

INTERIM REPORT

AS OF MARCH 31

2019

PAXMAN AB (publ)

FIRST QUARTER

2019



Steady financial improvements in combination with continued strong global growth

- The Group's sales amounted to 17.8 (11.0) MSEK for the first quarter of the year.
- The Group's net result totaled -0.5 (-1.7) MSEK for the period January - March.
- EBITDA amounted to 0.9 (-0.6) MSEK for the first quarter.
- Earnings per share were -0.03 (-0.10) SEK for the period January – March.
- Cash flow before financing activities was -6.2 (-6.8) MSEK for the first quarter.
- Net liquid assets totaled -18.5 (-1.2) MSEK on 31 March.
- A total number of 119 scalp cooling systems were installed around the world in Q1 2019, with the order book containing an additional 218 systems.



SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

- On 30 January 2019, PAXMAN signed a research collaboration agreement with National University Hospital, Singapore, for the development of a portable cooling and compression device to prevent chemotherapy-induced peripheral neuropathy (nerve damage in hands and feet). The goal is to have a prototype ready for clinical studies in Q2 2020. Any patents and other intellectual properties based on the collaboration will be jointly owned by the parties, while PAXMAN retains the exclusive rights to commercialize and sell products following market clearance.
- In mid-February PAXMAN signed another important R & D agreement, this time with the University of Huddersfield. PAXMAN and the university are now launching the world's first research center for scalp cooling: the PAXMAN Scalp Cooling Research Centre. The center will focus on biological hair follicle research as well as on the development of innovative scalp-cooling related treatments and individual 3D-printed cooling caps.
- In the middle of March, PAXMAN announced that NCCN (the National Comprehensive Cancer Network) had updated the Clinical Practice Guidelines to include scalp cooling as a category 2A recommendation for chemotherapy-induced alopecia for breast cancer patients receiving chemotherapy. This recommendation by NCCN is an important step toward increasing patient and provider access to scalp cooling.
- In late March, PAXMAN received market approval (Shonin) in Japan, based on a successful clinical evaluation at five leading Japanese cancer clinics.

The approval covers all solid tumours, which means that PAXMAN may now initiate comprehensive market activities on one of the largest and most influential Asian markets.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

- In April PAXMAN received an order for 20 scalp cooling systems to Japan, only two weeks after its market approval. The systems will be installed at Tokyo Medical Center Hospital and Kyoto University Hospital, with installations starting in June.
- On May 13, PAXMAN announced that the company has installed or signed delivery agreements for over 500 scalp cooling systems preventing hair loss in connection with chemotherapy in the USA, only two years after receiving FDA approval. The company is now actively supporting large-scale coverage and reimbursement for the treatment. The latest installations in the USA include additional scalp cooling systems at the Mayo Clinic locations in Minnesota, Arizona, Florida and Wisconsin, and also at Memorial Sloan Kettering and Dana-Farber Cancer Institute.

Comment by the CEO

As we enter into the second quarter of 2019, I am feeling extremely positive. PAXMAN's first quarter can only be described as impressive, and important steps towards insurance coverage of scalp cooling costs have been taken in the USA.

Although our group sales were a bit lower in Q1 2019 compared to Q4 2018, which was due to shipping delays that affected our operating business in the UK, we were able to reach an impressive 0.89 MUSD in revenue for the USA. This can be compared to 0.68 MUSD for the previous quarter, and 0.40 MUSD for the same period last year. The strong enrollment growth in the USA continued with a 31 % increase from Q4 2018 to Q1 2019, and this was not only due to a growing number of total installs in the region. We are also seeing a positive trend for our utilisation numbers.

Stronger sales in the USA, together with a continued focus on controlling our operating costs, led to a positive EBITDA for Q1 2019 and an improved cash flow for the business. Based on our strong order book and continued improvements in enrollments, this is set to continue.

In addition to strengthening our financial position, we were excited to report on two important steps that were taken towards a broader reimbursement coverage for scalp cooling in the USA.

In March, the NCCN announced the inclusion of scalp cooling as a category 2 recommendation to prevent chemotherapy-induced hair loss in their guidelines for invasive breast cancer treatment. This decision is expected to influence the policies of commercial insurance companies, and it will also encourage caregivers to prescribe scalp cooling. I will be in contact with several paying entities in the coming months to discuss this important topic.

In May, the House of Representatives in the state of Texas passed a bill (Texas HB 3984) that would make it mandatory for health care programs to cover scalp cooling costs. However, the Senate's Business & Commerce Committee opposed the bill and therefore prevented it being heard by the Senate. Although this is a setback, it is encouraging that the bill received such strong support from the House of Representatives and legislators. At the same time, scalp cooling is on the agenda also in additional states, and we will give active support to similar bills that are being planned in New York and other states. In the coming months, we will also review our efforts in support of reimbursement coverage by public entities in light of these events together with external consultants.

After a lengthy period of investing substantial time and money, we were delighted to announce that the PAXMAN Scalp Cooling System received market approval in Japan in March.

This provides a great opportunity for business growth. Japan is one of the World's largest healthcare markets, and we will combine the sales of our systems with sales of single patient use cooling caps that will create a strong recurring cash flow. With an initial order of 20 systems, that was announced in April, we are off to a great start.

It is also exciting that we were able to launch a new, world-class Research Centre together with the University of Huddersfield. This will ensure that PAXMAN continues to improve everything we do for patients, while also maintaining our position as the global market leader in scalp cooling.

Finally, we are incredibly proud that PAXMAN and our team have received several awards during the quarter, including a Board of Trade Award from the Department of International Trade in the UK. These awards constitute an important recognition of the incredible progress that we have and will achieve together with our valued partners and shareholders. Together, we are contributing to a higher quality of life for cancer patients across the globe.



Richard Paxman, CEO
PAXMAN AB (publ)



Market developments

In Q1 of 2019, 72 systems were sold throughout 15 countries outside of the USA. Strong markets included the UK, the Netherlands, Italy and Mexico.

EUROPE

PAXMAN was able to achieve impressive sales numbers for Europe in the first quarter, with over 50 systems sold in total. A strong order book for Germany, Spain and the UK provided a good start also in Q2 2019.

The UK market performed well with 14 systems sold. In addition to this, the company has systems on order to key centres in the UK including Stafford, Worthing and Leeds St James. Orders are coming from centres that want to add more systems, as well as for upgrading older systems. Both the UK rental and home healthcare market remain positive, and PAXMAN expects further growth due to the strengthening support from the private sector and insurance coverage for scalp cooling at home.

ASIA

PAXMAN is now the only provider of a market approved scalp cooling system to prevent chemotherapy-induced hair loss in Japan, the world's second largest single market. The market approval in Japan was received in late March and covers all solid tumours. PAXMAN will initiate comprehensive market activities in Japan in the coming months together with its distributor Century Medical. The first order for 20 systems to Japan was received in April, with deliveries planned to start in June, 2019.

CENTRAL & SOUTH AMERICA

Teva, PAXMAN's license partner for Mexico, received delivery of additional systems in Q1, and more systems are planned to be delivered in Q2/Q3. The first revenues from the initial installs in Mexico were received by PAXMAN in Q1, and although relatively modest they are a positive sign of upcoming income growth from this exciting market. The company's partner in Argentina is preparing for a product launch in May at the British Embassy in Buenos Aires. Claire Paxman will be presenting PAXMAN at this prestigious event, which will host many key opinion leaders from the oncology sector in Argentina who are eager to learn more about the company.

USA

By the end of Q1, PAXMAN had installed over 400 scalp cooling systems in over 200 clinics in 35 states. Key installs for the quarter included Houston Methodist, Kaiser Permanente and Monmouth Medical. The company continues to also have a strong order book for the USA. In May, PAXMAN announced that the company now has installed or signed delivery agreements for just over 500 scalp cooling systems, only two years after receiving FDA clearance. The latest installations in the USA include additional scalp cooling systems at the Mayo Clinic locations in Minnesota, Arizona, Florida and Wisconsin, and also at Memorial Sloan Kettering and Dana-Farber Cancer Institute. PAXMAN now has systems installed, or on their way to, 259 locations in 37 states. The key to further growth is shifting from installations to enrollments, and it is therefore encouraging that PAXMAN was able to achieve an enrollment revenue growth of 120 % from Q1 2018 to Q1 2019.

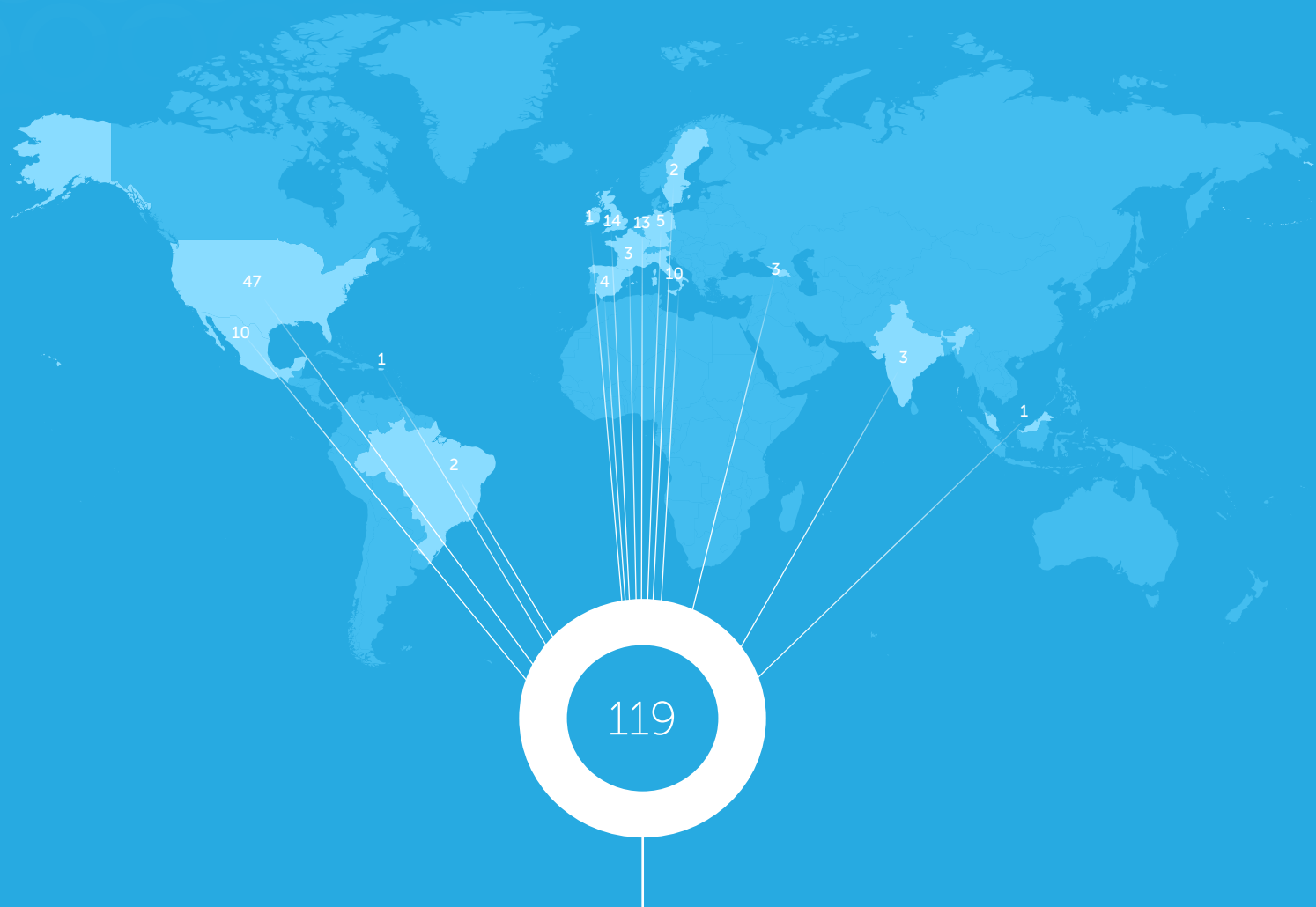
CONFERENCES

PAXMAN attended a number of conferences in Q1, including the St Gallen Breast Cancer Conference, Miami Breast Cancer Conference, National Comprehensive Cancer Network Conference and European Oncology conference, as well as a number of smaller regional conferences to support the company's global partners. A number of these conferences were supported by presentations of scalp cooling research. PAXMAN's strong commitment in this area has led to a significant increase in both awareness and interest over the years, together with the creation of excellent brand recognition.

Additionally, PAXMAN exhibited and attended its second ONS meeting in the USA. During the following months the company will attend ASCO, the world's largest oncology conference, and MASCC, a supportive cancer care conference. At MASCC, PAXMAN will co-sponsor an evening session on scalp cooling and chemotherapy-induced hair loss, with presentations by a number of world-renowned key opinion leaders.

Installed systems in January - March 2019

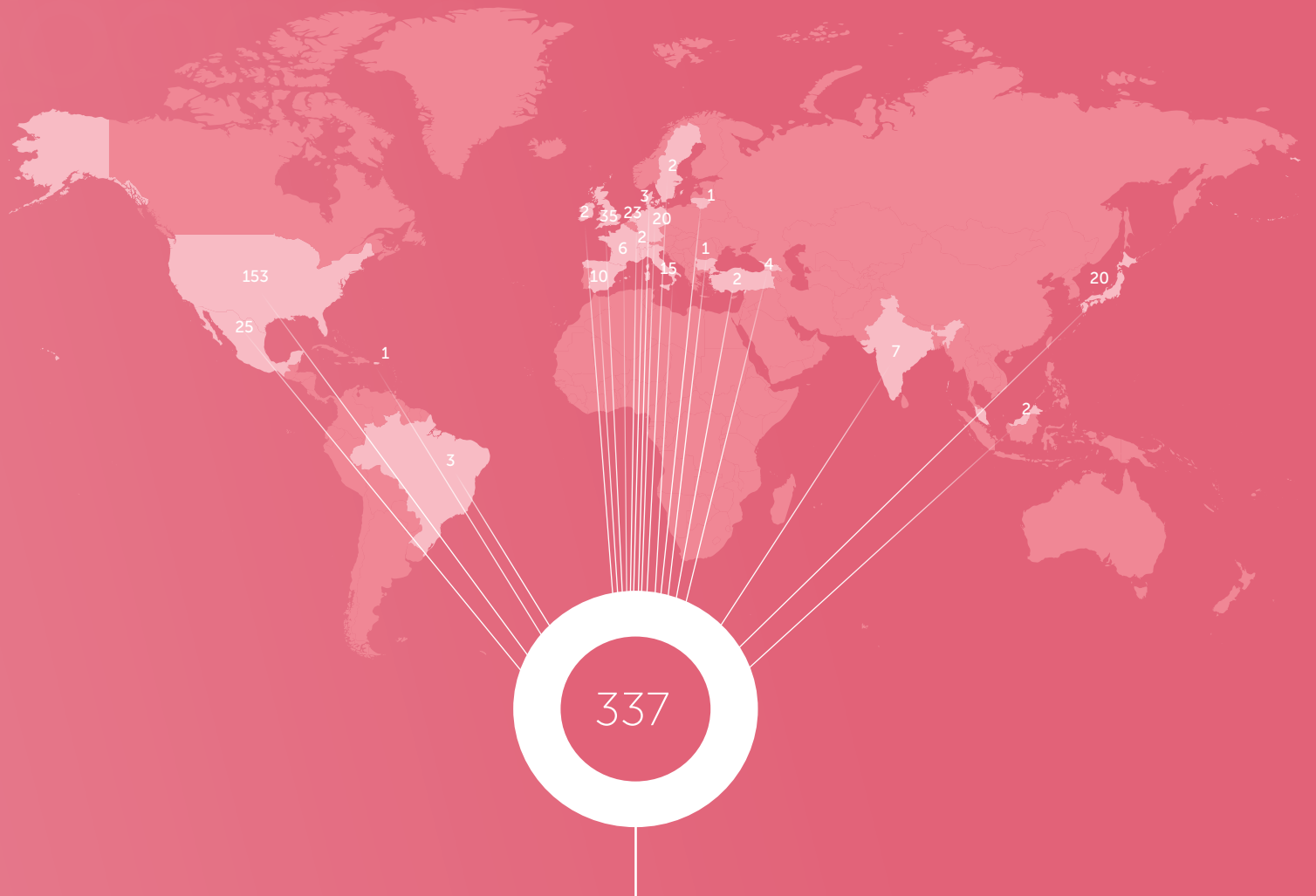
The systems are installed on-site following a signed delivery- and rental agreement (in the USA and in Mexico) or after being sold to the customer (rest of the world)



Brazil	2	Malaysia	1
France	3	Mexico	10
Georgia	3	Netherlands	13
Germany	5	Puerto Rico	1
Great Britain	14	Spain	4
India	3	Sweden	2
Italy	10	USA	47
Ireland	1	Total	119

Installed systems in Q1 2019 + confirmed orders in April - May 2019

The total number for the business operations so far in 2019, up to 15 May. This includes installed systems + confirmed orders that are yet to be installed.



Brazil	3	Lithuania	1
Bulgaria	1	Malaysia	2
Denmark	3	Mexico	25
France	6	Netherlands	23
Georgia	4	Puerto Rico	1
Germany	20	Spain	10
Great Britain	35	Sweden	2
India	7	Switzerland	2
Ireland	2	Turkey	2
Italy	15	USA	153
Japan	20	Total	337

Comments to the financial statements

SALES AND EARNINGS

Net sales in the first three months of 2019 totalled 17.8 MSEK, which was around 1 MSEK below PAXMAN's own expectations. One reason is January's usual prolonged take-off run due to holidays and stock-taking, which more or less meant two weeks of non-productive time. Another reason is temporary shipping delays at the end of March, resulting in ordered and packed cooling systems remaining in stock until early April. As a consequence, the corresponding earnings were also delayed to Q2.

It is satisfactory to note that sales in Q1 2019 increased by 62 % compared to Q1 2018. The major part of this revenue growth has been generated in the US, where sales have increased by 120 % since the beginning of 2018. If we compare Q1 2019 with Q4 2018, revenues in the US grew by 31 %. So, the trend is obvious.

The order book remains strong, and costs are in line with budget.

There have been no transactions with related parties in the reporting period.

CASH FLOW

The supply issues mentioned above had inevitable effects on operating cash flow, as funds were temporarily tied up in stocks. Operating cash flow nevertheless strengthened by around 1.1 MSEK compared to the first quarter of 2018 (from -3.1 MSEK to -2.0 MSEK), an improvement mainly generated on the US market.

Cash flow from investing activities amounted to -4.2 MSEK, compared to -3.7 MSEK in Q1 2018. Investments are primarily made in fixed assets in the USA in line with PAXMAN's organic growth on this market, and in research and development.

FINANCIAL POSITION

The Group's total liabilities amounted to 37.0 (12.5) MSEK on 31 March, of which 18.7 (4.3) MSEK interest bearing. The Group's net liquid assets on 31 March amounted to -18.5 (-1.2) MSEK, of which 0.2 (3.1) MSEK were cash and cash

equivalents. The company has secured a credit line of a total of 25 MSEK, to fully capitalize on its organic growth on the US market. The credit line is earmarked for investments in fixed assets in the US, a base for PAXMAN's continued expansion and profitability on this important market. As of 31 March, 15 MSEK of the credit line was utilized.

EMPLOYEES

As of 31 March 2019 the Group had a total of 42 employees, of whom 1 employed by the parent company PAXMAN AB, 34 by Paxman Coolers Ltd and 7 by Paxman US, Inc.

As of 31 March 2018 the Group had a total of 34 employees, of whom 1 employed by the parent company PAXMAN AB, 28 by Paxman Coolers Ltd and 5 by Paxman US, Inc.

PARENT COMPANY

PAXMAN AB (publ) is the parent company of the PAXMAN Group. Its operations include Group functions such as finance, legal and communications. The parent company has its headquarters in Karlshamn, in the south of Sweden.

ACCOUNTING PRINCIPLES

PAXMAN AB (publ) applies the accounting principles of BFNAR 2012:1 (K3), which are also the accounting and reporting principles used in the Group's annual report. No adjustments have been made to these accounting principles since PAXMAN's latest annual report was published.

This interim report has not been reviewed by the Group's auditors.

AFFIRMATION

PAXMAN AB (publ)'s Board of Directors and C.E.O. hereby assure that this interim report gives a true and fair view of the Group's operations, financial position and performance.

Karlshamn, 23 May 2019

PAXMAN AB (publ)

Per-Anders Johansson		Chairman of the Board
Richard Paxman		C.E.O. and Director of the Board
Maria Bech		Director of the Board
Robert Kelly		Director of the Board
Björn Littorin		Director of the Board
Glenn Paxman		Director of the Board

For further information, please contact Richard Paxman, C.E.O., PAXMAN AB (publ)

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Richard@paxmanscalpcooling.com

This is information that PAXMAN AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 12.30 CEST on 23 May 2019.

Consolidated income statement (condensed)

Tsek	Jan – March 2019	Jan – March 2018	Jan – Dec 2018
Net sales	17,794	10,974	58,023
Capitalized expenses	1,939	2,708	10,540
Total operating income	19,733	13,682	68,563
Raw materials and consumables	-5,881	-3,794	-23,087
Other operating expenses	-7,024	-6,283	-26,323
Personnel costs	-5,946	-4,243	-19,248
Total operating costs	-18,851	-14,320	-68,658
EBITDA	882	-638	-95
Depreciation	-1,112	-987	-4,687
Operating profit/loss	-230	-1,625	-4,782
Net financial items	-255	-39	-382
Profit/loss after net financial items	-485	-1,664	-5,164
Tax	-4	-	-1,937
Net profit/loss for the period	-489	-1,664	-7,101

Consolidated balance sheet (condensed)

Tsek	31 March 2019	31 March 2018	31 dec 2018
Assets			
Intangible fixed assets	10,179	9,165	9,810
Tangible fixed assets	26,721	13,365	24,009
Financial fixed assets	47	49	47
Total fixed assets	36,947	22,610	33,866
Inventories	9,941	9,704	7,819
Current receivables	14,999	8,303	13,606
Cash and bank balances	224	3,095	448
Total current assets	25,164	21,102	21,874
Total assets	62,111	43,712	55,739
Equity and liabilities			
Shareholders' equity	24,596	31,078	25,394
Provisions for taxes	479	115	479
Total provisions	479	115	479
Liabilities to credit institutions	548	339	425
Non-current liabilities	548	339	425
Liabilities to credit institutions	18,170	3,970	12,350
Accounts payable	13,194	6,057	12,922
Other current liabilities	5,124	2,153	4,169
Current liabilities	36,488	12,180	29,441
Total equity and liabilities	62,111	43,712	55,739

Consolidated statement of cash flows (condensed)

Tsek	Jan – March 2019	Jan – March 2018	Jan – Dec 2018
Cash flow from operating activities	-1,974	-3,083	400
Cash flow from investing activities	-4,193	-3,728	-18,324
Cash flow from financing activities	5,943	1,549	10,015
Cash flow for the period	-224	-5,262	-7,909
Cash and cash equivalents, opening balance	448	8,357	8,357
Cash and cash equivalents, closing balance	224	3,095	448

Consolidated changes in equity (condensed)

Tsek	Jan – March 2019	Jan – March 2018	Jan – Dec 2018
Opening balance as of 1 January	25,394	32,766	32,766
Translation gains/losses on consolidation	-309	-24	-271
Profit/loss for the period	-489	-1,664	-7,101
Closing balance	24,596	31,078	25,394

During the period up until 31 December 2017, PAXMAN AB (publ) made two new share issues. In February, 12,760,000 new shares were issued and paid by way of contribution of non-cash consideration comprising all issued shares in Paxman Group Ltd. Paxman Group Ltd thereby became a fully owned subsidiary of PAXMAN AB. In May/June,

3,202,500 new shares were issued in connection with PAXMAN's listing on Nasdaq First North. A total number of 15,962,500 shares were thus issued in 2017, resulting in a total share capital increase of 15,962,500 SEK. The company did not issue any new shares in 2018.

Key ratios

	Jan – March 2019	Jan – March 2018	Jan – Dec 2018
Operating margin, %	Neg	Neg	Neg
EBITDA (TSEK)	882	-638	-95
Equity/assets ratio, %	39.6	71.1	45.6
Liquid assets, net (TSEK)	-18,494	-1,214	-12,327
Market capitalization (TSEK)	715,759	424,331	385,901

Parent company income statement (condensed)

Tsek	Jan – March 2019	Jan – March 2018	Jan – Dec 2018
Other operating income	-	-	-
Total operating income	-	-	-
Other external costs	-456	-298	-1,788
Personnel costs	-383	-310	-1,127
Total operating costs	-839	-608	-2,915
Operating profit/loss	-839	-608	-2,915
Net financial items	-81	44	113
Profit/loss after net financial items	-920	-564	-2,802
Tax	-	-	-
Net profit/loss for the period	-920	-564	-2,802

Parent company balance sheet (condensed)

Tsek	31 March 2019	31 March 2018	31 Dec 2018
Assets			
Investments in Group companies	25,520	25,520	25,520
Total fixed assets	25,520	25,520	25,520
Receivables from Group companies	36,588	23,197	32,407
Other current receivables	677	555	475
Cash and bank balances	50	1,705	50
Total current assets	37,315	25,457	32,882
Total assets	62,835	50,977	58,452
Equity and liabilities			
Shareholders' equity	47,416	50,574	48,336
Liabilities to credit institutions	14,895	-	9,703
Other current liabilities	127	118	189
Accrued costs and prepaid income	397	285	224
Total current liabilities	15,419	403	10,116
Total equity and liabilities	62,835	50,977	58,452

Data per share

	Jan – March 2019	Jan – March 2018	Jan – Dec 2018
Earnings per share, SEK	-0.03	-0.10	-0.44
Equity per share, SEK	1.54	1.94	1.59
Cash flow from operating activities per share, SEK	-0.12	-0.19	0.03
Share price on closing day	44.70	26.50	24.10
Number of shares on closing day	16,012,500	16,012,500	16,012,500
Number of shares, weighted average in the period	16,012,500	16,012,500	16,012,500

Earnings and cash flow per share are based on the weighted average number of shares in the period. Equity per share is based on the total number of issued shares on balance sheet day.

The company has no outstanding convertible debentures, corporate warrants or suchlike, and there are thus no dilution effects to report.

Other information

ABOUT PAXMAN

PAXMAN develops and offers the market leading PAXMAN Scalp Cooling System that is used to minimize hair loss in connection with chemotherapy treatment.

Presently, the system is available at a large number of cancer centres in Europe, North- and South America, Asia and Australia. More installs are added continuously.

With its close to 3,500 delivered systems to over 40 countries, PAXMAN has since established itself as the leading player in its field. Today, scalp cooling treatment has a strong clinical support and is a fully established therapy in, for example, the UK, Scandinavia, the Netherlands, Belgium, Australia and a number of other countries. A key market for PAXMAN is the USA where the company has been very successful following the FDA clearance in April 2017.

PAXMAN was founded as a family business by Glenn Paxman following his wife Sue Paxman's hair loss in connection with chemotherapy treatment for cancer.

Glenn realized that there were shortcomings in the existing methods for scalp cooling and developed a liquid-based system together with his brother in its first version in 1996. Today, their son Richard Paxman is the CEO of PAXMAN, and their daughter Claire Paxman is also involved in the company. In the last 25 years, PAXMAN has conducted extensive clinical trials and developed and refined a system that is today clinically proven, cost-effective and well-received by doctors, nurses and patients. The PAXMAN Scalp Cooling System is a self-contained, mobile, and electrically powered cooling unit to which a specially designed cooling cap is connected. Each cooling unit has an integrated touch screen with a menu-controlled, graphic user interface that makes it easy for healthcare staff to initiate, monitor and complete the scalp cooling process. PAXMAN's cooling cap is made from lightweight, biocompatible silicone that is soft and flexible, providing an optimal fit for the patient.

Research and development

To maintain its position as the global leader in hair loss-preventing scalp cooling, PAXMAN is constantly improving its offer through a rigorous research and development program. The main R&D goal is to improve the efficiency and user experience of scalp cooling while also broadening its scope to include complementary oncology-related indications.

In February 2019, PAXMAN announced a five-year research and collaboration agreement with the University of Huddersfield covering the PAXMAN Scalp Cooling Research Centre, a new multidisciplinary research group at the University of Huddersfield. The centre will focus on biological hair follicle research as well as developing innovative scalp cooling-related treatments and individual 3D-printed cooling caps.

During the first five years, the parties will invest a total of 12 MSEK in cash, staffing and other resources. PAXMAN's investment in 2019 will be covered by a partly EU-financed grant of 1.2 MSEK, and the following four years will be funded by the company's existing R&D budget.

In January 2019, PAXMAN announced a research collaboration agreement with National University Hospital, Singapore for the development of a portable cooling and compression device to prevent chemotherapy-induced peripheral neuropathy (nerve damage in hands and feet). The goal is to have a prototype ready for clinical studies in Q2 2020.

Clinical studies and related projects

PAXMAN regularly participates in clinical studies to improve the knowledge on how scalp cooling works in situations with different types of chemotherapy treatments, patient groups and patient specific parameters.

In December 2018, positive results were presented from an important study in Japan. In addition to this Japanese study, the results of the study used for the SHONIN application in Japan is expected to be presented later in 2019. A study in India with patients using combinatory chemotherapy treatments (anthracyclines and taxanes) at the TATA Memorial Hospital in Mumbai was completed in February 2019 with the aim to present results at ASCO or ESMO in 2019. A study in Singapore with an Asian patient population is progressing well with completion expected in 2019. Additionally, a study in South Africa with African curly hair patients is ongoing with more news to be presented in 2019, and two German studies with patients in treatment for ovarian and breast cancer are expected to be completed in 2019.

PAXMAN is also a co-founder of the global organization and initiative CHILL (Cancer-related Hair Loss, International Leadership and Linkage) that collects patient data from scalp cooling treatments to create a database that can be used to make optimal treatment decisions in different situations. Leading clinics from the Netherlands, Great Britain, Australia and the USA are represented in CHILL's board of directors.

REIMBURSEMENT AND RELATED ACTIVITIES

PAXMAN is working intensely with specialised reimbursement consultants to influence major insurance companies and decision-making bodies. These include the AMA and a future decision to implement a specific CPT code for scalp cooling, as well as to introduce specific HCPCS codes. The company was also engaged in efforts to include scalp cooling in the NCCN's national cancer care guidelines in the USA, which was achieved in March 2019. This is expected to quickly and efficiently increase the number of patients offered access to scalp cooling.

In addition to promoting reimbursement, PAXMAN is also supporting other initiatives to fund scalp cooling for patients lacking the necessary funds. These include HairToStay, with its thousandth subsidy for scalp cooling awarded in 2018. In 2018, PAXMAN was proud to launch the Sue Paxman Fund for Mothers in collaboration with HairToStay to provide much needed support to patients who have no means to cover any cost of scalp cooling. HairToStay estimate that they will award 1 000 more subsidies in 2019.

GENERAL TARGETS AND OUTLOOK

PAXMAN's long term goal is that all patients undergoing chemotherapy shall have access to scalp cooling and that the PAXMAN Scalp Cooling System is the obvious first choice for cancer patients all over the world. The company has already taken steps towards a truly global presence by selling or installing systems in Europe, North and South America, Asia and Australia. In addition to the USA, Japan is expected to become one of the most interesting markets for PAXMAN going forward, as the country represents a large and influential Asian market with approximately 1 million new cancer cases each year.

Market approval in Japan (Shonin) was received in March 2019, and comprehensive marketing activities are planned for 2019 together with the company's distributor Century Medical. To further increase its growth rate, PAXMAN signed the company's first licensing agreement with the major pharmaceutical company Teva Pharmaceuticals regarding the Mexican market in Q1 2018. A market approval was received in Q2 2018, and the two orders for a total of 27 systems were received later in 2018.

SPECIFIC TARGETS FOR 2019

PAXMAN exceeded its specific target of 50 MSEK in turnover for 2018 with a total turnover of 58 MSEK in 2018. In 2019, PAXMAN is aiming to keep up its strong expansion rate in the USA and globally. The company will also continue the transition from selling capital equipment to clinics to the new business model where PAXMAN is reimbursed by the patient per sold cooling cap and each treatment. This will be done in global markets where possible.

At the same time, strong patient enrolments in the USA are expected for both existing and new installations, which will generate a substantial cash flow for the company. PAXMAN has the financial strength required to reach a positive cash flow without additional capital injections, including a credit line buffer of 25 MSEK. However, the company does not exclude more aggressive measures to boost its growth rate, should opportunities arise with the potential to create substantial value for the company's shareholders.



80:20/2020

CHASING ZERO HAIR LOSS DURING CHEMOTHERAPY

RISKS AND UNCERTAINTIES

Information on current risks and uncertainties, as well as on how the company acts to mitigate them, can be found in the annual report for 2018 (pages 41-43). An English translation of this segment is available upon request.

THE SHARE

The PAXMAN share is listed on Nasdaq First North since 12 June 2017. The share's trading name is PAX, its ISIN code SE0009806284 and its LEI code 549300OT2V7Q4IDX8X68. The share capital in the company amounts to SEK 16,012,500 split on 16,012,500 shares, each with a quota value of SEK 1. PAXMAN has only one class of shares.

OWNERSHIP STRUCTURE

A list of PAXMAN's 15 largest shareholders is available on www.paxman.se and is updated at the end of each quarter. As of 31 March 2019, the 10 largest shareholders held 80.7 % of all issued shares. At that time, the company had a total of 631 individual shareholders, an increase of 14 % since the end of 2018.

ANNUAL GENERAL MEETING 2020

The next AGM of PAXMAN AB (publ) will be held in Karlshamn, Sweden, on 27 May 2020 at 15:00 CEST. The AGM will be held in premises adjacent to the company's head office at Pirgatan 13, NetPort, Karlshamn.

NOMINATION COMMITTEE

The Nomination Committee of PAXMAN has the following three members:

- Glenn Paxman, majority shareholder, appointed by and representing the Board of Directors
- Jens Listerö, appointed by and representing Björn Littorin
- Roger Johansson, appointed by and representing CIMON Venture Trust AB

Their contact details, as well as full guidelines for their appointment and responsibilities, are available on www.paxman.se.

CORPORATE INFORMATION

PAXMAN AB (publ), corporate identity number 559079-3898, has its statutory seat in Karlshamn, Sweden, at Pirgatan 13, SE-374 35 KARLSHAMN. Production and sales are carried out by the UK subsidiary Paxman Coolers Ltd, International House, Penistone Road, Fenay Bridge, HD8 0LE Huddersfield, United Kingdom. The Group also has a subsidiary in the US; Paxman US, Inc, based in Houston, Texas. Paxman Coolers Ltd and Paxman US, Inc are both wholly owned subsidiaries of Paxman Group Ltd, in its turn a fully owned subsidiary of PAXMAN AB (publ).

Email: info@paxmanscalpcooling.com
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www.paxman.se
www.paxmanUSA.com

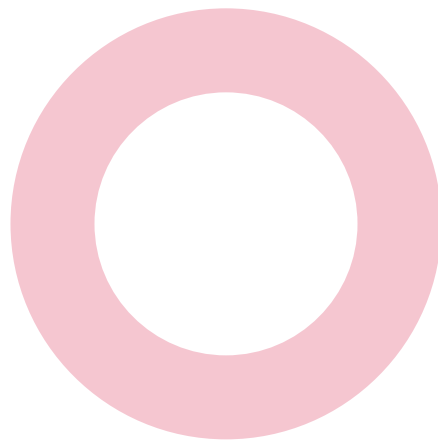
PAXMAN AB (publ) has appointed FNCA Sweden AB its Certified Adviser. FNCA can be reached at +46 (0)8 – 528 003 99 or email info@fnca.se.

FINANCIAL CALENDAR

Semi-annual report January - June 2019		29 August 2019
Interim report January - September 2019		21 November 2019
Year-End Report for the financial year 2019		21 February 2020
Interim report January – March 2020		27 May 2020
Annual general meeting 2020		27 May 2020

PAXMAN's interim reports and annual reports are available on www.paxman.se. Here you will also find PAXMAN's newsletter, published on a monthly basis.





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