

## TERMS AND CONDITIONS OF THE OFFERING 30 APRIL 2020

### Authorisation

On 30 April 2020 the Annual General Meeting of Shareholders of Nexstim Plc (**"the Company"**) decided to authorise 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 Companies Act, as follows:

The shares issued under the authorisation are new or those in the Company's possession. Based on and within the limits of this authorisation, 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.

Under the authorisation, a maximum of four hundred and twenty million (420,000,000) shares may be issued, which corresponds to approximately 86.99 per cent of all the shares in the Company after the share issue, provided that new shares are issued, considering all the registered shares of the Company.

In issuing new ordinary shares, the shareholders have the right to subscribe for new shares in proportion to their existing holdings of the shares of the Company. The Board of Directors has the right to decide upon the offering to parties determined by the Board of Directors of any shares that may remain unsubscribed for pursuant to the shareholders' pre-emptive subscription right. In connection with any shares which remain unsubscribed in such a subscription rights issue, the Board of Directors is authorised to decide on directed share issues, directed issues of option rights or 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 shares and option rights or other special rights entitling to shares can hence be issued in one or more tranches.

The Board of Directors is authorised to resolve on the final subscription price as well as all terms for the share issues and granting of the special rights entitling to shares.

The proposed authorisation does not invalidate prior resolved and registered authorisations made at the General Meeting of Shareholders regarding share issues and issuances of option rights and other special rights entitling to shares.

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

The authorisation may be used for the future financing needs of the Company, developing the equity structure, minimise or reduce debts and possible mergers and acquisitions and other corporate purposes.

**Pursuant to the authorisation given on 30 April 2020, the Company's Board of Directors decided on the offering (**"the Offering"**) as follows:**

### Terms of the Offering

#### *The Offering and subscription right*

In accordance with the shareholders' pre-emptive subscription right, the Company is offering up to 376,719,780 new shares (**"the Offer Shares"**) for subscription by the Company's shareholders.

Nexstim will give all shareholders registered in Nexstim's shareholder register maintained by Euroclear Finland Oy (**"Euroclear Finland"**) or Euroclear Sweden AB (**"Euroclear Sweden"**) one (1) book-entry subscription right (**"the Subscription Right"**) per each share held on the Offering record date of 6 May 2020 (**"the Record Date"**). Each Subscription Right entitles the holder to subscribe for six (6) Offer Shares. A single Subscription Right may not be exercised partially.

The Subscription Rights will be registered in shareholders' book-entry accounts in the book-entry system maintained by Euroclear Finland approximately on 7 May 2020 and in the book-entry system maintained by Euroclear Sweden approximately on 8 May 2020. The Subscription Rights can be freely assigned and

they will be traded on First North Finland (trading symbol NXTMHU0120, ISIN FI4000429204) and on First North Sweden (trading symbol NXTMS TR, ISINSE0014401048) between 11 May 2020 and 20 May 2020.

If a Company share entitling to a Subscription Right is subject to a pledge or another such restriction, the Subscription Right may not be exercisable without the consent of the pledgee or other rights holder.

### ***Subscription Right***

The Offer Shares are issued for subscription to the Company's shareholders in proportion to their existing holdings of the shares of the Company.

### ***Secondary Subscription***

The Board of Directors of the Company shall resolve on offering any unsubscribed Offer Shares secondarily to shareholders and other investors who have submitted a subscription application concerning the Offer Shares during the Subscription Period without Subscription Rights ("**the Secondary Subscription**"). See "*Subscription for Offer Shares without Subscription Rights and allocation*" below.

### ***Subscription commitments***

Of the Company's major shareholders, Capricorn HealthTech Fund, Kaikarhenni Oy and Ossi Haapaniemi with his related-party companies, as well as the Company's management team and certain Board members, are on certain terms and conditions committed to subscribing for in aggregate approximately 28% of the Offer Shares as follows:

<b>Commitment provided by</b>	<b>Subscription commitment (in EUR)</b>
Capricorn HealthTech Fund	33,480.58
Kaikarhenni Oy	340,000.00
Ossi Haapaniemi with his related-party companies	229,235.72
Company's management (management team and certain Board members)	30,817.33
<b>In aggregate</b>	<b>633,533.63</b>

### ***Subscription price***

The subscription price of Offer Shares is EUR 0.006 or SEK 0.06 per Offer Share ("**the Subscription Price**").

The Subscription Price will be recorded in the reserve for invested unrestricted equity. The Subscription Price includes a customary pre-emptive subscription right issue discount. The Subscription Price is approximately 91 per cent lower compared with the closing price of the Company's share on First North Finland on 29 April 2020 (EUR 0.068) and approximately 92 per cent lower compared with the closing price of the Company's share on First North Sweden on 29 April 2020 (SEK 0.72).

### ***Subscription period***

The subscription period for the Offer Shares ("**the Subscription Period**") will commence on 11 May 2020 at 09:30 Finnish time (08:30 Swedish time), and is expected to end on 27 May 2020 at 16:30 Finnish time (15:30 Swedish time) in Finland and on 25 May 2020 at 16:30 Finnish time (15:30 Swedish time) in Sweden.

The Company may, at its sole discretion, extend the Subscription Period. The Subscription Period may be extended once or several times, however not past 17 June 2020. Any extensions of the Subscription Period will be announced by way of a company announcement before the end of the Subscription Period. The Subscription Period may not be extended by the Company between 09:30 and 16:30 Finnish time (between 08:30 and 15:30 Swedish time), or after the end of the Subscription Period.

If the Subscription Period is extended, the allocation date, the payment due dates and the dates of delivery of Offer Shares will be changed accordingly.

Subscription locations, account operators, custodians and nominees may require their customers to submit subscription orders on a certain day prior to the start of trading on the Subscription Rights or before the Subscription Period ends.

### ***Subscription locations***

The following function as subscription locations:

- (a) In Finland: account operators and custodians
- (b) In Sweden: custodians and for the subscriptions without subscription rights, the Company's website at [www.nexstim.com/investors/rights-issue-2020](http://www.nexstim.com/investors/rights-issue-2020) (which includes instructions).

### ***Subscribing for Offer Shares and exercising Subscription Rights***

A shareholder may participate in the Offering by subscribing for the Offer Shares through the Subscription Rights in their book-entry account and by paying the Subscription Price. In order to participate in the Offering, a shareholder shall make a subscription according to the instructions given by their custodian or account operator.

The holders of purchased Subscription Rights shall submit their subscription order according to the instructions issued by their custodian or account operator., and by paying the Subscription Price.

Such shareholders and other investors participating in the Offering whose Company shares or the Subscription Rights are registered in the name of a nominee shall submit their subscription order according to the instructions given by their nominee.

The subscription orders must be submitted separately for each book-entry account.

Deficient or erroneous subscription orders may be rejected. If the Subscription Price is not paid according to these terms and conditions or the payment is insufficient, the subscription order may be rejected. In such a situation, the Subscription Price paid will be refunded to the subscriber approximately on 16 June 2020 (provided that the subscription period is not extended, and if such an extension is made, the above-mentioned payment date is extended accordingly). No interest will be paid on such a payment.

Any subscriptions made are binding and may not be amended or cancelled, except in situations where the Company's Board of Directors decides to withdraw the entire Offering (see below "*The Company's right to withdraw the Offering*" below).

Unexercised Subscription Rights will expire and have no value when the Subscription Period ends on 27 May 2020 at 16:30 Finnish time (15:30 Swedish time) in Finland and on 25 May 2020 at 16:30 Finnish time (15:30 Swedish time) in Sweden.

### ***Subscription for Offer Shares without Subscription Rights and allocation***

The subscription of the Offer Shares without the Subscription Rights by a shareholder and/or another investor is performed by submitting a subscription order and, for Offer Shares to be delivered through the book-entry system maintained by Euroclear Finland, by simultaneously paying the Subscription Price in accordance with the instructions provided by the subscriber's account operator, custodian or, in the

case of investors entered into the nominee register, the nominee. A subscription order in Sweden which is sent by mail has to be submitted in good time before the last day for subscription. Only one (1) subscription order without Subscription Rights can be done. If multiple subscription orders are given, only the last one is taken into account. An incomplete or incorrect subscription order may be ignored. The subscription order is binding.

The custodian, account operator or nominee of the shareholder and/or investor, whose subscribed Offer Shares are delivered through the book-entry system maintained by Euroclear Finland, shall receive the subscription order and the payment no later than on 27 May 2020, or at an earlier time according to the instructions given by the custodian, account operator or nominee.

The custodian, account operator or nominee of the shareholder and/or investor, whose subscribed Offer Shares are delivered through the book-entry system maintained by Euroclear Sweden, shall receive the subscription order (without payment) no later than on 25 May 2020, or at an earlier time according to the instructions given by the custodian, account operator or nominee.

If all the Offer Shares have not been subscribed on the basis of the Subscription Rights, Nexstim's Board of Directors will decide on the allocation of the Offer Shares subscribed for without the Subscription Rights as follows:

- (a) First to those who also have subscribed for the Offer Shares on the basis of the Subscription Rights. If the subscribers in question oversubscribe the Offering, the allocation to such subscribers will be determined in a book-entry account-specific manner in proportion to the number of the Subscription Rights used for the subscription for the Offer Shares and, if this is not possible, by drawing lots; and
- (b) Secondly to those who have subscribed for the Offer Shares only without the Subscription Rights, and if the subscribers in question oversubscribe the Offering, the allocation to such subscribers will be determined in a book-entry account-specific manner in proportion to the number of the Offer Shares which the subscribers have subscribed for and, if this is not possible, by drawing lots.

Nexstim's Board of Directors will approximately 1 June 2020 confirm the preliminary outcome of the Offering and allocation of the Offer Shares. Investors who subscribed for Offer Shares without Subscription Rights in Sweden will then have five (5) banking days for the payment of the Subscription Price in accordance with the instructions of their account operators in Sweden.

If the Offer Shares subscribed for without the Subscription Rights in Finland are not allocated in the number referred to in the subscription order, the paid Subscription Price corresponding to the Offer Shares not obtained will be refunded to the subscriber approximately on 9 June 2020 (provided that the subscription period is not extended, and if such extension is made, the above-mentioned payment date is extended accordingly). No interest will be paid on such a payment.

***Announcements concerning Subscription Rights and forms related to the shareholders' register maintained by Euroclear Sweden***

Shareholders or their representatives, who are registered in the shareholders' register of the Company maintained by Euroclear Sweden on the Record Date, will receive a written announcement of their Subscription Right, accompanied by payment instructions, a brief notice concerning the Company's Offering and a subscription order form for subscribing for Offer Shares without Subscription Rights. Any pledgees and similar rights holders registered in the shareholders' register will not receive any separate announcement of their Subscription Right. However, the Offering will be communicated to them

separately. No separate announcement of the registration of Subscription Rights in book-entry accounts will be given.

### ***Dilution of share ownership***

The number of the Company's shares may increase from 62,786,630 shares up to 439,506,410 shares as a result of the Offering. The Offer Shares correspond to approximately 600 per cent of the all the Company's shares directly before the Offering and to approximately 86 per cent after the Offering, provided that the Offering is subscribed in full.

### ***Approval and payment of subscriptions***

The Company's Board of Directors will finally approve all the subscriptions made on the basis of the Subscription Rights and in accordance with the terms and conditions of this Offering and the applicable laws and regulations approximately on 10 June 2020. In addition, the Company's Board of Directors will then also finally approve the subscriptions made without the Subscription Rights and in accordance with the terms and conditions of the Offering as well as applicable laws and regulations pursuant to the allocation principles presented above in the section "*Subscription for Offer Shares without Subscription Rights and allocation*".

The Subscription Price of the Offer Shares subscribed for in the Offering must be paid in full in euro in Finland or Swedish krona in Sweden in connection with the submission of the subscription order according to the instructions given by the subscription location, the custodian or the account operator, except when subscribing for Offer Shares to be delivered through the book-entry system maintained by Euroclear Sweden without subscription rights. Payments of Subscription Prices for such subscribed Offer Shares shall be paid, in accordance with the instructions of the account operators in Sweden, in five (5) banking days after the preliminary approval of Nexstim's Board of Directors for the outcome of the Offering and allocation of the Offer Shares i.e. no later than 8 June 2020.

A subscription is considered made when the subscription order has arrived at the subscription location, the account operator or custodian in question. By subscribing, the subscriber authorises their account operator to disclose the necessary personal data, the number of their book-entry account and the details of the subscription to the parties involved in the order or the execution of the order to allocate and settle the Offer Shares.

If the payment of the Subscription Price has not been done when it falls due, the Company may, at its sole discretion, reject the subscription, and if the Offering is oversubscribed, reallocate unpaid Offer Shares to subscribers selected according to the principles referred to in the section "*Subscription for Offer Shares without Subscription Rights and allocation*" who have not received all the Offer Shares they subscribed for in the Offering.

The Board of Directors has the right in certain situations to withdraw the Offering (see section "*The Company's right to withdraw the Offering*").

### ***Announcement of the outcome of the Offering***

Provided that no changes are made to the Subscription Period, the Company will announce the preliminary outcome of the Offering approximately on 1 June 2020 and the final outcome of the Offering approximately on 10 June 2020 by way of a company announcement.

### ***Registration and delivery of the Offer Shares***

The Offer Shares subscribed for in the Offering will be issued as book entries in the book-entry system of Euroclear Finland and delivered to the investors through the book-entry systems of Euroclear Finland and Euroclear Sweden.

After the subscription, temporary shares in Finland and "*betalda teckande aktier*" in Sweden corresponding to the Offer Shares subscribed for based on the Subscription Rights ("**the Temporary Shares**") will be entered in the subscriber's book-entry account. Trading in the Temporary Shares will commence on First North Finland (trading symbol NXTMHN0120, ISIN FI4000429212) and on First North Sweden (trading symbol NXTMS BTA, ISIN SE0014401055) as their own special share class approximately on 11 May 2020, and will end approximately on 12 June 2020 on First North Finland and approximately on 16 June 2020 on First North Sweden. The Temporary Shares will be combined with the Company's current shares after the Offer Shares have been registered in the Trade Register (registration within the Trade Register approximately on 12 June 2020). The delivery and combination will take place approximately on 15 June 2020 in the book-entry system maintained by Euroclear Finland, and the Offer Shares will be subject to trading together with the Company's existing shares approximately on 15 June 2020 on First North Finland. The delivery and combination will take place approximately on 18 June 2020, in the book-entry system maintained by Euroclear Sweden, and the Offer Shares will be subject to trading together with the Company's existing shares approximately on 16 June 2020 on First North Sweden.

Offer Shares based on the subscriptions without Subscription Rights will be registered in the subscriber's book-entry account approximately on 15 June 2020 in Finland, i.e. on the next banking day following the registration of the Offer Shares in the Trade Register, approximately on 12 June 2020, and in the subscriber's book-entry account approximately on 18 June 2020 in Sweden.

### ***Disclosure of information***

By subscribing for Offer Shares in the Offering, subscribers authorise their account operator, custodian or nominee to disclose necessary personal data, the number of their book-entry account and subscription-related details to parties that participate in the allocation and settlement of subscription orders or Offer Shares.

### ***Holders of option rights***

According to the terms and conditions of the Company's option rights 2013A, 2016B–C, 2017 and 2018A–B, if the Company decides, before the subscription of shares, on an issue of shares or an issue of new option rights or other special rights so that the shareholders have preferential subscription rights, the owner of an option right shall have the same right as, or an equal right to, that of a shareholder. Equality is reached in the manner determined by the Company's Board of Directors by adjusting the number of shares available for subscription, the share subscription prices or both of these. To ensure the equality of the holders of option rights and shareholders, the Company's Board of Directors will decide by 31 July 2020 on changing the numbers of shares to be subscribed for on the basis of option rights 2013A, 2016B–C, 2017 and 2018A–B and/or the Subscription Price due to the Offering. Option rights granted by the Company do not give entitlement to participate in the Offering. In connection with a subscription for shares, the total number of shares subscribed for by a holder of option rights will be rounded downwards to full shares, and the total Subscription Price will be calculated using the rounded number of shares and rounded to the closest cent.

### ***Holders of existing warrants***

According to the terms and conditions of the existing warrants i.e. special rights entitling to shares in the Company agreed with Bracknor and Sitra, if the Company decides, before the subscription of shares, on an issue of shares so that the shareholders have preferential subscription rights, the holder of such rights shall have the same right as, or an equal right to, that of a shareholder. Equality is reached in the manner determined by the Company's Board of Directors by adjusting the share subscription price. The intention of the Board of Directors is to resolve the matter as soon as the final number of the Offer Shares which are issued has been verified.

However, according to the terms and conditions of the warrants, i.e. special rights entitling to shares agreed with Kreos, the creditor of the Company, if the Company decides, before the subscription of shares with the warrants, on an issue of shares so that the share-specific Subscription Price is lower than the share-specific Subscription Price with warrants, the Subscription Price of subscriptions for on the basis of the warrants shall be amended so that the warrants holder is entitled, from the commercial point of view, to the same anti-dilution protection as granted to other shareholders. The Company will enter into a precise agreement with Kreos and make the required decisions as soon as the final amount of the Offer Shares which are issued has been verified.

The special rights granted by the Company do not give entitlement to participate in the Offering.

### ***Shareholder rights***

The right of ownership to the Offer Shares will be established after the Offer Shares have been paid, registered in the Trade Register and registered in the subscriber's book-entry account. After this, the Offer Shares will confer the same rights as the Company's other shares.

### ***Company's right to withdraw the Offering***

The Company may, at its sole discretion (and for any reason), withdraw the Offering. If the Offering is withdrawn, any subscriptions given by investors will be automatically cancelled. In such case, the Subscription Price paid by investors will be returned to the bank accounts of the investors given by the investors in connection with the subscription, or the subscriber has transferred the Temporary Shares, to the holder of such Temporary Shares. The funds will be repaid within seven (7) local banking days of the Offering being withdrawn. A withdrawal of the Offering will be announced by the Company by way of a company announcement.

The Company may not withdraw the Offering after the Board of Directors of the Company has resolved on the allocation of the Offer Shares.

### ***Governing law and the settlement of disputes***

The Offering and the Offer Shares shall be governed by Finnish law. The courts of Finland have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Offering.

If there are any discrepancies between this original Finnish version or its Swedish or English translation, the Finnish version shall take precedence.

### ***Other matters***

The Company's Board of Directors may make decisions on other matters related to the Offering.

The Company has prepared a basic information document regarding the Offering in accordance with chapter 3, section 2 of the Finnish Securities Markets Act (746/2012, as amended). The basic information

document and other documents referred to in the basic information document are available on the Company's website at [www.nexstim.com/investors/rights-issue-2020](http://www.nexstim.com/investors/rights-issue-2020).