinary General Meeting would authorise the Board of Directors to resolve by one or several resolutions on issues of special rights entitling to shares referred to in Chapter 10, Section 1 of the Finnish Companies Act (624/2006, as amended) for the purpose of the convertible bond facility and issues of the Warrants to the Investors, as set out above and as follows.

The aggregate number of new shares to be issued or existing shares in the possession of Nexstim to be disposed of on the basis of special rights entitling to shares issued under this section 6.4 would not exceed 18,000,000 shares, which corresponds to approximately 211.76% of the existing shares and votes in Nexstim.

The Board of Directors would be authorised to resolve on all other terms and conditions of the issues of special rights entitling to shares. As mentioned above in section 6.1, there are especially weighty financial reasons for issuing special rights entitling to shares.

The authorisation would be effective for five (5) years from the date of the resolution of the Extraordinary General Meeting. This authorisation would not replace previous authorisations granted to the Board of Directors.

7

## CLOSING OF THE MEETING

### ***B. Documents of the Extraordinary General Meeting of Shareholders***

The proposals relating to the agenda of the Extraordinary General Meeting of Shareholders as well as this notice are available on Nexstim Plc's website at [www.nexstim.com](http://www.nexstim.com). The proposals for the resolutions on the matters on the agenda of the Extraordinary General Meeting of Shareholders 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 abovementioned website as from 1 September 2016 at the latest.

### ***C. Instructions for the participants in the General Meeting of Shareholders***

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

Each shareholder, who is registered on 8 August 2016 in the shareholders' register of Nexstim held by Euroclear Finland Ltd, has the right to participate in the Extraordinary General Meeting of Shareholders. A shareholder, whose shares are registered on his/her personal book-entry account, is registered in the shareholders' register of Nexstim.

A shareholder, who wants to participate in the Extraordinary General Meeting of Shareholders, shall register for the meeting no later than 15 August 2016 at 10.00 a.m. by giving a prior notice of participation. Such notice can be given:

- (a) on Nexstim's website: [www.nexstim.com](http://www.nexstim.com); or
- (b) by mail to address Nexstim Plc, "Extraordinary 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 is used only in connection with the Extraordinary 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 Extraordinary General Meeting by virtue of such shares, based on which he/she on the record date of the Extraordinary General Meeting, i.e. on 8 August 2016, would be entitled to be registered in the shareholders' register of Nexstim held by



Euroclear Finland Ltd. The right to participate in the Extraordinary 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 15 August 2016 at 10.00 a.m. As regards nominee registered shares this constitutes due registration for the Extraordinary General Meeting.

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

- be registered in the shareholders' register maintained by Euroclear Sweden AB no later than on 8 August 2016.
- 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 8 August 2016 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 9 August 2016 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 Extraordinary General Meeting.

### **4. Proxy representative and powers of attorney**

A shareholder may participate in the Extraordinary 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 Extraordinary General Meeting of Shareholders.

When a shareholder participates in the Extraordinary 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 Extraordinary General Meeting of Shareholders.

Possible proxy documents should be delivered in originals to Nexstim Plc, "Extraordinary 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 Extraordinary 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 Extraordinary General Meeting of Shareholders, dated 21 July 2016, the total number of shares and votes in Nexstim is 8,116,833.

Helsinki, 21 July 2016

NEXSTIM PLC

The Board of Directors

NEXSTIM PLC  
Martin Jamieson, CEO



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