

Nexstim



Nexstim- Personalized Brain Diagnostics and Therapy

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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. Nexstim markets its NBT[®] system in the US for the treatment of Major Depressive Disorder (MDD) following clearance from the FDA for marketing and commercial distribution for this indication. The NBT[®] system is CE marked in Europe for the treatment of major depression and chronic neuropathic pain. Nexstim's NBS 6 System is not yet cleared by the FDA or CE marked in Europe for any indication for use.

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Nexstim is a Finnish, globally operating growth-oriented medical technology company.



MISSION

- We enable personalized and effective therapies and diagnostics for challenging brain diseases and disorders.
- Our innovations create a possibility for a better life.



VISION

- With our technological know-how and superior services,
- we ensure the best treatments for our patients,
- deliver the greatest value for our customer hospitals, clinics and business partners,
- and long-term growth in shareholder value for our investors.



VALUES

- Science and clinical evidence
- Financial success
- Passion and commitment
- Ethics and responsibility



Megatrends that Support our Growth

Nexstim's unique proprietary neuronavigated TMS-technology for both diagnostic and therapy applications.

1

Aging population

- Population aging and a significant decline in the working-age and able population in Western countries
- Brain diseases increase with aging

2

Technological development in healthcare

- Technological developments and active research enable wider and new applications in the treatment of challenging brain diseases and disorders

3

Healthcare cost pressures

- The need for more effective and faster rehabilitation



Our Business and Products

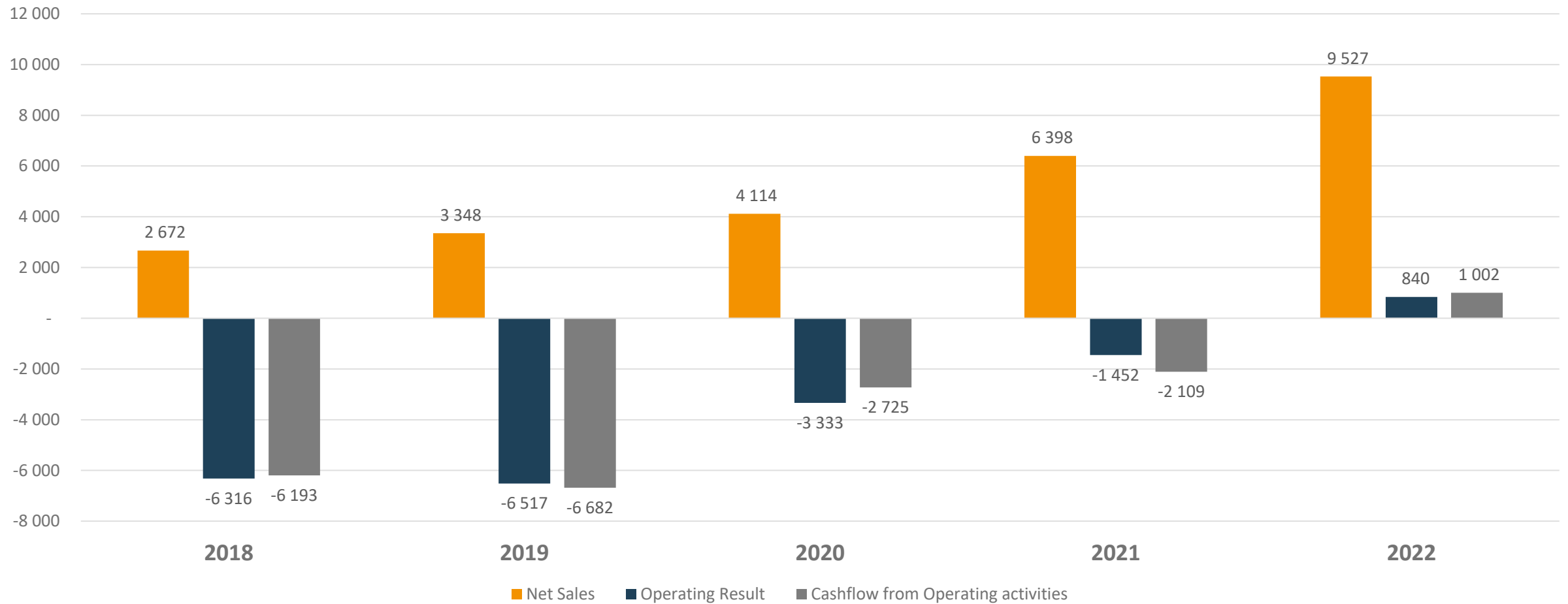
Business	System	Commercial Status	Application	Europe	United States
Diagnostics Business	NBS (Navigated Brain Stimulation)	Over 210 systems sold	Pre-surgical mapping	CE marked	FDA approved
Therapy Business	NBT® (Navigated Brain Therapy)	Over 60 systems incl. therapy software	Depression	CE marked	FDA approved with existing reimbursement
			Chronic pain	CE marked	Additional clinical trials evaluated



- Nexstim's historically best year measured by net sales, operating profit and result for the period
- 2022 was the first profitable year in the history of the company
- Business has continued the profitable growth despite the tense global political situation caused by the war in Ukraine
- System sales were EUR 3.1M (2021: EUR 3.7M), a decrease of -17.4%. Recurring net sales accounted for EUR 2.9M (2021: EUR 2.7M), an increase of 9.0%. Licensing business accounted for EUR 3.5M (2021: EUR 0.0M)
 - Net sales = EUR 9.5M (2021: EUR 6.4M), an increase of 48.9%
 - Operating result = EUR 0.8M (2021: EUR -1.5M), first operating profitable year
 - Result for the period = EUR 1.3M (2021: EUR -0.8M), first profitable year
- Diagnostics Business (NBS) net sales decreased by -7.7% in 2022 to EUR 3.4M (2021: EUR 3.7M) and the Therapy Business (NBT®) net sales grew by 126.8 % in 2022 amounting to EUR 6.1M (2021: EUR 2.7M)
- Rapid growth rate was mainly due to the sale of a technology license related to the NBT® system to Magnus Medical and the agreement signing fee of around EUR 3.5 million, which was recognized as revenue during H1 2022.

Nexstim Financial Progress 2018-2022

Financial Progress (EUR thousands)



2022 Key Financials

Key Financials of the Group

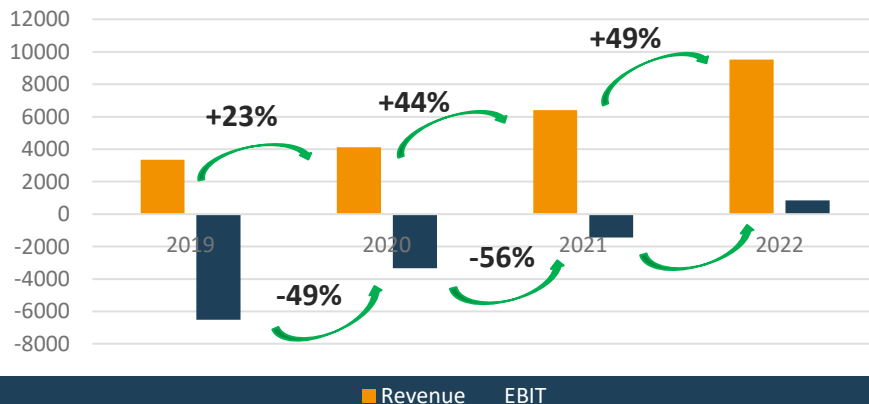
EUR in thousands	1-12/2022 12 months	1-12/2021 12 months	Change-%
Net Sales	9,526.7	6,397.5	48.9
Gross margin	8,285.9	5,262.0	57.5
Gross margin-%	87,0%	82.3%	
Personnel expenses	-4,828.8	-4,347.8	11.1
Other operating expenses	-3,389.0	-3,083.3	9.9
Operating result	840,3	-1,452.2	
Result for the review period	1,306.8	832.1	
Cash flows from operating activities	1,002.2	-2,109.0	
Cash in hand and at banks	4,441.3	5,194.7	-14.5
Total equity	4,068.9	3,202.7	27.0
Equity ratio (%)	45.4%	34.7%	

Total net sales	9.5M€ +48.9%
• Adj. comparable net sales	6.0M€ +9.2%
• NBS net sales	3.4M€ -7.7%
• NBT net sales	6.1M€ +126.8%
• Licensing	3.5M€

• Operating expenses	8.2M€ +10.6%
-Changes in organization and compensation levels	
-Increased level of sales & marketing activities	

First ever positive Operating result
• Subsidiary loans related exchange rate gains have a positive impact on the result for the period due to stronger USD

• Cash position	4.4M€
• Positive result increased Total equity	
• Nexstim not planning new funding rounds at the moment	



Net sales and Operating result development

- Profitable revenue growth plays a key role in our efforts to minimize our future capital needs

Future outlook: Based on business forecasts, the company expects that its comparable net sales will grow in 2023 and its EBITDA (operating result before depreciations) for the financial year will be positive.

Nexstim Key Strategic Objectives 2023

1

Profitable comparable net sales growth, leading to a positive EBITDA (operating result before depreciation) for the financial period, while minimizing future capital needs

2

The launch of the new NBS 6 product, enabling easy-to-use systems and the use of future additional modules in the same system

3

Expanding the network of Nexstim exclusive collaboration clinics primarily in the USA and Europe

Future outlook: Based on business forecasts, the company expects that its comparable net sales will grow in 2023 and its EBITDA (operating result before depreciations) for the financial year will be positive.



NBS 6 – future of the Nexstim system

Developing and launching a new product generation is an essential part of Nexstim's work during the 2020-2024 strategy period



- The NBS 6 is a new combined system that has been built on Nexstim's unique, clinically established technology.
- The modular product design allows for an expansion of system capabilities over time.
- The new solution creates long-term value for Nexstim's customers and investors.

Responding to customer demand

The NBS 6 software has been developed in collaboration with Nexstim's customers, ensuring the best possible level of usability. The new combined system responds to the great customer demand for systems that allow the delivery of both diagnostic and therapeutic applications.

Thank you!

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