

Nexstim

Patient registry shows promising outcomes in MDD

20 April 2020

- Nexstim has reported positive clinical outcomes [data](#) from the first 55 patients to complete treatment with its NBT 2 System for major depressive disorder (MDD) at US clinical sites. NBT was launched in the US for MDD in May 2018. It is a repetitive transcranial magnetic stimulation (rTMS) system which uses built-in SmartFocus navigation technology to accurately map and target the DLPFC (dorsolateral prefrontal cortex) in the brain.
- The patient registry data indicated that NBT treatment resulted in better than typical clinical outcomes. Of the first 55 US patients completing treatment, 22 (40%) achieved clinical remission and 39 (71%) a clinical response at the end of their treatment. This compares very favourably with remission rates of 26.5-28.7% and response rates of 41.5-56.4% with rTMS in MDD as reported in a 307-pt multi-site [study](#) in 2012.
- The results are based on patient reported outcome measures using Beck's Depression Inventory (BDI) and Patient Health Questionnaire-9 (PHQ-9) to measure depression severity. Remission was defined as a PHQ-9 score of <5 or BDI score of <10, while clinical response was defined as a PHQ-9 score of <10 or BDI score of <19 at end of the treatment course.
- In addition, patients reported that the NBT treatment process was generally very positive, with a mean 8.7/10 score. This is encouraging given the implications for patient retention and completion of treatment courses.
- Data from larger groups of patients are needed to draw more meaningful conclusions; however, this initial data indicates that NBT's reliability and reproducibility can deliver improved patient outcomes; with faster treatment times that could also result in material cost advantages.

Trinity Delta view: A major focus area for Nexstim is gaining market traction with its NBT platform in MDD. Good momentum is being shown so far: FY19 NBT Therapy sales grew +131% to €1.5m. Growing usage generates more patient registry data, and this valuable clinical evidence, whether published in white papers or journals, will support marketing efforts to drive further adoption. While the COVID-19 pandemic will have repercussions on commercial activities, we note that core NBT use in MDD is in out-patient psychiatric clinics/TMS centres with an active installed base of 23 systems at end-FY19. Nexstim also continues to explore potential entry into a distinct new in-patient TMS market: treating hospitalised severe MDD patients who may have suicidal ideation. NBT would be well suited given intensive treatment protocols and a need for accurate targeting.

Nexstim's strategic review and update is expected to conclude in the spring. This aims to refine the long-term outlook and financial objectives across the Therapy (NBT) and Diagnostics (NBS) businesses and includes evaluating various funding options and strategic alternatives. Ahead of this, we maintain our €31.4m (€0.50/share) valuation.

Price	€0.07
Market Cap	€4.6m
Primary exchange	Helsinki
Sector	Healthcare
Company Codes	NXTMH/NXTMS
Corporate client	Yes

Company description:

Nexstim is a targeted neuro-modulation company that has developed a proprietary navigated rTMS platform for use in diagnostics (NBS) and therapeutics (NBT). NBS is used in planning brain surgery while NBT is focused on depression and chronic pain. FDA approval for depression was given in 2017, and the focus is on its commercial roll out in the US, Europe and Asia.

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